



## In This Issue

- [Topic 1 — Determining the Effective Interest Rate Under the CECL Model](#)
- [Topic 2 — Scope of Purchased Financial Assets With Credit Deterioration Guidance for Beneficial Interests Accounted for Under ASC 325-40](#)
- [Topic 3 — Applying the Transition Guidance to Pools of Purchased Credit-Impaired Assets Under ASC 310-30](#)
- [Topic 4 — Accounting for TDRs Under the CECL Model](#)
- [Topic 5 — Estimating the Life of a Credit Card Receivable Under the CECL Model](#)

## June 2017 TRG Meeting on Credit Losses

by Jon Howard, Stephen McKinney, Jennifer Kehrer, Kevin Moore, and Morgan Miles, Deloitte & Touche LLP

In June 2016, the FASB issued [ASU 2016-13](#),<sup>1</sup> which adds to U.S. GAAP an impairment model — known as the current expected credit losses (CECL) model — that is based on expected losses rather than incurred losses. Once effective, the new guidance will significantly change the accounting for credit impairment under ASC 326.<sup>2</sup> See Deloitte's June 17, 2016, [Heads Up](#) for more information about the new guidance.

This *TRG Snapshot* summarizes the June 12, 2017, public meeting of the FASB's credit losses transition resource group (TRG). This TRG meeting was the first to be attended by the FASB since it issued the CECL guidance.

The purpose of the credit losses TRG is similar to that of the TRG that the FASB and IASB established to discuss their joint revenue recognition standard. That is, the TRG does not issue guidance but provides feedback on potential issues related to the implementation of the CECL model. By analyzing and discussing potential implementation issues, the TRG helps the FASB determine whether it needs to take action, such as providing clarification or issuing additional guidance. The TRG comprises financial statement preparers, auditors, and users. Board members of the FASB also attend the TRG's meetings. In addition, representatives from the SEC, PCAOB, Federal Reserve, Office of the Comptroller of the Currency, FDIC, National

<sup>1</sup> FASB Accounting Standards Update No. 2016-13, *Measurement of Credit Losses on Financial Instruments*.

<sup>2</sup> FASB Accounting Standards Codification Topic 326, *Financial Instruments — Credit Losses*.

Credit Union Administration, and Federal Housing Finance Agency are invited to observe the meetings.

The following topics were discussed at the June 12, 2017, meeting:

- **Topic 1** — Determining the effective interest rate under the CECL model.
- **Topic 2** — Scope of purchased financial assets with credit deterioration guidance for beneficial interests accounted for under ASC 325-40.<sup>3</sup>
- **Topic 3** — Applying the transition guidance to pools of purchased credit-impaired assets under ASC 310-30.
- **Topic 4** — Accounting for troubled debt restructurings under the CECL model.
- **Topic 5** — Estimating the life of a credit card receivable under the CECL model.

## Topic 1 — Determining the Effective Interest Rate Under the CECL Model

**Background:** If an entity elects to use a discounted cash flow (DCF) method to estimate expected credit losses on financial assets carried at amortized cost, ASC 326-20-30-4 (as amended by ASU 2016-13) requires it to “discount expected cash flows at the financial asset’s **effective interest rate**. When a discounted cash flow method is applied, the allowance for credit losses shall reflect the difference between the amortized cost basis and the present value of the expected cash flows” (emphasis added). The effective interest rate (EIR) is defined in ASU 2016-13 as “[t]he rate of return implicit in the financial asset, that is, the contractual interest rate adjusted for any net deferred fees or costs, premium, or discount existing at the origination or acquisition of the financial asset.”

Stakeholders have questioned whether an entity that applies a DCF method under the CECL guidance to discount the expected cash flows should use the same EIR it applied to recognize interest income in accordance with ASC 310-20.<sup>4</sup> With few exceptions, it is assumed under ASC 310-20 that for interest income recognition purposes, the loan will remain outstanding until its contractual maturity (and therefore expected prepayments are not taken into account). However, the CECL model requires an entity to consider prepayments (see ASC 326-20-30-6) when it applies the DCF method. As a result, stakeholders have noted that the loan term used for recognizing interest income is inconsistent with that used for estimating expected credit losses.

