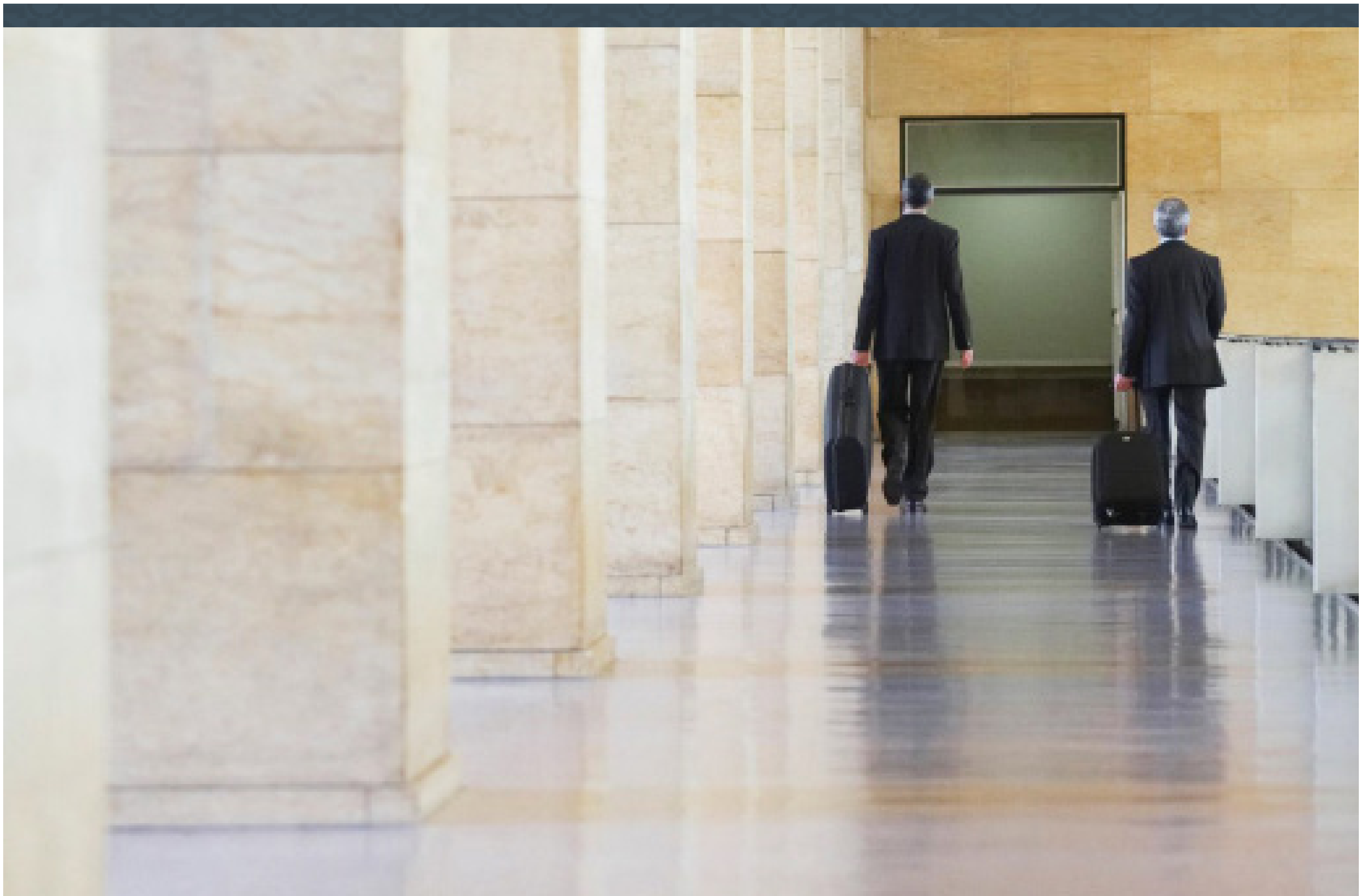
FOURTH QUARTER 2016

SIGNIFICANT ACCOUNTING & REPORTING MATTERS



OUM & CO. LLP ACCOUNTANTS & BUSINESS ADVISORS

FOURTH QUARTER 2016

SIGNIFICANT ACCOUNTING & REPORTING MATTERS

Issued on a quarterly basis, the Significant Accounting and Reporting Matters Guide provides a brief digest of final and proposed financial accounting standards. This guide is designed to help audit committees, boards and financial executives keep up to date on the latest corporate governance and financial reporting developments.

