Welcome to the Fourth Quarter issue of our *Quarterly Accounting Update*. Each quarter, we will provide you with up-to-date information for consideration in your financial reporting and disclosures. Our goal is for you to have current, relevant information available prior to finalizing your financial reporting deliverables. This update is organized as follows:

SELECTED HIGHLIGHTS
This section includes an executive summary of selected items and hot topics covered in this update.

FASB UPDATE
This section includes an overview of selected Accounting Standards Updates (ASUs) issued during the period.

REGULATORY UPDATE
This section includes an overview of selected updates, releases, rules and actions during the period that might impact financial information, operations and/or governance.

OTHER DEVELOPMENTS
This section includes an overview of other developments, actions, and projects of the FASB, PCC, EITF and/or other rulemaking organizations.

ON THE HORIZON
This section includes an overview of selected projects and exposure drafts of the FASB.

APPENDICES

- A – Important Implementation Dates
- B – Illustrative Disclosures for Recently Issued Accounting Pronouncements

Quarterly Accounting Update: Selected Highlights

FASB Provides Private Company Relief for VIEs

In October, the FASB issued guidance that reduces the cost and complexity of financial reporting associated with consolidation of variable interest entities (VIEs). The new guidance supersedes the private company alternative for common control leasing arrangements issued in 2014 and expands it to all qualifying common control arrangements.

See the *FASB Update* section for additional details.

Public Companies May See Switch to Semiannual Financial Reporting

A new House bill seeks to eliminate the SEC's quarterly reporting regime and replace it with semiannual filings. Supporters say quarterly filings needlessly increase compliance burdens and encourage short-term decision-making.

More information can be found in the *Regulatory Update* section.

Regional Bank Alternative for Credit Loss Standard to be Considered in 2019

The FASB has agreed to evaluate a different approach for calculating loan losses under ASU 2016-13 based on recommendations from a group of regional banks. In a letter submitted in November to the FASB, the group of banks warned that the credit loss standard could lessen regulatory capital and cause banks to restrict their lending in economic downturns.

Learn more in the *Other Developments* section.

Join us on Wednesday, January 9th, for a one-hour webcast designed to provide insight into recent discussions, actions and pronouncements from the FASB and other accounting regulatory bodies. Find more information and register at: http://www.elliottdavis.com/events

Quarterly Accounting Update: FASB Update

The following selected Accounting Standards Updates (ASUs) were issued by the Financial Accounting Standards Board (FASB) during the fourth quarter. A complete list of all ASUs issued or effective in 2018 is included in Appendix A.

FASB Eases Lease Guidance for Equipment and Property Lessors

Affects: All entities

On December 10, 2018, the FASB issued ASU 2018-20, *Narrow-Scope Improvements for Lessors*, that contains three narrow updates aimed at easing how equipment and property lessors apply the new lease accounting standard.

The ASU provides relief in (1) the accounting for sales, use and similar taxes, (2) the accounting for other costs paid by a lessee that may benefit a lessor, and (3) variable payments when contracts have lease and non-lease components. Specifically, the ASU will allow lessors to avoid what they said was a complex exercise to evaluate whether sales and other similar taxes are costs of the lessor or the lessee and instead account for these costs as if they are lessee costs and exclude these costs from being reported as lease revenue with an associated expense. Additionally, the ASU will allow lessors to exclude costs that a lessee pays directly to a third party, such as property taxes and the cost for insuring a leased piece of property or equipment from lessor payments. As it relates to variable payments when contracts have lease and non-lease components, the ASU clarifies that variable payment amounts related to lease and nonlease components of a transaction need to be allocated between the contract components when the changes in facts and circumstances on which the variable payment is based occur. The amount of variable payments allocated to the lease components must be recognized as income, as prescribed in the new lease accounting standard. For the nonlease component, the amount of variable payment must be recognized under other applicable accounting guidance.

Effective Date

For entities that have not adopted ASC 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this ASU are the same as the effective date and transition requirements in ASU 2016-02.

For entities that have adopted ASC 842, the effective date and transition of the amendments related to the amendments in this ASU are as follows:

- The amendments should be applied at the original effective date of Topic 842 for the entity or in either the first reporting period ending after the issuance of this ASU or in the first reporting period beginning after the issuance of this ASU.
- The amendments may be applied either retrospectively or prospectively.All entities, including early adopters, must apply the amendments in this Update to all new and existing leases.

FASB Adds New Benchmark Rate for Hedge Accounting

Affects: All entities

On October 25, 2018, the FASB issued ASU 2018-16, *Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes*, that expands the list of U.S. benchmark interest rates permitted in the application of hedge accounting.

FASB Accounting Standards Codification (ASC) 815, *Derivatives and Hedging*, provides guidance on the risks associated with financial assets or liabilities that are permitted to be hedged. Among those risks is the risk of changes in fair values or cash flows of existing or forecasted issuances or purchases of fixed-rate financial assets or liabilities attributable to the designated benchmark interest rate (referred to as interest rate risk).

In the United States, eligible benchmark interest rates under ASC 815 are interest rates on direct Treasury obligations of the U.S. government (UST), the London Interbank Offered Rate (LIBOR) swap rate, and the OIS Rate based on the Fed Funds Effective Rate. When the FASB issued ASU 2017-12, *Targeted Improvements to Accounting for Hedging Activities*, in August 2017, it introduced the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Rate as the fourth permissible U.S. benchmark rate.

Based on concerns about the sustainability of LIBOR, in 2017, a committee convened by the Federal Reserve Board and the Federal Reserve Bank of New York identified a broad Treasury repurchase agreement (repo) financing rate referred to as the SOFR as its preferred alternative reference rate.

The new ASU adds the OIS rate based on SOFR as a U.S. benchmark interest rate to facilitate the LIBOR to SOFR transition and provide sufficient lead time for entities to prepare for changes to interest rate risk hedging strategies for both risk management and hedge accounting purposes.

Effective Date

The amendments in the ASU will be effective concurrently with ASU 2017-12. For public companies that already have adopted ASU 2017-12, the new amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. For all other companies and organizations that already have adopted ASU 2017-12, the new amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted in any interim period upon issuance of this ASU if a company or organization already has adopted ASU 2017-12.

FASB Provides Private Company Relief from VIE Consolidation

Affects: All entities

On October 31, 2018, the FASB issued ASU 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*, that reduces the cost and complexity of financial reporting associated with consolidation of variable interest entities (VIEs). The new guidance supersedes the private company alternative for common control leasing arrangements issued in 2014 and expands it to all qualifying common control arrangements.

Under the new guidance, a private company could make an accounting policy election to not apply VIE guidance to legal entities under common control (including common control leasing arrangements) when certain criteria are met. This accounting policy election must be applied by a private company to all current and future legal entities under common control that meet the criteria for applying the alternative. A private company will be required to continue to apply other consolidation guidance, specifically, the voting interest entity guidance. Additionally, a private company electing the alternative is required to provide detailed disclosures about its involvement with, and exposure to, the legal entity under common control.

This accounting alternative is expected to reduce diversity that exits today in applying VIE guidance to private companies under common control because it is expected that many private companies will elect the alternative. This accounting alternative also is expected to improve the relevance of the financial reporting information to users by providing users of private company financial statements with additional disclosures structured in a more consistent manner. Furthermore, the costs and complexity associated with applying VIE guidance to common control arrangements are expected to be reduced for private companies.

The ASU also amends the guidance for determining whether a decision-making fee is a variable interest. The amendments require organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety (as currently required in U.S. generally accepted accounting principles [GAAP]).

Effective Date

For organizations other than private companies, the amendments in this ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The amendments in this ASU are effective for a private company for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted for all entities.

FASB Improves Accounting for Collaborative Arrangements

Affects: All entities

On November 5, 2018, the FASB issued ASU 2018-18, *Clarifying the Interaction between Topic 808 and Topic 606*, that clarifies the interaction between the guidance for certain collaborative arrangements and the new revenue recognition standard.

A collaborative arrangement is a contractual arrangement under which two or more parties actively participate in a joint operating activity and are exposed to significant risks and rewards that depend on the activity's commercial success. The ASU provides guidance on how to assess whether certain transactions between collaborative arrangement participants should be accounted for within the revenue recognition standard.

The ASU also provides more comparability in the presentation of revenue for certain transactions between collaborative arrangement participants. It accomplishes this by allowing organizations to only present units of account in collaborative arrangements that are within the scope of the revenue recognition standard together with revenue accounted for under the revenue recognition standard. The parts of the collaborative arrangement that are not in the scope of the revenue recognition standard should be presented separately from revenue accounted for under the revenue recognition standard.

Effective Date

For public companies, the amendments in this ASU are effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other organizations, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted.

FASB Amends Transition Requirements and Scope of Credit Losses Standard

Affects: Entities other than public business entities—including not-for-profit organizations and certain employee benefit plans and entities with receivables arising from operating leases

On November 15, 2018, the FASB issued ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*, that amends the transition requirements and scope of the credit losses standard (ASU 2016-13) issued in 2016.

First, the ASU mitigates transition complexity by requiring entities other than public business entities—including not-for-profit organizations and certain employee benefit plans—to implement it for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. This aligns the implementation date for these entities' annual financial statements with the implementation date for their interim financial statements.

