

FINANCIAL ACCOUNTING SERIES

ACCOUNTING STANDARDS UPDATE

No. 2020-09
October 2020

Debt (Topic 470)

Amendments to SEC Paragraphs Pursuant to
SEC Release No. 33-10762

An Amendment of the *FASB Accounting Standards Codification*®

Financial Accounting Standards Board

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Amendments to the *FASB Accounting Standards Codification*[®]

Securities and Exchange Commission (SEC) Content

Introduction

1. The Accounting Standards Codification is amended as described in paragraphs 2–11. Terms from the Master Glossary are in **bold** type. Added text is underlined, and deleted text is ~~struck out~~.

Amendments Pursuant to SEC Release No. 33-10762

This Accounting Standards Update amends and supersedes various SEC paragraphs pursuant to the issuance of SEC Release No. 33-10762.

Amendments to Master Glossary

2. Supersede the following Master Glossary terms, with a link to transition paragraph 470-10-S65-1, as follows:

Annual Report

~~Definition 4~~

See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(3), for the definition of annual report for the purpose of Rule 3-10.

Finance Subsidiary

~~Definition 4~~

See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(7), for the definition of finance subsidiary for the purpose of Rule 3-10.

Full and Unconditional Guarantee

See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(2), for the definition of full and unconditional guarantee for the purpose of Rule 3-10.

Minor Subsidiary

~~Definition 4~~

See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(6), for the definition of minor subsidiary for the purpose of Rule 3-10.

~~When considering a group of subsidiaries, the definition applies to each subsidiary in that group individually and to all subsidiaries in that group in the aggregate.~~

Operating Subsidiary

~~Definition 4~~

~~See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(8), for the definition of operating subsidiary for the purpose of Rule 3-10.~~

Parent Company with No Independent Assets or Operations

~~Definition 4~~

~~See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(5), for the definition of parent company with no independent assets or operations for the purpose of Rule 3-10.~~

Quarterly Report

~~Definition 4~~

~~See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(4), for the definition of quarterly report for the purpose of Rule 3-10.~~

Wholly Owned Subsidiary

~~Definition 4~~

~~See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(h)(1), for the definition of wholly owned subsidiary for the purpose of Rule 3-10.~~

Amendments to Topic 270

3. Amend paragraph 270-10-S99-1, by adding items (b)(9) through (10), with a link to transition paragraph 470-10-S65-1, as follows:

Interim Reporting—Overall

SEC Materials

General

> SEC Rules, Regulations, and Interpretations

> > Regulation S-X

> > > Regulation S-X Rule 10-01, Interim Financial Statements

270-10-S99-1 The following is the text of Regulation S-X Rule 10-01, Interim Financial Statements (17 CFR 210.10-01).

(b) Other instructions as to content. The following additional instructions shall be applicable for purposes of preparing interim financial statements:

(9) The requirements of §210.3-10 are applicable to financial statements for a subsidiary of the registrant that issues securities guaranteed by the registrant or guarantees securities issued by the registrant. Disclosures about guarantors and issuers of guaranteed securities registered or being registered must be presented as required by §210.13-01.

(10) Disclosures about a registrant's affiliates whose securities collateralize any class of securities registered or being registered and the related collateral arrangement must be presented as required by §210.13-02.

[85 FR 22000, Apr. 20, 2020]

Amendments to Topic 460

4. Add Section 460-10-S50, with a link to transition paragraph 470-10-S65-1, as follows:

[For ease of readability, the newly added Section is not underlined.]

Guarantees—Overall

Disclosure

General

> Guarantors and Issuers of Guaranteed Securities Registered or Being Registered

460-10-S50-1 See paragraph 470-10-S99-1, Regulation S-X Rule 3-10 for requirements applicable to financial statements of guarantors and issuers of guaranteed securities registered or being registered.

460-10-S50-2 See paragraph 470-10-S99-1A, Regulation S-X Rule 13-01 for disclosure requirements about guarantors and issuers of guaranteed securities registered or being registered.

Amendments to Topic 470

5. Amend paragraphs 470-10-S50-6 through S50-8 and their related headings and paragraph 470-10-S99-1, supersede paragraphs 470-10-S50-9 through S50-11, and add paragraphs 470-10-S99-1A through S99-1B and their related headings, with a link to transition paragraph 470-10-S65-1, as follows:

Debt—Overall

Disclosure

General

> Guarantors and Issuers of Guaranteed Securities~~Affiliates Whose Securities Collateralize an Issue Registered or Being Registered~~

470-10-S50-6 See paragraph 470-10-S99-1, Regulation S-X Rule 3-103-10(b), for disclosure requirements applicable to financial statements of guarantors and issuers of guaranteed securities registered or being registered, when a **finance subsidiary** issues securities guaranteed by its parent entity. This requirement also applies to smaller reporting companies.

470-10-S50-7 See paragraph 470-10-S99-1A, Regulation S-X Rule 13-01, for disclosure requirements about guarantors and issuers of guaranteed securities registered or being registered. ~~470-10-S99-1, Regulation S-X Rule 3-10(e), for disclosure requirements when an **operating subsidiary** issues securities guaranteed by its parent entity. This requirement also applies to smaller reporting companies.~~

> Affiliates Whose Securities Collateralize Securities Registered or Being Registered

470-10-S50-8 See paragraph 470-10-S99-1B, Regulation S-X Rule 13-02, for disclosure requirements about a registrant's affiliates whose securities collateralize any class of securities registered or being registered. See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(d), for disclosure requirements when a subsidiary issues securities guaranteed by its parent entity and one or more other subsidiaries of the parent. This requirement also applies to smaller reporting companies.

