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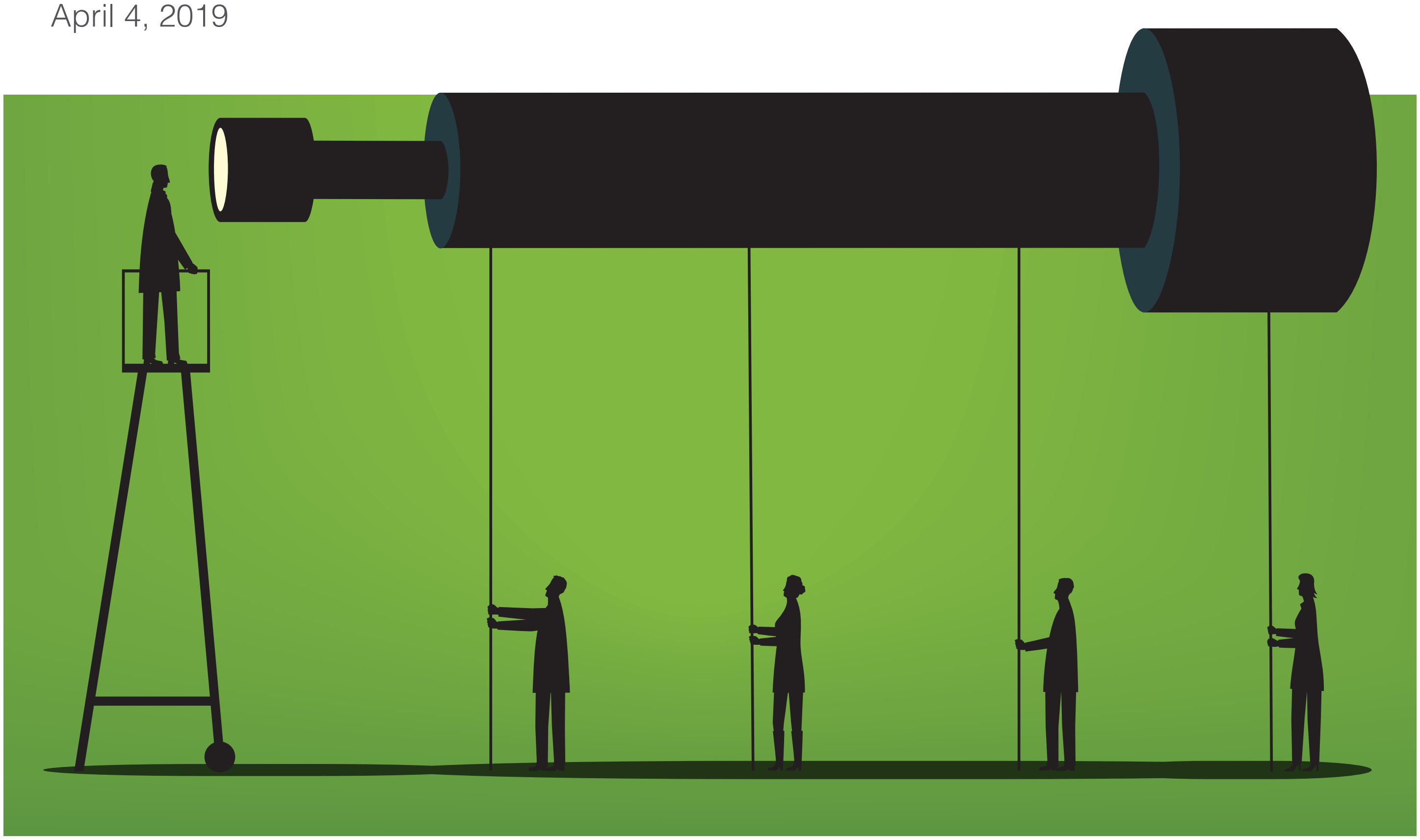
2019

a&a update

Accounting, Reporting and Auditing Developments
April 4, 2019



DIXON HUGHES GOODMAN LLP

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first quarter 2019 accounting & assurance update

The developments included in this Accounting and Assurance (A&A) Update are intended to be a reminder of recently issued accounting and auditing standards and other guidance that may affect our clients in the current reporting period. This quarterly A&A Update is intended as general information and should not be relied upon as being definitive or all-inclusive. Throughout the document we have also referenced other DHG A&A Updates and external publications, as applicable. Recent quarterly A&A Updates can be found under Assurance Alerts on the DHG Knowledge Share Center.

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Financial Accounting Standards Board (FASB)

The following Accounting Standard Updates (ASUs) were recently issued by the FASB. For a summary of their effective dates, along with past ASUs issued and their corresponding effective dates, refer to Appendix A and B for public business entities and Appendix C for private companies.

ASU 2019-03 – Not-for-Profit Entities (Topic 958) – Updating the Definition of *Collections*

This ASU was issued to eliminate diversity in practice that exists today between the application of the Codification's definition of Collections compared to the definition that many entities use for accreditation purposes by aligning the definition in the Codification to the definition in the American Alliance of Museums' Code of Ethics for Museums. The amendments in this Update also require that a collection-holding entity disclose its policy for the use of proceeds from when collection items are deaccessioned (that is, removed from a collection). If a collection-holding entity has a policy that allows proceeds from deaccessioned collection items to be used for direct care, it should disclose its definition of direct care. Under current GAAP, entities are allowed to not recognize contributions of works of art, historical treasures, and similar assets if the donated items are added to collections and meet three conditions. One of the conditions states that an entity must be subject to an organizational policy that requires that the proceeds from sales of collection items be used to acquire other items for collections. The amendments in this Update modify this condition to state that the entity be subject to an organizational policy that requires the use of proceeds from items that are sold to be for the acquisitions of new collection items, the direct care of existing conditions, or both.

The amendments in the Update apply to all entities, including business entities, which maintain collections and are effective for annual financial statements issued for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020, with early adoption permitted. The amendments in this Update should be applied prospectively.

ASU 2019-02 – Entertainment—Films—Other Assets—Film Costs (Subtopic 926-20) and Entertainment—Broadcasters—Intangibles—Goodwill and Other (Subtopic 920-350): Improvements to Accounting for Costs of Films and License Agreements for Program Materials

This ASU was issued to better reflect the economics of an episodic television series, align the accounting with that of films, and provide more relevant financial reporting information to financial statements users. The amendments in this ASU apply to broadcasters and entities that produce and distribute films and episodic television series.

Under current guidance, all production costs specified in Subtopic 926-20 for films were capitalized, while production costs specified in Subtopic 926-20 for an episodic television series were capitalized up to the amount of revenue contracted for each episode in the initial market until persuasive evidence existed that revenue from secondary markets would occur or an entity could demonstrate a history of earning such revenue in that market. Under the amended guidance, the accounting for production costs of an episodic television series has been aligned with that of films by removing the content distinction for capitalization. In addition, the amendments require that an entity test a film or license agreement for program material within the scope of Subtopic 920-350 for impairment at the film group level when the film or license agreement is predominantly monetized with other films and/or license agreements. The amendments also address presentation matters and require that an entity provide new disclosures about content that is either produced or licensed, and address cash flow classification for license agreements.

The amendments in this ASU should be applied prospectively. As such, an entity should apply the amendments at the beginning of the period that includes the date of adoption. For public business entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted, including early adoption in an interim period for public business entities for periods for which the financial statements have not yet been issued or for all other entities for which the financial statements have not yet been made available for issuance.

ASU 2019-01—Leases (Topic 842): Codification Improvements

This ASU was issued as part of the FASB's ongoing Codification Improvements Project to provide clarification to the Codification and correct unintended application of the guidance. Through interactions with stakeholders, the Board has issued the amendments in this ASU based on feedback received on Topic 842 implementation issues. Three main amendments that were issued as part of this ASU include the following:

- **Determination of Fair Value of the Underlying Asset by Lessors that are not Manufacturers or Dealers:** Under Topic 840, an explicit exception existed for lessors who are not manufacturers or dealers for determining the fair value of the leased property; however, Topic 842 did not carry forward this exception when it was issued. Therefore, lessors previously qualifying for the exception under Topic 840 are now required under Topic 842 to apply the definition of fair value in Topic 820, which is defined as the price that would be received to sell the underlying asset in an orderly transaction between market participants at the measurement date (exit price). The amendments in the ASU reinstate the exception in Topic 842 for lessors that are not manufacturers or dealers. Such lessors will use their costs, reflecting any volume or trade discounts that may apply, as the fair value of the underlying asset.
- **Presentation of Receipt of Principal Payments Received under Leases on the Statement of Cash Flows for Lessors within the scope of Topic 942, Financial Services – Depository and Lending:** Historically, lessors within the scope of Topic 942, Financial Services – Depository and Lending, have been presenting principal payments received

under leases within investing activities on the statement of cash flows. Topic 842, however, introduced guidance that requires all lessors to present all cash receipts from leases within operating activities on the statement of cash flows. The amendments in this ASU addressed concerns from stakeholders by clarifying that lessors that are depository and lending institutions within the scope of Topic 942 will present all "principal payments received under leases" within investing activities on the statement of cash flows.

- **Transition Disclosures:** The guidance within Topic 842 on transition disclosures does not explicitly exempt entities from applying paragraph 250-10-50-3, which states that "in the fiscal year in which a new accounting principle is adopted, financial information reported for interim periods after the date of adoption shall disclose the effect of the change on income from continuing operations, net income, and related per-share amounts, if applicable, for those post-change interim periods". The amendments in this ASU clarify the FASB's original intent by explicitly providing an exception to the paragraph 250-10-50-3 interim disclosure requirements as it relates to the Topic 842 disclosure requirements to align them with the exception provided for annual reporting.

The amendments in this ASU related to the fair value of the underlying asset and cash flow presentation for principal payments received from leases are effective for public business entities for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years. For all other entities, the effective date is for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. An entity should apply the amendments as of the date that it first applied Topic 842, using the same transition methodology in accordance with paragraph 842-10-65-19(c).

Other FASB Matters

FASB Staff Releases Q&A on Weighted Average Remaining Maturity (WARM) method for estimating allowance for Credit Losses

The FASB released a staff Q&A in response to questions posed on acceptable, practical methods for measuring expected credit losses for financial assets as Topic 326, *Financial Instruments – Credit Losses* does not require a specific credit loss method. Under Topic 326, entities are allowed to use judgment in determining the relevant information and estimation methods that are appropriate based on their individual facts and circumstances.

Specifically, the FASB staff has received questions as to whether the WARM method is an acceptable method to estimate expected credit losses. The FASB staff noted they believe the WARM method is one of many methods that could be used to estimate an allowance for credit losses for less complex financial asset pools under Subtopic 326-20. The FASB staff also noted that an entity should consider the complexity, size, and composition of the pool of financial assets, as well as the entity's access to information, the size of the entity, and risk management strategy for the pool of assets when determining the complexity and sophistication of methods required to estimate losses. In addition, to illustrate how an entity can estimate the allowance for credit losses using the WARM method, the FASB staff adapted an example from a webinar the staff participated in with the bank regulatory agencies. The example demonstrates how the entity would first calculate the annual charge-off rate and subsequently calculate the estimated allowance for credit losses. The FASB staff noted that there may be other acceptable ways for estimating the allowance for credit losses using the WARM method that differ from the illustrative example provided. Lastly, the FASB staff addressed whether it would be acceptable to adjust historical loss information for current conditions and the reasonable and supportable forecasts through a qualitative approach rather than a quantitative approach. The staff noted that Update 2016-13 does not require a quantitative analysis, and an entity could use a qualitative approach to adjust its historical data for current conditions and reasonable and supportable forecasts.

DHG views

The WARM method may be an acceptable and practical method for an entity to estimate its expected credit losses. An entity will need to apply judgment in determining which estimation methods are appropriate for their individual facts and circumstances. In applying this judgment, entities should consider the complexity, size and composition of its pool of financial assets, as well as the complexity and sophistication of the credit risk management process being performed by the entity.

U.S. Securities & Exchange Commission (SEC)

SEC Chairman Gives Speech on SEC Rulemaking over the Past Year

SEC Chairman Jay Clayton outlined the SEC's 2019 agenda in a recent speech and their intent to continue through on priorities established in 2018. They believe progress has been made on facilitating capital formation, improving regulation of investment professionals, and monitoring and reacting to evolving securities markets. Significant Initiatives for 2019 include the following:

- Completing rules relating to standards of conduct for investment professionals
- Improving the proxy process
- Capital formation and access to investment opportunities
- Encouraging long-term investment
- Distributed ledger technology, digital assets and initial coin offerings

DHG views

In line with Chairman Clayton's speech, the Commission's first Chief Risk Officer has been named, Gabriel Benincasa. The position was created to strengthen the agency's risk management and cybersecurity efforts.

Accounting & Financial Reporting Matters

The SEC is continuing to monitor key market risks such as the LIBOR transition, Brexit and cybersecurity risks. The Chairman stated, "I am very pleased with our accomplishments in 2018, but much remains to be done and we are facing new challenges - some known and some that we will come to know."

FAST Act Mandate to Modernize and Simplify Disclosure

The SEC adopted amendments to modernize and simplify disclosure requirements for public companies, investment advisors, and investment companies. The intention of the amendments is to improve readability and navigability of company disclosures, and to discourage repetition and disclosure of immaterial information. The benefits to both preparers and investors include eliminating outdated and unnecessary disclosure. The amendments will also allow companies to redact confidential information from most exhibits without filing a confidential treatment request. These amendments relating to confidential treatment will become effective upon publication in the Federal Register, while the rest of the amendments will be effective 30 days after publishing.

Filing Non-Public Form N_PORT Data Timing Modified

Amendments to submission deadlines for registered investment companies filing non-public monthly reports on Form N-PORT were modified from within 30 days after each month-end, to all three monthly reports being filed no later than 60 days after the end of each fiscal quarter. The amount and timing of the information on Form N_PORT that will be made available to the public will not change. Filing through the EDGAR system will begin for larger fund groups in April 2019 and for smaller fund groups in April 2020.

Other SEC Matters

Compliance and Disclosure Interpretations Updates

The SEC's Division of Corporation Finance has updated its compliance and disclosure interpretations (C&DIs) related to preparing certain disclosure about self-identified diversity characteristics that may be required under Regulation S-K, Item 401, or with respect to nominees, under Regulation S-K, Item 407.

EDGAR Filer Manual Updates

The SEC adopted updates to the EDGAR Filer Manual, which were effective March 11, 2019. The updates were primarily non-substantive and technical in nature.