Second, the ASU clarifies that receivables arising from operating leases are not within the scope of the credit losses standard, but rather, should be accounted for in accordance with the new leases standard.

Effective Date

The effective date and transition requirements are the same as the effective dates and transition requirements in the credit losses standard, as amended by the new ASU.

Quarterly Accounting Update: Regulatory Update

Reducing Reporting Requirements for Public Companies Appears to be Gaining Momentum

In May, Representative Ann Wagner of Missouri, introduced H.R. 5970, the *Modernizing Disclosures for Investors Act* to let publicly traded companies disclose quarterly financial information in a simplified manner, such as through a press release or by a shortened form, instead of in a Form 10-Q. However, the final version of H.R. 5970, which passed the House in July, would only require the SEC to study rolling back its quarterly reporting regime for public companies. If signed into law, Wagner's bill would require the SEC within 180 days after enactment to provide a cost-benefit report to Congress on of the use of Form 10-Q for emerging growth companies and other issuers, as well as on the costs and benefits of alternative formats for quarterly reporting.

Under a bill introduced in the House of Representatives in late September, public companies would see their quarterly reporting requirements cut in half. The measure is the latest in a series of efforts to eliminate the SEC's quarterly reporting regime and replace it with semiannual filings. H.R. 6918, the *Semi-Annual Act of 2018*, would eliminate the SEC's quarterly reporting regime and replace it with semiannual filings. H.R. 6918 would amend Section 13 of the Securities Exchange Act of 1934 to strike all reference to "quarterly" and replace it with "semiannual."

The bill, sponsored by Representative Alex Mooney of West Virginia, is part of a recent effort by Republicans in Congress and the White House to scale back the frequency and volume of corporate regulatory filings. Critics of quarterly filings say they needlessly increase compliance burdens and encourage short-term decision-making to appease investors every three months. Defenders say receiving detailed financial statements and risk disclosures throughout the year is important for investor decision-making.

SEC Report: Public Companies Should Consider Cyber Threats in ICFR

In October, the SEC issued an investigative report based on the SEC Enforcement Division's investigations of nine public companies that fell victim to cyber fraud. The frauds in some instances lasted months and often were detected only after intervention by law enforcement or other third parties. The SEC noted that public issuers subject to the SEC's internal accounting controls requirements must calibrate their internal accounting controls to the current risk environment and assess and adjust policies and procedures accordingly.

Stephanie Avakian, Co-Director of the SEC's Enforcement Division, further emphasized the SEC's belief that cyber threats should be considered when designing internal controls when she stated, "In light of the facts and circumstances, we did not charge the nine companies we investigated, but our report emphasizes that all public companies have obligations to maintain sufficient internal accounting controls and should consider cyber threats when fulfilling those obligations."

Proposal to Expand Exemptions from Audits of ICFR Possible by September 2019

According to the SEC's mid-October update to its regulatory agenda, the agency is considering issuing a proposal that would increase the number of public companies exempt from audits of ICFR under the requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002.

Currently, public companies that are classified as "nonaccelerated filers" are exempt from the audits of internal controls. Nonaccelerated filers have less than $75 million public float or annual revenues of less than $50 million are exempt from the audits of ICFR. The agenda indicates that the SEC intends to seek comments on amending the definition of accelerated filer to grant exemptions to more public companies. Accelerated filers are currently defined as companies with more than $75 million but less than $700 million in public float.

This agenda item appears to be in response a lobbying effort by business groups who say the auditor attestation rule is costly and does not offer much benefit to investors.

Mortgage Bankers Association Calls for Delay of Credit Losses Standard

The Mortgage Bankers Association (MBA) asked Treasury Secretary Steven Mnuchin to delay implementation of the credit losses standard, saying the standard would have adverse impact on single-family, commercial and multifamily mortgages. In a November letter, MBA President and CEO Robert Broeksmit, asked Mnuchin—in his capacity as chairman of the Financial Stability Oversight Council (FSOC), which oversees implementation of the CECL standard issued by the FASB—to delay the 2020 implementation pending completion of an MBA-recommended transparent quantitative impact study, to be conducted by the FSOC, to analyze the standard's impact.

The FASB issued the standard, ASU 2016-13, *Financial Instruments—Credit Losses*, in 2016. The new accounting standard introduces the current expected credit losses methodology (CECL) for estimating allowances for credit losses. It applies to all banks, savings associations, credit unions and financial institution holding companies regardless of size, that file regulatory reports for which the reporting requirements conform to U.S. GAAP.

The MBA believes that the requirements of the CECL standard, which is effective for SEC registrants in 2020, and for all other companies in 2021, will adversely impact the availability, structure and price of credit, with a larger proportion of such impact landing on longer-term loans, such as 30-year single-family residential mortgages, commercial and multifamily mortgages, student and business loans.

The letter also noted for many MBA community bank members, more than 50% of their loan portfolios constitute residential mortgage products; therefore, the unforeseen impact of CECL implementation on residential mortgage lending will have significant detrimental effects on these banks.

The MBA asked the FSOC to conduct a quantitative study on the overall impact of CECL implementation on the financial services industry and, pending completion of such study, engage with FASB to request a delay in implementation. MBA noted the Treasury Department itself in 2017 recommended such a study. Additionally, the MBA said because many of the requirements of CECL pose very real and, in many cases, unidentified challenges and issues that could only be assessed and analyzed by a quantitative impact study initiative, it urged the FSOC to seek a delay in implementation pending completion of the study.

Quarterly Accounting Update: Other Developments

Revenue Recognition Guidance for Franchise Industry

A new FASB staff paper provides information to private company franchisors as they decide how to recognize certain franchise fees under the new revenue recognition standard. The staff paper provides implementation examples and primarily targets questions related to the use of judgment in identifying performance obligations, as requirements have changed under the new standard.

Under current U.S. GAAP, a franchisor typically recognizes an initial franchise fee when a new franchise location opens. As a result, the franchisor has not needed to assess whether pre-opening services are a separate deliverable. Under the new revenue recognition guidance in ASC 606, *Revenue From Contracts With Customers*, the franchisor will be required to determine if the pre-opening activities contain any distinct goods or services. The FASB staff paper provides educational illustrations demonstrating how a franchisor may make these assessments.

FASB staff has continued to receive questions about areas of the guidance that require the application of judgment, such as identifying performance obligations. The staff paper states that the accounting outcomes in areas of judgment depend on the facts and circumstances of the arrangement, and there are no presumptions in the standard on how many performance obligations are included in certain arrangements.

The staff memo walks preparers through the requirements for identifying performance obligations and provides examples that are intended to help franchisees determine if pre-opening activities contain any distinct goods or services.

Regional Bank Alternative for Credit Loss Standard to be Evaluated

In November, twenty-one regional banks asked the FASB to consider a different approach for calculating loan losses under ASU 2016-13. In their view, the standard would create volatility in their regulatory capital and force them to curtail lending during economic downturns. To offset these effects, the banks called on the FASB to let banks recognize the provision for credit losses in a way they say would mitigate swings in earnings and reduce headaches around regulatory capital management. As a result, the FASB plans to publicly evaluate the recommendation in early 2019. The FASB's research staff is currently assessing the recommendation, which was submitted to the Board on November 5.

The group of regional banks want to recognize the provision for credit losses in three parts instead of one. For non-impaired financial assets, loss expectations within the first year would be recorded to the provision for losses in the income statement. Loss expectations beyond the first year on performing assets would be recorded in accumulated other comprehensive income. For impaired financial assets, lifetime expected credit losses would be recognized entirely in earnings.

No New Guidance Planned for Financial Reporting Effects of Tax Reform

In a November meeting, the FASB noted that no new guidance or standard-setting activity is expected, related to the Tax Cuts and Jobs Act (TCJA). But the Board will continue to monitor questions and see if it needs to take action in the future, particularly on a provision in the law calling for a minimum tax on certain foreign earnings, referred to as the global intangible low-taxed income (GILTI) regime. While the GILTI regime is a frequent source of questions to the FASB's research staff, the Board believes the questions do not rise to the level of requiring new guidance.

Signed into law on December 22, 2017, the TCJA introduced the GILTI regime, which imposes a tax on foreign income in excess of the deemed returns on the tangible assets of foreign corporations. In addition, it created a base erosion anti-abuse tax (BEAT), which companies must pay if it is greater than their expected tax liability. In January 2018, the FASB rushed to address some of the most pressing questions about the new tax law. The FASB's research staff published a question-and-answer document on the FASB's website, covering queries about BEAT and GILTI, and clarifying that companies should not discount the liability on the deemed repatriation of earnings, nor should they discount alternative minimum tax credits that become refundable.

For GILTI, the FASB received inquires on whether deferred tax assets and liabilities should be recognized for basis differences expected to reverse as GILTI in future years or if the tax on GILTI should be included in tax expense in the period in which it is incurred. The FASB staff document said ASC 740, *Income Taxes*, could allow either interpretation, depending on the business's facts and circumstances. Under one view, a business would follow the tax law ordering rules to determine whether existing deferred tax assets are expected to be realized. Under a second interpretation, a business would apply what the FASB calls a "with-and-without approach" to determine whether the deferred tax asset will be realized. This means the business would compare what it expects its tax expense to be after using the net operating loss (NOL) with what it expects its tax expense to be without using the NOL.

