RBC Financial Group

April 25, 2005

Director
Technical Application and Implementation Activities and EITF Chair
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116

Attn: Mr Larry Smith

Via email: director@fasb.org

Subject: Proposed FASB Staff Position APB 18-a, Accounting by an Investor for its Proportionate Share of Other Comprehensive Income of an Investee Accounted for under the Equity Method in Accordance with APB Opinion No. 18, The Equity Method of Accounting for Investments in Common Stock, upon a Loss of Significant Influence

RBC Financial Group would like to thank the Financial Accounting Standards Board ("Board") for the opportunity to comment on the Proposed FASB Staff Position APB 18-a (the "FSP") on accounting by an investor of its proportionate share of the investee's Other Comprehensive Income ("OCI") upon loss of significant influence.

We agree with the proposed guidance that the balance in OCI should be offset against the carrying value of the investment at the time the investor no longer has significant influence over the investee. We recommend the guidance be further clarified by adding the following at the end of paragraph 4, in order to be consistent with that in paragraph 5:

"Similarly, the OCI recorded by an investee that was related to available-for-sale securities and was also recorded as OCI components by the investor under the equity method of investment, would not be offset against the carrying value of investment upon loss of significant influence."
Should you have any questions regarding our comments, please do not hesitate to contact me at 416-955-2373 to discuss our comments with you further.

Thank you.

Yours very truly,

Pauline Yang  
Senior Manager, Accounting Policy  
RBC Financial Group  
Pauline.Yang@rbc.com

cc. Robert Guignard, Senior Vice President, Chief Accountant & Controller