

REPORT OF THE FASB CHAIRMAN

July 1, 2015 through September 30, 2015

ITEM 1: STANDARDS-SETTING ACTIVITIES

A. FINAL STANDARDS AND DOCUMENTS ISSUED FOR PUBLIC COMMENT

1. The Board issued the following final documents:
 - a. Accounting Standards Update No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*, issued July 22, 2015.
 - b. Accounting Standards Update No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): Fully Benefit-Responsive Investment Contracts (Part I), Plan Investment Disclosures (Part II), Measurement Date Practical Expedient (Part III)* (consensuses of the Emerging Issues Task Force), issued July 31, 2015.
 - c. Accounting Standards Update No. 2015-13, *Derivatives and Hedging (Topic 815): Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets* (a consensus of the Emerging Issues Task Force), issued August 10, 2015.
 - d. Accounting Standards Update No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, issued August 12, 2015.
 - e. Accounting Standards Update No. 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*, issued September 25, 2015.
2. The Board issued the following Exposure Drafts for public comment:
 - a. Proposed Accounting Standards Update, *Derivatives and Hedging (Topic 815): Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships* (a consensus of the Emerging Issues Task Force) (issued August 6, 2015). Comment deadline: October 5, 2015.
 - b. Proposed Accounting Standards Update, *Derivatives and Hedging (Topic 815): Contingent Put and Call Options in Debt Instruments* (a consensus of

the Emerging Issues Task Force) (issued August 6, 2015). Comment deadline: October 5, 2015.

- c. Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* (issued August 31, 2015). Comment deadline: October 15, 2015.
- d. Proposed Accounting Standards Update, *Notes to Financial Statements (Topic 235): Assessing Whether Disclosures Are Material* (issued September 24, 2015). Comment deadline: December 8, 2015.
- e. Proposed Concepts Statement, *Conceptual Framework for Financial Reporting—Chapter 3: Qualitative Characteristics of Useful Financial Information* (issued September 24, 2015). Comment deadline: December 8, 2015.
- f. Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients* (issued September 30, 2015). Comment deadline: November 16, 2015.
- g. Proposed Accounting Standards Update, *Intangibles—Goodwill and Other (Topic 350); Business Combinations (Topic 805); Consolidation (Topic 810); Derivatives and Hedging (Topic 815): Effective Date and Transition Guidance* (a proposal of the Private Company Council) (issued September 30, 2015). Comment deadline: November 16, 2015.

B. CHANGES TO THE STANDARDS-SETTING AGENDA

1. The Board made the following agenda decisions:
 - a. The Board added a project to its agenda, as proposed by the PCC, on Preferability Assessment and Transition of PCC Alternatives (July 2015).
 - b. The Board added Revenue Recognition—Completed Contracts at Transition to its agenda project on Revenue Recognition—Narrow Scope Improvements and Practical Expedients.
2. The Board removed the following projects from its agenda:
 - a. Disclosures about Hybrid Financial Instruments That Contain Bifurcated Embedded Derivatives (July 2015).

- b. Investment Companies: Disclosures about Investments in Another Investment Company (August 2015).
3. The Board decided not to add the following projects to either its or the EITF's agenda:
 - a. Contract Adjustments between Healthcare Providers and Insurance Companies (August 2015).
 - b. Cumulative Preferred Stock Accrued Dividends (August 2015).