Further, stakeholders have indicated that this inconsistency could result in certain anomalies. For example, when an entity uses a DCF method to estimate expected credit losses for a loan that includes a premium to par, any expected prepayments would accelerate the recognition of premiums related solely to the use of a discount rate under which prepayments are assumed for CECL model purposes to a set of cash flows for which prepayments are not assumed for interest income recognition purposes. The acceleration of the premium recognition results in an increase to the credit allowance because the amortized cost basis on day 1 would be greater than the present value of the expected cash flows. The opposite is true for a loan that includes a discount to par under which the use of a DCF method that includes expected prepayments would accelerate the recognition of the discount. This acceleration would in turn artificially lower the allowance because the amortized cost basis on day 1 would be less than the present value of the expected cash flows.

In describing these anomalies, stakeholders highlighted that the inconsistency between the EIR used for discounting expected cash flows and that used for interest income recognition results in credit risk that is not appropriately isolated. That is, a portion of the allowance an entity recognizes (or does not recognize when a discount is present) by using the DCF method

<sup>3</sup> FASB Accounting Standards Codification Subtopic 325-40, *Investments: Other: Beneficial Interests in Securitized Financial Assets*.

<sup>4</sup> FASB Accounting Standards Codification Subtopic 310-20, *Receivables: Nonrefundable Fees and Other Costs*.

is attributed to the inconsistency in loan term rather than to expected credit loss. Accordingly, a question submitted frequently to the TRG was whether it would be acceptable for an entity to use a “prepayment adjusted EIR” as the discount rate when it applies the DCF method under the CECL guidance.

In response to this stakeholder feedback, the FASB staff recommended the following:

- Entities should be given the choice, through an accounting policy election, of whether they would like to use an adjusted EIR when applying a DCF method under the CECL guidance. They should make this accounting policy election at the “class of financing receivable” level (as defined in the ASC master glossary).
- Upon making the accounting policy election, entities should update the adjusted EIR periodically to match any changes in expected prepayments.

For additional information, see [TRG Memo 1](#).

**Summary:** The TRG generally agreed with the FASB staff on the above items. In addition, the TRG and FASB staff clarified that the discounting issues discussed above (e.g., prepayments) do not include troubled debt restructurings (TDRs) because a TDR's effect on expected cash flows is not attributed to prepayments but to credit. That is, the current TDR guidance that requires an entity to use the original contractual EIR as the necessary discount rate after executing a TDR remains unchanged.

## Topic 2 — Scope of Purchased Financial Assets With Credit Deterioration Guidance for Beneficial Interests Accounted for Under ASC 325-40

**Background:** Under ASU 2016-13, entities should measure an impairment allowance for purchased or retained beneficial interests that are (1) within the scope of ASC 325-40 and (2) classified as available for sale or held to maturity the same way they measure purchased financial assets with credit deterioration (“PCD assets”) if the beneficial interest meets the definition of a PCD asset<sup>5</sup> or there is a significant difference between the contractual cash flows and expected cash flows of the beneficial interest. At initial recognition, a beneficial interest holder would therefore present an impairment allowance equal to the estimate of expected credit losses and add that allowance to the purchase price to determine an initial amortized cost basis of the beneficial interest. In addition, the ASU requires entities to accrete changes in expected cash flows attributable to factors other than credit into interest income over the life of the asset.

As noted above, entities would be required to determine the contractual cash flows of beneficial interests in securitized transactions. However, the beneficial interests in certain structures may not have easily determinable contractual cash flows (e.g., when a beneficial interest holder receives only residual cash flows of a securitization structure). Further, the term “contractual cash flows” is not defined in ASU 2016-13. While the language in the ASU may be interpreted to mean cash flows for which no prepayments or defaults in the securitized assets are assumed, stakeholders asked whether that was the Board’s intent.

[TRG Memo 2](#) discusses the following implementation questions stakeholders have raised regarding the scope of the PCD asset guidance on beneficial interests in ASC 325-40:

- What is meant by “contractual cash flows” in ASC 325-40-30-1A(a)?
- Can prepayment expectations be included in those contractual cash flows?

<sup>5</sup> The ASU defines PCD assets as “[a]cquired individual financial assets (or acquired groups of financial assets with similar risk characteristics) that, as of the date of acquisition, have experienced a more-than-insignificant deterioration in credit quality since origination, as determined by an acquirer’s assessment.”

