

MINUTES



To: Board Members
From: Insurance Contracts Team
(Lindemuth, ext. 442)
Subject: Minutes of the March 29, 2011,
Joint Board Meeting: Insurance
Contracts **Date:** April 4, 2011
cc: FASB: Bielstein, Golden, Stoklosa, Chookaszian, Posta, Guasp, Sutay,
Klimek, Gabriele, McGarity, Proestakes, Lott, Hood, Brickman, Weiner,
Kuhaneck, Hildebrand, Lindemuth, Montgomery, Galloway (GASB), FASB
Intranet; IASB: Clark, Hack, Pryde, Zeitler, d'Eri, Vermaak, Yeoh, Jordan,
Teixeira

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 Accounting Standards Update.

Topic: Insurance Contracts—Margin unlocking

Basis for Discussion: FASB Memo No. 62, 62A
IASB Agenda Papers 1, 1A

Length of Discussion: 9:00am to 9:45am (EST)

Attendance:

Board members present: FASB: Buck, Golden, Linsmeier,
Seidman, Schroeder, Smith, and Siegel

Board members participating
By video: IASB: Tweedie, Cooper, Danjou,
Engström, Finnegan, Gomes,
Kalavacherla, König, McGregor,
Pacter, Scott, Smith, Wei-Guo, and
Yamada

Board members participating
by video: IASB: McConnell

Staff in charge of topic:	FASB: Weiner IASB: Yeoh and Pryde
Other staff participating by video:	IASB: Clark, Hack, Zeitler, d'Eri, Ruta, and Vermaak
Staff members present:	FASB: Cospers, Proestakes, Hildebrand, Kuhaneck, Lindemuth, and Montgomery

Type of Document and Timing Based on the Technical Plan:

Please refer to the current technical plan for information about the expected release dates of exposure documents and final standards.

Summary of Decisions Reached:

The IASB and the FASB continued their discussions on insurance contracts by considering the issue of whether the margin should be adjusted for changes in estimates of expected cash flows (that is, unlocking the margin) and an update on the Insurance Working Group meeting held on March 24, 2011.

Unlocking the Margin

The Boards discussed whether the residual or composite margin should be locked-in at inception (as proposed in the IASB's Exposure Draft, *Insurance Contracts*, and the FASB's Discussion Paper, *Preliminary Views on Insurance Contracts*) and, if not, how the margin might be unlocked.

The Boards were not asked to make any decisions on this topic.

Insurance Working Group Meeting

The Boards were updated on the March 24, 2011 Insurance Working Group meeting.

No decisions were made.

General Announcements: None.