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SECTION: Benefits

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TITLE: Value Of A Deferred Pension  
- PBA s. 39(1)

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*Note: Where this policy conflicts with the Financial Services Commission of Ontario Act, 1997, S.O. 1997, c. 28 (FSCO Act), Pension Benefits Act, R.S.O. 1990, c. P.8 (PBA) or Regulation 909, R.R.O. 1990 (Regulation), the FSCO Act, PBA or Regulation govern.*

*Note: The electronic version of this policy, including direct access to all linked references, is available on FSCO's website at [www.fSCO.gov.on.ca](http://www.fSCO.gov.on.ca). All pension policies can be accessed from the **Pensions** section of the website through the **Pension Policies** link on the left side of each page.*

**Section 39(1) of the PBA requires that the commuted value of the benefit for pre-1987 employment be compared to the value of the employee contributions plus interest. If the commuted value is less than the value of the contributions plus interest it must be increased to be equal to the value of the contributions plus interest. Is the comparison to be done at the time of termination or at the time of retirement?**

The intention of section 39(1) of the PBA is that the comparison be done at the time of termination.