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Agenda

- **Highlights of Data Tagging Requirements**
- **Staff Observations from Initial Reviews**
- **Other Topics**



Highlights of Data Tagging Requirements



Phase-in under Rule

LAF using US GAAP with public float >\$5 Billion:

–Reports for periods ending on or after June 15, 2009

All other LAF using US GAAP:

–Reports for periods ending on or after June 15, 2010

All other filers using US GAAP:

–Reports for periods ending on or after June 15, 2011

Foreign issuers using IFRS/IASB:

–Reports for periods ending on or after June 15, 2011

Initial Submission of Interactive Data

Domestic Forms:

- Begins with first 10-Q filed for periods ending on or after 6/15/09, or 6/15/10, or 6/15/11 based on phase-in schedule

20-F and 40-F filers using US GAAP:

- Begins with first annual report filed for years ending on or after 6/15/09, or 6/15/10, or 6/15/11 based on phase-in schedule

20-F and 40-F filers using IFRS/IASB:

- Begins with first annual report filed for years ending on or after 6/15/2011

Initial Submission of Interactive Data

Filers becoming subject to the requirement to submit interactive data after the 3 year phase-in period (e.g., IPO occurs in 2012):

- First submission of interactive data will be the company's first periodic report on Form 10-Q, or first annual report on Form 20-F or 40-F.**

IPOs are not required to include interactive data; but may be included voluntarily (C&DI 146.12)

Forms Requiring Interactive Data

Periodic Reports:

- 10-Q, 10-K, 20-F, 40-F

Transition Reports:

- 10-Q, 10-K, 20-F

Securities Act Registration Statements:

- S-1, S-3, S-4, S-11, F-1, F-3, F-4, F-9, F-10

Other Exchange Act Reports:

- 8-K – with revised audited annual f/s (C&DI 101.04)
- 6-K – with revised audited annual f/s and current interim financial stmts pursuant to 9-month updating requirement of Item 8.A.5 of 20-F (C&DI 101.04)

To Tag or Not to Tag

Whose financial statements must be tagged?

- The issuer's US GAAP or IFRS/IASB financial statements, including the issuer's predecessor financial statements (see release footnote 165), for all periods presented

Whose financial statements are not required to be tagged?

- Financial statements of other entities, including those presented in accordance with S-X Rules 3-05, 3-09, 3-14, and 3-16
- No S-X Article 11 pro forma financial info

Information to be Tagged

- **Face of the financial statements**
 - Balance Sheet, Stmts of Income, CF, SE, and CI would be fully tagged in first year a filer is phased in and thereafter
- **Financial statement footnotes**
 - Block tag each footnote in first year and thereafter
 - Beginning a year later, also tag:
 - Block-text each significant accounting policy,
 - Block-text each table, and
 - Each amount (i.e., monetary value, percentage, and number)

Information to be Tagged

- **Financial statement schedules**
 - **Block-text each schedule in first year and thereafter**
 - **Beginning a year later, also tag:**
 - **Each amount (i.e., monetary value, percentage, and number)**

Filing Requirements

- **Rule 405 of Regulation S-T**
 - Imposes content, format, submission, and Web site posting requirements for interactive data, but does not change the substantive content requirements for financial and other disclosures in the rest of the filing
- **Chapter 6 of the EDGAR Filer Manual**
 - Includes approximately 200 detailed instructions to properly construct the Interactive Data File

Data Elements and Labels

- **The interactive data file should reflect the same information as in the ASCII/HTML financials.**
- **Data should be matched with an “appropriate” element from the standard taxonomy. An element is appropriate only when its standard definition and other attributes match the information to be tagged.**
- **The standard label should be changed only when the label needs to be changed in order to use a standard element.**
- **Select the element with the narrowest definition that captures all material information.**
- **Create a new element if and only if an appropriate element does not exist in the taxonomy for reasons other than or in addition to an inappropriate standard label.**

Exhibit 101 Submission Timing

Interactive data is required to be provided to the Commission, and posted on company web site, if any, at the same time as the related report or registration statement, with two exceptions.

- **A 30-day grace period would be permitted for the first interactive data exhibit of each filer, and**
- **A 30-day grace period would be permitted for the first interactive data exhibit that includes or is required to include , whichever occurs first, the footnotes and schedules tagged in detail.**
- **Grace period submissions must be made by amendment to the report to which it relates.**

Modified Liability Provisions

Only applicable to interactive data submitted before 24 months of the time the filer first is required to submit interactive data files, exclusive of any grace period (see release footnote 231 for example)

- **Deemed not filed or part of registration statement for purposes of Sec. 11 or 12 of Securities Act and deemed not filed for purposes of Sec. 18 of Exchange Act**
- **Subject to specified anti-fraud provisions except in connection with a failure to comply with the tagging requirements that occurs despite a good faith attempt to comply and is corrected promptly after the filer becomes aware of the failure**
- **Sunsets October 31, 2014**

Consequences of Non-Compliance

- Filers that do not provide or post required interactive data on the date required would be deemed “not current” with their Exchange Act reports
 - Not eligible to use short forms S-3, F-3, or S-8
 - Not eligible to incorporate by reference certain information into Forms S-4 and F-4
 - Not deemed to have available adequate current public information for resale exemption safe harbor under Rule 144
- “Curable” by providing/posting the interactive data

Validation and Assurance

- SEC's web site contains portals to make "trial run"
 - "Previewer" to see the human readable version
 - EDGAR test validation to identify certain technical errors (need to log into EDGAR)
- Filers not required to obtain third-party assurance
- Interactive data excluded from officer certs
- Auditors not required to apply AU Sections 550, 722, or 711 to the interactive data