The SEC also made available their EDGAR Peak Filing Schedule for 2019 to make filers aware of increased processing times during high volume periods. Filers should submit test filings as early as possible prior to the due date of a filing to avoid missing deadlines.

Assurance Matters

Public Company Accounting Oversight Board (PCAOB)

Guidance on Critical Audit Matter Communication Requirements

The PCAOB has released three staff guidance documents developed to support implementation of the new critical audit matter (CAM) requirements. The staff guidance consists of the following:

- A high-level overview of CAM requirements;
- Observations from the Office of the Chief Auditor's review of audit firms' CAM methodologies, practice aids, training materials, and examples; and
- A deeper dive on the determination of CAMs.

The documents were informed by discussions with auditors regarding their experiences conducting dry runs of CAMs with their audit clients, the PCAOB Staff's review of methodologies submitted by 10 U.S. audit firms that collectively audit approximately 85% of large accelerated filers, and other outreach efforts.

As a reminder, auditors will soon be required to communicate CAMs in the auditor's report under the standard, AS 3101, *The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*. The first phase of CAM implementation is effective for audits of large accelerated filers for fiscal years ending on or after June 30, 2019. The second phase, which impacts audits of all other companies to which the requirements apply, is effective for fiscal years ending on or after December 15, 2020.

DHG views

These documents are intended to provide stakeholders' insight into the PCAOB Staffs' views on areas that could impact audit firms' implementation of critical audit matters. We strongly encourage stakeholders to review these documents to enhance their understanding of critical audit matters and their potential impact to the financial reporting process.

The PCAOB is hosting a webinar for auditors on the implementation of the new CAM requirements with two date options: April 25, 2019 and May 8, 2019.

Staff Inspections Outlook for Audit Committees

The PCAOB issued the 2019 Staff Inspection Outlook for Audit Committees that provides an overview of what audit committees should expect from the PCAOB's 2019 inspections. This document is a supplement to the 2019 Inspections Outlook issued by the PCAOB in December 2018, and focuses on the following seven key areas:

- Technological developments
- Audit firms' actions addressing past inspection findings
- Audit procedures on new accounting standards
- Audit firms' use of Audit Quality Indicators
- Implementation of the new auditor's reporting model requirements
- Audit firms' systems of quality control
- Auditor independence

The document also includes sample questions designed to assist audit committees in considering in engaging with their auditors on current issues of inspection focus.

Adoption of the New Estimates Standard and Amendments Related to Using the Work of Specialists

The PCAOB adopted a new estimates standard to enhance the requirements that apply when auditing accounting estimates, including fair value measurements. The new estimates standard replaces three standards with a single, uniform standard that sets forth an updated approach to auditing accounting estimates. The new standard emphasizes the need to apply professional skepticism, including addressing potential management bias, when auditing accounting estimates and provides more specific direction on auditing fair values of financial instruments that are based on information from third-party pricing sources.

The PCAOB also adopted amendments to its auditing standards to strengthen requirements that apply when auditors use the work of specialists in an audit. These amendments are intended to strengthen the auditor's requirements for evaluating the work of a company's specialist, whether employed or engaged by the company and applies a supervisory approach to both auditor-employed and auditor-engaged specialists.

Subject to SEC approval, the new estimates standard and amendments on the auditor's use of the work of specialists will be effective for audits of financial statements for fiscal years ending on or after December 15, 2020.

American Institute of Certified Public Accountants (AICPA)

New and Revised Independence Rule Interpretations of the AICPA Code of Professional Conduct

The AICPA's Professional Ethics Executive Committee (PEEC) issued new and revised independence interpretations under the "Independence Rule" for both "Leases" and "Client Affiliates" to address independence considerations related to lease arrangements between a covered member and an attest client. Collectively, these updates serve to clarify that self-interest, familiarity, and undue influence threats may exist if a covered member enters into or has a leasing agreement with an attest client.

In the event a covered member has or plans to enter into a leasing arrangement with an attest client, the interpretation states that the threat to independence may be reduced to an acceptable level if the arrangement is arm's length, immaterial to both the covered member and the attest client, and all lease amounts are paid in accordance with the lease terms. If these requirements are not met, independence is deemed to be impaired.

In the event that a covered member may have a lease that does not meet the requirements of the "Leases" interpretation described above, the updates clarify that a covered member should use the "Conceptual Framework for Independence" to evaluate whether threats created by the lease are at an acceptable level.

Omnibus Statement on Auditing Standards – 2019

During the first quarter of 2019, the AICPA voted to issue *Omnibus Statement on Auditing Standards – 2019*. The new standard aims to more closely align certain AICPA auditing standards to those of the PCAOB. The significant amendments are as follows:

- AU-C 240, *Consideration of Fraud in a Financial Statement Audit* introduces and defines the term "significant unusual transactions" and requires procedures to obtain information to evaluate significant unusual transactions.
- AU-C 260, *Communications With Those Charged With Governance* adds material from PCAOB AS 1301, *Communications with Audit Committees* and will require:
  - » Communication of matters that are difficult or contentious for which the auditor consulted outside the engagement team and are relevant to those charged with governance and
  - » Uncorrected misstatements that could potentially cause future-period financial statements to be misstated, even if immaterial in the current period.
- AU-C 550, *Related Parties* adds material from PCAOB AS 2410, *Related Parties* to:
  - » Enhance requirements to identify previously unidentified or undisclosed related parties or significant related party transactions,
  - » Enhance the auditor's response to risks of material misstatement associated with related party relationships and transactions, and
  - » Provide application material for these enhanced requirements.

Other minor amendments were included as part of this standard which generally serve to ensure the concepts of the new amendments are included in other related extant auditing standards. The effective date of the new standard is expected to be no earlier than for audits of financial statements for periods ending on or after December 15, 2020.

AICPA Professional Ethics Division Publishes FAQs on Hosting Services

In February, the AICPA's Professional Ethics Division staff (staff) published a series of FAQs on the "Hosting Services" Interpretation under the "Independence Rule". As a reminder, the AICPA's Hosting Services Interpretation becomes effective July 1, 2019. The answers to the FAQs are provided in response to members' inquiries concerning the interpretations of the "Nonattest Services" subtopic (ET sec. 1.295) of the "Independence Rule" (ET sec. 1.200.001) of the AICPA Code of Professional Conduct. The inquiries addressed by the FAQs, include but are not limited to, the following matters:

- **Termination of a client's access to data or records** – The FAQs address whether a member must terminate a client's access to data or records covered by the "Hosting Services" Interpretation prior to the interpretation's effective date of July 1, 2019. The staff noted that the member is not required to terminate the client's access prior to July 1, 2019; however, upon the effective date of the interpretation, the member should terminate access to such records within a reasonable period of time.
- **Reasonable Period** – As the "Hosting Services" Interpretation indicates, in order to avoid providing hosting services, members should terminate an attest client's access to data or records on the portal within a reasonable period of time, questions arose as to what is considered to be a "reasonable period". The staff noted that members should use professional judgment when determining what a reasonable period of time would be for specific records and data. The period of time should be practical in that it provides the attest client with sufficient time to retrieve the information from the portal and not cause the member undue hardship. They also noted that the period of time should also be limited in duration and should not be extensive.
- **Termination of an attest client's access to its income tax return** - The FAQ's also address whether a member must terminate an attest client's access to the filed income tax return on the member's portal to avoid providing hosting services when a member prepares and transmits an attest client's income tax return and related schedules in accordance with the "Tax Services" interpretation under the "Independence Rule". The staff noted in order to avoid providing hosting services, the member should terminate an attest client's access to the data or records (i.e., the filed income tax return) on the portal within a reasonable period of time after the conclusion of the engagement.
- **Responding to client requests for copies of its data or records** – The FAQs address that if a member returns an attest client's data or records used to perform a professional service but retained a copy as documentation in support of the member's service and the client subsequently requests a copy of its data or records, under the "Hosting Services" interpretation this would not be considered hosting. The interpretation allows a member to retain copies of an attest client's original data or records as documentation that supports the member's professional service. An occasional request by the attest client for copies of original data or records would not, in and of itself, mean that the member was providing hosting services. The member, however, should be alert to a situation in which the attest client repeatedly requests copies of data or records, which may signify that the member has begun providing hosting services as a de facto repository for the attest client's data or records.

AICPA Issues Guidance on Using Current Auditing Standards for Prior Period Audits

The AICPA has revised its Technical Questions and Answers (TQA) on using current auditing standards for audits of prior periods. Found in Q&A Section 8100.03, the revised TQA focuses on whether an auditor, who is engaged to perform an audit of financial statements that are as of and for a period that ended prior to the effective date of certain applicable auditing standards currently in effect, should use the auditing standards and form of auditor's report that are in effect at the time the audit is preformed even if those standards were not in effect for that prior period or whether the auditor should use the auditing standards and form of auditor's report that were in effect for that prior period.

The AICPA noted that the auditor should comply with all AU-C sections relevant to the audit when the AU-C section is in effect and the circumstances addressed by the AU-C section exist. As such, the auditor should perform and report on an entity's prior period financial statements using the auditing standards and form of auditor's report that are in effect at the time the audit is performed, unless an auditing standard provides transitional guidance regarding its implementation. Since current auditing standards would supersede previous auditing standards, the previous auditing standards would no longer be in effect when the audit is performed.

Center for Audit Quality (CAQ)

Audit Quality Disclosure Framework

In early January, the CAQ issued a new framework, *Audit Quality Disclosure Framework* that is designed to assist auditing firms in disclosing certain information about how they promote and monitor the quality of the audits they perform. The Framework builds on previous work by the CAQ and others in the profession to develop perspectives on audit quality indicators and adheres to three key principles:

- The Framework is voluntary and illustrative, as opposed to prescriptive or all-inclusive.
- The Framework is flexible, giving firms the ability to tailor the information that is most relevant and meaningful to audit quality.
- The Framework relates to disclosure of a system of quality control at a firm level, rather than at the engagement level.

Under these overarching principles, the Framework provides "Points of Focus" for six elements of audit quality and certain examples of Firm-Level audit quality indicators:

1. Leadership, Culture, and Firm Governance
2. Ethics and Independence
3. Acceptance and Continuance of Clients and Engagements
4. Engagement Team Management
5. Audit Engagement Performance
6. Monitoring

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

The following table presents ASUs that generally become effective during and for calendar year-end 2019. Please refer to the individual ASUs in their entirety for additional guidance.

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
2018-20 – Leases (Topic 842): Narrow-Scope Improvements for Lessors	Effective with ASU 2016-02 [1]	Retrospective or Prospectively	✔	This ASU was issued to make targeted improvements to Topic 842 for lessors, specifically as it relates to accounting for sales taxes, certain lessor costs, and variable payments for contracts with lease and nonlease components.
2018-16 – Derivatives and Hedging (Topic 815) – Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes	Effective with ASU 2017-12, as amended. [2]	Prospective	✔ [3]	The amendments in this Update permit use of the OIS rate based on SOFR as a U.S. benchmark interest rate for hedge accounting purposes under Topic 815 in addition to the UST, the LIBOR swap rate, the OIS rate based on the Fed Funds Effective Rate, and the SIFMA Municipal Swap Rate.
2018-11 – Leases (Topic 842): Targeted Improvements	Fiscal years beginning after December 15, 2018, including interim periods within those fiscal years [4]	Modified Retrospective	✔	The amendments in this ASU provide entities with an additional (and optional) transition method to adopt the new leases standard. Under this new transition method, an entity initially applies the new leases standard at the adoption date and recognizes a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption consistent with preparers' requests. In addition, the amendments in this Update provide lessors with a practical expedient, by class of underlying asset, to not separate non-lease components from the associated lease component, similar to the expedient provided to lessees. The lessor practical expedient is limited to circumstances in which the non-lease component(s) otherwise would be accounted for under the new revenue recognition guidance and both (1) the timing and pattern of transfer are the same for the non-lease component(s) and associated lease component and (2) the lease component(s), if accounted for separately, would be classified as an operating lease.

1. For entities that have not adopted Topic 842, the amendments in this Update follow the same effective date and transition requirements in Update 2016-02. For entities that have adopted Topic 842 prior to the issuance of this Update, the amendments in this Update should be applied at the original effective date of Topic 842 for the entity. However, the entity has the option to apply the amendments in either the first reporting period ending after the issuance of this Update or in the first reporting period beginning after the issuance of this Update.
2. For public business entities that have already adopted ASU 2017-12, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years.
3. Early adoption is permitted in any interim period upon issuance of this Update if an entity has already adopted Update 2017-12.
4. For entities that have adopted Topic 842, the practical expedient may be elected in the first reporting period following the issuance of this update or at original effective date of Topic 842 for that entity.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
2018-10 – Codification Improvements to Topic 842, Leases	Fiscal years beginning after December 15, 2018, including interim periods within those fiscal years	Modified Retrospective	✔	This ASU provides clarification to guidance in Topic 842 and corrects unintended application of the guidance. Notable amendments included in the ASU include (1) Clarification that a lessor should account for the exercise by a lessee of an option to extend or terminate the lease or to purchase the underlying assets as a lease modification unless the exercise of that option by the lessee is consistent with the assumptions that the lessor made in accounting for the lease at the commencement date of the lease; (2) Clarification that the period covered by a lessor-only option to terminate the lease is included in the lease term; (3) Clarification that a lessor should not continue to accrete the unguaranteed residual asset to its estimated value over the remaining lease term to the extent that the lessor sells substantially all of the lease receivable associated with a direct financing lease or a sales-type lease; and (4) Clarification that a rate implicit in the lease of zero should be used when applying the definition of the term rate implicit in the lease results in a rate that is less than zero.
2018-09 – Codification Improvements	Annual periods beginning after December 15, 2018 [5]	Modified Retrospective, Prospective [6]	✔ [6]	ASU 2018-09 was issued to clarify, correct errors, or make minor improvements to current guidance on various Topics in the Codification. Users should review the entire document to assess any effects that the amendments may have on entities that are within the Update's scope.
2018-08 – Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made	Annual periods beginning after June 15, 2018 (resource recipient) or December 15, 2018 (resource provider), including interim periods within those annual periods	Modified Prospective [7], Retrospective	✔	ASU 2018-08 was issued to clarify and improve current guidance for contributions received and made. The amendments should assist entities in evaluating whether transactions should be accounted for as contributions within the scope of Topic 958, Not-for-Profit Entities, or as exchange transactions subject to other guidance, and determining whether a contribution is conditional. These amendments are designed to reduce diversity in practice when applying current guidance.