470-10-S50-9 [Paragraph superseded by Accounting Standards Update No. 2020-09.] See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(e), for disclosure requirements when a single subsidiary guarantees securities issued by its parent entity. This requirement also applies to smaller reporting companies.

470-10-S50-10 [Paragraph superseded by Accounting Standards Update No. 2020-09.] See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(f), for disclosure requirements when multiple subsidiaries guarantee securities issued by the parent entity. This requirement also applies to smaller reporting companies.

470-10-S50-11 [Paragraph superseded by Accounting Standards Update No. 2020-09.] See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(i), for general instructions pertaining to presentation when preparing the disclosures required above. This requirement also applies to smaller reporting companies.

SEC Materials

General

> SEC Rules, Regulations, and Interpretations

> > Regulation S-X

> > > Regulation S-X Rule 3-10, Financial Statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered

470-10-S99-1 The following is the text of Regulation S-X Rule 3-10, Financial Statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered (17 CFR 210.3-10).

(a) If an issuer or guarantor of a guaranteed security that is registered or being registered is required to file financial statements required by Regulation S-X with respect to the guarantee or guaranteed security, such financial statements may be omitted if the issuer or guarantor is a consolidated subsidiary of the parent company, the parent company's consolidated financial statements have been filed, and the conditions in paragraphs (a)(1) and (2) of this section have been met:

(1) The guaranteed security is debt or debt-like; and

(i) The parent company issues the security or co-issues the security, jointly and severally, with one or more of its consolidated subsidiaries; or

(ii) A consolidated subsidiary issues the security or co-issues the security with one or more other consolidated subsidiaries of the parent company, and the security is guaranteed fully and unconditionally by the parent company; and

(2) The parent company provides the disclosures specified in §210.13-01.

(b) For the purposes of this section and §210.13-01:

(1) The "parent company" is the entity that:

(i) Is an issuer or guarantor of the guaranteed security;

(ii) Is, or as a result of the subject Securities Act registration statement will be, an Exchange Act reporting company; and

(iii) Consolidates each subsidiary issuer and/or subsidiary guarantor of the guaranteed security in its consolidated financial statements.

(2) A security is "debt or debt-like" if it has the following characteristics:

(i) The issuer has a contractual obligation to pay a fixed sum at a fixed time; and

(ii) Where the obligation to make such payments is cumulative, a set amount of interest must be paid.

Note 1 to paragraph (b)(2). Neither the form of the security nor its title will determine whether a security is debt or debt-like. Instead, the substance of the obligation created by the security will be determinative.

Note 2 to paragraph (b)(2). The phrase “set amount of interest” is not intended to mean “fixed amount of interest.” Floating and adjustable rate securities, as well as indexed securities, may meet the criteria specified in paragraph (b)(2)(ii) of this section as long as the payment obligation is set in the debt instrument and can be determined from objective indices or other factors that are outside the discretion of the obligor.

(3) A guarantee is “full and unconditional,” if, when an issuer of a guaranteed security has failed to make a scheduled payment, the guarantor is obligated to make the scheduled payment immediately and, if it does not, any holder of the guaranteed security may immediately bring suit directly against the guarantor for payment of all amounts due and payable.

~~(a) (1) General rule. Every issuer of a registered security that is guaranteed and every guarantor of a registered security must file the financial statements required for a registrant by Regulation S-X.~~

~~(2) Operation of this rule. Paragraphs (b), (c), (d), (e) and (f) of this section are exceptions to the general rule of paragraph (a)(1) of this section. Only one of these paragraphs can apply to a single issuer or guarantor. Paragraph (g) of this section is a special rule for recently acquired issuers or guarantors that overrides each of these exceptions for a specific issuer or guarantor. Paragraph (h) of this section defines the following terms used in this section: 100% owned, full and unconditional, **annual report**, **quarterly report**, no independent assets or operations, minor, **finance subsidiary** and **operating subsidiary**. Paragraph (i) of this section states the requirements for preparing the condensed consolidating financial information required by paragraphs (c), (d), (e) and (f) of this section.~~

~~Note to paragraph (a)(2). Where paragraphs (b), (c), (d), (e) and (f) of this section specify the filing of financial statements of the parent company, the financial statements of an entity that is not an issuer or guarantor of the registered security cannot be substituted for those of the parent company.~~

~~(3) Foreign private issuers. Where any provision of this section requires compliance with §§240.3-01 and 3-02, a foreign private issuer may comply by providing financial statements for the periods specified by Item 8.A of Form 20-F (§ 240.220f of this chapter).~~

~~(b) Finance subsidiary issuer of securities guaranteed by its parent company. When a finance subsidiary issues securities and its parent company guarantees those securities, the registration statement, parent company annual report, or parent company quarterly report need not include financial statements of the issuer if:~~

- ~~(1) The issuer is 100% owned by the parent company guarantor;~~
- ~~(2) The **guarantee is full and unconditional**;~~
- ~~(3) No other subsidiary of the parent company guarantees the securities; and~~
- ~~(4) The parent company's financial statements are filed for the periods specified by §§ 210.3-01 and 210.3-02 and include a footnote stating that the issuer is a **100%-owned finance subsidiary** of the parent company and the parent company has fully and unconditionally guaranteed the securities. The footnote also must include the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of this section.~~