Quarterly Accounting Update: On the Horizon

The following selected FASB exposure drafts and projects are outstanding as of December 31, 2018.

FASB Proposes Two Narrow Updates to Lessor Accounting

In December, the FASB issued for public comment two narrow changes to the new lease accounting standard. Specifically, the proposed ASU attempts to answer a question banks and holding companies had about assessing the fair value of assets they rent out and also answer a separate question about how to present sales-type and direct financing leases in a company's statement of cash flows.

On the first question, the proposed update would allow banks and holding companies (referred to as "not manufacturers or dealers,") that are lessors to measure the underlying asset at cost, reflecting any volume or trade discounts that may apply rather than recording at fair value, assuming there has not been a significant lapse of time between when the underlying asset is acquired and when the lease starts.

On the second question, the proposal would require lessors within the scope of ASC 942, Financial Services—Depository and Lending, to present all "principal payments received under leases" within investing activities.

Comments on the proposed ASU are due by January 15, 2019.

Balance Sheet Classification of Debt

The purpose of this project is to reduce cost and complexity by replacing the fact-pattern specific guidance in U.S. GAAP with a principle to classify debt as current or noncurrent based on the contractual terms of a debt arrangement and an entity's current compliance with debt covenants.

On January 10, 2017, the FASB issued a proposed ASU on determining whether debt should be classified as current or noncurrent in a classified balance sheet. In place of the current, fact-specific guidance in ASC 470-10, the proposed ASU would introduce a classification principle under which a debt arrangement would be classified as noncurrent if either (1) the "liability is contractually due to be settled more than one year (or operating cycle, if longer) after the balance sheet date" or (2) the "entity has a contractual right to defer settlement of the liability for at least one year (or operating cycle, if longer) after the balance sheet date." Under an exception to the classification principle, an entity would not classify debt as current solely because of the occurrence of a debt covenant violation that gives the lender the right to demand repayment of the debt, as long as the lender waives its right before the financial statements are issued (or are available to be issued).

Many businesses, professional groups, and some auditors criticized the proposal in their comment letters. But others, including a majority of the FASB's Private Company Council, stated the FASB's proposal made sense and would simplify U.S. GAAP's myriad, fact-specific rules about debt classification. Proponents of the changes also said that by the time the updated guidance became effective, the public would have a better idea about the principles behind the changes. Regulators also potentially could adapt their rules so companies that reported higher short-term debt solely because of the accounting change would not be disqualified from projects.

On September 13, 2017, the FASB approved the update 6-1. The FASB agreed that public companies would have to comply with the new guidance for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Private companies and other organizations would not have to follow the revised guidance until their fiscal years that begin after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. All organizations can apply the amendments early.

On August 28, 2018, the FASB redeliberated its proposed ASU and made the following decisions:

- <u>Classification Principle—Unused Long-Term Financing Arrangements</u>—the Board reversed its previous decision that if a long-term financing arrangement is in place as of the balance sheet date (for example, an unused line of credit), the amount of current maturities for any other debt arrangements would be reduced by the unused amount of the long-term financing arrangement up to the amount of the current maturities and classified as a noncurrent liability. Therefore, an unused long-term financing arrangement in place at the balance sheet date should be disregarded in determining the classification of debt unless it is explicitly available to refinance an existing debt. The Board directed the staff to conduct additional outreach, focusing on scenarios in which an entity has a redeemable instrument that is subject to a remarketing agreement and is also secured by a long-term letter of credit.
- <u>Grace Periods</u>—the Board clarified how to apply the debt classification principle when a debt covenant violation exists and the creditor provides a grace period. Specifically, the Board decided that when a borrower violates a provision of a long-term debt agreement and the creditor provides a specified grace period for the borrower to cure the violation, which makes the debt no longer callable at the balance sheet date, the borrower should classify the debt as a noncurrent liability. The Board decided to require an entity to disclose information when a borrower violates a provision of a long-term debt agreement and the creditor provides a

specified grace period. That disclosure would be required when (1) the violation has not been cured before the financial statements are issued (or are available to be issued) and (2) the violation would make the long-term obligation callable.

- Effective Date—the Board decided that the effective date should be as follows:
  - For public business entities, for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years
  - For all other entities, for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022.

In October, the FASB continued redeliberations of the proposed ASU and directed the staff to conduct additional research, focusing on a potential alternative that considers the contractual linkage between certain debt arrangements and unused long-term financing arrangements in place at the balance sheet date.

The FASB is expected to issue the final standard during 2019.

Expanded Inventory Disclosures Proposed

On January 10, 2017, the FASB issued a proposed ASU, *Disclosure Framework—Changes to the Disclosure Requirements for Inventory*, which calls on businesses to provide more detailed disclosures about their raw materials and finished goods.

The proposed ASU would require businesses to disclose their inventory by component, such as by raw materials, finished goods, supplies, and works-in-process. Businesses also would have to break down how their inventory is measured. Businesses use a variety of measurement techniques for inventory, including last-in, first-out (LIFO), first-in, first-out (FIFO), LIFO retail inventory method, or weighted average. Significant shrinkage, spoilage, damage or other unusual transactions or circumstances affecting inventory balances also would have to be disclosed. Additionally, businesses would have to describe the types of costs capitalized into inventory, the effect of LIFO liquidations on income, and the replacement cost of LIFO inventory.

The FASB is currently redeliberating the proposed ASU in light of the comments received.

Disclosure Framework

The disclosure framework project consists of two phases: (1) the FASB's decision process and (2) the entity's decision process. The overall objective of the project is to improve the effectiveness of disclosures in notes to financial statements by clearly communicating the information that is most important to users of each entity's financial statements. Although reducing the volume of the notes to financial statements is not the primary focus, the FASB hopes that a sharper focus on important information will result in reduced volume in most cases.

Consolidation Reorganization

On November 2, 2016, the Board added this project to its technical agenda. Further, it tentatively decided to (1) clarify the consolidation guidance in ASC 810, *Consolidation*, by dividing it into separate Codification subtopics for voting interest entities and variable interest entities (VIEs); (2) develop a new Codification topic that would include those reorganized subtopics and would completely supersede ASC 810; (3) rescind the subsections on consolidation of entities controlled by contract in ASC 810-10-15 and in ASC 810-30 on research and development arrangements; (4) further clarify that power over a VIE is obtained through a variable interest; and (5) provide further clarification of the application of the concept of "expected," which is used throughout the VIE consolidation guidance.

At its March 8, 2017, meeting, the FASB discussed the feedback received at its December 16, 2016, public roundtable and voted to move forward with a proposed ASU that reorganizes the consolidation guidance. On September 20, 2017, the FASB issued Proposed ASU, *Consolidation (Topic 812): Reorganization*, and the comment period has closed. The proposed ASU is now in the redeliberation phase related to comment responses received.

On June 27, 2018, the Board decided to continue its existing project to reorganize ASC 810 and instructed the staff to develop nonauthoritative educational material to address the more difficult parts of consolidation guidance with the goal of supporting and supplementing the reorganized authoritative consolidation guidance.

EITF Agenda Items

The Emerging Issues Task Force (EITF) did not meet during the fourth quarter. The next EITF meeting is scheduled in March, 2019.

PCC Activities

On Tuesday, December 11, 2018, the Private Company Council (PCC) discussed and provided input on the following topics:

- Disclosures by Business Entities about Government Assistance: PCC members provided feedback on the scope of the project and the types of government assistance that would require disclosure under this standard. PCC members were generally split on their view of the project, with users expressing strong support and some preparers and auditors questioning whether the expected benefits would justify the costs. The PCC suggested that the FASB initiate educational initiatives to ensure private company stakeholders are aware of the new requirements, particularly the type of assistance included in the scope.
- Goodwill and Certain Identifiable Intangible Assets: PCC members were supportive of the FASB's Invitation to Comment and noted that future amendments should align with the alternatives afforded private companies today with respect to amortizing goodwill.
- Distinguishing Liabilities from Equity: Given the narrow scope of the project, PCC members were very supportive of adding a probability threshold to the indexation component of the derivative scope exception.
- Disclosure Improvements in Response to SEC Release on Disclosure Update and Simplification: PCC members discussed the recently-added FASB research project. Some disclosures received broad support from PCC members, while other potential disclosures were not widely supported—primarily due to concerns over relevance of these disclosures to private company users.
- Codification Improvements—Share-Based Consideration Payable to a Customer: PCC members unanimously supported the tentative Board decisions reached on the share-based consideration payable to a customer project.
- Practical Expedient to Measure Grant-Date Fair Value of Equity-Classified Share-Based Payments: The PCC added a project to its Technical Agenda to consider a practical expedient to measure grant-date fair value of equity share-based payments for private companies. PCC members and Board members discussed a possible approach. PCC members directed FASB staff

to conduct further research in advance of the next meeting on the operability and understandability of a potential expedient that would allow a private company to use the strike price (as the input for fair value) of the underlying share when measuring grant-date fair value of an equity-classified award.

The next PCC meeting will be held on Tuesday, April 2, 2019.

APPENDIX A

Important Implementation Dates

The following table contains significant implementation dates and deadlines for FASB/EITF/PCC and GASB standards.