Highlights include:

Financial Accounting Headlines
FASB, SEC & PCAOB Highlights
IASB Projects
Effective Dates of US Accounting Pronouncements
Other Activities

Chris Millias
Managing Partner
Direct: (415) 796-6530
cmillias@oumcpa.com

Scott Miller
Assurance Partner
Direct: (415) 796-6540
smiller@oumcpa.com

Clara Fong
Assurance Partner
Direct: (415) 796-6560
cfong@oumcpa.com

Doug Pallotta
Assurance Partner
Direct: (415) 796-6570
dpallotta@oumcpa.com

Darwin Pangilinan
Assurance Partner
Direct: (415) 796-6539
dpangilinan@oumcpa.com

www.oumcpa.com
Office: (415) 434-3744
601 California Street
Suite 1800
San Francisco, CA 94108

OUM & CO. LLP
ACCOUNTANTS
& BUSINESS ADVISORS

FINANCIAL ACCOUNTING STANDARDS BOARD (FASB)

FINAL FASB GUIDANCE

All final FASB guidance can be accessed on the [FASB website] located under the *Standards* tab, *Accounting Standards Updates*.

Accounting Standards Update 2016-20, *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers*

Issued: December 2016

Summary: ASU 2016-12 amends the new revenue standard. The amendments do not alter the core principle of the standard, but clarify certain narrow aspects of the standard including contract cost accounting, disclosures, illustrative examples, and other matters.

Effective Date: The effective date and transition requirements for ASU 2016-20 are the same as the effective date and transition requirements of Topic 606.

Accounting Standards Update 2016-19, *Technical Corrections and Improvements*

Issued: December 2016

Summary: ASU 2016-19 includes changes intended to clarify the FASB ASC, correct unintended application of guidance, or 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.

Effective Date: Most of the amendments do not require transition guidance and are effective upon issuance. Several amendments have specific transition requirements, and early adoption is permitted for those items.

Accounting Standards Update 2016-18, *Restricted Cash*

Issued: November 2016

Summary: ASU 2016-18 updates Topic 230[1] to require that restricted cash and restricted cash equivalents be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total cash amounts shown on the statement of cash flows. Consequently, transfers between cash and restricted cash will not be presented as a separate line item in the operating, investing or financing sections of the cash flow statement. The ASU includes examples of the revised presentation guidance, and additional presentation and disclosure requirements apply.

Effective Date: 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. The amendments should be applied retrospectively to each period presented. 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.

Accounting Standards Update 2016-17, *Interests Held through Related Parties That Are under Common Control*

Issued: October 2016

Summary: ASU 2016-17 amends the variable interest entity (VIE) guidance within Topic 810.[2] It does not change the two required characteristics for a single decision maker to be the primary beneficiary ("power" and "economics"),[3] but it revises one aspect of the related analysis. The amendments change how a single decision maker of a VIE treats indirect variable interests held through related parties that are under common control when determining whether it is the primary beneficiary of that VIE. The ASU requires consideration of such indirect interests on a proportionate basis, instead of being the equivalent of direct interests in their entirety, thereby making consolidation less likely.

Effective Date: 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. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year. Entities that have not yet adopted ASU 2015-02 are required to adopt ASU 2016-17 at the same time they adopt ASU 2015-02 and should apply the same transition method elected for ASU 2015-02. Entities that have already adopted ASU 2015-02 are required to apply ASU 2016-17 retrospectively to all relevant prior periods beginning with the fiscal year in which ASU 2015-02 initially was applied.

Accounting Standards Update 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*

Issued: October 2016

[1] Statement of Cash Flows

[2] Consolidation

[3] paragraph 810-10-25-38A

Summary: ASU 2016-16 eliminates from Topic 740[4] the recognition exception for intra-entity asset transfers other than inventory so that an entity's consolidated financial statements reflect the current and deferred tax consequences of those intra-entity asset transfers when they occur. For intra-entity asset transfers of inventory, recognition of current and deferred income tax consequences will continue to be deferred until the inventory has been sold to an outside party or otherwise left the consolidated group.

Effective Date: The amendments are effective for public business entities for annual reporting periods beginning after December 15, 2017 and interim reporting periods within those fiscal years, and for entities other than public business entities for annual reporting periods beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. An entity may elect early adoption, but it must do so for the first interim period of an annual period if it issues interim financial statements.

PROPOSED FASB GUIDANCE

The following is a summary of significant proposed guidance that was issued for comment during the quarter. All proposed FASB guidance can be accessed on the FASB website located under the *Projects* tab.