~~Note to paragraph (b):~~

~~Paragraph (b) is available if a subsidiary issuer satisfies the requirements of this paragraph but for the fact that, instead of the parent company guaranteeing the security, the subsidiary issuer co-issued the security, jointly and severally, with the parent company. In this situation, the narrative information required by paragraph (b)(4) must be modified accordingly.~~

~~(c) Operating subsidiary issuer of securities guaranteed by its parent company. When an operating subsidiary issues securities and its parent company guarantees those securities, the registration statement, parent company annual report, or parent company quarterly report need not include financial statements of the issuer if:~~

- ~~(1) The issuer is 100% owned by the parent company guarantor;~~
- ~~(2) The **guarantee is full and unconditional**;~~
- ~~(3) No other subsidiary of the parent company guarantees the securities; and~~
- ~~(4) The parent company's financial statements are filed for the periods specified by §§210.3-01 and 210.3-02 and include, in a footnote, condensed consolidating financial information for the same periods with a separate column for:
 - ~~(i) The parent company;~~
 - ~~(ii) The subsidiary issuer;~~~~

- (iii) Any other subsidiaries of the parent company on a combined basis;
- (iv) Consolidating adjustments; and
- (v) The total consolidated amounts.

Notes to paragraph (c):

1. Instead of the condensed consolidating financial information required by paragraph (c)(4), the parent company's financial statements may include a footnote stating, if true, that the ~~parent company has no independent assets or operations~~, the guarantee is full and unconditional, and any subsidiaries of the parent company other than the subsidiary issuer are minor. The footnote also must include the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of this section.

2. If the alternative disclosure permitted by Note 1 to this paragraph is not applicable because the parent company has independent assets or operations, the condensed consolidating financial information described in paragraph (c)(4) may omit the column for "any other subsidiaries of the parent company on a combined basis" if those other ~~subsidiaries are minor~~.

3. Paragraph (c) is available if a subsidiary issuer satisfies the requirements of this paragraph but for the fact that, instead of the parent company guaranteeing the security, the subsidiary issuer co-issued the security, jointly and severally, with the parent company. In this situation, the narrative information required by paragraph (i)(8) of this section must be modified accordingly.

(d) ~~Subsidiary issuer of securities guaranteed by its parent company and one or more other subsidiaries of that parent company. When a subsidiary issues securities and both its parent company and one or more other subsidiaries of that parent company guarantee those securities, the registration statement, parent company annual report, or parent company quarterly report need not include financial statements of the issuer or any subsidiary guarantor if:~~

- (1) The issuer and all subsidiary guarantors are 100% owned by the parent company guarantor;
- (2) The guarantees are full and unconditional;
- (3) The guarantees are joint and several; and
- (4) The parent company's financial statements are filed for the periods specified by §§210.3-01 and 210.3-02 and include, in a footnote, condensed consolidating financial information for the same periods with a separate column for:
 - (i) The parent company;

- (ii) ~~The subsidiary issuer;~~
- (iii) ~~The guarantor subsidiaries of the parent company on a combined basis;~~
- (iv) ~~Any other subsidiaries of the parent company on a combined basis;~~
- (v) ~~Consolidating adjustments; and~~
- (vi) ~~The total consolidated amounts.~~

Notes to paragraph (d):

1. ~~Paragraph (d) applies in the same manner whether the issuer is a finance subsidiary or an operating subsidiary.~~
 2. ~~The condensed consolidating financial information described in paragraph (d)(4) may omit the column for "any other subsidiaries of the parent company on a combined basis" if those other subsidiaries are minor.~~
 3. ~~Paragraph (d) is available if a subsidiary issuer satisfies the requirements of this paragraph but for the fact that, instead of the parent company guaranteeing the security, the subsidiary issuer co-issued the security, jointly and severally, with the parent company. In this situation, the narrative information required by paragraph (i)(8) of this section must be modified accordingly.~~
 4. ~~If all of the requirements in paragraph (d) are satisfied except that the guarantee of a subsidiary is not joint and several with, as applicable, the parent company's guarantee or the guarantees of the parent company and the other subsidiaries, then each subsidiary guarantor whose guarantee is not joint and several need not include separate financial statements, but the condensed consolidating financial information should include a separate column for each guarantor whose guarantee is not joint and several.~~
 5. ~~Instead of the condensed consolidating financial information required by paragraph (d)(4), the parent company's financial statements may include a footnote stating, if true, that the parent company has no independent assets or operations, the subsidiary issuer is a 100% owned finance subsidiary of the parent company, the parent company has guaranteed the securities, all of the parent company's subsidiaries other than the subsidiary issuer have guaranteed the securities, all of the guarantees are full and unconditional, and all of the guarantees are joint and several. The footnote also must include the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of this section.~~
- (e) ~~Single subsidiary guarantor of securities issued by the parent company of that subsidiary. When a parent company issues securities and one of its~~

~~subsidiaries guarantees those securities, the registration statement, parent company annual report, or parent company quarterly report need not include financial statements of the subsidiary guarantor if:~~

- ~~(1) The subsidiary guarantor is 100% owned by the parent company issuer;~~
- ~~(2) The guarantee is full and unconditional;~~
- ~~(3) No other subsidiary of that parent guarantees the securities; and~~
- ~~(4) The parent company's financial statements are filed for the periods specified by §§210.3-01 and 210.3-02 and include, in a footnote, condensed consolidating financial information for the same periods with a separate column for:~~
 - ~~(i) The parent company;~~
 - ~~(ii) The subsidiary guarantor;~~
 - ~~(iii) Any other subsidiaries of the parent company on a combined basis;~~
 - ~~(iv) Consolidating adjustments; and~~
 - ~~(v) The total consolidated amounts.~~

