

MINUTES



To: FASB Board Members

From: Accounting for Financial Instruments
Team

Subject: March 10, 2010 Board Meeting
Minutes: Accounting for Financial Instruments **Date:** March 11, 2010

cc: FASB: Golden, Bielstein, Stoklosa, Laungani, Lott, Proestakes, Wilkins,
Roberge, Maroney, Sanguuolo, Inzano, Ampofo, Worshek, Farber, H.
Yang, K. Yang, Putnam, Kubic, Willis, C. Smith, Brickman, Homant,
Chookaszian, Posta, Glotzer, Mechanick, Gabriele, Sutay, Klimek,
McGarity, Intranet

GASB: Finden

IASB: Leisenring, Francis, Friedhoff, Figgie, Teixeira, Wong, Berger

The Board meeting minutes are provided for the information and convenience of constituents who want to follow the Board's deliberations. All of the conclusions reported are tentative and may be changed at future Board meetings. Decisions become final only after a formal written ballot to issue an Accounting Standards Update or a Statement of Financial Accounting Concepts.

Topic: Accounting for Financial Instruments: Hedge Accounting

Basis for Discussion: Memorandum 43

Length of Discussion: 9:00 to 9:25 a.m.

Attendance:

Board members present: Herz, Linsmeier, Siegel, Seidman, and Smith

Board members absent: None

Staff in charge of topic: Laungani

Other staff at Board table: Golden, Stoklosa, Wilkins, and Putnam

Other participants: Leisenring (IASB)

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of an Exposure Draft of a proposed Accounting Standards Update on accounting for financial instruments. The Board's technical plan calls for that document to be issued in March 2010.

Summary of Decisions Reached:

1. The Board discussed the hedge accounting model that will be included in the guidance in the comprehensive proposed FASB Accounting Standards Update to be issued under this project.
2. The Board decided that the hedge accounting model would incorporate all changes to current hedge accounting proposed in the June 2008 FASB Exposure Draft, *Accounting for Hedging Activities*, except that the proposed Update would retain hedging of risk components (bifurcation-by-risk), which the Exposure Draft proposed to eliminate. (Vote 5-0)
3. Entities that qualify for the delayed effective date would also apply the hedge accounting model in the proposed Update. (Vote 5-0)

General Announcements:

None.