FASB/EITF/PCC Implementation Dates

Pronouncement	Affects	Effective Date and Transition
ASU 2018-20, *Narrow-Scope Improvements for Lessors*	Lessor entities	For entities that have not adopted ASC 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this ASU are the same as the effective date and transition requirements in ASU 2016-02. For entities that have adopted ASC 842, the effective date and transition of the amendments related to the amendments in this ASU are as follows: 1. The amendments should be applied at the original effective date of Topic 842 for the entity or in either the first reporting period ending after the issuance of this ASU (for example, December 31, 2018) or in the first reporting period beginning after the issuance of this ASU (for example, January 1, 2019). 2. The amendments may be applied either retrospectively or prospectively. All entities, including early adopters, must apply the amendments in this ASU to all new and existing leases.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*	All entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income	The effective date and transition requirements are the same as the effective dates and transition requirements in ASU 2016-13, as amended by this ASU.
ASU 2018-18, *Clarifying the Interaction between Topic 808 and Topic 606*	All entities	Effective for public companies for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other organizations, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted.
ASU 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*	All entities	Effective for organizations other than private companies for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The amendments in this ASU are effective for a private company for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early adoption is permitted.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-16, ***Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes***	All entities	For entities that have not already adopted ASU 2017-12, the amendments in this ASU are required to be adopted concurrently with the amendments in ASU 2017-12. For public business entities that already have adopted the amendments in ASU 2017-12, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. For all other entities that already have 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. Early adoption is permitted in any interim period upon issuance of this Update if an entity already has adopted ASU 2017-12.
ASU 2018-15, ***Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract (a consensus of the FASB Emerging Issues Task Force)***	All entities	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 amendments in this Update are effective for annual reporting periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021. Early adoption is permitted, including adoption in any interim period, for all entities.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-14, ***Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans***	All employers that sponsor defined benefit pension or other postretirement plans	Effective for fiscal years ending after December 15, 2020, for public business entities and for fiscal years ending after December 15, 2021, for all other entities. Early adoption is permitted for all entities.
ASU 2018-13, ***Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement***	All entities	Effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted.
ASU 2018-12, ***Targeted Improvements to the Accounting for Long-Duration Contracts***	Insurance entities	For public business entities, the amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early application of the amendments is permitted.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-11, *Leases (Topic 842)—Targeted Improvements*	All entities	The amendments related to separating components of a contract affect the amendments in ASU 2016-02, which are not yet effective but can be early-adopted. For entities that have not adopted ASC 842 before the issuance of this ASU, the effective date and transition requirements for the amendments in this ASU related to separating components of a contract are the same as the effective date and transition requirements in ASU 2016-02. For entities that have adopted ASC 842, the effective date and transition of the amendments related to separating components of a contract are as follows: • The practical expedient may be elected either in the first reporting period following the issuance of this ASU or at the original effective date of ASC 842 for that entity. • The practical expedient may be applied either retrospectively or prospectively. All entities, including early adopters, that elect the practical expedient related to separating components of a contract in this ASU must apply the expedient, by class of underlying asset, to all existing lease transactions that qualify for the expedient at the date elected.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-10, *Codification Improvements to Topic 842, Leases*	All entities	For entities that early-adopted ASC 842, the amendments are effective upon issuance, and the transition requirements are the same as those in ASC 842. For entities that have not adopted ASC 842, the effective date and transition requirements will be the same as the effective date and transition requirements in ASC 842.
ASU 2018-09, *Codification Improvements*	All entities	The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments in this ASU do not require transition guidance and will be effective upon issuance. However, many of the amendments do have transition guidance with effective dates for annual periods beginning after December 15, 2018, for public business entities.

<table>
<tr><th>Pronouncement</th><th>Affects</th><th>Effective Date and Transition</th></tr>
<tr><td>ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made</td><td>All entities, including business entities, that receive or make contributions of cash and other assets, including promises to give within the scope of Subtopic 958-605 and contributions made within the scope of Subtopic 720-25, Other Expenses—Contributions Made.</td><td><u>Contributions Received:</u>

For an entity that is either a public business entity or an NFP 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 serves as a resource recipient, the entity should apply the amendments to annual periods beginning after June 15, 2018, including interim periods within those annual periods. All other entities should apply the amendments to annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.

<u>Contributions Made:</u>

For an entity that is either a public business entity or an NFP 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 serves as a resource provider, the entity should apply the amendments to annual periods beginning after December 15, 2018, including interim periods within those annual periods. All other entities should apply the amendments to annual periods beginning after December 15, 2019, and interim periods within annual periods beginning after December 15, 2020.

Early adoption of the amendments is permitted.</td></tr>
<tr><td>ASU 2018-07, Improvements to Nonemployee Share-Based Payment Accounting</td><td>All entities that enter into share-based payment transactions for acquiring goods and services from nonemployees.</td><td>For public business entities, the amendments are effective for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, but no earlier than an entity’s adoption date of Topic 606.</td></tr>
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Pronouncement	Affects	Effective Date and Transition
ASU 2018-06, *Codification Improvements to Topic 942, Financial Services—Depository and Lending*	The amendments in this ASU remove outdated guidance related to Circular 202 and should have no effect on reporting entities.	Effective upon issuance.
ASU 2018-05, *Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118*	All entities that are SEC filers.	Effective upon issuance.
ASU 2018-04, *Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 117 and SEC Release No. 33-9273*	All entities that are SEC filers.	Effective upon issuance.
ASU 2018-03, *Recognition and Measurement of Financial Assets and Financial Liabilities*	All entities	For public business entities the amendments in this Update are 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 these amendments 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 Update 2016-01. For all other entities, the effective date is the same as the effective date in Update 2016-01. All entities may early adopt these amendments for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, as long as they have adopted Update 2016-01.

Pronouncement	Affects	Effective Date and Transition
ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*	All entities	Effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption of the amendments in this ASU is permitted, including adoption in any interim period, (1) for public business entities for reporting periods for which financial statements have not yet been issued and (2) for all other entities for reporting periods for which financial statements have not yet been made available for issuance.
ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*	All entities	The effective date and transition requirements for ASU 2018-01 are the same as the effective date and transition requirements in ASU 2016-02. An entity that early adopted ASC 842 should apply the amendments in this ASU upon issuance.
ASU 2017-15, *Elimination of Topic 995*	Steamship entities that have unrecognized deferred taxes related to statutory reserve deposits that were made on or before December 15, 1992	Effective for fiscal years and first interim periods beginning after December 15, 2018. Early adoption is permitted for all entities, including adoption in an interim period.
ASU 2017-14, *Amendments to SEC Paragraphs Pursuant to Staff Accounting Bulletin No. 116 and SEC Release No. 33-10403*	All entities that are SEC filers.	Effective upon issuance.
ASU 2017-13, *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 (SEC Update)*	All entities that are SEC filers.	Effective upon issuance.

Pronouncement	Affects	Effective Date and Transition
ASU 2017-12, *Targeted Improvements to Accounting for Hedging Activities*	Entities that elect to apply hedge accounting	Effective for public business entities for fiscal years beginning after December 15, 2018, and interim periods therein. Effective for all other entities for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. All entities are permitted to early adopt the new guidance in any interim or annual period after issuance of the ASU.
ASU 2017-11, *(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 Noncontrolling Interests with a Scope Exception*	Entities that issue financial instruments that include down round features	Effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. Effective for all other entities for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted.
ASU 2017-10, *Determining the Customer of the Operation Services—a consensus of the Emerging Issues Task Force*	Operating entities with service concession arrangements within the scope of ASC 853, *Service Concession Arrangements*	Dependent upon the adoption of ASC 606, *Revenue from Contracts with Customers*.
ASU 2017-09, *Scope of Modification Accounting*	Entities that provide share-based payment awards.	Effective for all entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. Early adoption is permitted, including adoption in any interim period. The amendments should be applied prospectively to an award modified on or after the adoption date.

Pronouncement	Affects	Effective Date and Transition
ASU 2017-08, *Premium Amortization on Purchased Callable Debt Securities*	Entities that hold investments in callable debt securities held at a premium	Effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, including adoption in an interim period.
ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*	Entities that offer defined benefit pension plans, other postretirement benefit plans, or other types of benefits accounted for under ASC 715.	Effective for public business entities for interim and annual periods beginning after December 15, 2017. For other entities, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods in the subsequent annual period. Early adoption is permitted as of the beginning of any annual period for which an entity's financial statements have not been issued or made available for issuance.
ASU 2017-06, *Employee Benefit Plan Master Trust Reporting—a consensus of the Emerging Issues Task Force*	Entities within the scope of ASC 960, ASC 962, or ASC 965.	Effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. An entity should apply the amendments retrospectively to each period for which financial statements are presented.
ASU 2017-05, *Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets*	All entities.	See the Effective Date and Transition of ASU 2014-09, below.