~~Notes to paragraph (c):~~

~~1. Paragraph (c) applies in the same manner whether the guarantor is a finance subsidiary or an operating subsidiary.~~

~~2. Instead of the condensed consolidating financial information required by paragraph (c)(4), the parent company's financial statements may include a footnote stating, if true, that the parent company has no independent assets or operations, the guarantee is full and unconditional, and any subsidiaries of the parent company other than the subsidiary guarantor are minor. The footnote also must include the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of this section.~~

~~3. If the alternative disclosure permitted by Note 2 to this paragraph is not applicable because the parent company has independent assets or operations, the condensed consolidating financial information described in paragraph (c)(4) may omit the column for "any other subsidiaries of the parent company on a combined basis" if those other subsidiaries are minor.~~

~~4. If, instead of guaranteeing the subject security, a subsidiary co-issues the security jointly and severally with its parent company, this paragraph (c) does not apply. Instead, the appropriate financial information requirement would depend on whether the subsidiary is a finance subsidiary or an operating subsidiary. If the subsidiary is a finance~~

~~subsidiary, paragraph (b) applies. If the subsidiary is an operating company, paragraph (c) applies.~~

~~(f) Multiple subsidiary guarantors of securities issued by the parent company of those subsidiaries. When a parent company issues securities and more than one of its subsidiaries guarantee those securities, the registration statement, parent company annual report, or parent company quarterly report need not include financial statements of the subsidiary guarantors if:~~

- ~~(1) Each of the subsidiary guarantors is 100% owned by the parent company issuer;~~
- ~~(2) The guarantees are full and unconditional;~~
- ~~(3) The guarantees are joint and several; and~~
- ~~(4) The parent company's financial statements are filed for the periods specified by §§210.3-01 and 210.3-02 and include, in a footnote, condensed consolidating financial information for the same periods with a separate column for:~~
 - ~~(i) The parent company;~~
 - ~~(ii) The subsidiary guarantors on a combined basis;~~
 - ~~(iii) Any other subsidiaries of the parent company on a combined basis;~~
 - ~~(iv) Consolidating adjustments; and~~
 - ~~(v) The total consolidated amounts.~~

~~Notes to paragraph (f):~~

~~1. Instead of the condensed consolidating financial information required by paragraph (f)(4), the parent company's financial statements may include a footnote stating, if true, that the parent company has no independent assets or operations, the guarantees are full and unconditional and joint and several, and any subsidiaries of the parent company other than the subsidiary guarantors are minor. The footnote also must include the narrative disclosures specified in paragraphs (i)(9) and (i)(10) of this section.~~

~~2. If the alternative disclosure permitted by Note 1 to this paragraph is not applicable because the parent company has independent assets or operations, the condensed consolidating financial information described in paragraph (f)(4) may omit the column for "any other subsidiaries of the parent company on a combined basis" if those other subsidiaries are minor.~~

~~3. If any of the subsidiary guarantees is not joint and several with the guarantees of the other subsidiaries, then each subsidiary guarantor~~

~~whose guarantee is not joint and several need not include separate financial statements, but the condensed consolidating financial information must include a separate column for each subsidiary guarantor whose guarantee is not joint and several.~~

~~(g) Recently acquired subsidiary issuers or subsidiary guarantors:~~

~~(1) The Securities Act registration statement of the parent company must include the financial statements specified in paragraph (g)(2) of this section for any subsidiary that otherwise meets the conditions in paragraph (c), (d), (e) or (f) of this section for omission of separate financial statements if:~~

~~(i) The subsidiary has not been included in the audited consolidated results of the parent company for at least nine months of the most recent fiscal year; and~~

~~(ii) The net book value or purchase price, whichever is greater, of the subsidiary is 20% or more of the principal amount of the securities being registered.~~

~~(2) Financial statements required:~~

~~(i) Audited financial statements for a subsidiary described in paragraph (g)(1) of this section must be filed for the subsidiary's most recent fiscal year preceding the acquisition. In addition, unaudited financial statements must be filed for any interim periods specified in §§ 210.3-01 and 210.3-02.~~

~~(ii) The financial statements must conform to the requirements of Regulation S-X (§§210.1-01 through 12-29), except that supporting schedules need not be filed. If the subsidiary is a foreign business, financial statements of the subsidiary meeting the requirements of Item 17 of Form 20-F (§249.220f) will satisfy this item.~~

~~(3) Instructions to paragraph (g):~~

~~(i) The significance test of paragraph (g)(1)(ii) of this section should be computed using net book value of the subsidiary as of the most recent fiscal year end preceding the acquisition.~~

~~(ii) Information required by this paragraph (g) is not required to be included in an annual report or quarterly report.~~

~~(iii) Acquisitions of a group of subsidiary issuers or subsidiary guarantors that are related prior to their acquisition shall be aggregated for purposes of applying the 20% test in paragraph (g)(1)(ii) of this section. Subsidiaries shall be deemed to be related prior to their acquisition if:~~

~~(A) They are under common control or management;~~

~~(B) The acquisition of one subsidiary is conditioned on the acquisition of each subsidiary; or~~

~~(C) The acquisition of each subsidiary is conditioned on a single common event.~~