C. SIGNIFICANT TECHNICAL DECISIONS

1. Revenue Recognition.
 - a. Narrow Scope Improvements and Practical Expedients: Collectibility. The Board affirmed its decision related to the collectibility guidance that collectibility should be assessed in determining whether a contract exists. The Board also added a criterion that if collectibility is not probable, an entity should recognize revenue in the amount of the consideration received when the entity has transferred control of the goods or services (and has no obligation to transfer additional goods or services).
 - b. Narrow Scope Improvements and Practical Expedients: Completed Contract. The Board clarified that in transition, a completed contract is one for which all (or substantially all) of the revenue was recognized under revenue guidance in effect before the date of initial application.
 - c. Deferral of the Effective Date. The Board affirmed its proposal to defer the effective date of the new revenue standard for all entities for one year and to permit all entities to apply the new revenue standard early, but not before the original effective date for public business entities.
2. Targeted Improvements to the Accounting for Long-Duration Contracts. The Board decided in updating assumptions used in determining the liability for future policy benefits for traditional long-duration and limited payment contracts to require a retrospective approach for updating cash flow assumptions (cumulative catch-up adjustment) and an immediate approach (in other comprehensive income) for updating discount rate assumptions.
3. Disclosures by Business Entities about Government Assistance. The Board decided that the scope of the proposal would be for legally enforceable agreements in which an entity receives value or benefit from the government. Generally the agreement would be negotiated, and the government has some discretion over which entities to provide the assistance and how much to provide. The project would exclude assistance where the government is legally

required to provide assistance because the entity meets eligibility requirements and assistance in which the government is solely a customer. The Board specified the disclosures that should be required when an entity is with the scope of the proposal.

4. Accounting for Instruments with Down-Round Features. The Board addressed the accounting for equity-linked financial instruments containing “down round” features. When determining liability or equity classification, an entity would not consider the down-round feature when assessing whether the instrument is indexed to its own stock. The effect of the feature would be recognized when the feature is triggered and classified through equity or net income dependent upon whether the instrument is classified as equity or as a liability.
5. Interest Income on Callable Securities. The Board amended the scope of the project to include recognition for purchased callable securities and decided that premiums should be amortized to the first call date and discounts to the maturity date.
6. Simplifying the Balance Sheet Classification of Debt. The Board decided to provide an exception to the proposed classification principle for waivers of debt covenant violations received after the reporting date but before financial statements are issued and require separate presentation in the balance sheet for debt that is classified as noncurrent as a result of applying this exception. The Board also decided that subjective acceleration clauses affect the classification of debt when triggered.

D. ACTIVITIES OF THE FINANCIAL ACCOUNTING STANDARDS ADVISORY COUNCIL (FASAC) AND FASB ADVISORY COMMITTEES

1. FASAC Meeting:
 - a. Four Board members, the FASB technical director, and several FASB staff members participated in the September 29, 2015 FASAC meeting. The meeting topics focused on possible projects for the FASB’s future agenda, including a summary of future agenda survey results, and payments to governments, including income taxes.
2. The following advisory committee meetings were held:
 - a. Private meeting of the Investor Advisory Council (IAC) (September): Six Board members and several FASB staff participated on a rotational basis; topics included possible projects for the FASB’s future agenda, including

potential improvements to the statement of cash flows, as well as FASB projects on hedging, disclosure framework, and credit losses.

- b. Public meeting of the IAC: Following the private meeting, five Board members, the FASB technical director, and several FASB staff participated in a public meeting on the same topics.
 - c. Public meeting of the Not-for-Profit Advisory Committee (NAC) (September): Six Board members, the FASB technical director, and several FASB staff participated. Topics focused on financial statements of not-for-profit organizations, including key issues raised on the proposed Accounting Standards Update, possible projects for the FASB's future agenda, and implementation of revenue from contracts with customers.
3. Advisory committee membership changes:
- a. Larry Probus completed his service on the NAC on September 4, 2015.

E. OTHER SIGNIFICANT STAKEHOLDER OUTREACH ACTIVITIES

1. One or more Board members met with the following industry liaison groups:
 - a. Public meeting with the Institute of Management Accountants' Financial Reporting Committee (September). Six Board members, the FASB technical director, and several staff participated; topics included the FASB's projects on financial instruments (impairment, classification and measurement, and hedging), the implementation of revenue recognition, leases, disclosure framework, the simplification initiative, and financial statements of not-for-profit entities.
 - b. Private meeting with the Financial Executives International Committee on Corporate Reporting (CCR) (September). One Board member participated; topics included revenue recognition, disclosure framework, financial instruments (impairment, classification and measurement, and hedging), financial performance reporting, leases, and simplification projects. Other projects included disclosure framework (income tax disclosure) and goodwill.
 - c. Public meeting with the AICPA Private Companies Practice Section Technical Issues Committee (September). Five Board members, the FASB technical director, and several FASB staff members participated. Topics included employee share-based payment accounting improvements, financial statements of not-for-profit entities, simplifying the balance sheet classification of debt, the effective date of PCC alternatives, hedging, and leases.