Proposed Accounting Standards Update, *Distinguishing Liabilities from Equity (Topic 480): I. Accounting for Certain Financial Instruments with Down Round Features and 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*

Issued: December 2016

Comment Deadline: February 6, 2017

Summary: The proposed amendments in Part I of the exposure draft would change the accounting for certain equity-linked financial instruments (or embedded features) with down round features. The proposed amendments would require that when determining whether certain financial instruments should be classified as liabilities or equity instruments, an entity would not consider the down round feature when assessing whether the instrument is indexed to its own stock. However, an entity would recognize the effect of the feature when triggered.

For financial instruments with down round features that have been triggered during the reporting period, an entity would disclose that the feature has been triggered, the value of the effect of the down round feature being triggered, and the financial statement line item in which that effect is recorded.

[4] Income Taxes

The proposed amendments in Part II of the exposure draft are a recharacterization of the indefinite deferral of certain provisions of Subtopic 480-10, which are currently presented as pending content in the Codification, to a scope exception. These amendments will not have an accounting effect.

Effective Date: For Part I, the Board will determine the effective date and whether the proposed amendments may be applied before the effective date after it considers stakeholder feedback. Part II would not require any transition guidance because those amendments do not have an accounting effect.

Proposed Accounting Standards Update, *Stock Compensation (Topic 718): Scope of Modification Accounting*

Issued: November 2016

Comment Deadline: January 6, 2017

Summary: The proposed amendments would clarify that an entity should apply modification accounting in Topic 718 when the terms or conditions of a share-based payment award are changed, unless all the following are the same immediately before and after the modification:

1. The fair value (or calculated value or intrinsic value, if such an alternative measurement method is used) of the award.
2. The vesting conditions of the award.
3. The classification of the award as an equity instrument or a liability instrument.

Effective Date: The Board will determine the effective date and whether the proposed amendments may be applied before the effective date after it considers stakeholder feedback.

Proposed Accounting Standards Update, *Service Concession Arrangements (Topic 853): Determining the Customer of the Operation Services*

Issued: November 2016

Comment Deadline: January 6, 2017

Summary: The proposed amendments would clarify Topic 853 to specify that the grantor (usually a governmental entity), rather than the third-party users of infrastructure, is the customer of the operation services in all cases for service concession arrangements. The amendments are intended to eliminate the diversity in practice regarding the customer determination for such operation services, and to reduce complexity and enable more consistent application of other aspects of the pending revenue standard (Topic 606), which are affected by this customer determination.

Effective Date: The effective date and transition requirements would depend on whether or not an entity has already adopted Topic 606 at the time this standard is finalized. Generally, entities would be required to apply this standard concurrently with application of Topic 606.

Proposed Accounting Standards Update, *Technical Correction to Update No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities—Endowment Reporting*

Issued: October 2016

Comment Deadline: November 11, 2016

Summary: The proposed amendments would clarify the minimum requirements for the reconciliation that a not-for-profit entity (NFP) is required to disclose if it has endowment funds. Specifically, it would remove the words "that contain no purpose restrictions" from paragraph 958-205-50-1B(e)(3), which were added by the amendments in ASU 2016-14.

Effective Date: The Board will determine the effective date after considering stakeholder feedback on the proposed amendments. Earlier application of the proposed amendments would be permitted at the beginning of any fiscal year before the effective date.

OTHER ACTIVITIES

The following section provides high level summaries of other relevant FASB publications and activities.

Emerging Issues Task Force

The Emerging Issues Task Force (EITF) met on November 17, 2016. The following conclusions reached by the EITF do not represent final or proposed guidance until they are ratified by the FASB.

Issue 16-B: Employee Benefit Plan Master Trust Reporting

Status: The Task Force reached a final consensus on the following Issue. The FASB ratified on November 30, 2016. A final ASU is expected early in 2017.

Summary: The final consensus affirmed that that a plan should present its interest in the master trust and the change in its interest in that master trust as single line items in the statement of net assets available for benefits and the statement of changes in net assets available for benefits, respectively. Some incremental disclosures will be required.

Effective Date: The final consensus is expected to effective for fiscal years beginning after December 15, 2018, with early adoption permitted. An entity that elects early adoption must adopt all of the amendments in the same period.

FASB Transition Resource Group for Credit Losses

Summary: The FASB established the Transition Resource Group (TRG) for Credit Losses early in 2016 to solicit, analyze, and discuss implementation issues that could arise when organizations implement ASU 2016-13. The group will then share their views with the FASB, which will help the Board determine what, if any, action is appropriate to address those issues. The TRG also will provide stakeholders with a forum to learn about the new standard from others involved with implementation. The TRG met on April 1, 2016 to discuss whether the measurement guidance of ASU 2016-13 clearly communicates the Board's decisions. Additional meeting dates have not yet been announced.