(h) Definitions. For the purposes of this section:

~~(1) A subsidiary is "100% owned" if all of its outstanding voting shares are owned, either directly or indirectly, by its parent company. A subsidiary not in corporate form is 100% owned if the sum of all interests are owned, either directly or indirectly, by its parent company other than:~~

~~(i) Securities that are guaranteed by its parent and, if applicable, other 100% owned subsidiaries of its parent; and~~

~~(ii) Securities that guarantee securities issued by its parent and, if applicable, other 100% owned subsidiaries of its parent.~~

~~(2) A guarantee is "full and unconditional," if, when an issuer of a guaranteed security has failed to make a scheduled payment, the guarantor is obligated to make the scheduled payment immediately and, if it doesn't, any holder of the guaranteed security may immediately bring suit directly against the guarantor for payment of all amounts due and payable.~~

~~(3) Annual report refers to an annual report on Form 10-K or Form 20-F (§249.310 or §249.220f of this chapter).~~

~~(4) Quarterly report refers to a quarterly report on Form 10-Q (§249.308a of this chapter).~~

~~(5) A parent company has no independent assets or operations if each of its total assets, revenues, income from continuing operations before income taxes, and cash flows from operating activities (excluding amounts related to its investment in its consolidated subsidiaries) is less than 3% of the corresponding consolidated amount.~~

~~(6) A subsidiary is minor if each of its total assets, stockholders' equity, revenues, income from continuing operations before income taxes, and cash flows from operating activities is less than 3% of the parent company's corresponding consolidated amount.~~

~~Note to paragraph (h)(6).~~

~~When considering a group of subsidiaries, the definition applies to each subsidiary in that group individually and to all subsidiaries in that group in the aggregate.~~

~~(7) A subsidiary is a finance subsidiary if it has no assets, operations, revenues or cash flows other than those related to the issuance,~~

administration and repayment of the security being registered and any other securities guaranteed by its parent company.

~~(8) A subsidiary is an operating subsidiary if it is not a finance subsidiary.~~

~~(i) Instructions for preparation of condensed consolidating financial information required by paragraphs (c), (d), (e) and (f) of this section:~~

~~(1) Follow the general guidance in §210.10-01 for the form and content for condensed financial statements and present the financial information in sufficient detail to allow investors to determine the assets, results of operations and cash flows of each of the consolidating groups;~~

~~(2) The financial information should be audited for the same periods that the parent company financial statements are required to be audited;~~

~~(3) The parent company column should present investments in all subsidiaries based upon their proportionate share of the subsidiary's net assets;~~

~~(4) The parent company's basis shall be "pushed down" to the applicable subsidiary columns to the extent that push down would be required or permitted in separate financial statements of the subsidiary;~~

~~(5) All subsidiary issuer or subsidiary guarantor columns should present the following investments in subsidiaries under the equity method:~~

~~(i) Non guarantor subsidiaries;~~

~~(ii) Subsidiary issuers or subsidiary guarantors that are not 100% owned or whose guarantee is not full and unconditional;~~

~~(iii) Subsidiary guarantors whose guarantee is not joint and several with the guarantees of the other subsidiaries; and~~

~~(iv) Subsidiary guarantors with differences in domestic or foreign laws that affect the enforceability of the guarantees;~~

~~(6) Provide a separate column for each subsidiary issuer or subsidiary guarantor that is not 100% owned, whose guarantee is not full and unconditional, or whose guarantee is not joint and several with the guarantees of other subsidiaries. Inclusion of a separate column does not relieve that issuer or guarantor from the requirement to file separate financial statements under paragraph (a) of this section. However, paragraphs (b) through (f) of this section will provide this relief if the particular paragraph is satisfied except that the guarantee is not joint and several;~~

~~(7) Provide separate columns for each guarantor by legal jurisdiction if differences in domestic or foreign laws affect the enforceability of the guarantees;~~

~~(8) Include the following disclosure, if true:~~

- ~~(i) Each subsidiary issuer or subsidiary guarantor is 100% owned by the parent company;~~
- ~~(ii) All guarantees are full and unconditional; and~~
- ~~(iii) Where there is more than one guarantor, all guarantees are joint and several;~~

~~(9) Disclose any significant restrictions on the ability of the parent company or any guarantor to obtain funds from its subsidiaries by dividend or loan;~~

~~(10) Provide the disclosures prescribed by §210.4-08(e)(3) with respect to the subsidiary issuers and subsidiary guarantors;~~

~~(11) The disclosure:~~

- ~~(i) May not omit any financial and narrative information about each guarantor if the information would be material for investors to evaluate the sufficiency of the guarantee;~~
- ~~(ii) Shall include sufficient information so as to make the financial information presented not misleading; and~~
- ~~(iii) Need not repeat information that would substantially duplicate disclosure elsewhere in the parent company's consolidated financial statements; and~~

~~(12) Where the parent company's consolidated financial statements are prepared on a comprehensive basis other than U.S. Generally Accepted Accounting Principles or International Financial Reporting Standards as issued by the International Accounting Standards Board, reconcile the information in each column to U.S. Generally Accepted Accounting Principles to the extent necessary to allow investors to evaluate the sufficiency of the guarantees. The reconciliation may be limited to the information specified by Item 17 of Form 20-F (§249.220f of this chapter). The reconciling information need not duplicate information included elsewhere in the reconciliation of the consolidated financial statements.~~

[65 FR 51707, Aug. 24, 2000, as amended at 73 FR 952, Jan. 4, 2008; 73 FR 1009, Jan. 4, 2008; 74 FR 18615, Apr. 23, 2009; 85 FR 21999, Apr. 20, 2020]

[For ease of readability, paragraphs 470-10-S99-1A through S99-1B and their related headings are not underlined.]