2. Significant project-specific outreach activities follow:
 - a. The FASB Board members and staff conducted approximately 125 meetings with a variety of stakeholders to discuss issues in 21 different FASB and EITF projects.
 - b. Through meetings and comment letters, the Board received feedback from a range of stakeholder types: 9% from financial statement users, 28% from auditors, and 45% that were representatives of public companies, private companies, and not-for-profit organizations.

F. COLLABORATION WITH THE FASB'S PRIVATE COMPANY COUNCIL (PCC)

1. The PCC and FASB jointly hosted a Private Company Town Hall Meeting on July 14, 2015, at the AICPA NAAATS in Baltimore, Maryland.
2. Four Board members, the FASB technical director, and certain FASB staff participated in the July 21, 2015 PCC meeting, and six Board members participated in the September 25, 2015 PCC meeting. Meeting highlights follow:
 - a. Outreach Effort: The PCC discussed upcoming Town Hall Meetings including a November 18, 2015 meeting at the AICPA Controllers' Conference in Orlando, Florida, and an April 2016 meeting tentatively being planned for New York City.
 - b. FASB Transition Resource Group for Revenue Recognition: A PCC member provided an update on recent developments and reported that the effective date of Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, has been deferred by one year for both public and nonpublic entities, with early adoption permitted after the original public company effective date.
 - c. Effective Date of PCC Alternatives: The PCC discussed PCC Issue No. 15-01, "Effective Date and Transition Guidance," with the following results:
 - i. FASB staff provided an update on research performed on the preferability assessment that may potentially affect private companies that do not elect to adopt a consensus of the PCC by the effective date in the Accounting Standards Updates. The staff's research yielded four potential solutions. The PCC decided to add a project on transition guidance to its technical agenda.
 - ii. The PCC reached a consensus-for-exposure to extend transition guidance indefinitely for Accounting Standards Update No. 2014-02, *Intangibles—Goodwill and Other (Topic 350): Accounting for Goodwill*, allowing private companies to apply the alternative

prospectively. In addition, the PCC reached a consensus-for-exposure to extend transition guidance indefinitely for Accounting Standards Update No. 2014-03, *Derivatives and Hedging (Topic 815): Accounting for Certain Receive-Variable, Pay-Fixed Interest Rate Swaps—Simplified Hedge Accounting Approach*. The transition exception only will be permitted the first time a private company applies the simplified hedge accounting approach and not to subsequent elections.

- d. **Variable Interest Entities (VIEs):** The FASB staff provided the PCC with advance materials on the application of Topic 810, Consolidation, to non-leasing arrangements under common control. The PCC decided to add a research project to its technical agenda on providing additional illustrative guidance.
- e. **Leases:** FASB staff provided a brief review of the forthcoming lease accounting standard and an overview of the polling results obtained during the NAAATS Town Hall meeting. A majority of PCC members stated that they upheld the views contained in the PCC’s 2013 comment letter to the FASB on the proposed Accounting Standards Update, *Leases (Topic 842): a revision of the 2010 proposed FASB Accounting Standards Update, Leases (Topic 840)*.
- f. **Simplifying the Balance Sheet Classification of Debt:** The FASB staff updated the PCC on changes made to the FASB’s proposal to simplify the principles for classifying debt as current or noncurrent.
- g. **Disclosure Framework:** The FASB staff briefly updated the PCC on the FASB’s disclosure framework projects, including the tentative decisions to include additional materiality guidance in Topic 235, Notes to Financial Statements. The FASB staff also described possible changes to defined benefit plan disclosures and inventory disclosures resulting from this project.
- h. **Disclosures by Business Entities about Government Assistance:** The FASB staff presented for discussion the FASB’s proposal to provide qualitative and quantitative disclosures by business entities about government assistance.
- i. **EITF Project on Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments:** The FASB staff provided an update on EITF Issue No. 15-F, “Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments,” and the tentative conclusions reached on eight of the nine subissues being addressed.

