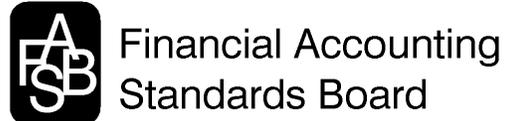


MINUTES



To: Board Members

From: Theilken (x 471)

Subject: Minutes of the March 31, 2010
Board Meeting: Ratification of Five
EITF Consensuses and Two
Consensuses-for-Exposure

Date: April 5, 2010

cc:

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.

Topic: Board ratification of the consensuses reached on EITF Issues No. 08-9, No. 09-B, No. 09-F, No. 09-I, and No. 09-J and the consensuses-for-exposure reached on EITF Issues No. 09-K and No. 09-L

Basis for Discussion: Board Memorandum dated March 31, 2010

Length of Discussion: 12:45 a.m. to 1:00 p.m.

Attendance:

Board members present: FASB: Herz, Linsmeier, Siegel, Seidman, and L. Smith

Board members absent: None

Staff in charge of topic: Bonn

Other staff at Board table: Bhave

Outside participants: None

Summary of Decisions Reached:

The Board ratified the following consensuses reached at the March 18, 2010 EITF meeting.

1. **Issue No. 08-9, “Milestone Method of Revenue Recognition”**

The scope of this consensus is limited to arrangements that include milestones relating to research or development deliverables.

The guidance in this consensus must be met for a vendor to recognize consideration that is contingent upon achievement of a substantive milestone in its entirety in the period in which the milestone is achieved. The guidance applies to milestones in arrangements within the scope of this consensus regardless of whether the arrangement is determined to have single or multiple deliverables or units of accounting.

The following information shall be disclosed in the notes to the financial statements for each arrangement that includes a material milestone payment:

- a. A description of the overall arrangement
- b. A description of the individual milestones and related contingent consideration
- c. A determination as to whether the milestones are considered substantive
- d. The factors considered by the entity in making its assessment of whether the milestones are substantive
- e. The amount of milestone consideration recognized during the period.

The consensus shall be applied prospectively to milestones achieved in fiscal years, and interim periods within those years, after June 15, 2010, with earlier application and retrospective application permitted.

2. **Issue No. 09-B, “Consideration of an Insurer’s Accounting for Majority-Owned Investments When Ownership Is through a Separate Account”**

An insurance entity should not be required to consolidate a voting-interest investment fund when it holds the majority of the voting interests of the fund through its separate account or through a combination of its general and separate accounts.

The scope of this consensus includes investment funds determined to be variable interest entities (VIEs). An insurance entity should not consider the interests held through separate accounts for the benefit of policyholders in the insurer’s evaluation of its economics in a VIE, unless the separate account contract holder is a related party.

The consensus does not require any additional recurring disclosures.

The consensus will be effective for interim and annual periods beginning after December 15, 2010.

The consensus shall be applied retrospectively to all prior periods upon the date of adoption, with early adoption permitted.

3. Issue No. 09-F, “Casino Jackpot Liabilities”

A casino entity should accrue a jackpot at the time the entity has the obligation to pay that jackpot.

The consensus does not require any additional recurring disclosures.

The consensus will be effective for interim and annual periods beginning on or after December 15, 2010.

Early adoption is permitted. If an entity elects early application of the guidance and the period of adoption is not the first reporting period in the entity’s fiscal year, the consensus must be applied retrospectively from the beginning of the vendor’s fiscal year.

4. Issue No. 09-I, “Effect of a Loan Modification When the Loan Is Part of a Pool That Is Accounted for as a Single Asset”

An entity should not apply troubled debt restructuring accounting guidance to loans accounted for as a pool that were initially acquired with credit deterioration.

The consensus does not require any additional recurring disclosures.

The consensus will be effective for modifications of loans accounted for within a pool in interim or annual periods ending on or after July 15, 2010.

The consensus shall be applied prospectively only. Early application is permitted. A one-time election to terminate pool accounting on a pool-by-pool basis is permitted.

5. Issue No. 09-J, “Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades”

An employee share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity’s equity securities trades should be considered an equity award assuming all other criteria for equity classification are met.

The consensus does not require any additional recurring disclosures.

The consensus will be effective for interim and annual periods beginning on or after December 15, 2010.

The consensus shall be applied by recording a cumulative-effect adjustment to the opening balance of retained earnings for all outstanding awards as of the beginning of the fiscal year in which the consensus is applied. Early adoption is permitted. If an entity elects early adoption and the period of adoption is not the first reporting period of the entity's fiscal year, the entity shall apply the consensus retrospectively from the beginning of the entity's fiscal year.

The Board also ratified the following consensus-for-exposure reached at the March 18, 2010 EITF meeting. Each consensus-for-exposure is expected to be exposed for a period of 30 days.

1. Issue No. 09-K, "Health Care Entities: Presentation of Insurance Claims and Related Insurance Recoveries"

A health care entity would be required to present claim liabilities and insurance recoveries on a gross basis on the statement of financial position.

The consensus-for-exposure would not require any additional recurring disclosures.

The consensus-for-exposure would be applied as of the beginning of the year of adoption by recognizing the claim liability and insurance receivable on a gross basis. The net effect of recording the liability and receivable, if any, would be recognized as a cumulative-effect adjustment to beginning retained earnings. The effective date will be determined after the exposure period.

2. Issue No. 09-L, "Health Care Entities: Measuring Charity Care for Disclosure"

A health care entity would be required to disclose charity care using cost as the measurement basis. Cost would be determined consistent with the measurement used for reporting charity care for regulatory purposes (that is, the direct and indirect costs related to providing the service).

The consensus-for-exposure would not require any additional recurring disclosures.

The consensus-for-exposure would be applied retrospectively, with the effective date to be determined after the exposure period.