

MINUTES



MEMORANDUM

To: FASB Board Members

From: Accounting for Financial Instruments Team

Subject: April 4, 2014, Board Meeting—
Accounting for Financial Instruments: Classification and Measurement

Date: April 7, 2014

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: Accounting for Financial Instruments: Classification and Measurement

Basis for Discussion: Memorandum 265

Length of Discussion: 9:30 a.m. to 10:02 a.m. EDT

Attendance:

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

Board members absent: None

Staff in charge of topic: Milone

Other staff at Board table: Cosper, Esposito, Gupta, and Debbink

Outside participants:

Type of Document and Timing Based on the Technical Plan:

The Board met to discuss issues relating to the development of an Accounting Standards Update addressing accounting for financial instruments. The Board issued an Exposure Document in the first quarter of 2013.

Tentative Board Decisions:

The Board continued redeliberating the proposed Accounting Standards Update, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, and decided to retain the fair value option in existing U.S. GAAP under Topic 825, Financial Instruments.

The Board will revisit its decision after it discusses the treatment of an entity's own credit for financial liabilities measured at fair value through net income.

Five Board members voted for the decision, one Board member voted to retain the guidance in the proposed Update (Alternative B), and one Board member voted to remove the fair value option for financial liabilities.

General Announcements: None.