**Summary:** The Board analyzed the following two views related to these questions:

- *View A* — Since ASC 325-40-30-1A discusses contractual cash flows, entities should assume that there have been no prepayments or defaults.
- *View B* — While ASC 325-40-30-1A uses the term “contractual cash flows,” it would be reasonable for entities to assume that an estimate of expected prepayments has been made. In determining contractual cash flows, entities should assume that there have been no defaults.

Regarding the scope of the guidance, Board members acknowledged that ASC 325-40-30-1A(a) was primarily intended to capture the residual interests in securitizations. TRG members agreed that the scope was appropriate and supported limiting the types of securities to which the PCD model is applied. However, TRG members expressed concerns that under View A, the PCD model would be applied to many beneficial interests. Accordingly, TRG members generally supported View B because it would result in fewer beneficial interests’ being considered PCD assets (and therefore recognition of a smaller gross-up of the credit loss allowance upon initial recognition). But TRG members expressed reservations about the use of the term “contractual cash flows.” TRG members encouraged the Board to replace the term “contractual cash flows” with language that describes View B.

TRG members also raised concerns related to subsequent accounting because of confusion about the interaction between the beneficial interest model in ASC 325-40 and the PCD model in ASC 326.

Under ASC 325-40 (as amended by ASU 2016-13), entities must estimate the timing and amount of all future cash inflows from a beneficial interest that is not considered a PCD asset by employing assumptions used in the determination of fair value at recognition. The excess of those expected future cash flows over the initial investment is the accretable yield. Entities recognize such excess as interest income over the life of the investment by using the effective interest method.

A subsequent adjustment to expected cash flows is recognized as a yield adjustment affecting interest income or, if related to credit, may be recognized through earnings by means of an allowance for credit losses. Essentially, a cumulative adverse change in expected cash flows would be recognized as an allowance, and a cumulative favorable change in expected cash flows would be recognized as a prospective yield adjustment.

Under the PCD accounting model in ASC 326, entities are required to gross up the cost basis of a PCD asset by the estimated credit losses as of the date of acquisition and establish a corresponding allowance for credit losses. For PCD assets within the scope of ASC 325-40, cumulative adverse changes in expected cash flows would be recognized currently as an increase to the allowance for credit losses (in a manner similar to the normal ASC 325-40 model as amended by ASU 2016-13). However, favorable changes in expected cash flows would first be recognized as a decrease to the allowance for credit losses (recognized currently in earnings). Favorable changes in expected cash flows would be recognized as a prospective yield adjustment only when the allowance for credit losses is reduced to zero. The FASB staff was directed to produce some examples of the subsequent accounting for PCD assets within the scope of ASC 325-40.

### **Topic 3 — Applying the Transition Guidance to Pools of Purchased Credit-Impaired Assets Under ASC 310-30**

**Background:** ASC 326-10-65-1(d) lets entities “elect to maintain pools of loans accounted for under Subtopic 310-30 at adoption.” Under current GAAP, entities are permitted to (1) pool purchased credit-impaired (PCI) assets acquired in the same fiscal quarter with similar risk characteristics and (2) use a composite interest rate to estimate cash flows expected to



be collected by the pool. In addition, under ASC 310-30-40-1 (which was superseded by ASU 2016-13), pools of loans must be maintained, and loans may be removed from a pool only in limited circumstances (e.g., sale of a loan, receipt of assets in satisfaction of a loan, write-off of a loan). In addition, under ASC 310-30, if a TDR occurs on a loan accounted for in a pool, entities still apply ASC 310-30 to the pool and do not apply TDR accounting to the individual loan. Under ASC 326-20-30-2 (which was added by ASU 2016-13), entities are required to reevaluate the characteristics of the assets in the pool and remove those assets that no longer have similar characteristics. In other words, if a PCI asset no longer has characteristics that are similar to those of the rest of the assets in the pool, that PCI asset should be removed and placed in a different pool with loans of similar risk characteristics.

The TRG discussed the appropriate unit of account for loan pools to which the election under ASC 326-10-65-1(d) is applied. Under current GAAP, the unit of account represents the pool, which lets entities apply a composite interest rate to, and estimate cash flows for, the pool. Under ASC 326-20-30-13 (which was added by ASU 2016-13), entities are required to allocate any “noncredit discount or premium resulting from acquiring a pool of purchased financial assets with credit deterioration” to each individual asset.