5. Effective date for each amendment within the Update is based on facts and circumstances of each amendment. Some amendments are effective upon issuance. See detail of ASU 2018-09 for effective dates of each amendment.
6. Transition requirements vary based on the individual amendment. See guidance in ASU 2018-09 for transition requirements of each amendment within the Update.
7. Under the modified prospective basis, in the first set of financial statements following the effective date, the amendments should be applied to agreements that are either (1) not completed as of the effective date; or (2) entered into after the effective date. A completed agreement is an agreement for which all the revenue or expense has been recognized before the effective date.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
2018-07 – Compensation – Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting	Fiscal years beginning after December 15, 2018, including interim periods within those fiscal years	Modified Retrospective [8]	✔ [9]	ASU 2018-07 was issued to expand the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The amendments specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The amendments also clarify that Topic 718 does not apply to share-based payments used to effectively provide (1) financing to the issuer or (2) awards granted in conjunction with selling goods or services to customers as part of a contract accounted for under Topic 606, Revenue from Contracts with Customers.
ASU 2018-06 – Codification Improvements to Topic 942, Financial Services – Depository and Lending	Immediately	N/A	N/A	This ASU replaces the guidance within FASB ASC 942 – 740, Financial Services – Depository and Lending – Income Taxes, specifically related to Office of the Comptroller of the Currency (OCC) Circular 202 (Accounting for Net Deferred Taxes), as that guidance has been withdrawn by the OCC and is no longer applicable. This ASU is specifically applicable to depository and lending institutions. The ASU is effective upon inclusion in the FASB Codification.
ASU 2018-05 – Income Taxes (Topic 740): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118 (SEC Update)	Immediately	N/A	N/A	This ASU amends certain SEC material in Topic 740 for the income tax accounting implications of the recently issued Tax Cuts and Jobs Act (the Tax Act) and generally serves to codify the SEC's guidance released in SAB 118 mentioned above. The ASU is effective upon inclusion in the FASB Codification.
ASU 2018-04 – Investments – Debt Securities (Topic 320) and Regulated Operations (Topic 980): Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 117 and SEC Release No. 33-9273 (SEC Update)	Immediately	N/A	N/A	This ASU removes SEC guidance in the Codification in SAB Topic 5.M, Other-Than-Temporary Impairment of Certain Investments in Equity Securities, specifically ASC 320-10-S99-1. The ASU also removes special balance sheet requirements in Regulation S-X Rule 3A-05 for Public Utility Holding Companies. The changes are effective when issued.

8. **An entity should only remeasure liability-classified awards that have not been settled by the date of adoption and equity-classified awards for which a measurement date has not been established through a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year of adoption. Upon transition, the entity is required to measure these nonemployee awards at fair value as of the adoption date.**
9. **Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606.**

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2018-03 – Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10); Recognition and Measurement of Financial Assets and Financial Liabilities	For public business entities, the ASU is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years beginning after June 15, 2018 Public business entities with fiscal years beginning between December 15, 2017, and June 15, 2018, are not required to adopt this ASU until the interim period beginning after June 15, 2018, and public business entities with fiscal years beginning between June 15, 2018, and December 15, 2018, are not required to adopt these amendments before adopting the amendments in ASU 2016-01	N/A	✔ [10]	This ASU consists of amendments to clarify certain aspects of the guidance issued in ASU 2016-01, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities as follows: 1. Equity Securities without a Readily Determinable Fair Value—Discontinuation 2. Equity Securities without a Readily Determinable Fair Value—Adjustments 3. Forward Contracts and Purchased Options 4. Presentation Requirements for Certain Fair Value Option Liabilities 5. Fair Value Option Liabilities Denominated in a Foreign Currency 6. Transition Guidance for Equity Securities without a Readily Determinable Fair Value
ASU 2018-02 – Income Statement – Reporting Comprehensive Income (Topic 220); Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years	Retrospective[11]	✔	This ASU allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Act. Additionally, the ASU eliminates the stranded tax effects resulting from the Act and is intended to improve the usefulness of information reported to financial statement users. However, because the amendments only relate to the reclassification of the income tax effects of the Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not affected. The amendments in this Update also require certain disclosures about stranded tax effects.

10. All entities may early adopt this ASU for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, as long as they have adopted ASU 2016-01.

11. The amendments in this Update should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2018-01 – Leases (Topic 842) Land Easement Practical Expedient for Transition to Topic 842	Effective with ASU 2016-02	N/A	✔	The amendments in this ASU permit an entity to elect an optional transition practical expedient to not evaluate under Topic 842 land easements that exist or expired before the entity's adoption of Topic 842 and that were not previously accounted for as leases under Topic 840. An entity that elects this practical expedient should apply the practical expedient consistently to all of its existing or expired land easements that were not previously accounted for as leases under Topic 840.
ASU 2017-15 - Codification Improvements to Topic 995, U.S. Steamship Entities: Elimination of Topic 995	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years	Modified Retrospective	✔	This ASU eliminates Topic 995, U.S. Steamship Entities, from the FASB Codification as the guidance is no longer considered relevant. The guidance in Topic 995 on transitioning to the requirements of Topic 740 is no longer relevant because statutory funds deposited on or before December 15, 1992, have reached the 25-year limit. Entities also should disclose the amounts and types of temporary differences for which a deferred tax liability had not previously been recognized.
ASU 2017-13 - Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments	Effective with ASU 2014-09 and ASU 2016-02, both as amended	Full or Modified Retrospective (ASU 2014-09) Modified Retrospective (2016-02)	✔	This ASU amends the early adoption date option for certain companies related to the adoption of ASU 2014-09 and ASU 2016-02. Both of the below entities may still adopt using the public company adoption guidance in the related ASUs, as amended. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 606 for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2017-12 - Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years	Modified Retrospective [12]	✔	This ASU is intended to improve and simplify accounting rules around hedge accounting and also help financial statement users better understand an entity's risk exposures and how hedging strategies are used to manage those exposures. The new standard refines and expands hedge accounting for both financial and nonfinancial risk components and aligns the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes, for investors and analysts.
ASU 2017-11 - Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Non-controlling Interests with a Scope Exception	The amendments in Part I of this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018 The amendments in Part II of this Update do not require any transition guidance because those amendments do not have an accounting effect	Retrospective[13]	✔	This ASU was issued to address narrow issues identified as a result of the complexity associated with applying generally accepted accounting principles (GAAP) for certain financial instruments with characteristics of liabilities and equity. There are two parts to the update. The first addresses the complexity of accounting for certain financial instruments with down round features while the second addresses the difficulty of navigating Topic 480, Distinguishing Liabilities from Equity. The amendments related to the second part replace an indefinite deferral on certain guidance in Topic 480 with a scope exception, but ultimately does not have an accounting effect.

12. For cash flow and net investment hedges existing at the date of adoption, an entity should apply a cumulative-effect adjustment related to eliminating the separate measurement of ineffectiveness to accumulated other comprehensive income with a corresponding adjustment to the opening balance of retained earnings as of the beginning of the fiscal year that an entity adopts the amendments in this Update. The amended presentation and disclosure guidance is required only prospectively.

13. For part one, an entity can elect to adopt the amendments either: (1) Retrospectively to outstanding financial instruments with a down round feature by means of a cumulative-effect adjustment to the statement of financial position as of the beginning of the first fiscal year and interim period(s) in which the pending content that links to this paragraph is effective; or (2) Retrospectively to outstanding financial instruments with a down round feature for each prior reporting period presented in accordance with the guidance on accounting changes in paragraphs 250-10-45-5 through 45-10. Part two does not have any transition guidance as there is not accounting effect.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2017-10 - Service Concession Arrangements (Topic 853): Determining the Customer of the Operation Services	Fiscal years beginning after December 15, 2017, including interim periods within those years If the entity is a not-for-profit that has issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and an employee benefit plan that files or furnishes financial statements with the SEC, the amendments in this update are effective for fiscal year beginning after December 15, 2017 including interim periods within those fiscal years	Full or Modified Retrospective	✔	This ASU was issued to provide guidance on how an operating entity determines the customer of the operation services for transactions within the scope of Topic 853, Service Concession Arrangements. A service concession arrangement is an arrangement between a grantor and an operating entity whereby the operating entity will operate the grantor's infrastructure for a specified period of time. The operating entity also may maintain the infrastructure, and it also may be required to provide periodic capital-intensive maintenance to enhance or extend the life of the infrastructure.
ASU 2017-09 - Compensation - Stock Compensation (Subtopic 718): Scope of Modification Accounting	Annual periods beginning after December 15, 2017, including interim periods within annual periods	Prospective	✔	This ASU was issued to provide guidance about what changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718.
ASU 2017-08 - Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities	Fiscal years beginning after December 15, 2018, including interim periods within those years	Modified Retrospective	✔	This ASU was issued in order to shorten the amortization period for certain callable debt securities held at a premium. Specifically, the amendments require the premium to be amortized to the earliest call date. The amendments do not require an accounting change for securities held at a discount; the discount continues to be amortized to maturity.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2017-07 - Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods	Prospective and Retrospective[14]	✔	This ASU was issued to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The amendments require that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. If a separate line item or items are used to present the other components of net benefit costs, that line item or items must be appropriately described. If a separate line item or items are not used, the line item or items used in the income statement to present the other components of net benefit cost must be disclosed. The amendments also allow only the service cost component to be eligible for capitalization when applicable (e.g., as a cost of internally manufactured inventory or a self-constructed asset).
ASU 2017-06 - Plan Accounting: Defined Benefit Pension Plans (Topic 960); Defined Contribution Pension Plans (Topic 962); Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting	Fiscal years beginning after December 15, 2018	Retrospective	✔	This ASU was issued to improve the usefulness of the information reported to users of employee benefit plan financial statements and to provide clarity to preparers and auditors. The amendments in this ASU require a plan's interest in that master trust and any changes in that interest to be presented in separate line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits, respectively. The amendments also remove the requirement to disclose the percentage interest in the master trust for plans with divided interests and require that all plans disclose the dollar amount of their interest in each of those general types of investments. The amendments require all plans to disclose: (a) their master trust's other asset and liability balances; and (b) the dollar amount of the plan's interest in each of those balances. Lastly, the amendments eliminate redundant investment disclosures (e.g., those required by Topic 815 and 820) relating to 401(h) account assets.

14. The amendments in this ASU should be applied retrospectively for the presentation of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost in the income statement and prospectively, on and after the effective date, for the capitalization of the service cost component of net periodic pension cost and net periodic postretirement benefit in assets. The amendments allow a practical expedient that permits an employer to use the amounts disclosed in its pension and other postretirement benefit plan note for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. Disclosure that the practical expedient was used is required.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2017-05 - Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU was issued to clarify that a financial asset is within the scope of Subtopic 610-20 if it meets the definition of an in substance nonfinancial asset. The amendments also define the term "in substance financial asset." The amendments clarify that nonfinancial assets within the scope of Subtopic 610-20 may include nonfinancial assets transferred within a legal entity to a counterparty. For example, a parent may transfer control of nonfinancial assets by transferring ownership interests in a consolidated subsidiary. A contract that includes the transfer of ownership interests in one or more consolidated subsidiaries is within the scope of Subtopic 610-20 if substantially all of the fair value of the assets that are promised to the counterparty in a contract is concentrated in nonfinancial assets. The amendments also clarify that an entity should identify each distinct nonfinancial asset or in substance nonfinancial asset promised to a counterparty and derecognize each asset when a counterparty obtains control of that asset.
ASU 2017-03 - Accounting Changes and Error Corrections (Topic 250) and Investments - Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings	Immediately	Prospective	N/A	ASU 2017-03 was issued in order to address disclosure of the impact that recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. The SEC staff expects robust disclosures in accordance with Staff Accounting Bulletin (SAB) Topic 11.M for current year Form 10-K filings and upcoming quarterly filings. This ASU specifically addresses ASU 2014-09, Revenue from Contracts with Customers (Topic 606); ASU 2016-02, Leases (Topic 842); and ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments and subsequent amendments.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2017-01 - Business Combinations (Topic 805): Clarifying the Definition of a Business	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods	Prospective	✔ [15]	ASU 2017-01 was issued to clarify the definition of a business in order to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. This ASU provides a screen whereby a transaction will be accounted for as an asset purchase (or disposal) if substantially all of the fair value of the gross assets acquired (disposed) is concentrated in a single identifiable asset or a group of similar identifiable assets. If the screen is not met, the entity will evaluate whether it is a business acquisition under revised criteria. The amendments in this ASU are expected to cause fewer transactions to be identified as businesses. While this ASU will apply to all entities and industries, it is expected to particularly impact the real estate and pharmaceutical/biotech industries.
ASU 2016-20 - Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU is intended to improve the operability and understandability of the implementation guidance by providing clarifications and practical expedients on the following issues: loan guarantee fees, contract costs, provisions for losses on construction-type and production-type contracts, scope of topic 606, disclosure of remaining performance obligations, disclosure of prior period performance obligations, contract modifications, contract asset versus receivable, refund liability, advertising costs, fixed odds wagering contracts in the casino industry and cost capitalization for advisors to private and public funds.
ASU 2016-18 - Statement of Cash Flows (Topic 230): Restricted Cash	Fiscal years beginning after December 15, 2017, and interim periods within those fiscal years	Retrospective	✔	ASU 2016-18 was issued to address diversity in practice in the classification and presentation of change in restricted cash on the statement of cash flows under Topic 230. The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows.

15. Early application of the amendments in this Update is allowed as follows: (a) For transactions for which the acquisition date occurs before the issuance date or effective date of the amendments, only when the transaction has not been reported in financial statements that have been issued or made available for issuance. (b) For transactions in which a subsidiary is deconsolidated or a group of assets is derecognized that occur before the issuance date or effective date of the amendments, only when the transaction has not been reported in financial statements that have been issued or made available for issuance.