Background: The FASB issued ASU 2016-13 in June 2016 establishing the current expected credit loss (CECL) model, which requires entities to recognize upon inception and at each reporting date an allowance for the current estimate of contractual cash flows they do not expect to collect over an instrument's life. The model applies to financial assets measured at amortized cost (e.g., loans, trade receivables, debt securities) and certain off off-balance sheet credit exposures.

FASB Transition Resource Group for Revenue Recognition

Summary: The TRG for Revenue Recognition met on November 7, 2016 to discuss the following issues:

- Over Time Revenue Recognition
- Capitalization and Amortization of Incremental Costs of Obtaining a Contract
- Royalty with Minimum Guarantee
- Payments to Customers

Also during the quarter, the FASB issued an ASU containing technical corrections and improvements to the revenue standard (see *Final FASB Guidance*, above).

Background: The TRG for Revenue Recognition was established in 2014 to solicit, analyze, and discuss stakeholder issues arising from implementation of the recently issued standard, ASU 2014-09 (Topic 606), *Revenue from Contracts with Customers*; to inform the FASB and IASB about those implementation issues, which will help the Boards determine what, if any, action will be needed to address those issues; and to provide a forum for stakeholders to learn about the new guidance from others involved with implementation.

AICPA Financial Reporting Executive Committee

Summary: The Financial Reporting Executive Committee (FinREC) is the senior committee of the AICPA for financial reporting. It is authorized to make public statements on behalf of the AICPA on financial reporting matters. During the quarter, topics discussed by FinREC included:

Revenue Recognition – FinREC has issued several working drafts that provide industry-specific considerations and illustrative examples related to the implementation of ASU 2014-09, *Revenue from Contracts with Customers*. FinREC continued to issue working drafts for comment in 2016. Industries affected by the most recent working drafts include airlines, gaming, telecommunications and timeshares with comment periods ending February 1, 2017 or March 1, 2017.

In January 2017, the AICPA published the first edition of its *Audit and Accounting Guide: Revenue Recognition*. This edition addresses general accounting considerations, general auditing considerations, and accounting implementation issues in the aerospace & defense and asset management industries. The guide will be updated as additional implementation issues are finalized.

Complete details and additional AICPA resources are available **here**.

Accounting and Valuation Guide - FinREC continued deliberations on a new interpretive practice guide, Valuation of Portfolio Company Investments of Venture Capital and Private Equity Firms and Other Investment Companies. Deliberations included market participant assumptions, calibration and other valuation related matters.

Refer to the AICPA website at: **www.aicpa.org/interestareas/frc/accountingfinancialreporting/pages/finrec.aspx**.

SECURITIES AND EXCHANGE COMMISSION (SEC)

FINAL AND PROPOSED SEC GUIDANCE

All SEC Final Rules can be accessed on the SEC website located under the *Regulatory Actions* section, *Final Rules*.

(Note: The following pertains to significant accounting and reporting SEC releases. For a complete listing of SEC rules, please refer to the SEC website.)

The SEC did not issue any significant final or proposed guidance during the quarter.

OTHER ACTIVITIES

The following section provides high level summaries of other relevant SEC publications and activities.

2016 Conference on Current SEC and PCAOB Developments

Summary: The annual AICPA National Conference on Current SEC and PCAOB Developments was held in December 2016 in Washington, DC, where representatives of the SEC and the PCAOB shared their views on various accounting, reporting, and auditing issues. Areas of particular focus included implementation of new accounting standards, internal control over financial reporting, non-GAAP reporting, and other accounting, auditing, and disclosure matters.

PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD (PCAOB)

FINAL AND PROPOSED PCAOB GUIDANCE

All final and proposed PCAOB guidance can be accessed on the PCAOB website located under the *Rules of the Board* tab.

The PCAOB did not issue any significant final or proposed guidance during the quarter.

OTHER ACTIVITIES

The following section provides high level summaries of other publications and activities related to PCAOB, auditing, and governance matters.

CAQ Audit Committee Tools and Resources

Summary: **During the fourth quarter, the Center for Audit Quality (CAQ) released three resources for audit committees:**

- Preparing for the New Revenue Recognition Standard

  The revenue tool addresses the following topics from an audit committee perspective:

  - Understanding the new revenue recognition standard – what is it?
  - Evaluating the company's impact assessment – how will revenue change?
  - Evaluating the implementation project plan – how do we need to prepare?
  - Other implementation considerations – what else do we need to consider?