Group 2 Phase-in Periods Ending on or after June 15, 2010

Year End	Float Measure Date	Initial Submission
Sept 2009	Mar 2009	June 2010 10-Q
Oct 2009	Apr 2009	July 2010 10-Q
Nov 2009	May 2009	Aug 2010 10-Q
Dec 2009	June 2009	June 2010 10-Q
Jan 2010	July 2009	July 2010 10-Q
Feb 2010	Aug 2009	Aug 2010 10-Q
Mar 2010	Sept 2009	June 2010 10-Q
Apr 2010	Oct 2009	July 2010 10-Q
May 2010	Nov 2009	Aug 2010 10-Q
June 2010	Dec 2009	Sept 2010 10-Q
July 2010	Jan 2010	Oct 2010 10-Q
Aug 2010	Feb 2010	Nov 2010 10-Q



Staff Observations from Initial Reviews



Staff Observations

Rendering

- **Differences that should be avoided**
 - Element label should match line item caption
 - Parentheticals should be included in label
- **Differences that cannot be avoided**
 - Indenting, fonts, underlining, subheadings
 - Captions for totals and subtotals
 - Brackets, column subtotals on Stmt of SE

Staff Observations

Element Selection

- **Standard element with a narrower definition appears more appropriate**
- **Standard element with a broader definition appears more appropriate**
- **New element created, but a standard element appears appropriate**
- **Standard element used, but a new element should have been created**

Staff Observations

Element Selection

- **Standard elements containing multiple reporting concepts**
 - C/F Stmt – “Depreciation, Depletion and Amortization”
 - C/F Stmt – “Proceeds from Sale and Collection of Finance Receivables”
 - Footnote – “Organization, Consolidation, and Presentation of Financial Statements”
- **Tag amounts appearing parenthetically**

New Monetary Elements (Extensions)

- **New monetary elements created for amounts appearing on the balance sheet or income statement must have a “debit” or “credit” balance attribute. Examples:**
 - “Casualty, Environmental and Other Reserves, Noncurrent” – balance sheet element should have had a “credit” balance attribute
 - “Earnings from Continuing Operations before Income Taxes” – income statement element should have had a “credit” balance attribute
- **Include a definition to distinguish a positive value for new monetary elements that do not have a debit or credit balance attribute. Definitions for other new elements are permitted but not required.**

New Monetary Elements (Extensions)

- **New elements created by filers should not include company-specific or period-specific information in their name. Examples:**
 - **The name of a new element representing the carrying amount of an equity method investment appearing on the balance sheet – “Investment in Zebra Company”**
 - **The name of a new element representing a transaction occurring on a specific date – “Proceeds from October 1, 2009 sale of equity investment”**

Staff Observations

Negative Values vs. Negated Labels

- **Do you really mean to enter a negative value?**
- **First, decide whether to tag an element with a positive or negative value based on the element's standard definition and balance attribute**
- **Standard Taxonomy is designed so that most elements will be tagged with positive values**
- **Treasury stock on balance sheet has debit balance attribute while other stockholder's equity accounts have credit balance attributes**

Staff Observations

Negative Values vs. Negated Labels

- **Do you really mean to negate the label?**
- **Negate the label (reverse the sign) only to change whether an amount is rendered within brackets**
- **Default position in Standard Label Link Base is set to “positive”**
- **A positive value will render without brackets unless label is negated**
- **A negative value will render within brackets unless label is negated**

Staff Observations

Negative Values vs. Negated Labels

Example 1

Balance Sheet line item for “Treasury Stock”

- Element – *Treasury Stock Value – Debit Balance*
- Appears in HTML statement as *(25,000)*
- Amount tagged as a positive value
- Label is negated to render with brackets

Assuming proper element was selected, was this tagged properly?

Staff Observations

Negative Values vs. Negated Labels

Example 2

Income Statement line item for “Sales Returns”

- Element – *Sales Returns, Goods – Debit Balance*
- Appears in HTML statement as **(20,000)**
- Amount tagged as a negative value
- Label is not negated to render with brackets

Assuming proper element was selected, was this tagged properly?

Staff Observations

Negative Values vs. Negated Labels

Example 3

Operating C/F non-cash adjustment to net income for “Gain on Sale of Property”

- Elem’t – *Gain (Loss) on Sale of PP&E – Credit Balance*
- Appears in HTML statement as **10,000**
- Amount tagged as a negative value
- Label is negated to render without brackets

Assuming proper element was selected, was this tagged properly?



Other Topics



Other Topics

- **U.S. GAAP Taxonomy maintenance**
 - **Contribute during public comment period**
- **General-use assurance reports on XBRL formatted financial statements (Ex. 101)**
 - **Only HTML report may be filed (Ex. 99)**
- **Detailed footnote and schedule tagging**
 - **Don't wait to get started mapping**

Resources

Interactive Data to Improve Financial Reporting Rule

- <http://www.sec.gov/rules/final/2009/33-9002.pdf>

Summary of Staff Observations from Initial Reviews

- <http://sec.gov/spotlight/xbri/staff-review-observations.shtml>

Compliance and Disclosure Interpretations (C&DIs)

- www.sec.gov/divisions/corpfin/guidance/interactivedatainterp.htm

EDGAR Filer Manual Interpretations and FAQs

- <http://www.sec.gov/spotlight/xbri/staff-interps.shtml>

Contact us

- Ask-OID@sec.gov