Appendix A - Accounting Standards Affecting Public Business Entities in 2019

Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2016-16 - Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods	Modified Retrospective	✔	ASU 2016-16 was issued to improve the accounting for the income tax consequences of intra-entity transfers of assets other than inventory. The initiative is designed to reduce the complexity in accounting standards.
ASU 2016-15 – Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments	Fiscal years beginning after December 15, 2017 and interim periods within those fiscal years	Modified Retrospective	✔	ASU 2016-05 was issued to address diversity in practice of how certain cash receipts and cash payments are currently presented and classified in the statement of cash flows.
ASU 2016-12 – Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU is intended to improve the operability and understandability of the implementation guidance by providing clarifications and practical expedients on the following issues: assessing collectability criterion in paragraph 606-10-25-1(e) and accounting for contracts that do not meet the criteria for step one of the revenue recognition model, presentation of sales taxes and other similar taxes collected from customers, noncash considerations, contract modifications at transition, completed contracts at transition.
ASU No. 2016-11 - Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting	Fiscal years beginning after December 15, 2017, including interim periods within those years Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU rescinds the following SEC Staff Observer comments that are codified in Topic 605, Revenue Recognition, and Topic 932, Extractive Activities— Oil and Gas, effective upon adoption of Topic 606, Revenue from Contracts with Customers. Specifically, registrants should not rely on the following SEC Staff Observer comments upon adoption of Topic 606: • Revenue and Expense Recognition for Freight Services in Process, which is codified in paragraph 605-20-S99-2; • Accounting for Shipping and Handling Fees and Costs, which is codified in paragraph 605-45- S99-1; • Accounting for Consideration Given by a Vendor to a Customer (including Reseller of the Vendor's Products), which is codified in paragraph 605-50- S99-1; and • Accounting for Gas-Balancing Arrangements (i.e., use of the "entitlements method"), which is codified in paragraph 932-10-S99-5.

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Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2016-10 – Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	The amendments in this ASU provide clarification to two components of Topic 606: 1) identifying performance obligations, and 2) licensing implementation guidance.
ASU 2016-08 – Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)	Annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	The amendments are intended to improve the implementation guidance on principal versus agent considerations by amending existing illustrative examples and adding new examples.
ASU 2016-04 - Liabilities — Extinguishments of Liabilities (Subtopic 405-20): Recognition of Breakage for Certain Prepaid Stored-Value Products	Fiscal years beginning after December 15, 2017, including interim periods within those years	Full or Modified Retrospective	✔	The amendments, which apply to entities that offer certain prepaid stored value products, provide a narrow scope exception to the guidance in Subtopic 405-20 that requires breakage for those liabilities be accounted for consistent with the breakage guidance in Topic 606 Revenue from Contracts with Customers. There is no specific guidance for the derecognition of prepaid stored-value product liabilities.
ASU 2016-02 – Leases (Topic 842)	Fiscal years beginning after December 15, 2018	Modified Retrospective	✔	All leases (except for short-term leases) will be required to be recognized on the lessee's balance sheet at commencement date as a lease liability for the obligation of lease payments and a right-of-use asset for the right to use/control a specified asset for the lease term. Lessor accounting is largely unchanged. See DHG publication *Leases: Not Just For The Footnotes Anymore*, issued in January 2019.

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Accounting Standards Update	Effective Date of Public Business Entities	Transition	Early Adopt	Summary
ASU 2016-01 – Financial Instruments Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities	Fiscal years beginning after December 15, 2017, and interim periods within those years	Prospective	✔ [16]	This ASU amends various guidance such as requiring equity investments to be measured at fair value and any changes in fair value to be recognized in the income statement, public entities to use the exit price notion to measure the fair value of financial instruments for disclosure purposes, and separate presentation of financial assets and liabilities by measurement category and form of financial asset. It also eliminates the requirement to disclose the methods and assumptions used to estimate fair value of financial instruments measured at amortized cost. See also, DHG publication *FASB Releases New Standard on Classification & Measurement of Financial Instruments* issued in January 2016.
ASU 2014-09: Revenue from Contracts with Customers (Topic 606) & ASU 2015-14 – Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date	Fiscal years beginning after December 15, 2017, including interim periods within those years	Full or Modified Retrospective	✔	On May 28, 2014, the FASB and the International Accounting Standards Board (the IASB) (collectively "the boards") issued their sweeping revenue recognition standard, Revenue from Contracts with Customers. This multiyear joint project with the IASB received more than 1,500 comment letters throughout the process. The core principle of the new standard is that "an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." The standard provides a five-step process for recognizing revenue: 1. Identify the contract with a customer, 2. Identify the performance obligations in the contract, 3. Determine the transaction price, 4. Allocate the transaction price to the performance obligations in the contract, and 5. Recognize revenue when (or as) the entity satisfies a performance obligation. The amendments in ASU 2015-14 defer the effective date of ASU 2014-09, Revenue from Contracts with Customers (Topic 606) for one year. For public business entities, earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities may elect to apply this guidance as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies the guidance in this ASU.

16. **Early application by public business entities to financial statements of fiscal years or interim periods that have not yet been issued or, by all other entities, that have not yet been made available for issuance of the following amendments in this Update are permitted as of the beginning of the fiscal year of adoption: (a) An entity should present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk if the entity has elected to measure the liability at fair value in accordance with the fair value option for financial instruments or (b) Entities that are not public business entities are not required to apply the fair value of financial instruments disclosure guidance in the General Subsection of Section 825-10-50. Except for the early application guidance discussed here, early adoption of the amendments in this ASU is not permitted.**

Appendix B - Accounting Standards Affecting Public Business Entities in 2020 and beyond

The following table presents ASUs that become effective for 2020 fiscal years and beyond. Please refer to the individual ASUs in their entirety for additional guidance.

Accounting Standards Update	Effective Date Public Business Enterprises	Transition	Early Adopt	Summary
ASU 2019-03 – Not-for-Profit Entities (Topic 958) – Updating the Definition of Collections	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020	Prospectively	✔	The amendments in this Update align the Codification's definition of Collections to the definition in the American Alliance of Museums' Code of Ethics for Museums. The amendments in this Update also modify one of the three conditions that need to be met in order for contributions of works of art, historical treasures, and similar assets to be recognized if the donated items are added to collections.
ASU 2019-02 – Entertainment—Films—Other Assets—Film Costs (Subtopic 926-20) and Entertainment—Broadcasters—Intangibles—Goodwill and Other (Subtopic 920-350): Improvements to Accounting for Costs of Films and License Agreements for Program Materials	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years	Prospectively	✔	The amendments in this Update align the accounting for production costs of an episodic television series with the accounting for production costs of films by removing the content distinction for capitalization. The amendments also require that an entity reassess estimates of the use of a film for a film in a film group and account for any changes prospectively. The Update also addresses presentation and requires that an entity provide new disclosures about content that is either produced or licensed, and address cash flow classification for license agreements.
ASU 2019-01—Leases (Topic 842): Codification Improvements	Fiscal years beginning after December 15, 2019 and interim periods within those fiscal years	Modified Retrospective [17]	✔	This ASU was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing essential information about leasing transactions. Specifically, the amendments in this Update include items that were brought to the Board's attention through interactions with stakeholders and include the following: (1) determining the fair value of the underlying asset by lessors that are not manufacturers and dealers; (2) presentation on the statement of cash flows – sales-types and direct financing leases; and (3) transition disclosures related to Topic 250, Accounting Changes and Error Corrections.
2018-19 – Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Effective with ASU 2016-13, as amended	Modified Retrospective	✔ [18]	The amendments in this Update clarify that receivables arising from operating leases are not within the scope of Subtopic 326-20. Instead, impairment of receivables arising from operating leases should be accounted for in accordance with Topic 842, Leases. The Update also amends the effective date of the amendments in Update 2016-13 for nonpublic business entities to mitigate transition complexity.

17. An entity should apply the amendments as of the date that it first applied Topic 842, using the same transition methodology in accordance with paragraph 842-10-65-1(c).

18. Early adoption is permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.

Appendix B - Accounting Standards Affecting Public Business Entities in 2020 and beyond

Accounting Standards Update	Effective Date Public Business Enterprises	Transition	Early Adopt	Summary
2018-18 – Collaborative Arrangements (Topic 808) – Clarifying the Interaction between Topic 808 and Topic 606	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.	Retrospective [19]	✔ [20]	The amendments in this Update provide guidance on whether certain transactions between collaborative arrangement participants should be accounted for with revenue under Topic 606. In addition, the Update requires that in a transaction with a collaborative arrangement participant that is not directly related to sales to third parties, presenting the transaction together with revenue recognized under Topic 606 is not allowed if the collaborative arrangement participant is not a customer.
2018-17 – Consolidation (Topic 810) – Targeted Improvements to Related Party Guidance for Variable Interest Entities	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years	Retrospective	✔	This Update amends the current guidance for determining whether fees paid to decision makers and service providers in which indirect interests are held through related parties under common control are variable interests. As amended, indirect interests held through related parties in common control arrangements should be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. The other amendments in this Update are specific to private companies.
2018-15 – Intangibles – Goodwill and Other- Internal-Use Software (Subtopic 350-40)	Fiscal years beginning after December 15, 2019, and interim periods within those fiscal years	Retrospective, Prospective	✔	This ASU amends and improves current guidance on accounting for implementation costs of a hosting arrangement that is a service contract. The amendments in this update align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license).
2018-14 – Compensation – Retirement Benefits – Defined Benefit Plans – General (Topic 715-20); Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans	Fiscal years ending after December 15, 2020	Retrospective	✔	This ASU includes amendments, which remove, modify, and add certain required disclosure requirements in the financial statements of employers that sponsor defined benefit pension or other postretirement plans.

19. The amendments in this Update should be applied retrospectively to the date of initial application of Topic 606. An entity should recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance sheet of retained earnings of the later of the earliest annual period presented and the annual period that includes the date of the entity's initial application of Topic 606. An entity may elect to apply the amendments in this Update retrospectively either to all contracts or only to contracts that are not completed at the date of initial application of Topic 606. An entity should disclose its election. An entity may elect to apply the practical expedient for contract modifications that is permitted for entities using the modified retrospective transition method in Topic 606.

20. Early adoption is permitted, including adoption in any interim period for periods in which financial statements have not yet been issued. An entity may not adopt the amendments earlier than its adoption date of Topic 606.

Appendix B - Accounting Standards Affecting Public Business Entities in 2020 and beyond

Accounting Standards Update	Effective Date Public Business Enterprises	Transition	Early Adopt	Summary
2018-13 – Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019	Retrospective	✔	The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, by removing, modifying, and adding certain required disclosures. In addition, the amendments eliminate the phrase "at a minimum" in regards to an entity's required disclosures to clarify that materiality is an appropriate consideration when evaluating disclosure requirements and to promote the use of the appropriate exercise of discretion.
2018-12 – Financial Services – Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020	Retrospective	✔	This ASU amends the guidance in Topic 944 for insurance entities that issue long-duration contracts. Under the Update, the entity is required to review and, if applicable, update the assumptions used to measure cash flows at least annually and update the discount rate assumption at each reporting date. The change in the liability estimate as a result of updating the discount rate assumption is required to be recognized in other comprehensive income. The entity is required to measure all market risk benefits associated with deposit (or account balance) contracts at fair value. The portion of any change in fair value attributable to a change in the instrument specific credit risk is required to be recognized in other comprehensive income. The amendments also simplify the amortization of deferred acquisition costs and other balances amortized in proportion to premiums, gross profits, or gross margins and require that those balances be amortized on a constant level basis over the expected term of the related contracts.

Appendix B - Accounting Standards Affecting Public Business Entities in 2020 and beyond

Accounting Standards Update	Effective Date Public Business Enterprises	Transition	Early Adopt	Summary
ASU 2017-04 - Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment	For public entities that are SEC filers, for annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019 For public entities that are not SEC filers, for annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2020	Prospective	✔ [21]	This ASU was issued in order to simplify the subsequent measurement of goodwill by eliminating the Step 2 goodwill impairment test. Under the amendments in this ASU, an entity should perform its annual or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity will then recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, however the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Additionally, an entity should consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. The amendments in this ASU also eliminated the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and therefore the same impairment assessment now applies to all reporting units. An entity is required to disclose the amount of goodwill allocated to each reporting unit with a zero or negative carrying amount of net assets. The ASU did not affect the option to perform the qualitative assessment (Step 0) for a reporting unit to determine if the quantitative impairment test is necessary.
ASU 2016-13 – Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments	Effective for SEC filers for fiscal years, and interim periods within those fiscal years beginning after December 15, 2019 For public companies that are not SEC filers, effective for fiscal years and interim periods within those years, beginning after December 15, 2020	Modified Retrospective	✔ [22]	The ASU is intended to improve financial reporting by requiring timely recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets not recorded at fair value based on historical experience, current conditions, and reasonable and supportable forecasts.

21. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.

22. Early adoption is permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

The following table presents ASUs that become effective for 2019 fiscal years and beyond for private companies. Please refer to the individual ASUs in their entirety for additional guidance.

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2019-03 – Not-for-Profit Entities (Topic 958) – Updating the Definition of Collections	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020	Prospectively	✔	The amendments in this Update align the Codification's definition of Collections to the definition in the American Alliance of Museums' Code of Ethics for Museums. The amendments in this Update also modify one of the three conditions that need to be met in order for contributions of works of art, historical treasures, and similar assets to be recognized if the donated items are added to collections.
ASU 2019-02 – Entertainment—Films—Other Assets—Film Costs (Subtopic 926-20) and Entertainment—Broadcasters—Intangibles—Goodwill and Other (Subtopic 920-350): Improvements to Accounting for Costs of Films and License Agreements for Program Materials	Fiscal years beginning after December 15, 2020, and interim periods within those fiscal years.	Prospectively	✔	The amendments in this Update align the accounting for production costs of an episodic television series with the accounting for production costs of films by removing the content distinction for capitalization. The amendments also require that an entity reassess estimates of the use of a film for a film in a film group and account for any changes prospectively. The Update also addresses presentation and requires that an entity provide new disclosures about content that is either produced or licensed, and address cash flow classification for license agreements.
ASU 2019-01—Leases (Topic 842): Codification Improvements	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.	Modified Retrospective [23]	✔	This ASU was issued to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing essential information about leasing transactions. Specifically, the amendments in this Update include items that were brought to the Board's attention through interactions with stakeholders and include the following: (1) determining the fair value of the underlying asset by lessors that are not manufacturers and dealers; (2) presentation on the statement of cash flows – sales-types and direct financing leases; and (3) transition disclosures related to Topic 250, Accounting Changes and Error Corrections.
2018-20 – Leases (Topic 842): Narrow-Scope Improvements for Lessors	Effective with ASU 2016-02 [24]	Retrospective or Prospectively	✔	This ASU was issued to make targeted improvements to Topic 842 for lessors, specifically as it relates to accounting for sales taxes, certain lessor costs, and variable payments for contracts with lease and nonlease components.

23. An entity should apply the amendments as of the date that it first applied Topic 842, using the same transition methodology in accordance with paragraph 842-10-65-1(c).