> > > Regulation S-X Rule 13-01, Guarantors and Issuers of Guaranteed Securities Registered or Being Registered

470-10-S99-1A The following is the text of Regulation S-X Rule 13-01, Guarantors and Issuers of Guaranteed Securities Registered or Being Registered (17 CFR 210.13-01).

(a) For each guaranteed security subject to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and for each guaranteed security the offer and sale of which is being registered under the Securities Act of 1933, for which the registrant is the parent company (as that term is defined in §210.3-10(b)(1)) of one or more subsidiaries that issue or guarantee the guaranteed security, provide the following disclosures to the extent material:

(1) A description of the issuers and guarantors of the guaranteed security;

(2) A description of the terms and conditions of the guarantees, and how payments to holders of the guaranteed security may be affected by the composition of and relationships among the issuers, guarantors, and subsidiaries of the parent company that are not issuers or guarantors of the guaranteed security;

(3) A description of other factors that may affect payments to holders of the guaranteed security, such as contractual or statutory restrictions on dividends, guarantee enforceability, or the rights of a noncontrolling interest holder;

(4) Summarized financial information as specified in §210.1-02(bb)(1) of each issuer and guarantor of the guaranteed security as follows, with an accompanying note that briefly describes the basis of presentation:

(i) The summarized financial information of each such issuer and guarantor consolidated in the parent company's consolidated financial statements may be presented on a combined basis with the summarized financial information of the parent company;

(ii) Intercompany balances and transactions between issuers and guarantors whose summarized financial information is presented on a combined basis shall be eliminated;

(iii) The summarized financial information shall exclude subsidiaries that are not issuers or guarantors. An issuer's or guarantor's investment in a subsidiary that is not an issuer or guarantor shall not be presented. An issuer's or guarantor's amounts due from, amounts due to, and transactions with any of the following shall be presented in separate line items:

(A) Subsidiaries that are not issuers or guarantors; and

(B) Related parties;

(iv) If the information provided in response to the requirements of this section (e.g., factors that may affect payments to holders of the

guaranteed security) is applicable to one or more, but not all, issuers and/or guarantors, separately disclose the summarized financial information applicable to those issuers and/or guarantors. In limited circumstances (i.e., where the separate financial information applicable to those issuers and/or guarantors can be easily explained and understood), narrative disclosure may be provided in lieu of the separate summarized financial information otherwise required by this paragraph (a)(4)(iv);

(v) Disclose this summarized financial information as of and for the most recently ended fiscal year and year-to-date interim period included in the parent company's consolidated financial statements; and

(vi) Notwithstanding that a parent company may omit this summarized financial information if not material, it may also be omitted if one of the following in paragraphs (a)(4)(vi)(A) through (D) of this section is true and disclosed. However, paragraph (a)(4)(vi)(A) does not apply if separate disclosure of summarized financial information applicable to one or more, but not all, issuers and/or guarantors is required by paragraph (a)(4)(iv) of this section. For the purposes of this section, a finance subsidiary is a subsidiary that has no assets or operations other than those related to the issuance, administration and repayment of the security being registered and any other securities guaranteed by its parent company:

(A) The assets, liabilities and results of operations of the combined issuers and guarantors of the guaranteed security are not materially different than corresponding amounts presented in the consolidated financial statements of the parent company;

(B) The combined issuers and guarantors, excluding investments in subsidiaries that are not issuers or guarantors, have no material assets, liabilities or results of operations;

(C) The issuer is a finance subsidiary of the parent company, the parent company has fully and unconditionally guaranteed the security, and no other subsidiary of the parent company guarantees the security; or

(D) The issuer is a finance subsidiary that co-issued the security, jointly and severally, with the parent company, and no other subsidiary of the parent company guarantees the security;

(5) In a Securities Act registration statement filed in connection with the offer and sale of the guaranteed security, if the parent company acquired a significant business after the date of the parent company's most recent balance sheet included in its consolidated financial statements and the

acquired business, one or more of the acquired business's subsidiaries, or the acquired business and one or more of its subsidiaries are issuers or guarantors of the guaranteed securities, disclose pre-acquisition summarized financial information as specified in paragraph (a)(4) of this section for each such issuer or guarantor. The acquired business is significant if it meets any of the conditions specified in the definition of significant subsidiary in §210.1-02(w), substituting 20 percent for 10 percent each place it appears therein, based on a comparison of the most recent annual financial statements of the acquired business and the parent company's most recent annual consolidated financial statements filed at or prior to the date of acquisition. The determination of whether a business has been acquired shall be made in accordance with the guidance set forth in §210.11-01(d). Acquisitions of a group of related businesses shall be treated as if they are a single business acquisition for purposes of this comparison. The determination of whether a group of businesses are related shall be made in a manner consistent with §210.3-05(a)(3);

(6) Any financial and narrative information about each guarantor if the information would be material for investors to evaluate the sufficiency of the guarantee; and

(7) Sufficient information so as to make the financial and non-financial information presented not misleading.

