

### Appendix B

#### Illustrative Disclosures for Recently Issued Accounting Pronouncements For the Quarter Ended September 30, 2023

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 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 [fiscal years beginning after December 15, 2019, including interim periods within those fiscal years.-public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC] [fiscal years beginning after December 15, 2022 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. [The Company adopted the guidance on January 1, 2023 (include impact of addition on the 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 [fiscal years beginning after December 15, 2021, and interim periods within those fiscal years.-public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC] [for fiscal years beginning after December 15, 2023, and interim periods within fiscal year beginning after December 15, 2024.-all other entities] The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2018-14 — Applicable to 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.

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#### Illustrative Disclosures for Recently Issued Accounting Pronouncements, *continued* For the Quarter Ended September 30, 2023

##### **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 *[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 2019-09 — Applicable to insurance entities that issue long-duration contracts:**

In November 2019, the FASB issued guidance to defer the effective date of ASU 2018-12, Financial Services—Insurance (Topic 944): Targeted Improvements to the Accounting for Long-Duration Contracts. The new effective date will be *[for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years.-public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC] [for fiscal years beginning after December 15, 2023, and interim periods within fiscal year beginning after December 15, 2024.-all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2019-10 — Applicable to all entities:**

In November 2019, the FASB issued guidance to defer the effective dates for private companies, not-for-profit organizations, and certain smaller reporting companies applying standards on current expected credit losses (CECL), leases, hedging. The new effective dates will be *CECL: [fiscal years beginning after December 15, 2022 including interim periods within those fiscal years.-all other entities];* The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2019-11 — Applicable to all entities:**

In November 2019, the FASB issued guidance that addresses issues raised by stakeholders during the implementation of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The amendments affect a variety of Topics in the Accounting Standards Codification. *[For entities that have not yet adopted the amendments in ASU 2016-13, the amendments are effective fiscal years beginning after December 15, 2022 including interim periods within those fiscal years-all other entities].* Early adoption is permitted in any interim period as long as an entity has adopted the amendments in ASU 2016-13. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2020-04 — Applicable to all entities:**

In March 2020, the FASB issued guidance to provide temporary optional guidance to ease the potential burden in accounting for reference rate reform. The amendments are effective as of March 12, 2020 through December 31, 2022. The Company does not expect these amendments to have a material effect on its financial statements.

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#### Illustrative Disclosures for Recently Issued Accounting Pronouncements, *continued* For the Quarter Ended September 30, 2023

##### **ASU 2020-06 — Applicable to all entities:**

In August 2020, the FASB issued guidance to improve financial reporting associated with accounting for convertible instruments and contracts in an entity's own equity. The amendments are effective for [fiscal years beginning after December 15, 2021, including interim periods within those fiscal years – public business entities that meet the definition of a SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC] [fiscal years beginning after December 15, 2023, including interim periods within those fiscal years – all other entities]. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2020-11 — Applicable to insurance entities that issue long-duration contracts:**

In November 2020, the FASB issued guidance to defer the effective dates for insurance entities which have not yet applied the long duration contracts guidance by one year. The new effective dates will be [fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. -public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC] [for fiscal years beginning after December 15, 2024, and interim periods within fiscal year beginning after December 15, 2025.-all other entities]. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2021-08 — Applicable to all entities that enter into a business combination**

In October 2021, the FASB amended the Business Combinations topic in the Accounting Standards Codification to require entities to apply guidance in the Revenue topic to recognize and measure contract assets and contract liabilities acquired in a business combination. The amendments are effective for [fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. - public business entities] [fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. - all other entities]. The amendments are applied prospectively to business combinations occurring on or after the effective date of the amendments. Early adoption of the amendments is permitted, including adoption in an interim period. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2022-01 — Applicable to entities that elect to apply the portfolio layer method of hedge accounting**

In March 2022, the FASB issued amendments which are intended to better align hedge accounting with an organization's risk management strategies. The amendments are effective for [fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. - public business entities] [fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. - all other entities]. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2022-02 — Applicable to entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income:**

In March 2022, the FASB issued amendments which are intended to improve the decision usefulness of information provided to investors about certain loan re-financings, restructurings, and write-offs. The amendments are effective for [fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. - entities that have adopted the amendments in ASU 2016-13] [fiscal years beginning after December 15, 2022 including interim periods within those fiscal years.-entities that have not yet adopted the amendments in ASU 2016-13]. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

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#### Illustrative Disclosures for Recently Issued Accounting Pronouncements, *continued* For the Quarter Ended September 30, 2023