- j. Accounting for Financial Instruments—Hedge Accounting: The FASB staff provided an update on the project and recent decisions reached by the Board that will be included in a proposed Update.
- k. Liabilities & Equity—Targeted Improvements: The FASB staff provided an update on the project and the Board’s decision to change the accounting for an equity-linked financial instrument with a “downround” feature and to replace the indefinite deferral of Topic 480 for mandatorily redeemable financial instruments for certain nonpublic entities and certain mandatorily redeemable noncontrolling interests, with a scope exception.
- l. FASB Future Agenda Prioritization Survey Results: FASB staff presented findings from the FASB Future Agenda Prioritization survey results. As part of the survey results, PCC members identified the following topics as top priorities for the FASB to consider: Other Comprehensive Income, Consolidations, Liabilities with Characteristics of Equity, Improving Cash Flow Classification, and Financial Statement Presentation. As part of that session, PCC members provided comments about private company perspectives on potential future FASB projects related to other comprehensive income, consolidations, and intangible assets—capitalizing certain development costs.

G. EMERGING ISSUES TASK FORCE (EITF) ACTIVITIES

1. Four Board members attended the September 17, 2015 EITF meeting at which the following Issues were discussed with the following results:
 - a. Issue No. 15-B, “Recognition of Breakage for Certain Prepaid Stored-Value Cards.” Previously reached consensuses-for-exposure described in the proposed Update were affirmed. The EITF also reached additional tentative conclusions at that meeting that require future discussion.
 - b. Issue No. 15-F, “Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments.” Tentative conclusions were reached on one previously discussed subissue and on three new subissues.
2. Mark Bielstein (KPMG) and Jackson Day (EY) completed service with the EITF. Robert Malhotra (KPMG) (effective September 17, 2015) and Paul Beswick (EY) (effective November 12, 2015), were appointed as new members.

H. INTERNATIONAL ACTIVITIES

1. Cooperative activities between the FASB and the IASB were as follows:

- a. The FASB and the IASB held a joint Board meeting in London to discuss the disclosure framework, insurance, conceptual framework, clarifying the definition of a business, goodwill, and intangible assets projects.
 - b. Two Board members participated in the IASB's World Standard Setters meeting in London.
 - c. The FASB chairman and one Board member participated in a meeting of the IASB's Accounting Standards Advisory Forum in London.
2. Cooperative activities among the FASB and other national standards setters included the following:
- a. The FASB chairman, two Board members, and the FASB technical director participated by videoconference in a private networking meeting with representatives of several different national standards-setting organizations.
 - b. Two Board members (one by video conference) participated in the Autorité des Normes Comptables meeting in Paris.
 - c. A Board member participated in the Organismo Italiano di Contabilità standards setters' conference in Rome.
 - d. Two Board members and a staff person participated in the International Forum of Accounting Standard Setters meeting in London.

ITEM 2: PREAGENDA RESEARCH

A. CHANGES TO THE RESEARCH AGENDA

1. The PCC decided not to proceed with additional research on the intrinsic value option for all awards for private company employee share-based payment accounting. Consequently, the Board removed from its research agenda a project in this area.
2. The Board added to its research agenda a project on applying variable interest entity guidance to non-leasing arrangements under common control.

B. SIGNIFICANT RESEARCH ACTIVITIES

1. At its August agenda prioritization meeting, the Board instructed the staff to conduct more research on the following potential projects before deciding whether to add them to either its or the EITF's agenda:
 - a. Simplifying the Measurement of Asset Retirement Obligations (August 2015)

- b. Notional Pooling (August 2015)
 - c. Regular Way Security Scope Exception in Topic 815 (August 2015).
2. With many of the major projects nearing completion, research is under way on other potential new agenda projects, including the development of a Discussion Paper to consult with stakeholders for topics on the future agenda.

