

MINUTES



MEMORANDUM

To: Board Members

From: Accounting for Financial Instruments Team

Subject: April 22, 2015 Board Meeting—
Accounting for Financial Instruments: Hedging

Date: April 23, 2014

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: Hedging

Basis for Discussion: FASB Memo No. 6—Selected Interest Rate Risk Hedging issues

Length of Discussion: 10:30 a.m. to 12:20 p.m. (EDT)

Attendance:

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

Board members absent: None

Staff in charge of topic: Milone and Sangiuolo

Other staff at Board table: Cosper, Esposito, Gabello, Um, Cahill, Bjorkman, and C. Smith

Outside participants: None

Type of Document and Timing Based on the Technical Plan:

The Board continued deliberations of the May 2010 proposed Accounting Standards Update, *Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities—Financial Instruments (Topic 825) and Derivatives and Hedging (Topic 815)*.

Tentative Board Decisions:

The Board made no technical decisions, but continued deliberations of the May 2010 proposed Update. The Board discussed the following issues:

1. Hedges of benchmark interest rates under Topic 815
2. Fair value hedges of benchmark interest rates:
 - a. “Total coupon” issue
 - b. Hedging callable debt
 - c. Partial term hedging.
3. Shortcut and critical terms match methods
4. Implications of a reasonably effective threshold for hedges of financial assets and liabilities.

The Board made no technical decisions.

General Announcements: None