While the transition guidance permits entities to elect to maintain pools of loans accounted for under ASC 310-30, ASU 2016-13 is unclear about the extent to which they may continue to apply the guidance in ASC 310-30 to the pools.

**TRG Memo 3** discusses the following implementation questions that stakeholders have raised regarding applying the transition guidance for pools of PCI assets that are within the scope of ASC 310-30:

- What level of relief did the Board intend to give entities in transition under ASC 326-10-65-1, which states that “[a]n entity may elect to maintain pools of loans accounted for under Subtopic 310-30 at adoption”?
- Is the election permitted only at transition, or can it also be applied in subsequent periods?

**Summary:** TRG members acknowledged that allowing companies to make a policy election to apply the transition guidance in ASC 310-30 either at adoption or at adoption and in subsequent periods would address those stakeholders’ questions. In other words, entities would have the choice of either maintaining their existing pools accounted for under ASC 310-30 at adoption only or doing so on an ongoing basis after adoption. TRG members supported the Board’s allowing companies to make a policy election to maintain the pools and apply certain requirements of ASC 310-10. In TRG Memo 3, the FASB outlines the guidance in ASC 310-10 applicable to companies making this policy election.

## Topic 4 — Accounting for TDRs Under the CECL Model

**Background:** Stakeholders have raised questions regarding the accounting for TDRs in connection with estimating expected credit losses over the contractual life of a financial asset under ASC 326. ASC 326-20-30-6 (which was added by ASU 2016-13) states, in part:

An entity shall not extend the contractual term for expected extensions, renewals, and modifications unless it has a reasonable expectation at the reporting date that it will execute a troubled debt restructuring with the borrower.

Given this guidance, stakeholders have asked questions regarding the nature of TDRs that must be considered in the estimate (e.g., contractual term extensions, interest rate concessions), when and how to consider TDRs in the estimate, and whether to consider reasonably expected TDRs on a portfolio basis or at an individual-financial-asset level.

**TRG Memo 4** indicates that the “primary issue underlying stakeholder questions” is whether entities should “forecast all types of reasonably expected future TDRs on a portfolio basis and

include the effect of those reasonably expected TDRs in the calculation of expected credit losses.”

In TRG Memo 4, the FASB staff provided the following two views for TRG members to consider:

- *View A* — “Entities should include the effect of reasonably expected TDRs that do not extend the contractual term in their estimate of credit losses (for example, interest rate concessions). Entities also should forecast reasonably expected TDRs that extend the contractual term on a portfolio basis and include the effect of those reasonably expected TDRs in the calculation of expected credit losses.”
- *View B* — “Entities should include the effect of reasonably expected TDRs that do not extend the contractual term in their estimate of credit losses (for example, interest rate concessions). Entities should extend the term over which they are measuring credit losses when a TDR is reasonably expected at an individual financial asset level (that is, the loan for which a TDR is expected can be specifically identified) and include the effect of that reasonably expected TDR in the calculation of expected credit losses.”

The FASB staff asked TRG members whether entities should consider all reasonably expected TDRs that extend the contractual term of the asset at a portfolio level or at an individual-financial-asset level. TRG members discussed both views but did not generally agree on which one to recommend.

The FASB staff believes that entities should under either view “include the effect of reasonably expected TDRs that do not extend the contractual term in their estimate of credit losses (for example, interest rate concessions).” TRG members observed that ASC 326-20-30-3 allows financial statement preparers to estimate expected credit losses by “using various methods” and does not require the use of a DCF method or a reconciliation of an entity’s estimation technique to a DCF method. TRG members asked questions about whether and, if so, how entities should incorporate into the estimate of expected credit losses reasonably expected TDRs that provide interest rate concessions. TRG members observed that under a DCF model, entities would explicitly consider an interest rate concession but that under other methods, such as a collateral-dependent method or a loss-rate method, the effects of interest rate concessions may not be captured in the estimate of expected credit losses. The FASB staff believes that all “reasonably expected” TDRs, including interest rate concessions, should be incorporated into the estimate.

