
Project	IFRS 2 <i>Share-based Payment</i>
Topic	Vesting and non-vesting conditions – Cover paper

Introduction

1. At the July 2010 meeting the Committee requested the staff to:
 - (a) conduct a follow-up analysis on accounting for (1) a non-compete provision and (2) a performance condition exceeding a required service period, with a focus on arguments against then staff proposals;
 - (b) explore the course of action that the Committee may take with this agenda project; and
 - (c) refine the package of proposed definitions, including a performance condition, non-vesting condition and contingent feature.

Structure of agenda papers

2. The staff analysis is split into three agenda papers as follows:
 - (a) 2A – follow-up analysis of non-compete provision and performance target exceeding a required service period;
 - (b) 2B – analysis of project options; and
 - (c) 2C – proposed amendments to IFRS 2.

This paper has been prepared by the technical staff of the IASCF for discussion at a public meeting of the IFRS Interpretations Committee.

The views expressed in this paper are those of the staff preparing the paper. They do not purport to represent the views of any individual members of the IFRS Interpretations Committee or the IASB. Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretations Committee or the IASB can make such a determination.

Decisions made by the IFRS Interpretations Committee are reported in *IFRIC Update*.

Interpretations are published only after the IFRS Interpretations Committee and the Board have each completed their full due process, including appropriate public consultation and formal voting procedures. The approval of an Interpretation by the Board is reported in *IASB Update*.
