

**Statutory Accounting Principles (E) Working Group
Maintenance Agenda Submission Form
Form A**

Issue: *ASU 2025-02—Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122*

Check (applicable entity):

	P/C	Life	Health
Modification of Existing SSAP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
New Issue or SSAP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Interpretation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Description of Issue:

In March of 2025, FASB issued *ASU 2025-02, Liabilities (Topic 405), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122*, which amends an SEC paragraph pursuant to the issuance of SEC Staff Accounting Bulletin (SAB) No. 122, which rescinds the interpretive guidance on accounting for obligations to safeguard crypto-assets held for platform users detailed in SAB No. 121.

Existing Authoritative Literature:

Historically, SEC guidance from ASUs have been rejected as not applicable for statutory accounting in Appendix D. Regardless, all ASUs are reviewed for statutory accounting purposes to determine if the guidance should be considered for statutory accounting.

The SEC guidance deleted by ASU 2025-02 was previously rejected for inclusion in statutory accounting.

Activity to Date (issues previously addressed by the Working Group, Emerging Accounting Issues (E) Working Group, SEC, FASB, other State Departments of Insurance or other NAIC groups):

ASU 2023-04, Amendments to SEC Paragraphs Pursuant to SAB No. 121 was rejected by the Working Group through agenda item 2023-27.

Information or issues (included in *Description of Issue*) not previously contemplated by the Working Group:

None

Convergence with International Financial Reporting Standards (IFRS): None

Staff Recommendation:

NAIC staff recommends that the Working Group move this item to the active listing, categorized as a SAP clarification, and expose revisions to *Appendix D—Nonapplicable GAAP Pronouncements* to reject *ASU 2025-02, Liabilities (Topic 405), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122* as not applicable to statutory accounting. This guidance is not applicable as it eliminates SEC guidance which was rejected for statutory accounting purposes.

Staff Review Completed by: William Oden – May 2025

Status:

On May 22, 2025, the Statutory Accounting Principles (E) Working Group exposed revisions to *Appendix D—Nonapplicable GAAP Pronouncements* to reject *ASU 2025-02, Liabilities (Topic 405), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122* as not applicable to statutory accounting.

On August 11, 2025, the Statutory Accounting Principles (E) Working Group adopted revisions to *Appendix D—Nonapplicable GAAP Pronouncements* to reject *ASU 2025-02, Liabilities (Topic 405), Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 122* as not applicable to statutory accounting.

[https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/National Meetings/A. National Meeting Materials/2025/08-11-25 Summer National Meeting/Adoptions/25-15 - ASU 2025-02 - SEC Updates.docx](https://naiconline.sharepoint.com/teams/FRSStatutoryAccounting/National%20Meetings/A.%20National%20Meeting%20Materials/2025/08-11-25%20Summer%20National%20Meeting/Adoptions/25-15%20-%20ASU%2025-02%20-%20SEC%20Updates.docx)