

QUARTERLY FINANCIAL SERVICES UPDATE

First Quarter 2021

Appendix A

Important Implementation Dates

The following table contains significant implementation dates and deadlines for standards issued by the FASB and others.

Selected Implementation Dates

| Pronouncement | Affects | Effective Date and Transition |
|---|--|--|
| ASU 2021-03—Intangibles— Goodwill and Other (Topic 350): Accounting Alternative for Evaluating Triggering Events | Entities that are not PBEs | For non-public business entities, this ASU is effective for fiscal years beginning after December 15, 2019, except for interim financial statements already issued in the year of adoption. |
| ASU 2021-02—Franchisors— Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient | Entities that are not PBEs that are within the scope of ASC 952 | If an entity has not yet adopted ASC 606, the existing transition provisions and effective date in paragraph 606-10-65-1 are required. That guidance allows for an option of modified retrospective transition or full retrospective transition and an effective date of annual reporting periods beginning after December 15, 2019, and interim reporting periods within annual reporting periods beginning after December 15, 2020. If an entity has already adopted ASC 606, the amendments are effective in interim and annual periods beginning after December 15, 2020. Early application is permitted. For those entities, this guidance should be applied retrospectively to the date ASC 606 was adopted. |
| ASU 2021-01—Reference Rate Reform (Topic 848): Scope | All entities that have derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. | Effective upon issuance. |
| ASU 2020-11, Financial Services—Insurance (Topic 944): Effective Date and Early Application | Insurance entities that issue long-duration contracts | The amendments in this ASU delay the effective date of ASU 2018-12. |
| ASU 2020-10, Codification Improvements | All entities | The amendments in Sections B and C of this ASU are effective for annual periods beginning after December 15, 2020, for public business entities. For all other entities, the amendments are effective for annual periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022. |
| ASU 2020-09, Debt (Topic 470): Amendments to SEC Paragraphs Pursuant to SEC Release No. 33-10762 | All entities that are SEC filers | Effective upon issuance. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|---|--|---|
| ASU 2020-08, Codification Improvements to Subtopic 310-20, Receivables— Nonrefundable Fees and Other Costs | All entities | For public business entities, the amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early application is not permitted. For all other entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. |
| ASU 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging— Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity | Entities that issue convertible instruments and/or contracts in an entity’s own equity | Effective for public business entities that meet the definition of a SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. |
| ASU 2020-05, Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities | Entities other than public business entities | The amendments in this ASU delay the effective dates of ASU 2014-09 and ASU 2016-02. |
| ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting | All entities | Effective for all entities as of March 12, 2020 through December 31, 2022. |
| ASU 2020-03, Codification Improvements to Financial Instruments | 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 fiscal years beginning after December 15, 2019, for public business entities |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|---|--------------------------------------|--|
| ASU 2020-02, Financial Instruments—Credit Losses (Topic 326) and Leases (Topic 842)—Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842) (SEC Update) | All entities that are SEC filers | Effective upon issuance. |
| ASU 2020-01, Investments—Equity Securities (Topic 321), Investments—Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)—Clarifying the Interactions between Topic 321, Topic 323, and Topic 815 (a consensus of the FASB Emerging Issues Task Force) | All entities | For public business entities, the amendments in this Update are effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years. Early adoption is permitted, including early adoption in an interim period, (1) for public business entities for periods for which financial statements have not yet been issued and (2) for all other entities for periods for which financial statements have not yet been made available for issuance. |
| ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes | Entities within the scope of ASC 740 | For public business entities, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2021, and for interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted. |
| ASU 2019-11, Codification Improvements to Topic 326, Financial Instruments—Credit Losses | All entities | For entities that have not yet adopted the amendments in ASU 2016-13 as of the issuance date of this ASU, the effective dates and transition requirements for the amendments are the same as the effective dates and transition requirements in ASU 2016-13. For entities that have adopted the amendments in ASU 2016-13, the amendments in this ASU are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted in any interim period after issuance of this ASU as long as an entity has adopted the amendments in ASU 2016-13. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|--|---|--|
| ASU 2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates | All entities | The amendments in this ASU delay the effective dates of ASU 2016-13, ASU 2017-12, and ASU 2016-02, and ASU 2017-04. |
| ASU 2019-09, Financial Services—Insurance (Topic 944): Effective Date | Insurance entities | The amendments in this ASU defer the effective date of the amendments in ASU 2018-12 for all entities. |
| ASU 2019-08, Compensation—Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606): Codification Improvements—Share-Based Consideration Payable to a Customer | All entities that issue share-based payments to customers | For entities that have not yet adopted the amendments in ASU 2018-07, the amendments in this ASU are effective for (1) public business entities in fiscal years beginning after December 15, 2019, and interim periods within those fiscal years, and (2) other than public business entities in fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. For entities that have adopted the amendments in ASU 2018-07, the amendments in this ASU are effective in fiscal years beginning after December 15, 2019, and interim periods within those fiscal years |
| ASU 2019-05, Targeted Transition Relief | All entities | For entities that have not yet adopted ASU 2016-13, the effective date and transition methodology for the amendments in this ASU are the same as in ASU 2016-13. For entities that have adopted ASU 2016-13, the amendments in this ASU are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted in any interim period after the issuance of this ASU as long as an entity has adopted ASU 2016-13. |
| ASU 2019-04, Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments | Entities that hold financial instruments | The effective date of each of the amendments depends on the effective date and adoption of ASU 2016-01, ASU 2016-13, and ASU 2017-12 |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|---|--|---|
| ASU 2019-03, Updating the Definition of Collections | Entities that hold collections | The amendments are effective for annual financial statements issued for fiscal years beginning after December 15, 2019, and for interim periods within fiscal years beginning after December 15, 2020. Early application of the amendments is permitted. The amendments should be applied on a prospective basis. |
| ASU 2019-01, Leases (Topic 842): Codification Improvements | 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, 2019, and 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. |
| 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: 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). 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 |
| 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. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|--|--|--|
| 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. |
| 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. |
| 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. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|---|---|--|
| ASU 2018-12, Targeted Improvements to the Accounting for Long-Duration Contracts | Insurance entities that issue long-duration contracts | For public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC the amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025. Early application of the amendments is permitted. |
| ASU 2018-11, Leases (Topic 842)—Targeted Improvements | All entities | <p>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.</p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> |
| 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. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|--|--|--|
| ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made | 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, <i>Other Expenses—Contributions Made</i> . | <p><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.</p> <p><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.</p> <p>Early adoption of the amendments is permitted.</p> |
| ASU 2018-07, Improvements to Nonemployee Share-Based Payment Accounting | All entities that enter into share-based payment transactions for acquiring goods and services from nonemployees. | 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. |
| 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 2017-12, 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, 2020, and interim periods within fiscal years beginning after December 15, 2021. All entities are permitted to early adopt the new guidance in any interim or annual period after issuance of the ASU. |

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Important Implementation Dates, *continued*

| Pronouncement | Affects | Effective Date and Transition |
|--|---|---|
| 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 2017-08, 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 2017-04, 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 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 that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC, the new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other organizations, the new standard is effective for fiscal years beginning after December 15, 2022, 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. |

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| Pronouncement | Affects | Effective Date and Transition |
|----------------------------|---------------------------------|---|
| ASU 2016-02, Leases | All lessee and lessor entities. | <p>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.</p> <p>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.</p> <p>Early application of the amendments is permitted for all entities.</p> |