(b) The parent company may elect to provide the disclosures required by this section in a footnote to its consolidated financial statements or alternatively, in management's discussion and analysis of financial condition and results of operations described in §229.303 (Item 303 of Regulation S-K) of this chapter. If not otherwise included in the consolidated financial statements or in management's discussion and analysis of financial condition and results of operations, the parent company must include the disclosures in its prospectus immediately following "Risk Factors," if any, or otherwise, immediately following pricing information described in §229.105 (Item 105 of Regulation S-K) of this chapter.

[85 FR 22000, Apr. 20, 2020]

> > > Regulation S-X Rule 13-02, Affiliates Whose Securities Collateralize Securities Registered or Being Registered

470-10-S99-1B The following is the text of Regulation S-X Rule 13-02, Affiliates Whose Securities Collateralize Securities Registered or Being Registered (17 CFR 210.13-02).

The requirements of this section shall apply to each security registered or being registered that is issued on or after January 4, 2021, and to each registered security issued and outstanding before January 4, 2021, for which

the registrant had prior to that date provided the financial statements specified in §210.3-16.

(a) For each security subject to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and for each security the offer and sale of which is being registered under the Securities Act of 1933, that is collateralized by a security of the registrant's affiliate or affiliates, provide the following disclosures to the extent material:

(1) A description of the securities pledged as collateral and the affiliates whose securities are pledged as collateral;

(2) A description of the terms and conditions of the collateral arrangement, including the events or circumstances that would require delivery of the collateral;

(3) A description of the trading market for the affiliate's security pledged as collateral or a statement that there is no market;

(4) Summarized financial information as specified in §210.1-02(bb)(1) of each affiliate whose securities are pledged as collateral as follows, with an accompanying note that briefly describes the basis of presentation:

(i) The summarized financial information of each such affiliate consolidated in the registrant's financial statements may be presented on a combined basis;

(ii) Intercompany balances and transactions between affiliates whose summarized financial information is presented on a combined basis shall be eliminated;

(iii) An affiliate's amounts due from, amounts due to, and transactions with any of the following shall be presented in separate line items:

(A) The registrant;

(B) Any of the registrant's subsidiaries not included in the summarized financial information of the affiliate(s); and

(C) Related parties;

(iv) If the information provided in response to the requirements of this section (e.g., the trading market for the affiliate's security pledged as collateral or a statement that there is no market) is applicable to one or more, but not all, affiliates, separately disclose the summarized financial information applicable to those affiliates. In limited circumstances (i.e., where the separate financial information applicable to those affiliates can be easily explained and understood), narrative disclosure may be provided in lieu of the separate summarized financial information otherwise required by this paragraph (a)(4)(iv);

(v) Disclose this summarized financial information as of and for the most recently ended fiscal year and year-to-date interim period included in the registrant's consolidated financial statements; and

(vi) Notwithstanding that a registrant may omit this summarized financial information if not material, it may also be omitted if one of the following in paragraph (a)(4)(vi)(A) or (B) of this section is true and disclosed. However, paragraph (a)(4)(vi)(A) does not apply if separate disclosure of summarized financial information applicable to one or more, but not all, affiliates is required by paragraph (a)(4)(iv) of this section:

(A) The assets, liabilities and results of operations of the combined affiliates whose securities are pledged as collateral are not materially different than the corresponding amounts presented in the consolidated financial statements of the registrant; or

(B) The combined affiliates whose securities are pledged as collateral have no material assets, liabilities or results of operations;

(5) In a Securities Act registration statement filed in connection with the offer and sale of the collateralized security, if the registrant acquired a significant business after the date of the registrant's most recent balance sheet included in its consolidated financial statements and the acquired business, one or more of the acquired business's subsidiaries, or the acquired business and one or more of its subsidiaries are affiliates whose securities collateralize the registrant's collateralized security, disclose pre-acquisition summarized financial information as specified in paragraph (a)(4) of this section for each such affiliate. The acquired business is significant if it meets any of the conditions specified in the definition of significant subsidiary in §210.1-02(w), substituting 20 percent for 10 percent each place it appears therein, based on a comparison of the most recent annual financial statements of the acquired business and the registrant's most recent annual consolidated financial statements filed at or prior to the date of acquisition. The determination of whether a business has been acquired shall be made in accordance with the guidance set forth in §210.11-01(d). Acquisitions of a group of related businesses shall be treated as if they are a single business acquisition for purposes of this comparison. The determination of whether a group of businesses are related shall be made in a manner consistent with §210.3-05(a)(3);

(6) Any financial and narrative information about each such affiliate if the information would be material for investors to evaluate the pledge of the affiliate's securities as collateral; and

(7) Sufficient information so as to make the financial and non-financial information presented not misleading.

(b) The registrant may elect to provide the disclosures required by this section in a footnote to its consolidated financial statements or alternatively, in management's discussion and analysis of financial condition and results of operations described in §229.303 (Item 303 of Regulation S-K) of this chapter. If not otherwise included in the consolidated financial statements or in management's discussion and analysis of financial condition and results of operations, the registrant must include the disclosures in its prospectus immediately following "Risk Factors," if any, or otherwise, immediately following pricing information described in §229.105 (Item 105 of Regulation S-K) of this chapter.

[85 FR 22001, Apr. 20, 2020]

6. Add Section 470-10-S65 as follows:

[For ease of readability, the new Section is not underlined.]

Transition and Open Effective Date Information

General

> Transition Related to SEC Release No. 33-10762, Financial Disclosures about Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant's Securities

470-10-S65-1 The following represents the transition and effective date information related to SEC Release No. 33-10762, Financial Disclosures about Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant's Securities:

The final rules are effective on January 4, 2021. Voluntary compliance with the final amendments in advance of January 4, 2021, will be permitted. After voluntary compliance subsequent Exchange Act or Regulation A periodic reports must comply with the final rules.

