

FASB Accounting Standards Codification®

Editorial and Maintenance Update 2018-09

Released: July 12, 2018

Maintenance Updates provide nonsubstantive corrections to the Codification, such as editorial corrections, various types of link-related changes and changes to source fragment information (used for Cross Reference and the Printer-Friendly with sources). This Maintenance Update includes nonsubstantive visual corrections which are reflected in the relevant Status tables.

Editorial and other corrections that affect versioning of Sections for archive purposes and are reflected in the corresponding Status tables:

1. This amendment replaces an indefinite deferral in transition paragraph 820-10-65-9 from Accounting Standards Update No. 2013-09, *Fair Value Measurement (Topic 820): Deferral of the Effective Date of Certain Disclosures for Nonpublic Employee Benefit Plans in Update No. 2011-04*, with a disclosure exemption in paragraph 820-10-50-2(bbb)(2). In its deliberations on the amendments in Update 2013-09, the Board decided that the disclosure would provide competitive information that could be detrimental for employee benefit plans that held investments in their plan sponsor's own nonpublic equity securities, including equity securities of their plan sponsor's nonpublic affiliated entities. The indefinite deferral functions as a de facto disclosure exemption; however, the Transition and Open Effective Date Section of the Codification is not the most logical or effective placement for this exemption. This amendment simplifies the Codification for all stakeholders by making the indefinite deferral a disclosure exception that is co-located with related disclosure guidance.

Paragraph/Glossary Term	Superseded/Amended/Added
820-10-50-2(bbb) pending	Transition Date: <i>Indefinitely deferred</i> Transition Guidance: 820-10-65-9 The information shall include: 1. For recurring and nonrecurring fair value measurements categorized within Level 2 and Level 3 of the fair value hierarchy, a description of the valuation technique(s) and the inputs used in the fair value measurement. If there has been a change in either or both a valuation approach and a valuation technique (for example, changing from matrix pricing to the binomial model or the use of an additional valuation technique), the reporting entity shall disclose that change and the reason(s) for making it. 2. For fair value measurements categorized within Level 3 of the fair value hierarchy, a reporting entity shall provide quantitative information about the significant unobservable inputs used in the fair value measurement. A reporting entity is not required to create quantitative information to comply with this disclosure requirement if quantitative unobservable inputs are not developed by the reporting entity when measuring fair value (for example, when a reporting entity uses prices from prior transactions or third-party pricing information without adjustment). However, when providing this disclosure, a reporting entity cannot ignore quantitative unobservable inputs that are significant to the fair value measurement and are reasonably available to the reporting entity. <u>Employee benefit plans, other than those plans that are subject to the U.S. Securities and Exchange Commission's (SEC) filing requirements, are not required to provide this disclosure for investments held by an employee benefit plan in their plan sponsor's own nonpublic equity securities, including equity securities of their plan sponsor's nonpublic affiliated entities.</u>

2. Amend paragraph 820-10-00-1, by adding the following item to the table, as follows:

820-10-00-1 The following table identifies the changes made to this Subtopic.

Paragraph	Action	Accounting Standards Update	Date
820-10-50-2	Amended	Maintenance Update 2018-09	07/12/2018