TRG members requested clarification on whether entities’ estimated credit losses should include the costs of TDRs that do not involve the forgiveness of principal (e.g., an interest rate concession) or the benefits (e.g., reduced loss rates) or both if entities do not use a DCF model. Some TRG members expressed concern that entities may not have information about interest rate concessions available in loss-rate data because the data may currently include only losses related to principal balances. Therefore, the estimate of expected credit losses could differ depending on whether entities use a DCF method, under which interest would be explicitly considered, or another method under which interest may not be considered. Also, if it is inappropriate to consider the benefits of a TDR, entities may need to adjust the historical loss data since the ultimate losses on the assets after all remediation efforts, which inherently include the benefits of any modifications, were most likely to have been captured.

**Summary:** The TRG did not agree on how to appropriately consider reasonably expected TDRs in an entity’s estimate of credit losses under ASC 326 and will discuss this topic at a future meeting. The FASB staff intends to perform additional analysis on the interaction between accounting for TDRs and expected credit losses.

## Topic 5 — Estimating the Life of a Credit Card Receivable Under the CECL Model

**Background:** Under the CECL model, the allowance for loan losses should be management's current estimate of expected credit losses on financial assets that exist as of the measurement date. Regardless of the method entities use to estimate expected credit losses, they must carefully consider all amounts expected to be collected (or not collected) over the life of the financial asset. Given the revolving nature of lending arrangements, credit card issuers currently do not use the life of the financial asset (e.g., credit card receivable) as a measure when applying the incurred loss model. Since the cycle of creating and repaying receivables is continual, stakeholders have questioned how credit card issuers will determine the life of a credit card account balance so they can estimate expected credit losses.

Under the CECL model, an allowance must not include expected losses on "unconditionally cancellable loan commitments." Because credit card lines are unconditionally cancelable, expected losses on future draws are not to be accrued before such amounts are drawn. Accordingly, some stakeholders believe that an entity should apply a customer's expected payments only to funded commitments as of the measurement date when modeling the repayment period of the measurement date receivable. That is, an entity would estimate the life of a credit card receivable without considering the impact of future draws that are unconditionally cancelable.

Other stakeholders have questioned the relevance of the Credit Card Accountability Responsibility and Disclosure Act of 2009 (the "CARD Act") in an estimate of the life of a credit card receivable. Among other things, the CARD Act requires entities to apply a credit cardholder's payments on the basis of a hierarchy under which components of the cardholder's balance to which higher interest rates apply are generally paid off before components with lower interest rates. These stakeholders have questioned whether the CARD Act's requirement to allocate cardholder payments implicitly mandates that entities include the impact of future estimated credit card draws in estimates of the life of a credit card receivable as of the measurement date.

Given this stakeholder feedback, the FASB staff outlined in [TRG Memo 5](#) its analysis of the following two views on how entities should consider the application of expected principal payments received after the measurement date:

- *View A* — "When evaluating the estimated life of a credit card receivable balance, all expected principal payments (. . . after finance charges and fees assessed have been paid) should be applied to the measurement date balance until that balance is extinguished using a first-in, first-out (FIFO) method (or, in the absence of payments, charged off). [This method, in essence, results in the evaluation of] the measurement date receivable balance as if it were a closed-end loan. The CARD Act would still dictate the application of payments for purposes of determining the [cardholder's exposure to each annual interest rate,] but it would do so only with respect to the measurement date balance."
- *View B* — "When evaluating the estimated life of a credit card receivable balance, all expected principal payments (. . . payments after finance charges and fees assessed have been paid) should be applied to the measurement date balance and anticipated future [draws] in a way that reflects how the CARD Act payment allocation hierarchy is expected to affect the application of a cardholder's payments over time . . . inclusive of the effect of future draws (and, thus, the composition of future statement balances)."

The FASB staff observed that the sole difference between View A and View B pertains to whether entities should consider projected future cardholder draws in applying expected payments. The choice to exclude (View A) or include (View B) such draws will result in different conclusions about the estimated life of the measurement date balance.