24. For entities that have not adopted Topic 842, the amendments in this Update follow the same effective date and transition requirements in Update 2016-02. For entities that have adopted Topic 842 prior to the issuance of this Update, the amendments in this Update should be applied at the original effective date of Topic 842 for the entity. However, the entity has the option to apply the amendments in either the first reporting period ending after the issuance of this Update or in the first reporting period beginning after the issuance of this Update

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
2018-19 – Codification Improvements to Topic 326, Financial Instruments – Credit Losses	Fiscal years beginning after December 15, 2021, including interim periods within those fiscal years.	Modified Retrospective	✔ [25]	The amendments in this Update clarify that receivables arising from operating leases are not within the scope of Subtopic 326-20. Instead, impairment of receivables arising from operating leases should be accounted for in accordance with Topic 842, Leases. The Update also amends the effective date of the amendments in Update 2016-13 for nonpublic business entities to mitigate transition complexity.
2018-18 – Collaborative Arrangements (Topic 808) – Clarifying the Interaction between Topic 808 and Topic 606	Fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.	Retrospective [26]	✔ [27]	The amendments in this Update provide guidance on whether certain transactions between collaborative arrangement participants should be accounted for with revenue under Topic 606. In addition, the Update requires that in a transaction with a collaborative arrangement participant that is not directly related to sales to third parties, presenting the transaction together with revenue recognized under Topic 606 is not allowed if the collaborative arrangement participant is not a customer.
2018-17 – Consolidation (Topic 810) – Targeted Improvements to Related Party Guidance for Variable Interest Entities	Fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.	Retrospective	✔	This Update amends the current guidance for determining whether fees paid to decision makers and service providers in which indirect interests are held through related parties under common control are variable interests. As amended, indirect interests held through related parties in common control arrangements should be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests. In addition, the Update amends and supersedes the private company accounting alternative for leasing arrangements under common control to include all private reporting entities and legal entities that meet certain criteria.
2018-16 – Derivatives and Hedging (Topic 815) – Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes	Effective with ASU 2017-12, as amended. [28]	Prospective	✔ [29]	The amendments in this Update permit use of the OIS rate based on SOFR as a U.S. benchmark interest rate for hedge accounting purposes under Topic 815 in addition to the UST, the LIBOR swap rate, the OIS rate based on the Fed Funds Effective Rate, and the SIFMA Municipal Swap Rate.

25. Early adoption is permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.

26. The amendments in this Update should be applied retrospectively to the date of initial application of Topic 606. An entity should recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance sheet of retained earnings of the later of the earliest annual period presented and the annual period that includes the date of the entity's initial application of Topic 606. An entity may elect to apply the amendments in this Update retrospectively either to all contracts or only to contracts that are not completed at the date of initial application of Topic 606. An entity should disclose its election. An entity may elect to apply the practical expedient for contract modifications that is permitted for entities using the modified retrospective transition method in Topic 606.

27. Early adoption is permitted, including adoption in any interim period for periods in which financial statements have not yet been made available for issuance. An entity may not adopt the amendments earlier than its adoption date of Topic 606.

28. For private companies that have already adopted the amendments in ASU 2017-12, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.

29. Early adoption is permitted in any interim period upon issuance of this Update if an entity already has adopted Update 2017-12.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
2018-15 – Intangibles – Goodwill and Other- Internal-Use Software (Subtopic 350-40)	Fiscal years beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021	Retrospective, Prospective	✔	This ASU amends and improves current guidance on accounting for implementation costs of a hosting arrangement that is a service contract. The amendments in this update align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license).
2018-14 – Compensation – Retirement Benefits – Defined Benefit Plans – General (Topic 715-20); Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans	Fiscal years ending after December 15, 2021	Retrospective	✔	This ASU includes amendments, which remove, modify, and add certain required disclosure requirements in the financial statements of employers that sponsor defined benefit pension or other postretirement plans.
2018-13 – Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement	Fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019	Retrospective	✔	The amendments in this Update modify the disclosure requirements on fair value measurements in Topic 820, by removing, modifying, and adding certain required disclosures. In addition, the amendments eliminate the phrase "at a minimum" in regards to an entity's required disclosures to clarify that materiality is an appropriate consideration when evaluating disclosure requirements and to promote the use of the appropriate exercise of discretion.
2018-12 – Financial Services – Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts	Fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022	Retrospective	✔	This ASU amends the guidance in Topic 944 for insurance entities that issue long-duration contracts. Under the Update, the entity is required to review and, if applicable, update the assumptions used to measure cash flows at least annually and update the discount rate assumption at each reporting date. The change in the liability estimate as a result of updating the discount rate assumption is required to be recognized in other comprehensive income. The entity is required to measure all market risk benefits associated with deposit (or account balance) contracts at fair value. The portion of any change in fair value attributable to a change in the instrument specific credit risk is required to be recognized in other comprehensive income. The amendments also simplify the amortization of deferred acquisition costs and other balances amortized in proportion to premiums, gross profits, or gross margins and require that those balances be amortized on a constant level basis over the expected term of the related contracts.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
2018-11 – Leases (Topic 842): Targeted Improvements	Fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020 [30]	Modified Retrospective	✔	The amendments in this ASU provide entities with an additional (and optional) transition method to adopt the new leases standard. Under this new transition method, an entity initially applies the new leases standard at the adoption date and recognizes a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption consistent with preparers' requests. In addition, the amendments in this Update provide lessors with a practical expedient, by class of underlying asset, to not separate non-lease components from the associated lease component, similar to the expedient provided to lessees. The lessor practical expedient is limited to circumstances in which the non-lease component(s) otherwise would be accounted for under the new revenue recognition guidance and both (1) the timing and pattern of transfer are the same for the non-lease component(s) and associated lease component and (2) the lease component(s), if accounted for separately, would be classified as an operating lease.
2018-10 – Codification Improvements to Topic 842, Leases	Fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020	Modified Retrospective	✔	This ASU provides clarification to guidance in Topic 842 and corrects unintended application of the guidance. Notable amendments included in the ASU include (1) Clarification that a lessor should account for the exercise by a lessee of an option to extend or terminate the lease or to purchase the underlying assets as a lease modification unless the exercise of that option by the lessee is consistent with the assumptions that the lessor made in accounting for the lease at the commencement date of the lease; (2) Clarification that the period covered by a lessor-only option to terminate the lease is included in the lease term; (3) Clarification that a lessor should not continue to accrete the unguaranteed residual asset to its estimated value over the remaining lease term to the extent that the lessor sells substantially all of the lease receivable associated with a direct financing lease or a sales-type lease; and (4) Clarification that a rate implicit in the lease of zero should be used when applying the definition of the term rate implicit in the lease results in a rate that is less than zero.

30. For entities that have adopted Topic 842, the practical expedient may be elected in the first reporting period following the issuance of this update or at original effective date of Topic 842 for that entity.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
2018-09 – Codification Improvements	Annual periods beginning after December 15, 2019 [31]	Modified Retrospective, Prospective [32]	✔	ASU 2018-09 was issued to clarify, correct errors, or make minor improvements to current guidance on various Topics in the Codification. Users should review the entire document to assess any effects that the amendments may have on entities that are within the Update's scope.
2018-08 – Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made	Annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019 (resource receiver); Annual periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020 (resource provider)	Modified Prospective [33], Retrospective	✔	ASU 2018-08 was issued to clarify and improve current guidance for contributions received and made. The amendments should assist entities in evaluating whether transactions should be accounted for as contributions within the scope of Topic 958, Not-for-Profit Entities, or as exchange transactions subject to other guidance, and determining whether a contribution is conditional. These amendments are designed to reduce diversity in practice when applying current guidance.
ASU 2018-07 – Compensation–Stock Compensation, Improvements to Nonemployee Share-Based Payment Accounting	Fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020	Modified Retrospective	✔	This ASU expands the scope of FASB ASC Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees, currently addressed primarily in ASC Subtopic 505-50, Equity–Equity-Based Payments to Nonemployees. This ASU also seeks to more closely align the accounting for nonemployee awards to those with employees. Early adoption is permitted, but not prior to adoption of Topic 606 – Revenue from Contracts with Customers.
ASU 2018-06 – Codification Improvements to Topic 942, Financial Services – Depository and Lending	Immediately	N/A	N/A	This ASU replaces the guidance within FASB ASC 942 – 740, Financial Services – Depository and Lending – Income Taxes, specifically related to Circular 202 (Accounting for Net Deferred Taxes), as that guidance has been withdrawn by the OCC and is no longer applicable. This ASU is specifically applicable to depository and lending institutions. The ASU is effective upon inclusion in the FASB Codification.

31. Effective date for each amendment within the Update is based on facts and circumstances of each amendment. Some amendments are effective upon issuance. See detail of ASU 2018-09 for effective dates of each amendment.

32. Transition requirements vary based on the individual amendment. See guidance in ASU 2018-09 for transition requirements of each amendment within the Update.

33. Under the modified prospective basis, in the first set of financial statements following the effective date, the amendments should be applied to agreements that are either (1) not completed as of the effective date; or (2) entered into after the effective date. A completed agreement is an agreement for which all the revenue or expense has been recognized before the effective date.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2018-03 – Technical Corrections and Improvements to Financial Instruments – Overall (Subtopic 825-10); Recognition and Measurement of Financial Assets and Financial Liabilities	Effective date is the same as the effective date in ASU 2016-01	N/A	✔ [34]	This ASU consist of amendments to clarify certain aspects of the guidance issued in ASU 2016-01, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities as follows: 1. Equity Securities without a Readily Determinable Fair Value—Discontinuation 2. Equity Securities without a Readily Determinable Fair Value—Adjustments 3. Forward Contracts and Purchased Options 4. Presentation Requirements for Certain Fair Value Option Liabilities 5. Fair Value Option Liabilities Denominated in a Foreign Currency 6. Transition Guidance for Equity Securities without a Readily Determinable Fair Value
ASU 2018-02 – Income Statement – Reporting Comprehensive Income (Topic 220); Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years	Retrospective [35]	✔	This ASU allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Act. Additionally, the ASU eliminates the stranded tax effects resulting from the Act and is intended to improve the usefulness of information reported to financial statement users. However, because the amendments only relate to the reclassification of the income tax effects of the Act, the underlying guidance that requires that the effect of a change in tax laws or rates be included in income from continuing operations is not affected. The amendments in this Update also require certain disclosures about stranded tax effects.
ASU 2018-01 – Leases (Topic 842) Land Easement Practical Expedient for Transition to Topic 842	Effective with ASU 2016-02	N/A	✔	The amendments in this ASU permit an entity to elect an optional transition practical expedient to not evaluate under Topic 842 land easements that exist or expired before the entity's adoption of Topic 842 and that were not previously accounted for as leases under Topic 840. An entity that elects this practical expedient should apply the practical expedient consistently to all of its existing or expired land easements that were not previously accounted for as leases under Topic 840.

34. All entities may early adopt this ASU for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, as long as they have adopted ASU 2016-01.

35. The amendments in this Update should be applied either in the period of adoption or retrospectively to each period (or periods) in which the effect of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recognized.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2017-15 - Codification Improvements to Topic 995, U.S. Steamship Entities: Elimination of Topic 995	Fiscal years beginning after December 15, 2018, and interim periods within those fiscal years	Modified Retrospective	✔	This ASU eliminates Topic 995, U.S. Steamship Entities, from the FASB Codification as the guidance is no longer considered relevant. The guidance in Topic 995 on transitioning to the requirements of Topic 740 is no longer relevant because statutory funds deposited on or before December 15, 1992, have reached the 25-year limit. Entities also should disclose the amounts and types of temporary differences for which a deferred tax liability had not previously been recognized.
ASU 2017-14 - Income Statement - Reporting Comprehensive Income (Topic 220), Revenue Recognition (Topic 605), and Revenue from Contracts with Customers (Topic 606)	Immediately	N/A	N/A	This ASU amends the Codification to incorporate SEC Staff Accounting Bulletin (SAB) No. 116 and SEC Interpretive Release on Vaccines for Federal Government Stockpiles (SEC Release No. 33-10403) that bring existing SEC staff guidance into conformity with the FASB's adoption of and amendments to ASC Topic 606, Revenue from Contracts with Customers. SEC Interpretive Release on Vaccines for Federal Government Stockpiles (SEC Release No. 33-10403) was issued to update its 2005 Commission Guidance Regarding Accounting for Sales of Vaccines and Bioterror Countermeasures to the Federal Government for Placement into the Pediatric Vaccine Stockpile or the Strategic National Stockpile.
ASU 2017-13 - Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs Pursuant to the Staff Announcement at the July 20, 2017 EITF Meeting and Rescission of Prior SEC Staff Announcements and Observer Comments	Effective with ASU 2014-09 and ASU 2016-02, both as amended	Full or Modified Retrospective (ASU 2014-09) Modified Retrospective (2016-02)	✔	This ASU amends the early adoption date option for certain companies related to the adoption of ASU 2014-09 and ASU 2016-02. Both of the below entities may still adopt using the public company adoption guidance in the related ASUs, as amended. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 606 for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. The SEC staff stated the SEC would not object to a public business entity that otherwise would not meet the definition of a public business entity except for a requirement to include or the inclusion of its financial statements or financial information in another entity's filing with the SEC adopting ASC Topic 842 for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2017-12 - Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities	Fiscal years beginning after December 15, 2019, and interim periods beginning after December 15, 2020	Modified Retrospective [36]	✔	This ASU is intended to improve and simplify accounting rules around hedge accounting and also help financial statement users better understand an entity's risk exposures and how hedging strategies are used to manage those exposures. The new standard refines and expands hedge accounting for both financial and nonfinancial risk components and aligns the recognition and presentation of the effects of the hedging instrument and the hedged item in the financial statements. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes, for investors and analysts.
ASU 2017-11 - Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Non-controlling Interests with a Scope Exception	The amendments in Part I of this Update are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. The amendments in Part II of this Update do not require any transition guidance because those amendments do not have an accounting effect	Retrospective [37]	✔	This ASU was issued to address narrow issues identified as a result of the complexity associated with applying generally accepted accounting principles (GAAP) for certain financial instruments with characteristics of liabilities and equity. There are two parts to the update. The first addresses the complexity of accounting for certain financial instruments with down round features while the second addresses the difficulty of navigating Topic 480, Distinguishing Liabilities from Equity. The amendments related to the second part replace an indefinite deferral on certain guidance in Topic 480 with a scope exception, but ultimately does not have an accounting effect.

36. For cash flow and net investment hedges existing at the date of adoption, an entity should apply a cumulative-effect adjustment related to eliminating the separate measurement of ineffectiveness to accumulated other comprehensive income with a corresponding adjustment to the opening balance of retained earnings as of the beginning of the fiscal year that an entity adopts the amendments in this Update. The amended presentation and disclosure guidance is required only prospectively.