Pronouncement	Affects	Effective Date and Transition
ASU 2017-04, *Simplifying the Test for Goodwill Impairment*	All entities.	Effective for public business entities that are SEC filers for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2019. For public business entities that are not SEC filers, the amendments are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2020. For all other entities, including not-for-profit entities, the amendments are effective for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2021. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017.
ASU 2017-03, *Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings*	All entities.	Effective upon issuance.
ASU 2017-02, *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-profit entities.	Effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period.
ASU 2017-01, *Clarifying the Definition of a Business*	All entities.	Effective for public business entities for annual periods beginning after December 15, 2017, including interim periods within those annual periods. For all other entities, the amendments are effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers*	All entities.	See the Effective Date and Transition of ASU 2014-09, below.
ASU 2016-19, *Technical Corrections and Improvements*	All entities.	Effective upon issuance (December 14, 2016) for amendments that do not have transition guidance. Amendments that are subject to transition guidance: effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted.
ASU 2016-18, *Restricted Cash (a consensus of the FASB Emerging Issues Task Force)*	All entities.	The amendments are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. The amendments should be applied using a retrospective transition method to each period presented.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-17, *Interests Held through Related Parties That Are under Common Control*	All entities.	The amendments are effective for public business entities for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Entities that have not yet adopted the amendments in ASU 2015-02 are required to adopt the amendments 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 retrospectively to all relevant prior periods beginning with the fiscal year in which the amendments in ASU 2015-02 initially were applied.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*	All entities.	For public business entities, the amendments are effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods. For all other entities, the amendments are effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Early adoption is permitted for all entities as of the beginning of an annual reporting period for which financial statements (interim or annual) have not been issued or made available for issuance. That is, earlier adoption should be in the first interim period if an entity issues interim financial statements. The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption.
ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force)*	All entities.	The amendments are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. The amendments should be applied using a retrospective transition method to each period presented. If it is impracticable to apply the amendments retrospectively for some of the issues, the amendments for those issues would be applied prospectively as of the earliest date practicable.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-14, ***Presentation of Financial Statements of Not-for-Profit Entities***	All not-for-profit entities.	The amendments are effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Application to interim financial statements is permitted but not required in the initial year of application. Early application of the amendments is permitted.
ASU 2016-13, ***Measurement of Credit Losses on Financial Instruments***	All entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income.	For public business entities (PBE) that are Securities and Exchange Commission (SEC) filers, the new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019 (for a calendar-year entity, it would be effective January 1, 2020). For PBEs that are not SEC filers, the new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. For all other organizations, the new standard is effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early application will be permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018.
ASU 2016-12, ***Narrow-Scope Improvements and Practical Expedients***	All entities	See the Effective Date and Transition of ASU 2014-09, below.
ASU 2016-11, ***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 (SEC Update)***	None.	None.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-10, *Identifying Performance Obligations and Licensing*	All entities	See the Effective Date and Transition of ASU 2014-09, below.
ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*	All entities that issue share-based payment awards to their employees.	For public business entities, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for any organization in any interim or annual period.
ASU 2016-08, *Principal versus Agent Considerations* ***(Reporting Revenue Gross versus Net)***	All entities.	See the Effective Date and Transition of ASU 2014-09, below.
ASU 2016-07, *Simplifying the Transition to the Equity Method of Accounting*	Entities that have an investment that becomes qualified for the equity method of accounting as a result of an increase in the level of ownership interest or degree of influence.	The amendments are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments should be applied prospectively upon their effective date to increases in the level of ownership interest or degree of influence that result in the adoption of the equity method. Earlier application is permitted.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-06, ***Contingent Put and Call Options in Debt Instruments (a consensus of the Emerging Issues Task Force)***	Entities that are issuers of or investors in debt instruments (or hybrid financial instruments that are determined to have a debt host) with embedded call (put) options.	For public business entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. For entities other than public business entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. An entity should apply the amendments on a modified retrospective basis to existing debt instruments as of the beginning of the fiscal year for which the amendments are effective. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period.
ASU 2016-05, ***Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships (a consensus of the Emerging Issues Task Force)***	Entities for which there is a change in the counterparty to a derivative instrument that has been designated as a hedging instrument.	For public business entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. For all other entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. An entity has an option to apply the amendments on either a prospective basis or a modified retrospective basis. Early adoption is permitted, including adoption in an interim period.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-04, *Recognition of Breakage for Certain Prepaid Stored-Value Products (a consensus of the Emerging Issues Task Force)*	Entities that offer certain prepaid stored-value products.	For public business entities, certain not-for-profit entities, and certain employee benefit plans, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. The amendments should be applied either using a modified retrospective transition method by means of a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year in which the guidance is effective or retrospectively to each period presented. Earlier application is permitted, including adoption in an interim period.
ASU 2016-03, *Effective Date and Transition Guidance (a consensus of the Private Company Council)*	All entities except public business entities, as defined in the Master Glossary of the FASB Accounting Standards Codification, not-for-profit entities, and employee benefit plans.	The amendments are effective immediately.

Pronouncement	Affects	Effective Date and Transition
ASU 2016-02, *Leases*	All lessee and lessor entities.	For public business entities, NFPs that have issued, or is a conduit bond obligor for, securities that are traded, listed, or quoted on an exchange or an OTC market, or an employee benefit plan that files financial statements with the SEC, the amendments are effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early application of the amendments is permitted for all entities.
ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*	Entities that hold financial assets or owe financial liabilities.	For public companies the amendments are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For private companies, not-for-profit organizations, and employee benefit plans, the standard becomes effective for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019.
ASU 2015-17, *Balance Sheet Classification of Deferred Taxes*	Entities that have deferred tax assets and/or deferred tax liabilities.	For public business entities, the amendments are effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For all other entities, the amendments are effective for financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018.

Pronouncement	Affects	Effective Date and Transition
ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments*	Entities that have reported provisional amounts for items in a business combination for which the accounting is incomplete.	For public business entities, the amendments are effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. All other entities are required to apply the new requirements for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. All entities are required to apply the amendments prospectively to adjustments to provisional amounts that occur after the effective date, with earlier application permitted for financial statements that have not been issued.
ASU 2015-14, *Revenue From Contracts With Customers (ASC 606): Deferral of the Effective Date*	All entities.	See the Effective Date and Transition of ASU 2014-09, below.
ASU 2015-11, *Simplifying the Measurement of Inventory*	Entities that have inventory.	For public business entities, the amendments are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. The amendments should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period.
ASU 2015-09, *Disclosures about Short-Duration Contracts*	Insurance entities that issue short-duration contracts as defined in FASB ASC 944, *Financial Services—Insurance*.	For public business entities, the amendments are effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016. For all other entities, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within annual periods beginning after December 15, 2017.

Pronouncement	Affects	Effective Date and Transition
ASU 2015-05, ***Customer's Accounting for Fees Paid in a Cloud Computing Arrangement***	All entities.	For public business entities, the amendments will be effective for annual periods, including interim periods within those annual periods, beginning after December 15, 2015. For all other entities, the amendments will be effective for annual periods beginning after December 15, 2015, and interim periods in annual periods beginning after December 15, 2016. Early adoption is permitted for all entities.
ASU 2015-04, ***Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets***	All entities.	The amendments are effective for public business entities for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Earlier application is permitted.
ASU 2015-03, ***Simplifying the Presentation of Debt Issuance Costs***	All entities.	For public business entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, the amendments are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted for financial statements that have not been previously issued.

Pronouncement	Affects	Effective Date and Transition
ASU 2015-02, *Amendments to the Consolidation Analysis*	All entities.	Effective for public business entities for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. A reporting entity may apply the amendments using a modified retrospective approach by recording a cumulative-effect adjustment to equity as of the beginning of the fiscal year of adoption. A reporting entity also may apply the amendments retrospectively.
ASU 2014-18, *Accounting for Identifiable Intangible Assets in a Business Combination—a consensus of the Private Company Council*	All entities except public business entities, as defined in the Master Glossary of the FASB Accounting Standards Codification, not-for-profit entities, and employee benefit plans.	Effective prospectively to the first in-scope transaction after the adoption of the accounting alternative.

Pronouncement	Affects	Effective Date and Transition
ASU 2014-16, *Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share is More Akin to Debt or to Equity*	All entities that are issuers of, or investors in, hybrid financial instruments that are issued in the form of a share.	Effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Entities should apply the guidance on a modified retrospective basis (cumulative-effect retained earnings adjustment as of the beginning of the year of adoption) to existing hybrid instruments issued in the form of a share as of the beginning of the fiscal year for which this ASU is effective. Retrospective application is permitted to all relevant prior periods.
ASU 2014-15, *Disclosure of Uncertainties About and an Entity's Ability to Continue as a Going Concern*	All entities.	Effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early application is permitted.
ASU 2014-13, *Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity—a Consensus of the Emerging Issues Task Force*	A reporting entity that is required to consolidate a collateralized financing entity.	Effective for public business entities for annual periods and interim periods within those annual periods beginning after December 15, 2015. For all other entities, the amendments are effective for annual periods ending after December 15, 2016, and interim periods beginning after December 15, 2016. Early adoption is permitted as of the beginning of an annual period.

Pronouncement	Affects	Effective Date and Transition
ASU 2014-10*, Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation*	All entities.	Except for the amendments to ASC 810, the guidance is effective for public business entities for reporting periods (including interim periods) beginning after December 15, 2014. For other entities, the amendments are effective for annual periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. The amendments to ASC 810 are effective one year later for public business entities and two years later for other entities. The guidance should be applied retrospectively, except for the clarification to ASC 275, which applied prospectively. Early adoption of the amendments is permitted for any annual reporting period or interim period for which the entity's financial statements have not yet been issued.