ITEM 3: STAKEHOLDER EDUCATION AND COMMUNICATIONS

1. The FASB held one educational webinar:
 - a. IN FOCUS: Proposed 2016 GAAP Financial Reporting Taxonomy Changes, Simplification, Filer Counts, and Context Sensitive Guidance (September 22, 2015).
2. The FASB posted three featured videos:
 - a. Disclosure Framework: FASB member Marc Siegel and staff provide background information and an update on the project that improves the effectiveness of disclosures in notes to financial statements.
 - b. FASB Board Members Tenure: FASB members Daryl Buck and Hal Schroeder reflect on their first terms with the FASB and discuss what they hope to accomplish in their second term.
 - c. Alumni Video: At a recent event some of our key alumni stakeholders told us about their experience at the FASB and how they use GAAP in their current roles.

B. SPEECHES DELIVERED

1. FASB members or staff delivered speeches at 21 different conferences. The more significant follow:
 - a. AICPA National Advanced Accounting and Auditing Technical Symposium (NAAATS)
 - b. National Society of Accountants for Cooperatives (NSAC)
 - c. American Accounting Association Workshops
 - d. Bloomberg BNA: Inside Revenue Recognition
 - e. Equipment Leasing and Finance Association (ELFA)
 - f. Tax Executives Institute: Financial Reporting Seminar.

C. PRESS RELEASES, MEDIA ADVISORIES, AND TWEETS

1. The FASB issued 14 press releases, media advisories, or tweets on a variety of topics.

D. OTHER COMMUNICATIONS ACTIVITIES

1. The seventh issue of FASB Outlook was published in August.

ITEM 4: STRATEGIC, ADMINISTRATIVE, AND PROCEDURAL ACTIVITIES

A. STRATEGIC PLAN ACTIVITIES

1. The FASB completed all of its third-quarter 2015 strategic plan action steps.

B. ADMINISTRATIVE MATTERS

1. None.

C. PROFESSIONAL DEVELOPMENT PROGRAMS

1. Update on the FASB Business Combinations Projects. Adriana Yepes, Supervising Project Manager; Jennifer Hillenmeyer, Practice Fellow; Nick Burgmeier, Practice Fellow; Chris Brown, Postgraduate Technical Assistant.
2. The Conceptual Framework Project: An Overview and Update (A special presentation for PTAs) (also offered to other new staff and interested staff). Jim Leisenring, FASB Senior Advisor.
3. Fair Value Measurement and Application and Other Postemployment Benefits (OPEB). Randy Finden, GASB Senior Project Manager/PIR Project Manager, and Scott Reeser, GASB Supervising Project Manager.

ITEM 5: FEDERAL GOVERNMENT AND REGULATORY LIAISON ACTIVITIES

A. REPRESENTATIVES OF CONGRESS AND FEDERAL REGULATORY BODIES

1. None.

ITEM 6: FAF/FASB/GASB INTERACTION

A. MEETING MINUTES

1. GASB and FASB meeting minutes were shared with the FASB and GASB Board members and staff.

B. MEETINGS

- a. The FASB and GASB directors met monthly to discuss their technical agenda projects and other matters of mutual interest.
- b. The FASB and GASB chairmen and their respective directors held their quarterly meeting to discuss technical issues and other matters of mutual interest.

C. DOCUMENT DRAFT REVIEWS

1. The GASB distributed the following drafts for the FASB's review:
 - a. Exposure Draft on blending requirements of certain component units
 - b. Exposure Draft on accounting and financial reporting for certain external investment pools
 - c. Proposed Implementation Guide on multiple topics including, conforming changes, effective date, etc.
2. The FASB staff distributed the following drafts for the GASB's review:
 - a. Final Accounting Standards Update, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement Period Adjustments*
 - b. Proposed Accounting Standards Update, *Business Combinations (Topic 805): Definition of a Business*
 - c. Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606): Principle versus Agent Considerations (Reporting Revenue Gross versus Net)*
 - d. Proposed Accounting Standards Update, *Notes to Financial Statements (Topic 235): Assessing Whether Disclosures Are Material*
 - e. Proposed Concepts Statement, *Conceptual Framework for Financial Reporting: Chapter 3: Qualitative Characteristics of Useful Financial Information*

