

MINUTES



**To:** Board Members  
**From:** Biittner (x462)  
**Subject:** Minutes of the May 5, 2010 Board Meeting: Revenue Recognition  
**Date:** May 6, 2010  
**cc:** Sutay

*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: Effects of the Proposed Model on Real Estate Transactions

Basis for Discussion: FASB Memorandum No. 130

Length of Discussion: 9:00 to 10:00 a.m.

Attendance:

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

IASB: Leisenring

Board members absent: None

Staff in charge of topic: FASB: Bement and Cadambi

Other staff at Board table: FASB: Golden, Proestakes, Stoklosa, Homant, Zehyer, Biittner, and Theilken

IASB: Rees and Pitman

Outside participants: None

**Type of Document and Timing Based on the Technical Plan:**

The Board met to discuss issues relating to the development of an Exposure Draft. The Board's technical plan calls for that document to be issued in the second quarter of 2010.

**Summary of Decisions Reached:**

The Board discussed the following issues:

1. The potential effects of the proposed revenue recognition model on the accounting for real estate transactions
2. Whether an entity should apply the proposed model to contracts for the sale of goods or services that are not an output of the entity's ordinary activities
3. How an entity would apply the proposed model to transactions in which an entity sells a product to a customer and agrees (or has the right) to repurchase that product from the customer.

No decisions were reached at this meeting.

**Next Steps**

The Board will consider these issues at a future meeting.

**General Announcements:** None