37. For part one, an entity can elect to adopt the amendments either: (1) Retrospectively to outstanding financial instruments with a down round feature by means of a cumulative-effect adjustment to the statement of financial position as of the beginning of the first fiscal year and interim period(s) in which the pending content that links to this paragraph is effective; or (2) Retrospectively to outstanding financial instruments with a down round feature for each prior reporting period presented in accordance with the guidance on accounting changes in paragraphs 250-10-45-5 through 45-10. Part two does not have any transition guidance as there is not accounting effect.

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Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2017-10 - Service Concession Arrangements (Topic 853): Determining the Customer of the Operation Services	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019 If the entity is a not-for-profit that has issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an over-the-counter market, and an employee benefit plan that files or furnishes financial statements with the SEC, the amendments in this update are effective for fiscal year beginning after December 15, 2017 including interim periods within those fiscal years	Full or Modified Retrospective	✔	This ASU was issued to provide guidance on how an operating entity determines the customer of the operation services for transactions within the scope of Topic 853, Service Concession Arrangements. A service concession arrangement is an arrangement between a grantor and an operating entity whereby the operating entity will operate the grantor's infrastructure for a specified period of time. The operating entity also may maintain the infrastructure, and it also may be required to provide periodic capital-intensive maintenance to enhance or extend the life of the infrastructure.
ASU 2017-09 - Compensation - Stock Compensation (Subtopic 718): Scope of Modification Accounting	Annual periods beginning after December 15, 2017, including interim periods within annual periods	Prospective	✔	This ASU was issued to provide guidance about what changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718.
ASU 2017-08 - Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities	Annual periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020	Modified Retrospective	✔	This ASU was issued in order to shorten the amortization period for certain callable debt securities held at a premium. Specifically, the amendments require the premium to be amortized to the earliest call date. The amendments do not require an accounting change for securities held at a discount; the discount continues to be amortized to maturity.

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Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2017-07 - Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost	Annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019	Prospective and Retrospective [38]	✔	This ASU was issued to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The amendments require that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are required to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. If a separate line item or items are used to present the other components of net benefit costs, that line item or items must be appropriately described. If a separate line item or items are not used, the line item or items used in the income statement to present the other components of net benefit cost must be disclosed. The amendments also allow only the service cost component to be eligible for capitalization when applicable (e.g., as a cost of internally manufactured inventory or a self-constructed asset).
ASU 2017-06 - Plan Accounting: Defined Benefit Pension Plans (Topic 960); Defined Contribution Pension Plans (Topic 962); Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting	Fiscal years beginning after December 15, 2018	Retrospective	✔	This ASU was issued to improve the usefulness of the information reported to users of employee benefit plan financial statements and to provide clarity to preparers and auditors. The amendments in this ASU require a plan's interest in that master trust and any changes in that interest to be presented in separate line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits, respectively. The amendments also remove the requirement to disclose the percentage interest in the master trust for plans with divided interests and require that all plans disclose the dollar amount of their interest in each of those general types of investments. The amendments require all plans to disclose: (a) their master trust's other asset and liability balances; and (b) the dollar amount of the plan's interest in each of those balances. Lastly, the amendments eliminate redundant investment disclosures (e.g., those required by Topic 815 and 820) relating to 401(h) account assets.

38. **The amendments in this ASU should be applied retrospectively for the presentation of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost in the income statement and prospectively, on and after the effective date, for the capitalization of the service cost component of net periodic pension cost and net periodic postretirement benefit in assets. The amendments allow a practical expedient that permits an employer to use the amounts disclosed in its pension and other postretirement benefit plan note for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. Disclosure that the practical expedient was used is required.**

Appendix C – Accounting Standards Affecting Private Companies in 2019 and beyond

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2017-05 - Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20): Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019 Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU was issued to clarify that a financial asset is within the scope of Subtopic 610-20 if it meets the definition of an in substance nonfinancial asset. The amendments also define the term "in substance financial asset." The amendments clarify that nonfinancial assets within the scope of Subtopic 610-20 may include nonfinancial assets transferred within a legal entity to a counterparty. For example, a parent may transfer control of nonfinancial assets by transferring ownership interests in a consolidated subsidiary. A contract that includes the transfer of ownership interests in one or more consolidated subsidiaries is within the scope of Subtopic 610-20 if substantially all of the fair value of the assets that are promised to the counterparty in a contract is concentrated in nonfinancial assets. The amendments also clarify that an entity should identify each distinct nonfinancial asset or in substance nonfinancial asset promised to a counterparty and derecognize each asset when a counterparty obtains control of that asset.
ASU 2017-04 - Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment	All other entities, including Not-for-Profit entities, should adopt for their annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2021	Prospective	✔ [39]	This ASU was issued in order to simplify the subsequent measurement of goodwill by eliminating the Step 2 goodwill impairment test. Under the amendments in this ASU, an entity should perform its annual or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An entity will then recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, however the loss recognized should not exceed the total amount of goodwill allocated to that reporting unit. Additionally, an entity should consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. The amendments in this ASU also eliminated the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and therefore the same impairment assessment now applies to all reporting units. An entity is required to disclose the amount of goodwill allocated to each reporting unit with a zero or negative carrying amount of net assets. The ASU did not affect the option to perform the qualitative assessment (Step 0) for a reporting unit to determine if the quantitative impairment test is necessary and private companies will still have the option to elect the PCC alternative on goodwill.

39. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.

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ASU 2017-02 - Not-for-Profit-Entities - Consolidation (Subtopic 958-810): Clarifying When a Not-for-Profit Entity That is a General Partner or a Limited Partner Should Consolidate a For-Profit Limited Partnership or Similar Entity	Not-for-Profits for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017 [40]	Full or Modified Retrospective - Consistent with method elected for adoption of ASU-2015-02	✔	ASU 2017-02 was issued in order to clarify when a Not-for-Profit entity that is a general partner or limited partner should consolidate a for-profit limited partnership or similar legal entity once the amendments in ASU 2015-02, Consolidation (Topic 810): Amendments to the Consolidation Analysis, become effective. The amendments maintain how Not-for-Profit general partners currently apply the consolidation guidance in Subtopic 810-20 by including that guidance within Subtopic 958-810. The amendments also add to Subtopic 958-810 the general guidance in Subtopic 810-10 on when not-for-profit limited partners should consolidate a limited partnership. This ASU primarily affects affordable housing and real estate entities.
ASU 2017-01 - Business Combinations (Topic 805): Clarifying the Definition of a Business	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019	Prospective	✔ [41]	ASU 2017-01 was issued to clarify the definition of a business in order to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. This ASU provides a screen whereby a transaction will be accounted for as an asset purchase (or disposal) if substantially all of the fair value of the gross assets acquired (disposed) is concentrated in a single identifiable asset or a group of similar identifiable assets. If the screen is not met, the entity will evaluate whether it is a business acquisition under revised criteria. The amendments in this ASU are expected to cause fewer transactions to be identified as businesses. While this ASU will apply to all entities and industries, it is expected to particularly impact the real estate and pharmaceutical/biotech industries.
ASU 2016-20 - Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers	Fiscal years beginning after December 15, 2018, including interim periods within those years Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU is intended to improve the operability and understandability of the implementation guidance by providing clarifications and practical expedients on the following issues: loan guarantee fees, contract costs, provisions for losses on construction-type and production-type contracts, scope of topic 606, disclosure of remaining performance obligations, disclosure of prior period performance obligations, contract modifications, contract asset versus receivable, refund liability, advertising costs, fixed odds wagering contracts in the casino industry and cost capitalization for advisors to private and public funds.

40. NFPs that have not yet adopted the amendments in ASU 2015-02 are required to adopt the amendments in ASU 2017-02 at the same time they adopt the amendments in ASU 2015-02 and should apply the same transition method elected for the application of ASU 2015-02. NFPs that have already adopted the amendments in ASU 2015-02 are required to adopt the amendments in ASU 2017-02 retrospectively to all relevant prior periods beginning with the fiscal year in which the amendments in ASU 2015-02 were initially adopted.

41. Early application of the amendments in this Update is allowed as follows: (a) For transactions for which the acquisition date occurs before the issuance date or effective date of the amendments, only when the transaction has not been reported in financial statements that have been issued or made available for issuance. (b) For transactions in which a subsidiary is deconsolidated or a group of assets is derecognized that occur before the issuance date or effective date of the amendments, only when the transaction has not been reported in financial statements that have been issued or made available for issuance.

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ASU 2016-19 - Technical Corrections and Improvements	Amendments under ASC 350 - Intangibles - Goodwill and Other are effective for annual reporting periods beginning after December 15, 2017, and interim periods beginning after December 15, 2018 Amendments under ASC 820 - Fair Value Measurements are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years	Most of the amendments do not require transition guidance and are effective immediately. See ASU for individual transition guidance.	✔	ASU 2016-19 was issued to provide incremental improvements to GAAP through clarifying the Accounting Standards Codification. The amendments generally fall into one of the types of categories listed below: 1. Amendments related to differences between original guidance (e.g., FASB Statements, EITF issues, etc.) and the Codification. 2. Guidance clarification and reference corrections that provide clarification through updating wording, correcting references, or a combination of both. 3. Simplification amendments that streamline or simplify the Codification through minor structural changes to headings or minor edits of text to improve the usefulness and understandability of the Codification. 4. Minor improvements to the guidance that are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most.
ASU 2016-18 - Statement of Cash Flows (Topic 230): Restricted Cash	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019	Retrospective	✔	ASU 2016-18 was issued to address diversity in practice in the classification and presentation of change in restricted cash on the statement of cash flows under Topic 230. The amendments in this Update require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows.
ASU 2016-17 - Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control	Fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017 [42]	Full or Modified Retrospective - Consistent with method elected for adoption of ASU-2015-02	✔	ASU 2016-17 was issued to amend the consolidation guidance on how a reporting entity that is the single decision maker of a VIE should treat indirect interests in the entity held through related parties that are under common control with the reporting entity when determining whether it is the primary beneficiary of that VIE.

42. Entities that have not yet adopted the amendments in ASU 2015-02 are required to adopt the amendments in this ASU at the same time they adopt the amendments in ASU 2015-02 and should apply the same transition method elected for the application of ASU 2015-02. Entities that already have adopted the amendments in ASU 2015-02 are required to apply the amendments in this Update retrospectively to all relevant prior periods, beginning with the fiscal year in which the amendments in ASU 2015- 02 initially were applied.

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ASU 2016-16 - Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019	Modified Retrospective	✔	ASU 2016-16 was issued to improve the accounting for the income tax consequences of intra-entity transfers of assets other than inventory. The initiative is designed to reduce the complexity in accounting standards.
ASU 2016-15 – Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments	Fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019	Retrospective	✔	ASU 2016-15 was issued to address diversity in practice of how certain cash receipts and cash payments are currently presented and classified in the statement of cash flows.
ASU 2016-14 – Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities	Fiscal years beginning after December 15, 2017 and for interim periods within fiscal years beginning after December 15, 2018	Retrospective	✔	The updates in this ASU are intended to provide more information and greater clarity in the financial statements and notes on a not-for-profit entity's financial performance, cash flows, and liquidity.
ASU 2016-13 – Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments	Fiscal years beginning after December 15, 2020, and for interim periods within those fiscal years beginning after December 15, 2021	Modified Retrospective	✔ [43]	The ASU is intended to improve financial reporting by requiring timely recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets not recorded at fair value based on historical experience, current conditions, and reasonable and supportable forecasts.
ASU 2016-12 – Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019 Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU is intended to improve the operability and understandability of the implementation guidance by providing the clarifications and practical expedients on the following issues: assessing collectability criterion in paragraph 606-10-25-1(e) and accounting for contracts that do not meet the criteria for step one of the revenue recognition model, presentation of sales taxes and other similar taxes collected from customers, noncash considerations, contract modifications at transition, completed contracts at transition.

43. Early adoption is permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.

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Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU No. 2016-11 - Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting	Fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019 Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	This ASU rescinds the following SEC Staff Observer comments that are codified in Topic 605, Revenue Recognition, and Topic 932, Extractive Activities— Oil and Gas, effective upon adoption of Topic 606, Revenue from Contracts with Customers. Specifically, registrants should not rely on the following SEC Staff Observer comments upon adoption of Topic 606: • Revenue and Expense Recognition for Freight Services in Process, which is codified in paragraph 605-20-S99-2; • Accounting for Shipping and Handling Fees and Costs, which is codified in paragraph 605-45- S99-1; • Accounting for Consideration Given by a Vendor to a Customer (including Reseller of the Vendor's Products), which is codified in paragraph 605-50- S99-1; and • Accounting for Gas-Balancing Arrangements (i.e., use of the "entitlements method"), which is codified in paragraph 932-10-S99-5.
ASU 2016-10 – Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019 Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	The amendments in this ASU provide clarification to two components of Topic 606: 1) identifying performance obligations, and 2) licensing implementation guidance.
ASU 2016-09 – Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting	Fiscal years beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018	Prospective, Modified Retrospective, or Retrospective	✔	The amendments in this ASU are intended to improve the accounting for employee share-based payments and affect all organizations that issue share-based payment awards to their employees. Several aspects of the accounting for share-based payment award transactions are simplified, including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows.

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ASU 2016-08 – Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)	Annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019 Note: entities should adopt concurrently with 2014-09	Full or Modified Retrospective	✔	The amendments are intended to improve the implementation guidance on principal versus agent considerations by amending existing illustrative examples and adding new examples.
ASU 2016-07 – Investments - Equity Method and Joint Ventures (Topic 323): Simplifying the Transition to the Equity Method of Accounting	Fiscal years beginning after December 15, 2016, including interim periods within those fiscal years	Prospective	✔	The amendments eliminate the requirement to retroactively adjust an investment upon qualifying for the equity method of accounting.
ASU 2016-06 - Derivatives and Hedging (Topic 815): Contingent Put and Call Options in Debt Instruments	Fiscal years beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018	Modified Retrospective	✔	The amendments clarify the required steps to be taken when assessing whether the economic characteristics and risks of call/put options are clearly and closely related to those of their debt hosts - which is one of the criteria for bifurcating an embedded derivative.
ASU 2016-05 - Derivatives and Hedging (Topic 815): Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships	Fiscal years beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018	Full or Modified Retrospective	✔	The amendments clarify that a change in the counterparty to a derivative instrument designated as a hedging instrument does not, in and of itself, require designation of that hedging relationship provided that all other hedge accounting criteria remain the same.
ASU 2016-04 - Liabilities — Extinguishments of Liabilities (Subtopic 405-20): Recognition of Breakage for Certain Prepaid Stored-Value Products	Fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019	Full or Modified Retrospective	✔	The amendments, which apply to entities that offer certain prepaid stored value products, provide a narrow scope exception to the guidance in Subtopic 405-20 that requires breakage for those liabilities be accounted for consistent with the breakage guidance in Topic 606 Revenue from Contracts with Customers. There is no specific guidance for the derecognition of prepaid stored-value product liabilities.
ASU 2016-02 – Leases (Topic 842)	Fiscal years beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020	Modified Retrospective	✔	All leases (except for short-term leases) will be required to be recognized on the lessee's balance sheet at commencement date as a lease liability for the obligation of lease payments and a right-of-use asset for the right to use/control a specified asset for the lease term. Lessor accounting is largely unchanged. See DHG publication *Leases: Not Just For The Footnotes Anymore*, issued in January 2019.