- f. Proposed Accounting Standards Update, *Intangibles—Goodwill and Other (Topic 350); Business Combinations (Topic 805); Consolidation (Topic 810); Derivatives and Hedging (Topic 815): Effective Date and Transition Guidance* (a proposal of the Private Company Council)
- g. Proposed Accounting Standards Update, *Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*
- h. Proposed Accounting Standards Update, *Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance*.

ITEM 7: XBRL ACTIVITIES

The FASB is responsible for the ongoing development and maintenance of the GAAP Financial Reporting Taxonomy (Taxonomy) applicable to public issuers registered with the SEC.

A. TECHNICAL ACTIVITIES

- 1. The FASB published proposed 2016 GAAP Financial Reporting Taxonomy for public comment and review.
- 2. The FASB published Taxonomy Updates as final for:
 - a. Accounting Standards Update No. 2015-07—*Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (a consensus of the FASB Emerging Issues Task Force)
 - b. Accounting Standards Update No. 2015-09—*Financial Services—Insurance (Topic 944): Disclosures about Short-Duration Contracts*
 - c. Accounting Standards Update No. 2015-10—*Technical Corrections and Improvements*
 - d. Accounting Standards Update No. 2015-11—*Inventory (Topic 330): Simplifying the Measurement of Inventory*
 - e. Accounting Standards Update No. 2015-13—*Derivatives and Hedging (Topic 815): Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets* (a consensus of the FASB Emerging Issues Task Force)
 - f. Accounting Standards Update No. 2015-15—*Interest—Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements—*

Amendments to SEC Paragraphs Pursuant to Staff Announcement at June 18, 2015 EITF Meeting.

3. The FASB published Taxonomy Exposure Drafts for:
 - a. Proposed Accounting Standards Update—*Derivatives and Hedging (Topic 815): Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships* (a consensus of the FASB Emerging Issues Task Force)
 - b. Proposed Accounting Standards Update—*Derivatives and Hedging (Topic 815): Contingent Put and Call Options in Debt Instruments* (a consensus of the FASB Emerging Issues Task Force).

B. OUTREACH ACTIVITIES

1. The more significant Taxonomy-related outreach activities this quarter included the following:
 - a. FASB’s Taxonomy Advisory Group meetings.
 - b. Meetings of the FASB Taxonomy industry working groups, the Dimension Working Group, the IASB IFRS Taxonomy Consultative Group, quarterly staff meeting with IASB Taxonomy staff, and the SEC Division of Economic and Risk Analysis (DERA) staff.
2. FASB Chief of Taxonomy Development presented at AAA Conference in Chicago, August 11, 2015.
3. FASB Chief of Taxonomy Development and Taxonomy staff presented at XBRL International Conference in Copenhagen, Denmark, September 10, 2015.
4. FASB Chief of Taxonomy Development presented to SEC staff on September 28, 2015, how FASB uses SEC structured disclosures (XBRL) to enhance its analytical capabilities and provide insights to inform financial standards setting as well as taxonomy enhancements.
5. FASB Chief of Taxonomy Development attended the Data Quality Committee meeting in DC on September 28-29, 2015. This meeting included the first quarterly liaison meeting with SEC Corp Fin and DERA. The Data Quality Committee is an alliance of XBRL US and five companies to address concerns about, and to improve the utility of, XBRL financial data filed with the U.S. Securities and Exchange Commission (SEC).