The FASB staff believes, on the basis of stakeholder feedback and discussions with financial institutions, that either view could be acceptable under the CECL model. That is, View A appears to be a reasonable and straightforward approach for determining the life of a credit card receivable balance, and View B appears to achieve the same goal, although at a much more granular level. Consequently, the FASB staff does not believe that either approach would be prohibited. However, the FASB staff prefers View A because it believes that:

- The Board was not expecting companies to make assessments related to the unfunded balance because of the Board's decisions regarding unconditionally cancelable amounts.
- The calculation of credit losses is a measurement of the credit card receivable as of the balance sheet date.
- The Board intended the CECL model to be scalable and that View B could be a significant operational burden for financial institutions, particularly those that are smaller in size and scale of operations.
- View B could *potentially* lead to entities' recording losses for credit card receivables that were not recognized as of the balance sheet date.

For additional information, see TRG Memo 5.

**Summary:** After significant discussion, the TRG did not select either View A or View B. Specifically, the TRG noted that like View B, View A would be challenging to apply (as illustrated in the examples in Appendix A of [TRG Memo 5A](#)) since the View A examples include projecting future draws beyond the measurement date for determining the allocation of principal and interest to the measurement date balance. That is, in either View A or View B, the impact of future draws (albeit for different purposes) would be considered and therefore neither view would seem to alleviate the potential implementation challenges associated with estimating the life of a credit card receivable as of the measurement date.

The FASB will continue to develop its views on these issues as well as decide whether to introduce a new view that modifies the proposed FIFO approach in View A by excluding amounts drawn after the measurement date.



## Subscriptions

If you wish to receive *TRG Snapshot* and other Deloitte accounting publications, please [register](http://www.deloitte.com/us/subscriptions) at [www.deloitte.com/us/subscriptions](http://www.deloitte.com/us/subscriptions).

## Dbriefs for Financial Executives

We invite you to participate in *Dbriefs*, Deloitte's webcast series that delivers practical strategies you need to stay on top of important issues. Gain access to valuable ideas and critical information from webcasts in the "Financial Executives" series on the following topics:

- Business strategy and tax.
- Financial reporting.
- Tax accounting and provisions.
- Controllership perspectives.
- Financial reporting for taxes.
- Transactions and business events.
- Driving enterprise value.
- Governance, risk, and compliance.

*Dbriefs* also provides a convenient and flexible way to earn CPE credit — right at your desk. [Subscribe](http://www.deloitte.com/us/dbriefs) to *Dbriefs* to receive notifications about future webcasts at [www.deloitte.com/us/dbriefs](http://www.deloitte.com/us/dbriefs).

## DART and US GAAP Plus

Put a wealth of information at your fingertips. The Deloitte Accounting Research Tool (DART) is a comprehensive online library of accounting and financial disclosure literature. It contains material from the FASB, EITF, AICPA, PCAOB, IASB, and SEC, in addition to Deloitte's own accounting manuals and other interpretive guidance and publications.

Updated every business day, DART has an intuitive design and navigation system that, together with its powerful search and personalization features, enable users to quickly locate information anytime, from any device and any browser. While much of the content on DART is available at no cost, subscribers have access to premium content, such as Deloitte's FASB Accounting Standards Codification Manual, and can also elect to receive *Technically Speaking*, a weekly publication that highlights recent additions to DART. For more information, or to sign up for a free 30-day trial of premium DART content, visit [dart.deloitte.com](http://dart.deloitte.com).

In addition, be sure to visit [US GAAP Plus](http://USGAAPPlus.com), our free Web site that features accounting news, information, and publications with a U.S. GAAP focus. It contains articles on FASB activities and those of other U.S. and international standard setters and regulators, such as the PCAOB, AICPA, SEC, IASB, and IFRS Interpretations Committee. Check it out today!

The purpose of this publication is to briefly describe matters discussed at the most recent meeting of the Emerging Issues Task Force. This summary was prepared by Deloitte's National Office. Although this summary of the discussions and conclusions reached is believed to be accurate, no representation can be made that it is complete or without error. Official meeting minutes are prepared by the Financial Accounting Standards Board staff and are available approximately three weeks after each meeting. The official meeting minutes sometimes contain additional information and comments; therefore, this meeting summary is not a substitute for reading the official minutes. In addition, tentative conclusions may be changed or modified at future meetings.

Deloitte is not, by means of this publication, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This publication is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor.

Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

As used in this document, "Deloitte" means Deloitte & Touche LLP, a subsidiary of Deloitte LLP. Please see [www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Copyright © 2017 Deloitte Development LLC. All rights reserved.