See Section VI(A), Transition to Final Amendments, of SEC Release No. 33-10762 for further information on transition.

Amendments to Topic 505

7. Amend paragraphs 505-10-S50-5 through S50-6 and their related headings and supersede paragraphs 505-10-S50-7 through S50-9 and their related headings, with a link to transition paragraph 470-10-S65-1, as follows:

Equity—Overall

Disclosure

General

> Guarantors and Issuers of Guaranteed Securities Registered or Being Registered~~Exceptions to Requirements of Rule 240.3-10 that an Issuer of a Registered Security that Is Guaranteed and Every Guarantor of a Registered Security Must File Financial Statements~~

>> ~~Finance Subsidiary Issuer of Securities Guaranteed by Its Parent Entity~~

505-10-S50-5 See paragraph 470-10-S99-1, Regulation S-X Rule 3-103-10(b), for requirements applicable ~~to exceptions to certain financial statements statement requirements of guarantors and issuers of guaranteed debt or debt-like securities registered or being registered~~ when a finance subsidiary issues securities guaranteed by its parent.

>> ~~Operating Subsidiary Issuer of Securities Guaranteed by Its Parent Entity~~

505-10-S50-6 See paragraph 470-10-S99-1A 470-10-S99-4, Regulation S-X Rule 13-013-10(e), for disclosure requirements about guarantors and issuers of guaranteed debt or debt-like securities registered or being registered ~~exceptions to certain financial statement requirements when an operating subsidiary issues securities~~ guaranteed by its parent entity.

>> ~~Subsidiary Issuer of Securities Guaranteed by Its Parent Entity and One or More Other Subsidiaries of that Parent Entity~~

505-10-S50-7 Paragraph superseded by Accounting Standards Update No. 2020-09. See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(d), for exceptions to certain financial statement requirements when a subsidiary issues securities guaranteed by its parent entity and one or more other subsidiaries of that parent entity.

>> ~~Single Subsidiary Guarantor of Securities Issued by the Parent Entity of that Subsidiary~~

505-10-S50-8 Paragraph superseded by Accounting Standards Update No. 2020-09. See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(e), for exceptions to certain financial statement requirements when a parent entity issues securities and one of its subsidiaries guarantees those securities.

>> Multiple Subsidiary Guarantors of Securities Issued by the Parent Entity of these Subsidiaries

505-10-S50-9 Paragraph superseded by Accounting Standards Update No. 2020-09. See paragraph 470-10-S99-1, Regulation S-X Rule 3-10(f), for exceptions to certain financial statement requirements when a parent entity issues securities and more than one of its subsidiaries guarantees those securities.

Amendments to Status Sections

8. Amend paragraph 270-10-S00-1, by adding the following item to the table, as follows:

270-10-S00-1 The following table identifies the changes made to this Subtopic.

Paragraph	Action	Accounting Standards Update	Date
270-10-S99-1	Amended	2020-09	10/22/2020

9. Add paragraph 460-10-S00-1 as follows:

460-10-S00-1 The following table identifies the changes made to this Subtopic.

Paragraph	Action	Accounting Standards Update	Date
460-10-S50-1	Added	2020-09	10/22/2020
460-10-S50-2	Added	2020-09	10/22/2020

10. Amend paragraph 470-10-S00-1, by adding the following items to the table, as follows:

470-10-S00-1 The following table identifies the changes made to this Subtopic.

Paragraph	Action	Accounting Standards Update	Date
Annual Report	Superseded	2020-09	10/22/2020
Finance Subsidiary	Superseded	2020-09	10/22/2020
Full and Unconditional Guarantee	Superseded	2020-09	10/22/2020
Minor Subsidiary	Superseded	2020-09	10/22/2020

Paragraph	Action	Accounting Standards Update	Date
Operating Subsidiary	Superseded	2020-09	10/22/2020
Parent Company with No Independent Assets or Operations	Superseded	2020-09	10/22/2020
Quarterly Report	Superseded	2020-09	10/22/2020
Wholly Owned Subsidiary	Superseded	2020-09	10/22/2020
470-10-S50-6 through S50-8	Amended	2020-09	10/22/2020
470-10-S50-9 through S50-11	Superseded	2020-09	10/22/2020
470-10-S65-1	Added	2020-09	10/22/2020
470-10-S99-1	Amended	2020-09	10/22/2020
470-10-S99-1A	Added	2020-09	10/22/2020
470-10-S99-1B	Added	2020-09	10/22/2020

11. Amend paragraph 505-10-S00-1, by adding the following items to the table, as follows:

505-10-S00-1 The following table identifies the changes made to this Subtopic.

Paragraph	Action	Accounting Standards Update	Date
505-10-S50-5	Amended	2020-09	10/22/2020
505-10-S50-6	Amended	2020-09	10/22/2020
505-10-S50-7 through S50-9	Superseded	2020-09	10/22/2020

Amendments to the XBRL Taxonomy

The amendments to the *FASB Accounting Standards Codification*® in this Accounting Standards Update require improvements to the U.S. GAAP Financial Reporting Taxonomy (Taxonomy). Those improvements, which will be incorporated into the proposed 2021 Taxonomy, are available through Taxonomy Improvements provided at www.fasb.org, and finalized as part of the annual release process.