- CAQ Non-GAAP Financial Measures: Continuing the Conversation

  The CAQ intends to use the questions in this tool in roundtables and panels in which management, investors, investment analysts, members of the legal community, audit committees, internal and external auditors, regulators, and academics can come together to share perspectives on non-GAAP financial measures.

- Anti-Fraud Collaboration Webinar

  The webinar examines the steps entities should take when fraud is identified or suspected in an organization, from conducting investigations to determining whether they should alert the SEC about a potential securities law violation and the risks and rewards of self-reporting.

INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB)

FINAL IASB GUIDANCE

All final IASB guidance can be accessed on the IASB website located under the *IFRS* tab, *Standards and Interpretations*.

Amendments to IFRS 40 *Investment Property*

Issued: December 2016

Summary: IAS 40 requires a property be transferred to, or from, investment property only when there is a change in use. The amendment clarifies that a change in management's intentions for the use of a property does not in isolation provide evidence of a change in use.

Effective Date: The amendment is effective for annual periods beginning on or after January 1, 2018.

IFRIC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

Issued: December 2016

Summary: IFRIC 22 addresses the exchange rate that should be used to measure revenue (or expense) when the related consideration was received (or paid) in advance. It requires that the exchange rate to use is the one that applied when the non-monetary liability (or asset) arising from the receipt (or payment) of advance consideration was initially recognized.

Effective Date: The interpretation is effective for annual periods beginning on or after January 1, 2018.

Annual Improvements to IFRS (2014-2016 cycle)

Issued: December 2016

Summary: The Annual improvements to IFRS (2014-2016 cycle) affect the following three standards:

- IFRS 1 *First-time adoption of IFRS* has been amended to remove the short-term exemptions dealing with IFRS 7 *Financial Instruments: Disclosures*, IAS 19 *Employee Benefits* and IFRS 10 *Consolidated Financial Statements*. The reliefs provided are no longer applicable and had been available to entities only for reporting periods that have now passed.
- IFRS 12 *Disclosure of Interests in Other Entities* has been amended to clarify the scope of IFRS 12 with respect to interests in entities within the scope of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* to clarify that entity are not exempt from all of the disclosure requirements in IFRS 12 with respect to interests in entities classified as held for sale or discontinued operations

- IAS 28 *Investments in Associates and Joint Ventures* has been amended to clarify that a venture capital organization, or a mutual fund, unit trust and similar entities (including investment-linked insurance funds) may choose, on an investment by investment basis, to account for its investments in joint ventures and associates at fair value or using the equity method.

Effective Date: The amendments are effective for annual periods beginning on or after January 1, 2018, except for the improvement to IFRS 12, which is effective for periods beginning on or after 1 January 2017.

PROPOSED IASB GUIDANCE

The following is a summary of all significant proposed guidance that was issued or was open for comment during the quarter. All proposed IASB guidance can be accessed on the IASB website located under the *Get Involved* tab, *Comment on a Proposal*.

The IASB did not issue any significant proposed guidance during the quarter.

EFFECTIVE DATES OF U.S. ACCOUNTING PRONOUNCEMENTS

This appendix was prepared with a calendar year-end company in mind. Therefore standards with an effective date in 2015 have been included since many companies applied them for the first time in 2016, e.g., the first interim or annual period beginning on or after December 15, 2015. Standards that do not require adoption before 2017 are highlighted in gray.

PRONOUNCEMENT	EFFECTIVE DATE - PUBLIC	EFFECTIVE DATE – NON PUBLIC
ASC 205, Presentation of Financial Statements		
ASU 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*	Effective for all entities, unless they have adopted the liquidation basis of accounting under Subtopic 205-30. The new standard applies prospectively to annual periods ending after December 15, 2016, and to annual and interim periods thereafter. Early adoption is permitted.	Effective for all entities, unless they have adopted the liquidation basis of accounting under Subtopic 205-30. The new standard applies prospectively to annual periods ending after December 15, 2016, and to annual and interim periods thereafter. Early adoption is permitted.
ASC 225, Income Statement		
ASU 2015-01, *Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015.	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015.
ASC 230, Statement of Cash Flows		
ASU 2016-18, *Restricted Cash*	Effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. 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.	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.
ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted.