##### **ASU 2022-03 — Applicable to all entities:**

In June 2022, the FASB issued amendments to clarify the guidance on the fair value measurement of an equity security that is subject to a contractual sale restriction and require specific disclosures related to such an equity security. The amendments are effective for *[fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. - public business entities]* *[fiscal years beginning after December 15, 2024 including interim periods within those fiscal years. - all other entities]*. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2022-04 — Applicable to all entities that use supplier finance programs in connection with the purchase of goods and services:**

In September 2022, the FASB issued amendments to enhance the transparency about the use of supplier finance programs for investors and other allocators of capital. The amendments are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the amendment on roll-forward information, which is effective for fiscal years beginning after December 15, 2023. Early adoption is permitted. The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2022-05 — Applicable to Insurance entities that have derecognized contracts before the effective date of ASU 2018-12:**

In December 2022, the FASB issued amendments to reduce implementation costs and complexity associated with the adoption of ASU 2018-12 for contracts that have been derecognized in accordance with the amendments in this ASU before the effective date of ASU 2018-12. The amendments are effective for *[fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. -public business entities that meet the definition of an SEC filer, excluding entities eligible to be SRCs as defined by the SEC]* *[fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025. -all other entities]* The Company does not expect these amendments to have a material effect on its financial statements.

##### **ASU 2022-06 — Applicable to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform:**

In December 2022, the FASB issued amendments to defer the sunset date of the Reference Rate Reform Topic of the Accounting Standards Codification from December 31, 2022, to December 31, 2024, because the current relief in Reference Rate Reform Topic may not cover a period of time during which a significant number of modifications may take place. The amendments were effective upon issuance. The Company does not expect these amendments to have a material effect on its financial statements.

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#### **Illustrative Disclosures for Recently Issued Accounting Pronouncements, *continued*** ***For the Quarter Ended September 30, 2023***

***ASU 2023-01 — Practical expedient: Applicable to all entities other than public business entities, not-for-profit conduit bond obligors, and employee benefit plans that file or furnish financial statements with or to the SEC; Leasehold improvements: Applicable to all lessees:***

In March 2023, the FASB amended the Leases topic in the Accounting Standards Codification to provide a practical expedient for private companies and not-for-profit entities that are not conduit bond obligors to use the written terms and conditions of a common control arrangement to determine whether a lease exists and, if so, the classification of and accounting for that lease. The amendments also change the guidance for public and private companies to require that leasehold improvements be amortized over the useful life of those improvements to the common control group regardless of the lease term. The amendments are effective for fiscal years beginning after December 15, 2023, including 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 2023-02 – Applicable to all entities that hold (1) tax equity investments that meet the conditions for and elect to account for them using the proportional amortization method or (2) an investment in a LIHTC structure through a limited liability entity that is not accounted for using the proportional amortization method and to which certain LIHTC-specific guidance removed from Subtopic 323-740 has been applied:***

In March 2023, the FASB issued amendments to allow reporting entities to consistently account for equity investments made primarily for the purpose of receiving income tax credits and other income tax benefits. The amendments are effective for *[fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. -public business entities]* *[fiscal years beginning after December 15, 2024, including interim periods within those fiscal years. -all other entities]* Early adoption is permitted for all entities in any interim period. The Company does not expect these amendments to have a material effect on its financial statements.

***ASU 2023-03 – Applicable to SEC filers:***

In July 2023, the FASB issued amendments to amendments to SEC Paragraphs in the Accounting Standards Codification pursuant to SEC Staff Accounting Bulletin No. 120, SEC Staff Announcement at the March 24, 2022, EITF Meeting, and Staff Accounting Bulletin Topic 6.B. The amendments were effective upon issuance. The Company does not expect these amendments to have a material effect on its financial statements.

***ASU 2023-04 – Applicable to SEC filers:***

In August 2023, the FASB issued amendments to SEC Paragraphs in the Accounting Standards Codification pursuant to SEC Staff Accounting Bulletin No. 121. The amendments were effective upon issuance. The Company does not expect these amendments to have a material effect on its financial statements.

***ASU 2023-05 – Applicable to Entities that meet the definition of a joint venture or a corporate joint venture, as defined in the ASC Master Glossary:***

In August 2023, the FASB issued amendments to address the accounting for contributions made to a joint venture, upon formation, in a joint venture's separate financial statements. The amendments are effective prospectively for all joint venture formations with a formation date on or after January 1, 2025. Additionally, a joint venture that was formed before January 1, 2025, may elect to apply the amendments retrospectively if it has sufficient information. Early adoption is permitted in any interim or annual period in which financial statements have not yet been issued (or made available for issuance), either prospectively or retrospectively. The Company does not expect these amendments to have a material effect on its financial statements.

## Appendix B

### Illustrative Disclosures for Recently Issued Accounting Pronouncements, *continued* *For the Quarter Ended September 30, 2023*

***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.