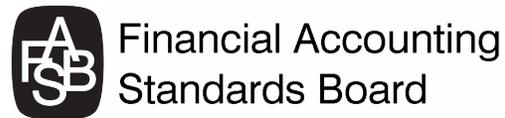


MINUTES



To: Board Members
From: Rhine, Ext. 296
Subject: Minutes of the December 20, 2006 Board Meeting: Accounting for Registration Payment Arrangements **Date:** January 12, 2006
cc: Smith, Bielstein, MacDonald, Stevens, Jacobs, Rhine, Polley, Gabriele, Sutay, Carney, Allen, FASB Intranet

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 a final Statement or Interpretation.

Topics: Registration Payment Arrangements:
Comment Letter Analysis

Basis for Discussion: Board Memorandum No. 4

Length of Discussion: 11:00 to 11:15 a.m.

Attendance:

Board members present: FASB: Herz, Batavick, Crooch, Linsmeier,
Seidman, Trott, and Young
IASB: Leisenring

Staff in charge of topic: Stevens

Other staff at Board table: Smith, Jacobs, Rhine

Summary of Decisions Reached:

The Board agreed with the revisions to the proposed FSP EITF 00-19-b, "Accounting for Registration Payment Arrangements," suggested by the staff in response to the comment letters received.

The Board directed the staff to proceed to a draft of a final FSP for vote by written ballot.

Objective of Meeting:

The objective of the meeting was for the Board to discuss whether to issue a final FSP based on the staff's comment letter analysis.

The objective was met.

Matters Discussed and Decisions Reached:

1. Mr. Stevens stated that there were eight comment letters received in advance of the staff's comment letter analysis. A majority of the comment letters supported the issuance of a final FSP. Three of the respondents supported the issuance of the proposed FSP as final as drafted. Four of the respondents supported the issuance of a final FSP and also made suggestions to clarify certain of its guidance. One respondent supported the Board's decision to require that a registration payment arrangement be accounted for separately from the financial instrument that is subject to that arrangement. However, that respondent believes that Statement 5 does not provide investors with the most relevant recognition and measurement information for registration payment arrangements and that such arrangements should be measured at fair value.

2. Mr. Stevens noted that in response to the comments received, the staff provided the Board with a staff draft containing suggested revisions to the proposed FSP. The proposed revisions are intended to clarify the proposed FSP and do not change the fundamental guidance set forth in the draft issued for public comment. Mr. Stevens also noted that one Board member suggested that the FSP should not be effective immediately for new or modified instruments and asked the Board if they wished to delay the effective date.

3. Mr. Trott stated that he does not believe the effective date should be delayed. He stated that, because of the dramatic impact this FSP will have on the

classification of certain instruments, he believes affected constituents would be aware of its issuance. Ms. Seidman noted that she was concerned that some constituents might not be aware of the issuance of the FSP until some time after it was effective and would possibly have to restate their financials if they applied a different accounting policy for arrangements entered into or modified shortly after issuance of the FSP. The Board decided that the FSP would be effective immediately for registration payment arrangements and the financial instruments subject to those arrangements that are entered into or modified subsequent to the date of issuance of this FSP (six members agreed; one did not (LFS)).

4. All Board members agreed with the remaining revisions to the proposed FSP suggested by the staff in response to the comment letters received. The Board directed the staff to proceed to a draft of a final FSP for vote by written ballot (all Board members agreed). Because there were no changes to the previously distributed staff draft as a result of the Board's decisions at this meeting, the staff distributed a draft of a final FSP to the Board for their vote by written ballot.

Follow-Up Items:

None.

General Announcements:

None.