

MINUTES



To: Board Members
From: Leases Team (Traub x263)
Subject: Minutes of February 20, 2013, Joint Board Meeting
Date: February 21, 2013
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: Leases

Basis for Discussion: FASB Memo 256—Sweep Issue—Transition

Length of Discussion: 11:45AM to 12:15PM EST

Attendance:

Board members present:	FASB: Seidman, Buck, Golden, Linsmeier, Schroeder, Siegel, Smith IASB: Hoogervorst, Mackintosh, Cooper, Danjou, Edelmann, Engstrom, Finnegan, Gomes, Kalavacherla, McConnell, Ochi, Scott, Suh, Tokar, Zhang
Board members absent:	None
Staff in charge of topic:	FASB: Zeyher IASB: Buchanan
Other staff at Board table:	FASB: Stoklosa, Walsh, Muehlbauer, Gillard, Traub

IASB: Rees, Geisman, Heining

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The IASB and the FASB discussed questions that have arisen during the drafting of the revised leases Exposure Draft about the transition of existing finance, capital, sales-type, and direct financing leases.

The Boards' technical plan calls for a revised Exposure Draft to be issued in the first half of 2013.

Summary of Decisions Reached:

Transition: Capital/Finance Leases

The FASB and the IASB tentatively decided to provide specific transition relief for existing finance, capital, sales-type, and direct financing leases. Lessees and lessors would not be required to make any adjustments to the carrying amount of any assets and liabilities associated with those leases at transition. Specific guidance on the subsequent measurement of those assets and liabilities will be provided in the revised leases Exposure Draft. The Boards' intent for including that guidance is to provide accounting that is consistent with how most of those leases would have been accounted for under IAS 17 and Topic 840. The revised leases Exposure Draft will supersede IAS 17 and Topic 840.

(FASB: 6-1, IASB: *Unanimous*)

Transition: Leveraged Leases (FASB-only)

The FASB tentatively decided that a lessor should apply the proposed leases guidance to existing leveraged leases retrospectively.

(FASB: 6-1)

General Announcements: None.