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ASU 2016-01 – Financial Instruments Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities	Fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019	Prospective	✔ [44]	This ASU amends various guidance such as requiring equity investments to be measured at fair value and any changes in fair value to be recognized in the income statement, public entities to use the exit price notion to measure the fair value of financial instruments for disclosure purposes, and separate presentation of financial assets and liabilities by measurement category and form of financial asset. It also eliminates the requirement to disclose the methods and assumptions used to estimate fair value of financial instruments measured at amortized cost. See also, DHG publication *FASB Releases New Standard on Classification & Measurement of Financial Instruments* issued in January 2016.
ASU 2015-17 – Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes	Fiscal years beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018	Prospective or Retrospective	✔	The amendments in this ASU require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position.
ASU 2015-16 – Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments	Fiscal years beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017	Prospective	✔	The amendments in this ASU require an acquirer to recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The amendments also require the acquirer to record, in the same period's financial statements, the effect on earnings of changes in depreciation, amortization, or other income effects, if any, as a result of the change to the provisional amounts, calculated as if the accounting had been completed at the acquisition date.

44. Early appliation by public business entities to financial statements of fiscal years or interim periods that have not yet been issued or, by all other entities, that have not yet been made available for issuance of the following amendments in this Update are permitted as of the beginning of the fiscal year of adoption: (a) An entity should present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk if the entity has elected to measure the liability at fair value in accordance with the fair value option for financial instruments or (b) Entities that are not public business entities are not required to apply the fair value of financial instruments disclosure guidance in the General Subsection of Section 825-10-50. Except for the early application guidance discussed here, early adoption of the amendments in this ASU is not permitted.

Accounting Standards Update	Private Company Effective Date	Transition	Early Adopt	Summary
ASU 2014-09: Revenue from Contracts with Customers (Topic 606) & ASU 2015-14 – Revenue From Contracts With Customers (Topic 606): Deferral of the Effective Date	Fiscal years beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019	Full or Modified Retrospective	✔	On May 28, 2014, the FASB and the International Accounting Standards Board (the IASB) (collectively "the boards") issued their sweeping revenue recognition standard, Revenue from Contracts with Customers. This multiyear joint project with the IASB received more than 1,500 comment letters throughout the process. The core principle of the new standard is that "an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." The standard provides a five-step process for recognizing revenue: 1. Identify the contract with a customer, 2. Identify the performance obligations in the contract, 3. Determine the transaction price, 4. Allocate the transaction price to the performance obligations in the contract, and 5. Recognize revenue when (or as) the entity satisfies a performance obligation. The amendments in ASU 2015-14 defer the effective date of ASU 2014-09, Revenue from Contracts with Customers (Topic 606) for one year. For public business entities, earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities may elect to apply this guidance as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which an entity first applies the guidance in this ASU.
ASU 2015-11, Inventory (Topic 330): Simplifying the Measurement of Inventory	Fiscal years beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017	Prospective	✔	This update simplifies the measurement of inventory by requiring inventory to be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less predictable costs of completion, disposal, and transportation. The existing standards require inventory to be measured at the lower of cost or market, where market could be replacement cost, net realizable value, or net realizable value less a normal profit margin.

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ASU 2015-09: Financial Services – Insurance (Topic 944): Disclosures about Short-Duration Contracts	Fiscal years beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017	Retrospective	✔	The amendments in this ASU apply to all insurance entities that issue short-duration contracts as defined in Topic 944, Financial Services - Insurance. The amendments do not apply to the holder (i.e., policyholder) of short-duration contracts. This ASU requires insurance entities to disclose for annual reporting periods additional information about the liability for unpaid claims and claim adjustment expenses. NOTE: While this ASU is effective for year-end 2016, it is not required for interim periods until 2017.
ASU 2015-07: Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)	Fiscal years and interim periods beginning after December 15, 2016	Retrospective	✔	The amendments in this ASU apply to reporting entities that elect to measure the fair value of an investment using the net asset value per share (or its equivalent) practical expedient. The ASU removes the requirement to categorize within the fair value hierarchy investments for which fair value is measured using the net asset value per share practical expedient. The ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient.
ASU 2015-04: Compensation – Retirement Benefits (Topic 715): Practical Expedient for Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets	Fiscal years beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017	Prospective	✔	For an entity with a fiscal year-end that does not coincide with a month-end, the amendments in this ASU provide a practical expedient that permits the entity to measure defined benefit plan assets and obligations using the month-end that is closest to the entity's fiscal year-end and apply that practical expedient consistently from year to year. The practical expedient should be applied consistently to all plans, if an entity has more than one plan. Employee benefit plans are not within the scope of the amendments. The ASU also provides guidance for accounting and disclosing contributions and significant events occurring between the month-end date used and a Company's fiscal year-end date. Further, an entity is required to disclose the accounting policy election and the date used to measure defined benefit plan assets and obligations in accordance with this ASU.

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ASU 2015-02: Consolidation (Topic 810): Amendments to the Consolidation Analysis	Fiscal years beginning after December 15, 2016 and interim periods within fiscal years beginning after December 15, 2017	Full or Modified Retrospective	✔	This ASU modifies the consolidation model for reporting organizations under both the variable interest model and the voting interest model. The ASU is generally expected to reduce the number of situations where consolidation is required; however, in certain circumstances, the ASU may result in companies consolidating entities previously unconsolidated.
ASU 2014-15: Presentation of Financial Statements—Going Concern (Subtopic 205- 40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern	Fiscal years ending after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2016	N/A	✔	The continuation of an entity as a going concern is presumed when preparing financial statements (unless liquidation becomes imminent); however, currently there is no guidance in U.S. GAAP about management's responsibility to evaluate going concern uncertainties. As a result, this Update clarifies management's responsibility to evaluate and provide related disclosures if there are any conditions or events as a whole, that raise substantial doubt about the entity's ability to continue as a going concern for one year after the date the financial statements are issued (or, if applicable, available to be issued).
ASU 2014-13: Consolidation (Topic 810): Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity	Fiscal years ending after December 15, 2016, and interim periods within annual periods beginning after December 15, 2016	Full or Modified Retrospective	✔	Currently, when an entity consolidates a collateralized financing entity under variable interest entity guidance the assets and liabilities of the consolidated entity are often measured at fair value. At times, the fair value of the of the financial liabilities differs from the fair value of the financial assets in the entity being consolidated, even when the financial liabilities only have recourse to the financial assets of the collateralized financing entity. This measurement difference is not consistently accounted for, either at initial consolidation or subsequent measurement. This Update provides a measurement alternative for reporting entities to measure the financial assets and liabilities of the collateralized financing entity using the "more observable of the fair value of the financial liabilities assets and the fair value of the financial liabilities."

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ASU 2014-09: Revenue from Contracts with Customers (Topic 606)	See ASU 2015-14 for revised effective date information.	Full or Modified Retrospective	✔	On May 28, 2014, the FASB and the International Accounting Standards Board (the IASB) (collectively "the boards") issued their sweeping revenue recognition standard, Revenue from Contracts with Customers. This multiyear joint project with the IASB received more than 1,500 comment letters throughout the process. The core principle of the new standard is that "an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." The standard provides a five-step process for recognizing revenue: 1. Identify the contract with a customer, 2. Identify the performance obligations in the contract, 3. Determine the transaction price, 4. Allocate the transaction price to the performance obligations in the contract, and 5. Recognize revenue when (or as) the entity satisfies a performance obligation. See Dixon Hughes Goodman A&A Update FASB Issues Long-Awaited Revenue Recognition Standard, for additional information.

Appendix D – SEC Final Rules

The following table presents certain SEC Rules with effective and compliance dates during 2018 and beyond. Please refer to the individual SEC rules in their entirety for additional guidance.

SEC Final Rules	Summary
33-10618 – FAST Act Modernization and Simplification of Regulation S-K	The Commission is adopting amendments to modernize and simplify certain disclosure requirements in Regulation S-K and related rules and forms. The Commission is also adopting parallel amendments to several rules and forms applicable to investment companies and investment advisers, including amendments that would require certain investment company filings to be submitted in HyperText Markup Language format. The final rule is effective 30 days after publication in the Federal Register.
33-10615 – Adoption of Updated EDGAR Filer Manual	The Commission is adopting revisions to the EDGAR Filer Manual and related rules. The EDGAR system is scheduled to be upgraded on March 11, 2019. The final rule is effective on the date of publication in the Federal Register.
33-10593 – Disclosure of Hedging by Employees, Officers, and Directors	The Commission is adopting a rule to implement a provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The new rule requires a company to describe any practices or policies it has adopted regarding the ability of its employees (including officers) or directors to purchase financial instruments, or otherwise engage in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of equity securities granted as compensation, or held directly or indirectly by the employee or director. The new rule requires a company to describe the practices and policies and the categories of persons they affect. If a company does not have any such practices or policies, the company must disclose that fact or state that hedging transactions are generally permitted. The new disclosure is required in a proxy statement or information statement relating to an election of directors. The final rule was effective March 8, 2019.
34-84875 – Transaction Fee Pilot for NMS Stocks	The Commission is adopting a new rule of Regulation National Market System under the Securities and Exchange Act of 1934 to conduct a Transaction Fee Pilot for National Market System stocks to study the effects that exchange transaction fee-and-rebate pricing models may have on order routing behavior, execution quality, and market quality. The final rule is effective April 22, 2019 through December 29, 2023.
33-10591 – Amendments to Regulation A	The Commission is adopting amendments to Regulation A under the Securities Act of 1933. Regulation A provides an exemption from registration under the Securities Act for offerings of securities up to $50 million. As mandated by the Economic Growth, Regulatory Relief, and Consumer Protection Act, the amendments revise Regulation A to permit entities subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 to use the exemption and provide that entities meeting the reporting requirements of the Exchange Act will be deemed to have met the reporting requirements of Regulation A. The amendments also make conforming changes to Form 1-A. The final rule was effective January 31, 2019.
34-84858 – Applications by Security-Based Swap Dealers or Major Security-Based Swap Participants for Statutorily Disqualified Associated Persons to Effect or be Involved in Effecting Security-Based Swaps	The Commission is adopting Rule of Practice 194, which provides a process for a registered security-based swap dealer or major security-based swap participant (collectively, “SBS Entity”) to make an application to the Commission for an order permitting an associated person that is a natural person who is subject to a statutory disqualification to effect or be involved in effecting security-based swaps on behalf of the SBS Entity. Rule of Practice 194 also provides an exclusion for an SBS Entity from the prohibition in Exchange Act Section 13F(b)(6) with respect to associated persons that are not natural persons. Rule of Practice 194 also provides that, subject to certain conditions, an SBS Entity may permit an associated person that is a natural person who is subject to a statutory disqualification to effect or be involved in effecting security-based swaps on its behalf, without making an application pursuant to the rule, where the Commission, the Commodity Futures Trading Commission, a self-regulatory organization, or a registered futures organization has granted a prior application or otherwise granted relief from the statutory disqualification with respect to that associated person. The final rule is effective April 22, 2019.

Appendix D – SEC Final Rules

SEC Final Rules	Summary
33-10585 – Adoption of Updated EDGAR Filer Manual	The Commission is adopting revisions to the Electronic Data Gathering, Analysis, and Retrieval System ("EDGAR") Filer Manual and related rules. The EDGAR system was scheduled to be upgraded on December 17, 2018 and January 28, 2019. The final rule was effective December 26, 2018. The incorporation by reference of the EDGAR Filer Manual is approved by the Director of the Federal Register as of December 26, 2018.
33-10580 – Covered Investment Fund Research Report	The Commission is adopting a new rule under the Securities Act of 1933 to establish a safe harbor for an unaffiliated broker or dealer participating in a securities offering of a covered investment fund to publish or distribute a covered investment fund research report. If the conditions in the rule are satisfied, the publication or distribution of a covered investment fund research report would be deemed not to be an offer for sale or offer to sell the covered investment fund's securities for purposes of sections 2(a)(10) and 5(c) of the Securities Act of 1933. The Commission is also adopting a new rule under the Investment Company Act of 1940 to exclude a covered investment fund research report from the coverage of section 24(b) of the Investment Company Act, except to the extent the research report is otherwise not subject to the content standards in self-regulatory organization rules related to research reports. We are also adopting a conforming amendment to rule 101 of Regulation M, and a technical amendment to Form 12b-25. This rule is effective 30 days after publication in the Federal Register. Comments regarding the collection of information requirements within the meaning of the Paperwork Reduction Act of 1995 should be received 60 days after publication in the Federal Register.
33-10577 – Form N-1A; Correction	This document makes technical corrections to several amendments to Form N-1A, which the Commission adopted as part of three rulemakings: Investment Company Reporting Modernization, which was published in the Federal Register on November 18, 2016; Optional Internet Availability of Investment Company Shareholder Reports, which was published in the Federal Register on June 22, 2018; and Investment Company Liquidity Disclosure, which was published in the Federal Register on July 10, 2018. This document is being published to correct the paragraph designations that appeared in the amendatory instructions preceding certain of the form amendments that the Commission adopted as part of each of these rulemakings. This document makes technical corrections only to the paragraph designations that appear in the amendatory instructions preceding these form amendments. This document does not make any substantive changes (i.e., changes except corrections to typographical errors) to the text of the form amendments themselves. This rule is effective as of the date of the publication in the Federal Register, except: • The revisions to Item 27(d)(3) of Form N-1A are effective May 1, 2020; • Item 27(d)(7) of Form N-1A (referenced in 17 CFR 239.15A and 274.11A) is effective January 1, 2019, through December 31, 2021; and • Item 27(d)(7) is removed effective January 1, 2022.
34-84541 – Regulation of NMS Stock Alternative Trading Systems	The Commission adopted amendments to the regulatory requirements in Regulation ATS under the Securities Exchange Act of 1934 applicable to alternative trading systems ("ATSs") that trade National Market System ("NMS") stocks (hereinafter referred to as "NMS Stock ATSs"), which included, among other items, Form ATSN. This document is being published to correct a citation contained in the adopted language of Part III, Item 15.a of Form ATS-N. This amendment became effective November 13, 2018.