Pronouncement	Affects	Effective Date and Transition
ASU 2014-09, *Revenue from Contracts with Customers*	All entities.	For public business entities, certain not-for-profit entities, and certain employee benefit plans, the ASU is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early application is permitted only as of annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016. For all other entities, the ASU is effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. All other entities may apply the ASU early as of an annual reporting period beginning after December 15, 2016, including interim reporting periods within that reporting period. All other entities also may apply the guidance in the ASU early as of an annual reporting period beginning after December 15, 2016, and interim reporting periods within annual reporting periods beginning one year after the annual reporting period in which the entity first applies the guidance in the ASU. An entity should apply the guidance either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying guidance at the date of initial application.

GASB Implementation Dates

Pronouncement	Affects	Effective Date and Transition
Statement 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61)*	Governmental entities.	Effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.
Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*	Governmental entities.	Effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.
Statement 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*	Governmental entities.	Effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.
Statement 87, *Leases*	Governmental entities.	Effective for reporting periods beginning after December 15, 2019.
Statement 86, *Certain Debt Extinguishment Issues*	Governmental entities.	Effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.
Statement 85, *Omnibus 2017*	Governmental entities.	Effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.
Statement 84, *Fiduciary Activities*	Governmental entities.	Effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.
Statement 83, *Certain Asset Retirement Obligations*	Governmental entities.	Effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

Pronouncement	Affects	Effective Date and Transition
Statement 82, *Pension Issues*	Governmental entities.	Effective for reporting periods beginning after June 15, 2016, except for the requirements for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged.
Statement 81, *Irrevocable Split-Interest Agreements*	Governmental entities.	Effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged.
Statement 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*	Governmental entities.	Effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged.
Statement 79, *Certain External Investment Pools and Pool Participants*	Governmental entities.	Effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.
Statement 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*	Governmental entities.	Effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.
Statement 77, *Tax Abatement Disclosures*	Governmental entities.	Effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged.
Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*	Governmental entities.	Effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged.

Pronouncement	Affects	Effective Date and Transition
Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*	Governmental entities.	Effective for fiscal years beginning after June 15, 2017. Early adoption is encouraged.
Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*	Governmental entities.	Effective for financial statements for periods beginning after June 15, 2016. Early adoption is encouraged.
Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*	Governmental entities.	Effective for fiscal years beginning after June 15, 2015—except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for fiscal years beginning after June 15, 2016. Early adoption is encouraged.
Statement 72, *Fair Value Measurement and Application*	Governmental entities.	Effective for financial statements for periods beginning after June 15, 2015. Early adoption is encouraged.

APPENDIX B
Illustrative Disclosures for Recently Issued Accounting Pronouncements
For the Quarter Ended September 30, 2018

The illustrative disclosures below are presented in plain English. Please review each disclosure for its applicability to your organization and the need for disclosure in your organization's financial statements.

{Please give careful consideration to appropriateness of highlighted text.}

ASU 2014-09 — Applicable to all:
In May 2014, the FASB issued guidance to change the recognition of revenue from contracts with customers. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. This guidance also includes expanded disclosure requirements that result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing, and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The guidance will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company will apply the guidance using a *[full retrospective approach] [modified retrospective approach]*. The Company is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

ASU 2015-02 — Applicable to all:
In February 2015, the FASB issued guidance which amends the consolidation requirements and significantly changes the consolidation analysis required under U.S. GAAP. Although the amendments are expected to result in the deconsolidation of many entities, the Company will need to reevaluate all its previous consolidation conclusions. The amendments will be effective for *[fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015-public business entities] [fiscal years beginning after December 15, 2016, and interim periods beginning after December 15, 2017-all other entities]*, with early adoption permitted (including during an interim period), provided that the guidance is applied as of the beginning of the annual period containing the adoption date. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-04 — Applicable to entities with defined benefit pension plans:
In April 2015, the FASB issued guidance which provides a practical expedient that permits the Company to measure defined benefit plan assets and obligations using the month-end that is closest to the Company's fiscal year-end. The amendments will be effective for *[fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015-public business entities] [fiscal years beginning after December 15, 2016, and interim periods beginning after December 15, 2017-all other entities]*, with early adoption permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-09 — Applicable to insurance entities that issue short-duration contracts:

In May 2015, the FASB issued guidance which requires insurance entities to disclose for annual reporting periods certain information about the liability for unpaid claims and claim adjustment expenses. The amendments will be effective for *[fiscal years beginning after December 15, 2015 and interim periods beginning after December 15, 2016-public business entities] [fiscal years beginning after December 15, 2016, and interim periods beginning after December 15, 2017-all other entities]*, with early adoption permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-11 — Applicable to entities that have inventory:

In July 2015, the FASB issued amendments to the Inventory topic of the Accounting Standards Codification to require inventory other than inventory measured at LIFO or retail methods to be measured at the lower of cost and net realizable value. Other than the change in the subsequent measurement guidance from the lower of cost or market to the lower of cost and net realizable value for inventory, there are no other substantive changes to the guidance on measurement of inventory. The amendments will be effective for *[fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016-public business entities] [fiscal years beginning after December 15, 2016, and interim periods beginning after December 15, 2017-all other entities]*, with early adoption permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-14 — Applicable to all:

In August 2015, the FASB deferred the effective date of ASU 2014-09, *Revenue from Contracts with Customers.* As a result of the deferral, the guidance in ASU 2014-09 will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company will apply the guidance using a *[full retrospective approach] [modified retrospective approach]*. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-16 — Applicable to all entities that have reported provisional amounts for items in a business combination for which the accounting is incomplete:

In September 2015, the FASB amended the Business Combinations topic of the Accounting Standards Codification to simplify the accounting for adjustments made to provisional amounts recognized in a business combination by eliminating the requirement to retrospectively account for those adjustments. The amendments will be effective for *[fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015-public business entities] [fiscal years beginning after December 15, 2016, and interim periods beginning after December 15, 2017-all other entities]*, with early adoption permitted for financial statements that have not been issued. All entities are required to apply the amendments prospectively to adjustments to provisional amounts that occur after the effective date. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2015-17 — Applicable to entities that have deferred tax assets and/or deferred tax liabilities:
In November 2015, the FASB amended the Income Taxes topic of the Accounting Standards Codification to simplify the presentation of deferred income taxes by requiring that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The amendments will be effective for *[financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods-public business entities] [financial statements issued for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018-all other entities]*, with early adoption permitted as of the beginning of an interim or annual reporting period. The Company will apply the guidance *[prospectively] [retrospectively]*. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-01 — Applicable to entities that hold financial assets or owe financial liabilities:
In January 2016, the FASB amended the Financial Instruments topic of the Accounting Standards Codification to address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The amendments will be effective for *[fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities, including not-for-profit organizations and employee benefit plans]* The Company will apply the guidance by means of a cumulative-effect adjustment to the balance sheet as of the beginning of the fiscal year of adoption. The amendments related to equity securities without readily determinable fair values will be applied prospectively to equity investments that exist as of the date of adoption of the amendments. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-02 — Applicable to lessee and lessor entities:
In February 2016, the FASB amended the Leases topic of the Accounting Standards Codification to require all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance leases or operating leases. This distinction will be relevant for the pattern of expense recognition in the income statement. The amendments will be effective for *[fiscal years beginning after December 15, 2018, including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2019, and interim*

periods within fiscal years beginning after December 15, 2020.-all other entities] Early adoption is permitted. The Company is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

We expect to adopt the guidance using the modified retrospective method and practical expedients for transition. The practical expedients allow us to largely account for our existing leases consistent with current guidance except for the incremental balance sheet recognition for lessees. We have started an initial evaluation of our leasing contracts and activities. We have also started developing our methodology to estimate the right-of use assets and lease liabilities, which is based on the present value of lease payments (the December 31, 2017 future minimum lease payments were $____ million). We do not expect a material change to the timing of expense recognition, but we are early in the implementation process and will continue to evaluate the impact. We are evaluating our existing disclosures and may need to provide additional information as a result of adoption of the ASU.

