Implementation guidance: Licences

Step 2: Identify the performance obligation(s)

Is the licence distinct?

No → Account for bundle of goods and services

Yes ↓

Apply criteria to determine whether licence is:

A right to **use** the entity's IP as it exists at the point in time when the licence is granted → a performance obligation satisfied at a point in time

or

A right to **access** to the entity's IP as it exists throughout the licence period → a performance obligation satisfied over time

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