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34-84528 – Disclosure of Order Handling Information	The SEC is adopting amendments to Regulation National Market System ("Regulation NMS") under the Securities Exchange Act of 1934 ("Exchange Act") to require additional disclosures by broker-dealers to customers regarding the handling of their orders. The SEC is adding a new disclosure requirement which requires a broker-dealer, upon request of its customer, to provide specific disclosures related to the routing and execution of the customer's NMS stock orders submitted on a not held basis for the prior six months, subject to two de minimis exceptions. The SEC also is amending the current order routing disclosures that broker-dealers must make publicly available on a quarterly basis to pertain to NMS stock orders submitted on a held basis, and the SEC is making targeted enhancements to these public disclosures. In connection with these new requirements, the SEC is amending Regulation NMS to include certain newly defined and redefined terms that are used in the amendments. The SEC also is amending Regulation NMS to require that the public order execution report be kept publicly available for a period of three years. Finally, the SEC is adopting conforming amendments and updating cross-references as a result of the rule amendments being adopted today. The final rule is effective 60 days after publication in the Federal Register.
33-10570 – Modernization of Property Disclosures for Mining Registrants	The SEC is adopting amendments to modernize the property disclosure requirements for mining registrants, and related guidance, currently set forth in Item 102 of Regulation S-K under the Securities Act of 1933 and the Securities Exchange Act of 1934 and in Industry Guide 7. The amendments are intended to provide investors with a more comprehensive understanding of a registrant's mining properties, which should help them make more informed investment decisions. The amendments also will more closely align the SEC's disclosure requirements and policies for mining properties with current industry and global regulatory practices and standards. In addition, the SEC is rescinding Industry Guide 7 and relocating the SEC's mining property disclosure requirements to a new subpart of Regulation S-K. Registrants engaged in mining operations must comply with the final rule amendments for the first fiscal year beginning on or after January 1, 2021.
33-10566a – Adoption of Updated EDGAR Filing Manual	The SEC adopted revisions to the Electronic Data Gathering, Analysis, and Retrieval System ("EDGAR") Filer Manual and related rules. The EDGAR system was scheduled to be upgraded on October 1, 2018. This revision became effective on November 5, 2018.
33-10537 – Delegation of Authority to General Counsel of the Commission	The SEC is revising Subpart A, Part 200 of Title 17 with respect to the delegations of authority to the Commission's General Counsel.
34-83885 – Amendments to Municipal Securities Disclosure	The SEC adopted amendments to the Municipal Securities Disclosure Rule (Rule 15c2-12) under the Securities Exchange Act of 1934 ("Exchange Act"). The amendments add transparency to the municipal securities market by increasing the amount of information that is publicly disclosed about material financial obligations incurred by issuers and obligated persons. The amendments revise the list of event notices that a broker, dealer, or municipal securities dealer acting as an underwriter in a primary offering of municipal securities with an aggregate principal amount of $1,000,000 or more must reasonably determine that an issuer or an obligated person has undertaken, in a written agreement or contract for the benefit of holders of the municipal securities, to provide to the Municipal Securities Rulemaking Board ("MSRB"). The rule is effective 60 days after publication in the Federal Register.
33-10532 – Disclosure Update and Simplification	The SEC adopted amendments to certain disclosure requirements that have become redundant, duplicative, overlapping, outdated, or superseded, in light of other Commission disclosure requirements, U.S. Generally Accepted Accounting Principles ("U.S. GAAP"), or changes in the information environment. The amendments are intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. The amendments in this rule are effective 30 days after publication in the Federal Register.

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34-83663 – Regulation of NMS Stock Alternative Trading Systems; Correction to page 530 to include legend on Form ATS-N	The SEC adopted amendments to the regulatory requirements in Regulation ATS under the Securities Exchange Act of 1934 (“Exchange Act”) applicable to alternative trading systems (“ATSs”) that trade National Market System (“NMS”) stocks (hereinafter referred to as “NMS Stock ATSs”), including so called “dark pools”. The SEC is adopting a new form, Form ATS-N, which will require NMS Stock ATSs to disclose information about their manner of operations, the broker-dealer that operates the ATS (“broker-dealer operator”), and the ATS-related activities of the broker-dealer operator and its affiliates. Second, as amended, Regulation ATS will require public posting of certain Form ATS-N filings on the Commission’s website, which will be accomplished through the Commission’s Electronic Data Gathering, Analysis, and Retrieval system (“EDGAR”) and require each NMS Stock ATS that has a website to post on its website a direct URL hyperlink to the Commission’s website. Third, the amendments to Regulation ATS provide a process for the Commission to review Form ATS-N filings and, after notice and opportunity for hearing, declare an NMS Stock ATS’s Form ATS-N ineffective. Fourth, Regulation ATS, as amended, will require all ATSs subject to Regulation ATS to place in writing its safeguards and procedures to protect subscribers’ confidential trading information. These amendments were effective October 9, 2018.
33-10520 – Rule 701 – Exempt Offerings Pursuant to Compensatory Arrangements	This amendment provides an exemption from registration for securities issued by non-reporting companies pursuant to compensatory arrangements. As mandated by the Economic Growth, Regulatory Relief, and Consumer Protection Act (the “Act”), the amendment revises a rule to increase from $5 million to $10 million the aggregate sales price or amount of securities sold during any consecutive 12-month period in excess of which the issuer is required to deliver additional disclosures to investors. This amendment was effective July 23, 2018.
33-10518 – Adoption of Updated EDGAR Filer Manual	The SEC is adopting revisions to the Electronic Data Gathering, Analysis, and Retrieval System (“EDGAR”) Filer Manual and related rules. The rule was effective on July 17, 2018.
33-10514 – Inline XBRL Filing of Tagged Data	The SEC is adopting amendments to require the use of the Inline eXtensible Business Reporting Language (“XBRL”) format for the submission of operating company financial statement information and fund risk/return summary information. In addition, the SEC is adopting the elimination of the 15 business day XBRL filing period for fund risk/return summaries. These amendments are intended to improve the data’s usefulness, timeliness, and quality, benefiting investors, other market participants, and other data users and to decrease, over time, the cost of preparing the data for submission to the Commission. These amendments will also eliminate the requirement for operating companies and funds to post “Interactive Data Files” (i.e., machine-readable computer code that presents information in XBRL format) on their websites and terminate the Commission’s voluntary program for the submission of financial statement information interactive data that is currently available only to investment companies and certain other entities. The rule was effective September 17, 2018.
IC-33142 – Investment Company Liquidity Disclosure	The SEC is adopting a new requirement that funds disclose information about the operation and effectiveness of their liquidity risk management program in their reports to shareholders. The Commission in turn is rescinding the requirement in Form N-PORT under the Investment Company Act of 1940 that funds publicly disclose aggregate liquidity classification information about their portfolios. In addition, the Commission is adopting amendments to Form N-PORT that will allow funds classifying the liquidity of their investments pursuant to their liquidity risk management programs to report multiple liquidity classification categories for a single position under specified circumstances. The Commission also is adding a new requirement to Form N-PORT that funds and other registrants report their holdings of cash and cash equivalents. This rule was effective September 10, 2018.

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33-10513 – Amendments to Smaller Reporting Company Definition	The SEC is adopting amendments to the definition of "smaller reporting company" as used in the rules and regulations. The amendments expand the number of registrants that qualify as smaller reporting companies and are intended to reduce compliance costs for these registrants and promote capital formation, while maintaining appropriate investor protections. As amended, the definition of "smaller reporting company" will include registrants with a public float of less than $250 million, as well as registrants with annual revenues of less than $100 million for the previous year and either no public float or a public float of less than $700 million. The SEC is also including amendments to the definitions of "accelerated filer" and "large accelerated filer" to preserve the existing thresholds in those definitions. Qualifying as a "smaller reporting company" will no longer automatically make a registrant a non-accelerated filer. This rule was effective September 10, 2018.
34-83506 – Amendments to the Commission's Freedom of Information Act Regulations	The SEC is adopting amendments to the Commission's regulations under the Freedom of Information Act ("FOIA"). The Commission is amending the FOIA regulations to reflect changes required by the FOIA Improvement Act of 2016 ("Improvement Act") and to clarify, update, and streamline the regulations. These amendments were effective July 30, 2018.
Release 33-10506, Optional Internet Availability of Investment Company Shareholder Reports	In this final rule, the SEC adopted new rule 30e-3 under the Investment Company Act of 1940 and made amendments to rule 498 under the Securities Act of 1933. Under rule 30e-3, registered investment companies are given an optional delivery method to transmit shareholder reports through a website indicated in a notice to investors. Amendments to rule 498 include a temporary transition period in which companies who elect this new transition method will be required to inform investors of the change for a two year period. The rule is effective January 1, 2019, except for certain amendments to instructions on certain forms, which are effective January 1, 2021 and 2022.
Release 34-83325, Technical Amendments to Rules of Practice and Rules of Organization; Conduct and Ethics; and Information and Requests	The SEC issued this final rule to announce that it will no longer be publishing its order releases in a weekly SEC docket, but will instead be posting all Commission materials on the public SEC website. The rule was effective June 1, 2018.
Release 33-10486, Amendments to Forms and Schedules to Remove Provision of Certain Personally Identifiable Information	In this final rule, the SEC approved the elimination of sections of certain forms where filers or natural persons previously disclosed certain personally identifiable information, including social security numbers. The rule was effective May 14, 2018.
Release 33-10467, Adoption of Updated EDGAR Filer Manual	The SEC has made various upgrades to the Electronic Data Gathering, Analysis, and Retrieval System (EDGAR) filer manual and related rules. These upgrades went into effect on March 16, 2018.
Release 33-7424A, Amendments to Forms and Schedules to Remove Voluntary Provision of Social Security Numbers	In this final rule, the SEC has removed the portions of forms relating to various acts requesting filers that are natural persons to furnish social security numbers. The rule was effective January 30, 2018.
Release 33-10450, Treatment of Certain Communications Involving Security-Based Swaps That May Be Purchased Only By Eligible Contract Participants	The SEC has issued this final rule to inform that certain communications involving certain security-based swaps such as publication or distribution of price quotes do not constitute "offers" for the purposes of Section 5 of the Securities Act of 1933 (the Act) and as such do not require registration under the Act or otherwise be required to qualify for an exemption under the Act. The rule also applies to brokers, dealers, or security-based swap dealer's communications that meet the definition of a "research report" under Rule 139(d). The rule was effective January 16, 2018.

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Release IA-4839, Exemptions from Investment Adviser Registration for Advisers to Small Business Investment Companies	The SEC has issued a final rule, Exemptions from Investment Adviser Registration for Advisers to Small Business Investment Companies, to allow certain investment advisers to small business investment companies an exemption from registration with the SEC under the Investment Advisers Act of 1940 (Advisers Act). Specifically, the rule updates the definition of "venture capital funds" within the Advisers Act to include "small business investment companies" and amends the definition of "assets under management" to exclude the assets of "small business investment companies". The amendments were effective March 12, 2018.
Release 33-10442, Investment Company Reporting Modernization	The Securities and Exchange Commission (the "Commission") is adopting a temporary final rule that requires funds in larger fund groups to maintain in their records the information that is required to be included in Form N-PORT, in lieu of filing reports with the Commission, until April 2019. As a result, larger funds groups will be required to begin submitting reports on Form N-PORT on the Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system by April 30, 2019, and smaller fund groups will be required to begin submitting reports on Form N-PORT by April 30, 2020. This rule is effective January 16, 2018, until March 31, 2026.
Release 33-10234, Investment Company Swing Pricing	The SEC adopted amendments to rule 22c-1 under the Investment Company Act to permit a registered open-end management investment company ("open-end fund" or "fund") (except a money market fund or exchange-traded fund), under certain circumstances, to use "swing pricing". "Swing pricing" is defined as the process of adjusting the fund's net asset value ("NAV") per share to effectively pass on the costs stemming from shareholder purchase or redemption activity to the shareholders associated with that activity. Additionally, the Commission adopted amendments to rule 31a-2 to require funds to preserve certain records related to swing pricing as well as other amendments to Form N-1A and Regulation S-X and a new item in Form N-CEN, all of which address a fund's use of swing pricing. This rule becomes effective November 19, 2018.
Release 33-10233, Investment Company Liquidity Risk Management Programs	The Securities and Exchange Commission adopted new rules, a new form and amendments to a rule and forms intended to encourage effective liquidity risk management in the open-end investment company industry. The rules are designed to reduce the risk that funds will be unable to meet their redemption obligations and mitigate dilution of the interests of fund shareholders. Under the new rules and amendments, the Commission now requires each registered open-end management investment company, including open-end exchange-traded funds ("ETFs") but not including money market funds, to establish a liquidity risk management program and requires principle underwriters and depositors of unit investment trusts to engage in a limited liquidity review. Additionally, the Commission is also adopting amendments to Form N-1A regarding fund policy disclosures on the redemption of fund shares and new rule 30b1-10, amendments to Forms N-PORT and N-CEN, and Form N-LIQUID which will require a fund to confidentially notify the Commission of certain liquidity measures and liquidity risk management practices. This rule was effective January 17, 2017 except for the amendments to Form N-CEN which became effective June 1, 2018.
Release 34-78167, Disclosure of Payments by Resource Extraction Issuers	These rules require an issuer to disclose payments made to the U.S. federal government or to a foreign government if the issuer engages in the commercial development of oil, natural gas, or minerals, and is required to file annual reports with the SEC under the Securities Exchange Act. The issuer must also disclose payments made by a subsidiary or entity controlled by the issuer. Specifically, resource extraction issuers must disclose payments that are made to further the commercial development of oil, natural gas, or minerals (as defined in the rules), are not de minimis (i.e., either equal to or exceed $100,000 in either a single payment or in a series of payments), and include payments related to taxes; royalties; fees (including license fees); production entitlements; bonuses; dividends; infrastructure improvements; and if required by law or contract, community and social responsibility payments. Resource extraction issuers are required to comply with the rules starting for their fiscal years ending on or after September 30, 2018.