ASU 2016-04 — Applicable to entities that offer certain prepaid stored-value products:

In March 2016, the FASB amended the Liabilities topic of the Accounting Standards Codification to address the current and potential future diversity in practice related to the derecognition of a prepaid stored-value product liability. The amendments will be effective for *[financial statements issued for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.-public business entities] [financial statements issued for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company will apply the guidance *[using a modified retrospective transition method by means of a cumulative-effect adjustment to retained earnings as of the beginning of the fiscal year in which the guidance is effective] [retrospectively]* to each period presented. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-05 — Applicable to entities for which there is a change in the counterparty to a derivative instrument that has been designated as a hedging instrument:

In March 2016, the FASB amended the Derivatives and Hedging topic of the Accounting Standards Codification to clarify that a change in the counterparty to a derivative instrument that has been designated as the hedging instrument does not, in and of itself, require dedesignation of that hedging relationship provided that all other hedge accounting criteria continue to be met. The amendments will be effective for *[financial statements issued for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years.-public companies] [financial statements issued for fiscal years beginning after December 15, 2017, and interim periods* *within fiscal years beginning after December 15, 2018.-all other entities]* Early adoption is permitted. The Company will apply the guidance *[using a modified retrospective transition]* *[prospectively]* to each period presented. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-06 — Applicable to entities that are issuers of or investors in debt instruments (or hybrid financial instruments that are determined to have a debt host) with embedded call (put) options:

In March 2016, the FASB amended the Derivatives and Hedging topic of the Accounting Standards Codification to clarify the requirements for assessing whether contingent call (put) options that can accelerate the payment of principal on debt instruments are clearly and closely related to their debt hosts. The amendments will be effective for *[financial statements issued for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years.-public business entities]* *[financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018.-all other entities]* Early adoption is permitted. The Company will apply the guidance using a modified retrospective transition to existing debt instruments as of the beginning of the fiscal year for which the amendments are effective. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-08 — Applicable to all:

In March 2016, the FASB amended the Revenue from Contracts with Customers topic of the Accounting Standards Codification to clarify the implementation guidance on principal versus agent considerations and address how an entity should assess whether it is the principal or the agent in contracts that include three or more parties. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities]* *[annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-09 — Applicable to all:

In March 2016, the FASB issued guidance to simplify several aspects of the accounting for share-based payment award transactions including the income tax consequences, the classification of awards as either equity or liabilities, and the classification on the statement of cash flows. Additionally, the guidance simplifies two areas specific to entities other than public business entities allowing them apply a practical expedient to estimate the expected term for all awards with performance or service conditions that have certain characteristics and also allowing them to make a one-time election to switch from measuring all liability-classified awards at fair value to measuring them at intrinsic value. The amendments will be effective for the Company for *[annual periods beginning after December 15, 2016 and interim periods within those annual periods.-public business entities] [annual periods beginning after December 15, 2017, and interim periods within annual reporting periods beginning after December 15, 2018.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-10 — Applicable to all:

In April 2016, the FASB amended the Revenue from Contracts with Customers topic of the Accounting Standards Codification to clarify guidance related to identifying performance obligations and accounting for licenses of intellectual property. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-12 — Applicable to all:

In May 2016, the FASB amended the Revenue from Contracts with Customers topic of the Accounting Standards Codification to clarify guidance related to collectability, noncash consideration, presentation of sales tax, and transition. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-13 — Applicable to entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income:

In June 2016, the FASB issued guidance to change the accounting for credit losses and modify the impairment model for certain debt securities. The guidance requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the income statement will reflect the measurement of credit losses for newly-recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2019.-SEC filers]* [*reporting periods beginning after December 15, 2020.-public business entities that are not SEC filers] [fiscal years beginning after December 15, 2021, including interim periods within those fiscal years.-all other entities].* Early adoption is permitted for all organizations for periods beginning after December 15, 2018. The Company is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

ASU 2016-14 — Applicable to all not-for-profit entities:

In August 2016, the FASB issued guidance to make targeted improvements to the not-for-profit financial reporting model, including changes in how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. The amendments will be effective for the Organization for fiscal years beginning after December 15, 2017 and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. The Organization is currently evaluating the effect that implementation of the new guidance will have on its financial statements.

ASU 2016-15 — Applicable to all:

In August 2016, the FASB amended the Statement of Cash Flows topic of the Accounting Standards Codification to clarify how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2017 including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-16 — Applicable to all:

In October 2016, the FASB amended the Income Taxes topic of the Accounting Standards Codification to modify the accounting for intra-entity transfers of assets other than inventory. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2017 including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-17 — Applicable to all:

In October 2016, the FASB amended the Consolidation topic of the Accounting Standards Codification to revise the consolidation guidance on how a reporting entity that is the single decision maker of a variable interest entity (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. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2016 including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-18 — Applicable to all:

In November 2016, the FASB amended the Statement of Cash Flows topic of the Accounting Standards Codification to clarify how restricted cash is presented and classified in the statement of cash flows. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2017 including interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2016-20 — Applicable to all:

In December 2016, the FASB issued technical corrections and improvements to the Revenue from Contracts with Customers Topic. These corrections make a limited number of revisions to several pieces of the revenue recognition standard issued in 2014. The effective date and transition requirements for the technical corrections will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company will apply the guidance using a *[full retrospective approach] [modified retrospective approach]*. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-01 — Applicable to all:

In January 2017, the FASB issued guidance to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendment to the Business Combinations Topic is intended to address concerns that the existing definition of a business has been applied too broadly and has resulted in many transactions being recorded as business acquisitions that in substance are more akin to asset acquisitions. The guidance will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-02 — Applicable to all not-for-profit entities:

In January 2017, the FASB amended the Not-for-Profit Entities Topic of the Accounting Standards Codification to clarify consolidation guidance for not-for-profit entities. The amendments will be effective for the Organization for fiscal years beginning after December 15, 2016 and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted. The Organization is currently evaluating the effect that implementation of the new standard will have on its financial statements.

ASU 2017-04 — Applicable to all:
In January 2017, the FASB amended the Goodwill and Other Topic of the Accounting Standards Codification to simplify the accounting for goodwill impairment for public business entities and other entities that have goodwill reported in their financial statements and have not elected the private company alternative for the subsequent measurement of goodwill. The amendment removes Step 2 of the goodwill impairment test. A goodwill impairment will now be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. The effective date and transition requirements for the technical corrections will be effective for the Company for *[reporting periods beginning after December 15, 2019.-public business entities that are SEC filers]* *[reporting periods beginning after December 15, 2020.-public business entities that are not SEC filers]* *[reporting periods beginning after December 15, 2021.-all other entities]* Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-05 — Applicable to all:
In February 2017, the FASB amended the Other Income Topic of the Accounting Standards Codification to clarify the scope of the guidance on nonfinancial asset derecognition as well as the accounting for partial sales of nonfinancial assets. The amendments conform the derecognition guidance on nonfinancial assets with the model for transactions in the new revenue standard. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2017.-public business entities]* *[annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-06 — Applicable to employee benefit plans with a master trust:
In February 2017, the FASB amended the guidance related to employee benefit plan master trust reporting. The new guidance provides for presentation within the plan's financial statements of its interest in a master trust as a single line item; disclosure of the master trust's investments by general type as well as by the dollar amount of the plan's interest in each type; disclosure of the master trust's other assets and liabilities and the balances related to the plan; and elimination of required disclosures for Section 401(h) accounts that are already

provided by the associated defined benefit plan. The amendments are effective for fiscal years beginning after December 15, 2018. Early adoption is permitted. The Plan does not expect these amendments to have a material effect on its financial statements.

ASU 2017-07 — Applicable to entities that offer defined benefit pension plans, other postretirement benefit plans, or other types of benefits accounted for under ASC 715:

In March 2017, the FASB amended the requirements in the Compensation—Retirement Benefits Topic of the Accounting Standards Codification related to the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The amendments will be effective for the Company for *[interim and annual periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-08 — Applicable to entities that hold investments in callable debt securities held at a premium

In March 2017, the FASB amended the requirements in the Receivables—Nonrefundable Fees and Other Costs Topic of the Accounting Standards Codification related to the amortization period for certain purchased callable debt securities held at a premium. The amendments shorten the amortization period for the premium to the earliest call date. The amendments will be effective for the Company for *[interim and annual periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-09 — Applicable to entities with stock compensation plans

In May 2017, the FASB amended the requirements in the Compensation—Stock Compensation Topic of the Accounting Standards Codification related to changes to the terms or conditions of a share-based payment award. The amendments provide guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting. The amendments will be effective for the Company for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-10 — Applicable to entities with service concession arrangements

In May 2017, the FASB amended the requirements in the Service Concession Arrangements Topic of the Accounting Standards Codification to clarify how an operating entity determines the customer of the operation services for service concession arrangements. The amendments will be effective for the Company for *{[reporting* *periods beginning after December 15, 2017.-public business entities] [annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.-all other entities] -entities that have **not** adopted ASU 2014-09} {[fiscal years beginning after December 15, 2017, including interim periods within those fiscal years.-public business entity, a not-for-profit entity 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 or to the SEC] [fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.-all other entities]-entities that have adopted ASU 2014-09}* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-11 — Applicable to entities that issue financial instruments that include down round features

In July 2017, the FASB amended the requirements in the Earnings per Share, Distinguishing Liabilities from Equity, and Derivatives and Hedging Topics of the Accounting Standards Codification to address the complexity of accounting for certain financial instruments with down round features. The amendments will be effective for the Company for *[interim and annual periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-12 — Applicable to entities that elect to apply hedge accounting

In August 2017, the FASB amended the requirements of the Derivatives and Hedging Topic of the Accounting Standards Codification to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements. The amendments will be effective for the Company for *[interim and annual periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2017-15 — Applicable to U.S. Steamship Entities:

In December 2017, the FASB removed the U.S. Steamship Entities Topic of the Accounting Standards Codification. The amendments remove the guidance for steamship entities with respect to unrecognized deferred taxes related to certain statutory reserve deposits. The amendments are effective for fiscal years and first interim periods beginning after December 15, 2018. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-01 — Applicable to entities with land easements:

In January 2018, the FASB amended the requirements of the Leases Topic of the Accounting Standards Codification. The amendments permit an entity to elect an optional transition practical expedient to not evaluate under the new lease accounting guidance land easements that exist or expired before the entity's adoption of the new lease accounting guidance and that were not previously accounted for as leases under previous lease accounting guidance. The effective date and transition requirements for the amendments are the same as the effective date and transition requirements in ASU 2016-02. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-02 — Applicable to entities with items of other comprehensive income for which the related tax effects are presented in other comprehensive income:

In February 2018, the FASB amended the Income Statement—Reporting Comprehensive Income Topic of the Accounting Standards Codification. The amendments allow a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act. The amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-03 — Applicable to all:

In February 2018, the FASB amended the Financial Instruments Topic of the Accounting Standards Codification. The amendments clarify certain aspects of the guidance issued in ASU 2016-01. The amendments are effective for [*fiscal years beginning after December 15, 2017, and interim periods within those fiscal years beginning after June 15, 2018 -public business entities] [Public business entities with fiscal years beginning between December 15, 2017, and June 15, 2018, are not required to adopt these amendments 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] [the same as the effective date in ASU 2016-01 –all other entities].* All entities may early adopt these amendments for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years, as long as they have adopted ASU 2016-01. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-04 — Applicable to SEC filers:

In March 2018, the FASB updated the Debt Securities and the Regulated Operations Topics of the Accounting Standards Codification. The amendments incorporate into the Accounting Standards Codification recent SEC guidance which was issued in order to make the relevant interpretive guidance consistent with current authoritative accounting and auditing guidance and SEC rules and regulations. The amendments were effective upon issuance and did not have a material effect on the financial statements.

ASU 2018-05 — Applicable to SEC filers:

In March 2018, the FASB updated the Income Taxes Topic of the Accounting Standards Codification. The amendments incorporate into the Accounting Standards Codification recent SEC guidance related to the income tax accounting implications of the Tax Cuts and Jobs Act. The amendments were effective upon issuance and did not have a material effect on the financial statements.

ASU 2018-06 — Applicable to depository and lending institutions:

In May 2018, the FASB amended the Financial Services—Depository and Lending Topic of the Accounting Standards Codification to remove outdated guidance related to Circular 202. The amendments were effective upon issuance and did not have a material effect on the financial statements.

ASU 2018-07 — Applicable to all entities that enter into share-based payment transactions for acquiring goods and services from nonemployees:

In June 2018, the FASB amended the Compensation—Stock Compensation Topic of the Accounting Standards Codification. The amendments expand the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The amendments are effective for *[fiscal years beginning after December 15, 2018, including interim periods within that fiscal year-public business entities] [fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020-all other entities]*. Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-08 — Applicable to Not-for-Profit entities and all other entities, including business entities, that receive or make contributions of cash and other assets, including promises to give within the scope of Subtopic 958-605 and contributions made within the scope of Subtopic 720-25, Other Expenses—Contributions Made:

In June 2018, the FASB updated the Not-for-Profit Entities Topic of the Accounting Standards Codification. The amendments clarify and improve current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction. For contributions received, the amendments are effective for *[annual periods beginning after June 15, 2018, including interim periods within those annual periods-public business entities or an NFP 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 serves as a resource recipient] [annual periods beginning after December 15, 2018, and interim periods within those annual periods* *beginning after December 15, 2019-all other entities]*. For contributions made, the amendments are effective for *[annual periods beginning after December 15, 2018, including interim periods within those annual periods-public business entities or an NFP 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 serves as a resource provider] [annual periods beginning after December 15, 2019, and interim periods within those annual periods beginning after December 15, 2020-all other entities]*. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-09 — Applicable to all:

In July 2018, the FASB issued amendments to clarify the Accounting Standards Codification (ASC), correct unintended application of guidance, and make minor improvements to the ASC that are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most entities. The transition and effective date guidance is based on the facts and circumstances of each amendment. Some of the amendments do not require transition guidance and were effective upon issuance (July 16, 2018). The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-10 — Applicable to lessee and lessor entities:

In July 2018, the FASB amended the Leases Topic of the Accounting Standards Codification to make narrow amendments to clarify how to apply certain aspects of the new leases standard. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-11 — Applicable to lessee and lessor entities:

In July 2018, the FASB amended the Leases Topic of the Accounting Standards Codification to give entities another option for transition and to provide lessors with a practical expedient. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-12 — Applicable to insurance entities that issue long-duration contracts:

In August 2018, the FASB amended the Financial Services—Insurance Topic of the Accounting Standards Codification to make targeted improvements to the existing recognition, measurement, presentation, and disclosure requirements for long-duration contracts issued by an insurance entity. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2020.-public business entities] [annual periods beginning after December 15, 2021, and interim periods within annual reporting periods beginning after December 15, 2022.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-13 — Applicable to all entities that are required to make disclosures about recurring or nonrecurring fair value measurements:

In August 2018, the FASB amended the Fair Value Measurement Topic of the Accounting Standards Codification. The amendments remove, modify, and add certain fair value disclosure requirements based on the concepts in the FASB Concepts Statement, *Conceptual Framework for Financial Reporting—Chapter 8: Notes to Financial Statements*. The amendments are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. An entity is permitted to early adopt any removed or modified disclosures upon issuance of this ASU and delay adoption of the additional disclosures until their effective date. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-14 — Applicable to all employers that sponsor defined benefit pension or other postretirement plans:

In August 2018, the FASB amended the Compensation—Retirement Benefits—Defined Benefit Plans Topic of the Accounting Standards Codification. The amendments remove, modify, and add certain disclosure requirements for employers that sponsor defined benefit pension plans or other postretirement plans. The amendments are effective *[fiscal years ending after December 15, 2020.-public business entities] [fiscal years ending after December 15, 2021,-all other entities]*. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-15 — Applicable to all:

In August 2018, the FASB amended the Intangibles—Goodwill and Other Topic of the Accounting Standards Codification to 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. The amendments will be effective for the Company for *[fiscal years beginning after*

December 15, 2019.-public business entities] [fiscal years beginning after December 15, 2020, and interim periods within annual reporting periods beginning after December 15, 2021.-all other entities] Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-16 — Applicable to all:

In October 2018, the FASB amended the Derivatives and Hedging Topic of the Accounting Standards Codification to expand the list of U.S. benchmark interest rates permitted in the application of hedge accounting. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2018.-public business entities] [fiscal years beginning after December 15, 2019.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-17 — Applicable to all:

In October 2018, the FASB amended the Consolidation topic of the Accounting Standards Codification for determining whether a decision-making fee is a variable interest. The amendments require organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety. *[The amendments will be effective for the Company for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.-public business entities] [The amendments also provide a nonpublic entity with the option to exempt itself from applying the variable interest entity consolidation model to qualifying common control arrangements. The amendments will be effective for the Company for annual periods beginning after December 15, 2020, and interim periods within annual reporting periods beginning after December 15, 2021.-all other entities]* Early adoption is permitted. The Company will apply a full retrospective approach in which financial statements for each individual prior period presented and the opening balances of the earliest period presented are adjusted to reflect the period-specific effects of applying the amendments. *[The Company does not expect these amendments to have a material effect on its financial statements.] [The Company is currently evaluating the effect that implementation of the new standard will have on its financial statements.]*

ASU 2018-18 — Applicable to all:

In November 2018, the FASB amended the Collaborative Arrangements Topic of the Accounting Standards Codification to clarify the interaction between the guidance for certain collaborative arrangements and the new revenue recognition financial accounting and reporting standard. The amendments will be effective for the Company for *[fiscal years beginning after December 15, 2019, and interim periods within those fiscal years.-public business entities] [fiscal years beginning after December 15, 2020, and interim periods within fiscal years* *beginning after December 15, 2021.-all other entities]* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

ASU 2018-19 — Applicable to entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income:

In November 2018, the FASB issued guidance to amend the Financial Instruments—Credit Losses topic of the Accounting Standards Codification. The guidance aligns the implementation date of the topic for annual financial statements of nonpublic companies with the implementation date for their interim financial statements. The guidance also clarifies that receivables arising from operating leases are not within the scope of the topic, but rather, should be accounted for in accordance with the leases topic. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2019.-SEC filers]* [*reporting periods beginning after December 15, 2020.-public business entities that are not SEC filers] [fiscal years beginning after December 15, 2021, including interim periods within those fiscal years.-all other entities]* Early adoption is permitted for all organizations for periods beginning after December 15, 2018. The Company is currently in the process of evaluating the impact of adoption of this guidance on the financial statements.

ASU 2018-20 — Applicable to lessors:

In December 2018, the FASB issued guidance that providing narrow-scope improvements for lessors, that provides relief in the accounting for sales, use and similar taxes, the accounting for other costs paid by a lessee that may benefit a lessor, and variable payments when contracts have lease and non-lease components. The amendments will be effective for the Company for *[reporting periods beginning after December 15, 2018.-public business entities] [annual periods beginning after December 15, 2019, and interim periods within annual reporting periods beginning after December 15, 2020-all other entities].* Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

Applicable to all:

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies are not expected to have a material impact on the Company's financial position, results of operations or cash flows.