ASC 260, Earnings Per Share		
ASU 2015-06, *Effects on Historical Earnings per Unit of Master Limited Partnership Dropdown Transactions (a consensus of the Emerging Issues Task Force)*	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.
ASC 323, Investments—Equity Method and Joint Ventures		
ASU 2016-07, *Simplifying the Transition to the Equity Method of Accounting*	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 application of the equity method. Early adoption is permitted.	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 application of the equity method. Early adoption is permitted.
ASC 323, Investments—Equity Method and Joint Ventures		
ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*	For public business entities that are SEC filers, the amendments are effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For all other public business entities, the amendments are effective for fiscal years beginning after December 15, 2020, including interim periods within those fiscal years.	For all other entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960 through 965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.
ASC 330, Inventory		
ASU 2015-11, *Simplifying the Measurement of Inventory*	Effective prospectively for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted as of the beginning of an interim or annual reporting period. If an entity has previously written down inventory (within the scope of the ASU) below its cost, that reduced amount is considered the cost upon adoption. Upon adoption, the change from the lower of cost or market to the lower of cost and net realizable value for inventory within the scope of the ASU will be accounted for as a change in accounting principle	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 as of the beginning of an interim or annual reporting period. If an entity has previously written down inventory (within the scope of the ASU) below its cost, that reduced amount is considered the cost upon adoption. Upon adoption, the change from the lower of cost or market to the lower of cost and net realizable value for inventory within the scope of the ASU will be accounted for as a change in accounting principle

ASC 350, Intangibles—Goodwill and Other		
ASU 2015-05, *Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*	Effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted. An entity can elect to adopt the amendments either (1) prospectively to all arrangements entered into or materially modified after the effective date or (2) retrospectively.	Effective for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted. An entity can elect to adopt the amendments either (1) prospectively to all arrangements entered into or materially modified after the effective date or (2) retrospectively.
ASU 2014-02, *Accounting for Goodwill (a consensus of the Private Company Council)*	Not applicable to public entities.	ASU 2016-03 removed the effective date of ASU 2014-02, thereby permitting an entity to apply the accounting alternative at any time without justifying that the use of the accounting alternative is preferable as described in paragraph 250-10-45-2.
ASC 405, Liabilities		
2016-04, *Liabilities—Extinguishments of Liabilities (Subtopic 405-20): Recognition of Breakage for Certain Prepaid Stored-Value Products*	Effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted.
ASC 606, Revenue		
ASU 2014-09, *Revenue from Contracts with Customers* **ASU 2015-14,** *Revenue from Contracts with Customers: Deferral of the Effective Date* **ASU 2016-08,** *Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* **ASU 2016-10,** *Identifying Performance Obligations and Licensing* **ASU 2016-12,** *Narrow-Scope Improvements and Practical Expedients* **ASU 2016-20,** *Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers*	Effective for annual periods beginning after December 15, 2017, including interim periods therein. Entities may adopt using a retrospective approach (with certain optional practical expedients) or a cumulative effect approach. Under the this alternative, an entity would apply the new revenue standard only to contracts that are incomplete under legacy U.S. GAAP at the date of initial application (e.g. January 1, 2018) and recognize the cumulative effect of the new standard as an adjustment to the opening balance of retained earnings. That is, prior years would not be restated and additional disclosures would be required to enable users of the financial statements to understand the impact of adopting the new standard in the current year compared to prior years that are presented under legacy U.S. GAAP. Early adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim periods within that year.	Effective for annual periods beginning after December 15, 2018. In addition, the new standard is effective for interim periods within annual periods that begin after December 15, 2019. The same transition alternatives apply. Early adoption is permitted as of either: ▸ An annual reporting period beginning after December 15, 2016, including interim periods within that year, or ▸ An annual reporting period beginning after December 15, 2016 and interim periods within annual reporting periods beginning one year after the annual period in which the entity first applies the new standard.

ASC 715, Compensation—Retirement Benefits		
ASU 2015-04, *Practical Expedient for the Measurement Date of an Employer's Defined Benefit Obligation and Plan Assets*	Effective prospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective prospectively for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted.
ASC 718, Compensation—Stock Compensation		
ASU 2016-09, *Improvements to Employee Share-Based Payment Accounting*	Effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted.	Effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted.
ASU 2014-12, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. Entities may apply the amendments in this Update either (a) prospectively to all awards granted or modified after the effective date or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. If retrospective transition is adopted, the cumulative effect of applying this Update as of the beginning of the earliest annual period presented in the financial statements should be recognized as an adjustment to the opening retained earnings balance at that date. Additionally, if retrospective transition is adopted, an entity may use hindsight in measuring and recognizing the compensation cost.	Effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. Entities may apply the amendments in this Update either (a) prospectively to all awards granted or modified after the effective date or (b) retrospectively to all awards with performance targets that are outstanding as of the beginning of the earliest annual period presented in the financial statements and to all new or modified awards thereafter. If retrospective transition is adopted, the cumulative effect of applying this Update as of the beginning of the earliest annual period presented in the financial statements should be recognized as an adjustment to the opening retained earnings balance at that date. Additionally, if retrospective transition is adopted, an entity may use hindsight in measuring and recognizing the compensation cost.

