



September 20, 2019

Mr. Shayne Kuhaneck
Acting Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

RE: File Reference No. 2019-760

Dear Mr. Kuhaneck:

PricewaterhouseCoopers LLP appreciates the opportunity to comment on the Proposed Accounting Standards Update, *Financial Services - Insurance (Topic 944): Effective Dates*.

We support the proposed delay in effective dates as it will allow preparers to more effectively implement the standard while increasing their ability to leverage their finance modernization efforts.

We believe that an additional deferral for other than large public companies will afford these entities the opportunity to utilize the knowledge and experience gained from larger public company implementation.

We also support the proposed bucket approach based on the FASB's definition of "SEC filer" and the SEC's definition of "smaller reporting company." We believe that utilizing this definition is appropriate, since it is generally understood by preparers and should help alleviate some confusion that exists under the current transition guidance based on the definition of public business entity.

The appendix contains our detailed responses to the Questions for Respondents.

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If you have any questions regarding our comments, please contact Thomas Barbieri at (973) 342-5285.

Sincerely,

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP



Appendix

Question 1—Effective date for larger public companies. Should the amendments in Update 2018-12 be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021, for larger public companies (that is, SEC filers other than entities eligible to be SRCs as defined by the SEC)? If not, please explain why not.

Yes, we support the proposed effective date for larger public companies.

Question 2—Effective date for entities other than larger public companies. Should the amendments in Update 2018-12 be effective two years after the effective date for larger public companies for entities other than larger public companies (that is, for entities other than larger public companies, effective for fiscal years beginning after December 15, 2023)? If not, please explain why not.

Yes, we support the proposed effective date for entities other than larger public companies.

Question 3—Interim periods for entities other than larger public companies. Should the amendments in Update 2018-12 be effective for interim periods within the years after those amendments are effective for annual periods for entities other than larger public companies (that is, effective for interim periods within fiscal years beginning after December 15, 2024)? Or, alternatively, should the amendments in Update 2018-12 be effective for interim periods within the same fiscal year that the amendments in that Update are effective for annual periods (that is, effective for interim periods within fiscal years beginning after December 15, 2023)? Please explain why.

We believe the amendments in Update 2018-12 should be effective for interim periods within the same fiscal year the amendments in that Update are effective for annual periods. Because entities other than larger public companies are being afforded extra time to implement major standards, we believe adoption in the first interim reporting period within the annual period should be feasible.

Question 4: Should the population of SEC filers that are afforded a delayed effective date be entities eligible to be SRCs as defined by the SEC? If not, what definitional threshold, if any, do you suggest and why?

Yes. We support the two-bucket approach as described in the ASU. The proposed approach utilizes the FASB's definition of "SEC filer" and the SEC's definition of "smaller reporting company," which are generally understood by preparers. We believe that determining effective dates based on these definitions will help alleviate some confusion that exists under the current approach based on the definition of public business entity.

We believe affording a delayed effective date to public entities eligible to be smaller reporting companies is appropriate. We believe permitting early adoption is a key component of the proposal.