Technical Agenda Overview

Revised October 1, 2015

FRAMEWORK PROJECTS	Current Stage	Timing
Conceptual Framework: Measurement	Initial deliberations	
Conceptual Framework: Presentation	Initial deliberations	
Disclosure Framework: Board's Decision Process	ED redeliberations	

RECOGNITION & MEASUREMENT: BROAD PROJECTS	Current Stage	Timing
Accounting for Financial Instruments: Classification and Measurement	Drafting final standard	Q4 2015
Accounting for Financial Instruments: Hedging	Drafting ED	Q1 2016
Accounting for Financial Instruments: Impairment	Drafting final standard	Q1 2016
Insurance: Targeted Improvements to the Accounting for Long-Duration Contracts	ED redeliberations	
Leases	Drafting final standard	Q4 2015

RECOGNITION & MEASUREMENT: NARROW PROJECTS	Current Stage	Timing
Accounting for Interest Income Associated with the Purchase of Callable Debt Securities	Initial deliberations	
Accounting for Goodwill for Public Business Entities and Not-for-Profit Entities	Initial deliberations	
Accounting for Identifiable Intangible Assets in a Business Combination for Public Business Entities and Not-for-Profit Entities	Initial deliberations	
Accounting for Income Taxes: Intra-Entity Asset Transfers and Balance Sheet Classification of Deferred Taxes	ED redeliberations	
Clarifying the Definition of a Business (phase 1)	Drafting ED	Q4 2015
Contingent Put and Call Options in Debt Instruments (EITF 15-E)	ED out for public comment	Ends Oct 5, 2015

RECOGNITION & MEASUREMENT: NARROW PROJECTS (continued)	Current Stage	Timing
Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships (EITF 15-D)	ED out for public comment	Ends Oct 5, 2015
Employee Share-Based Payment Accounting Improvements	ED redeliberations	
Liabilities & Equity: Targeted Improvements (phase 1)	Drafting ED	Q4 2015
PCC Issue No. 2015-01, Effective Date and Transition Guidance	ED out for public comment	Ends Nov 16, 2015
Recognition of Breakage for Prepaid Stored-Value Cards (EITF 15-B)	ED redeliberations	
Revenue Recognition—Identifying Performance Obligations and Licenses	ED redeliberations	
Revenue Recognition—Narrow-Scope Improvements and Practical Expedients	ED out for public comment	Ends Nov 16, 2015
Revenue Recognition—Principal versus Agent (reporting revenue gross versus net)	ED out for public comment	Ends Oct 15, 2015
Simplifying the Equity Method of Accounting	ED redeliberations	
Technical Corrections and Improvements (Next Phase)	Initial deliberations	

PRESENTATION & DISCLOSURE PROJECTS	Current Stage	Timing
Disclosure Framework: Disclosure Review—Defined Benefit Plans	Drafting ED	Q4 2015
Disclosure Framework: Disclosure Review—Fair Value Measurement	Initial deliberations	
Disclosure Framework: Disclosure Review—Income Taxes	Initial deliberations	
Disclosure Framework: Disclosure Review—Inventory	Initial deliberations	
Disclosure Framework: Disclosures—Interim Reporting	Initial deliberations	

Disclosure Framework: Entity's Decision Process	EDs out for public comment	Ends Dec 8, 2015
Disclosures by Business Entities about Government Assistance	Drafting ED	Q4 2015
Financial Statements of Not-for-Profit Entities	ED redeliberations	
Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost	Drafting ED	Q4 2015
Simplifying the Balance Sheet Classification of Debt	Drafting ED	Q4 2015
Statement of Cash Flows: Classification of Certain Cash Receipts and Cash Payments (EITF 15-F)	Initial deliberations	

RESEARCH PROJECTS
Accounting for Convertible Financial Instruments
Accounting for Financial Instruments: Interest Rate Risk Disclosures
Accounting for Income Taxes: Presentation of Tax Expense/Benefit
Applying Variable Interest Entity Guidance to Non-Leasing Arrangements under Common Control (PCC Research Agenda)
Financial Performance Reporting (<i>formerly Financial Statement Presentation</i>)
Improving Classification Guidance in the Statement of Cash Flows
Nonemployee Share-Based Payment Accounting Improvements
Partnership Accounting (PCC Research Agenda)