ASC 740, Income Taxes		
ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*	Effective for annual reporting periods beginning after December 15, 2017 and interim reporting periods within those fiscal years. An entity may elect early adoption, but it must do so for the first interim period of an annual period if it issues interim financial statements.	Effective for annual reporting periods beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. An entity may elect early adoption, but it must do so for the first interim period of an annual period if it issues interim financial statements.
ASU 2015-17, *Balance Sheet Classification of Deferred Taxes*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted as of the beginning of any interim or annual reporting period.	Effective for fiscal years beginning after December 15, 2017, and for interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted as of the beginning of any interim or annual reporting period.
ASC 805, Business Combinations		
ASU 2015-16, *Simplifying the Accounting for Measurement-Period Adjustments*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted.	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.
ASU 2014-18, *Accounting for Identifiable Intangible Assets in a Business Combination (a consensus of the Private Company Council)*	Not applicable to public entities.	ASU 2016-03 removed the effective date of ASU 2014-18, thereby permitting an entity to apply the accounting alternative at any time without justifying that the use of the accounting alternative is preferable as described in paragraph 250-10-45-2.
ASC 810, Consolidation		
ASU 2016-17, *Interests Held through Related Parties That Are under Common Control*	Effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.	Effective for fiscal years beginning after December 15, 2016, and interim periods within fiscal years beginning after December 15, 2017. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.
ASU 2015-02, *Amendments to the Consolidation Analysis*	Effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015.	Effective for fiscal years beginning after December 15, 2016, and for interim periods within fiscal years beginning after December 15, 2017.

ASU 2014-13, *Measuring the Financial Assets and the Financial Liabilities of a Consolidated Collateralized Financing Entity*	Effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. Early adoption is permitted as of the beginning of an annual period. Entities may adopt using either a full or modified retrospective approach. The modified approach only impacts the annual period of adoption by recording a cumulative-effect adjustment to equity.	Effective for annual periods beginning after December 15, 2016, and interim and annual periods thereafter. Early adoption is permitted as of the beginning of an annual period. Entities may adopt using either a full or modified retrospective approach. The modified approach only impacts the annual period of adoption by recording a cumulative-effect adjustment to equity.
ASU 2014-07 *Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements (a consensus of the Private Company Council)*	Not applicable to public entities.	ASU 2016-03 removed the effective date of ASU 2014-07, thereby permitting an entity to apply the accounting alternative at any time without justifying that the use of the accounting alternative is preferable as described in paragraph 250-10-45-2.
ASC 815, Derivatives and Hedging		
2016-06, *Contingent Put and Call Options in Debt Instruments*	Effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.	Effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. However, if an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of that fiscal year.
2016-05, *Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships*	Effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.	Effective for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted.
ASU 2015-13, *Application of the Normal Purchases and Normal Sales Exception to Certain Electricity Contracts within Nodal Energy Markets*	Effective upon issuance and should be applied prospectively. An entity will have the ability to designate qualifying contracts that are entered into on or after the effective date of the ASU as normal purchases and normal sales (“NPNS”). Because an entity may elect the NPNS scope exception at contract inception or at a later date, it also will be able to designate qualifying contracts entered into before the effective date as NPNS, but only prospectively.	Effective upon issuance and should be applied prospectively. An entity will have the ability to designate qualifying contracts that are entered into on or after the effective date of the ASU as normal purchases and normal sales (“NPNS”). Because an entity may elect the NPNS scope exception at contract inception or at a later date, it also will be able to designate qualifying contracts entered into before the effective date as NPNS, but only prospectively.

ASU 2014-16, *Derivatives and Hedging (Topic 815): 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 (a consensus of the FASB Emerging Issues Task Force)*	Effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015.	Effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016.
ASU 2014-03 *Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps - Simplified Hedge Accounting Approach (a consensus of the Private Company Council)*	Not applicable to public entities.	ASU 2016-03 removed the effective date of ASU 2014-03, thereby permitting an entity to apply the accounting alternative at any time without justifying that the use of the accounting alternative is preferable as described in paragraph 250-10-45-2.
ASC 820, Fair Value Measurement		
ASU 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent) (a consensus of the Emerging Issues Task Force)*	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective retrospectively for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted.
ASC 825, Financial Instruments		
2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*	Effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. Certain provisions of the ASU are eligible for early adoption.	Effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019 with early adoption permitted for fiscal years beginning after December 15, 2017 including interim periods within those years. Certain provisions of the ASU are eligible for early adoption prior to December 15, 2017.
ASC 835, Interest		
ASU 2015-15, *Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements (Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015 EITF Meeting)*	Effective upon issuance.	Effective upon issuance.

ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted.	Effective retrospectively for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted.
ASC 842, Leases		
2016-02, *Leases*	Effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. Specific transition requirements apply.	Effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. Specific transition requirements apply.
ASC 915, Development Stage Entities		
ASU 2014-10, *Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation*	**DSE requirements** - Effective for annual reporting periods beginning after December 15, 2014 and interim periods therein. While the elimination of the DSE financial reporting requirements applies retrospectively, the new disclosures about related risks and uncertainties are required prospectively. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance. **Consolidation update -** Effective for annual reporting periods beginning after December 15, 2015 and interim periods therein. The amendments apply retrospectively and also generally incorporate the transition provisions of Statement 167 to address situations in which it may not be practicable to obtain the necessary information for prior years. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance.	**DSE requirements** - Effective for annual reporting periods beginning after December 15, 2014, and interim periods beginning after December 15, 2015. While the elimination of the DSE financial reporting requirements applies retrospectively, the new disclosures about related risks and uncertainties are required prospectively. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance. **Consolidation update -** Effective for annual reporting periods beginning after December 15, 2016 and interim reporting periods beginning after December 15, 2017. The amendments apply retrospectively and also generally incorporate the transition provisions of Statement 167 to address situations in which it may not be practicable to obtain the necessary information for prior years. Early adoption is permitted for financial statements that have not yet been issued or made available for issuance.
ASC 944, Financial Services—Insurance		
ASU 2015-09, *Disclosures about Short-Duration Contracts*	Effective for annual reporting periods beginning after December 15, 2015 and interim reporting periods within annual periods beginning after December 15, 2016. Early adoption is permitted.	Effective for annual reporting periods beginning after December 15, 2016 and interim reporting periods within annual periods beginning after December 15, 2017. Early adoption is permitted.

ASC 958, Not-for-Profit Entities and Topic 954, Health Care Entities		
ASU 2016-14, ***Presentation of Financial Statements of Not-for-Profit Entities***	Not applicable.	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 adoption is permitted.
ASC 960, Defined Benefit Pension Plans		
ASU 2015-12, *(Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all parts individually or in the aggregate. Part II of the ASU should be applied retrospectively, while Part III should be applied prospectively.	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all parts individually or in the aggregate. Part II of the ASU should be applied retrospectively, while Part III should be applied prospectively.
ASC 962, Defined Contribution Pension Plans		
ASU 2015-12, *(Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all three parts individually or in the aggregate. Parts I and II of the ASU should be applied retrospectively, while Part III should be applied prospectively.	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all three parts individually or in the aggregate. Parts I and II of the ASU should be applied retrospectively, while Part III should be applied prospectively.
ASC 962, Health and Welfare Benefit Plans		
ASU 2015-12, *(Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all three parts individually or in the aggregate. Parts I and II of the ASU should be applied retrospectively, while Part III should be applied prospectively.	Effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for all three parts individually or in the aggregate. Parts I and II of the ASU should be applied retrospectively, while Part III should be applied prospectively.
Other		
ASU 2016-19, *Technical Corrections and Improvements*	Most of the amendments do not require transition guidance and are effective upon issuance. Several amendments have specific transition requirements, and early adoption is permitted for those items.	Most of the amendments do not require transition guidance and are effective upon issuance. Several amendments have specific transition requirements, and early adoption is permitted for those items.

ASU 2016-11, *Revenue Recognition (Topic 605) and Derivatives and Hedging (Topic 815): Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting*	The amendments within Topics 605 and 932 are effective upon adoption of Topic 606. Paragraph 815-10-S99-3 is rescinded to coincide with the effective date of ASU 2014-16.	The amendments within Topics 605 and 932 are effective upon adoption of Topic 606. Paragraph 815-10-S99-3 is rescinded to coincide with the effective date of ASU 2014-16.
ASU 2015-10, *Technical Corrections and Improvements*	Transition guidance varies based on the individual amendments. The amendments that require transition guidance are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. All other amendments became effective upon issuance.	Transition guidance varies based on the individual amendments. The amendments that require transition guidance are effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. All other amendments became effective upon issuance.