

April 11, 2025

VIA EMAIL

Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange
Commission
100 F Street, NE
Washington, DC 20549-7553

Re: In the Matter of Transamerica Retirement Advisors, LLC/Waiver Request of
Ineligible Issuer Status under Rule 405

Dear Office of Enforcement Liaison:

We submit this letter on behalf of our client, Transamerica Retirement Advisors, LLC (TRA or the Firm), and its ultimate parent, Aegon Ltd. (Aegon), a Bermuda reporting company with securities registered under Section 12 of the Securities Exchange Act of 1934 (Exchange Act). TRA settled an administrative proceeding brought by the U.S. Securities and Exchange Commission (SEC or Commission), resulting in a Cease-and-Desist Order against TRA pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (Advisers Act), described below. Administrative Proceeding File No. 3-22426 (Jan. 17, 2025) (Order).

Aegon is a foreign private issuer with securities listed on the New York Stock Exchange. As indicated in the most recent Annual Report on Form 20-F for Aegon Ltd., Aegon is a well-known seasoned issuer (WKSI) as defined in Rule 405 under the Securities Act of 1933 (Securities Act).

Pursuant to Rule 405 promulgated under the Securities Act, Aegon hereby respectfully requests that the Commission, directly or pursuant to authority delegated to the Division of Corporation Finance (Division), determine that for good cause shown it is not necessary under the circumstances that Aegon be considered an “ineligible issuer” under Rule 405 and therefore waive the disqualification that resulted when the Commission entered the Order.

Aegon has previously received waivers from ineligible issuer status, but the misconduct that was underlying the prior waivers was different from the misconduct that is the

subject of the Order and involved different entities in Aegon's organization, not TRA.¹

1. BACKGROUND

TRA consented to the entry of the Order without admitting or denying the findings set forth in the Order, except for the jurisdiction of the Commission and the subject matter of the proceeding. The Order finds that from June 1, 2017 to February 1, 2022 TRA breached its fiduciary duty to certain of its advisory clients by failing to disclose conflicts of interest created by paying incentive compensation to its investment advisor representatives in connection with the rollover of retirement assets to accounts with TRA. In addition, the Order finds that TRA failed to implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with disclosure of these conflicts of interest. The Order finds that TRA willfully violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

Pursuant to the Order, TRA consented to: (i) cease and desist from committing or causing any violations and any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7; (ii) a censure; and (iii) the payment of a civil monetary penalty of \$2,900,000, which the Firm will pay to clients.

2. DISCUSSION

Effective on December 1, 2005, the Commission reformed and revised the registration, communications, and offering procedures under the Securities Act.² A WKSII, as defined in Rule 405 of the Securities Act, is eligible to utilize the significant reforms in the securities offering and communication processes that the Commission adopted in 2005. A company that is an "ineligible issuer" loses the benefits bestowed on a WKSII.

¹ Aegon has previously been granted waivers regarding its WKSII status in the following instances, none of which involved TRA or the conduct at issue: *Transamerica Asset Management (TAM)* (Sept. 30, 2020) (Cease-and-Desist Order for alleged misstatements and omissions to investors related to the annual operating expenses of four money market funds that TAM managed); *Certain Investment Advisers Participating in the Share Class Disclosure Initiative* (March 11, 2019) relating to the SEC's Share Class Selection Disclosure Initiative and *Transamerica Financial Advisors, Inc. (TFA)* (Cease-and-Desist Order for alleged breaches of fiduciary duty and inadequate disclosures by TFA in connection with its mutual fund share class selection practices and the fees it and its associated persons received pursuant to Rule 12b-1 under the Investment Company Act of 1940); *AEGON USA Investment Management, LLC, et al.* (August 27, 2018) (Cease-and-Desist Order for alleged false and misleading disclosures and omissions made by certain indirect, wholly-owned subsidiaries of Aegon relating to offering, selling, and managing certain quantitative model based investment strategies offered through mutual funds, variable products and separately managed accounts); and *Transamerica Financial Advisors, Inc.* (June 24, 2014) (Cease-and-Desist Order for alleged failure to apply certain breakpoint discounts to certain retail clients by TFA and failure to adopt and implement policies and procedures to ensure that client fees were calculated as represented).

² Securities Offering Reform, Securities Act Release No. 8591, Exchange Act Release No. 52,056, Investment Company Act Release No. 26,993, 70 Fed. Reg. 44,722, 44,790 (Aug. 3, 2005) (Securities Offering Reforms).

n issuer is an ineligible issuer if, among other things, the issuer, or an entity that at the time was a subsidiary of the issuer, has been, within three years, the subject of an administrative decree or order arising out of a governmental action that requires the issuer or its subsidiary to cease and desist from violating the anti-fraud provisions of the federal securities laws or determines that the issuer or the issuer's subsidiary violated the anti-fraud provisions of the federal securities laws.³

Because TRA is an indirect, wholly owned subsidiary of Aegon, the entry of the Order against TRA makes Aegon an ineligible issuer for a period of three years after the date of the Order. This will preclude Aegon from receiving the benefits of being a WKSI for three years.

The Commission has the authority under Rule 405, directly or pursuant to authority delegated to the Division, to determine, “upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer.”⁴ Consistent with the framework outlined in the Division’s *Revised Statement on Well-Known Seasoned Issuer Waivers* (April 24, 2014) (the Revised Statement), Aegon respectfully submits that there is good cause to grant the requested waiver, as discussed below. In the Revised Statement, the Division stated that it would consider the following factors in determining whether to grant a waiver:

- The nature of the violation and whether it involved disclosure for which the issuer or any of its subsidiaries was responsible or calls into question the ability of the issuer to produce reliable disclosures currently and in the future;
 - whether the conduct involved a criminal conviction or scienter-based violation;
 - who was responsible for the misconduct and what was the duration of the misconduct;
 - what remedial steps the issuer took; and
 - the impact to the issuer if the waiver request is denied.
- a. *Nature of the Violation and Whether the Violation Casts Doubt on the Ability of the Issuer to Produce Reliable Disclosures*

The conduct described in the Order relates to the nondisclosure of certain conflicts of interest by TRA. The conduct described in the Order does not pertain to activities undertaken by Aegon in its capacity as an issuer of securities or in its filings with the Commission. Furthermore, neither TRA nor any persons associated with TRA who were involved in the activities that are the subject of the Order are involved in the preparation

³ 17 C.F.R. 230.405(1)(vi).

⁴ 17 C.F.R. 230.405(2).

or review of Aegon's public disclosures or filings with the Commission.

The Order does not describe any weaknesses or violations associated with Aegon's disclosures and other internal controls and procedures maintained by Aegon in connection with its preparation and review of its financial statements and Commission filings. In addition, Aegon and its officers and directors were not involved in the conduct at issue; they did not participate in, know about, or ignore any red flags with respect to the conduct described in the Order.

Accordingly, the violations described in the Order do not call into question Aegon's ability to provide reliable Exchange Act and Securities Act disclosures currently or in the future. The General Counsel of Aegon is satisfied that the misconduct described in the Order and in other recent Commission orders involving Aegon and/or its subsidiaries is not indicative of securities law compliance issues, including disclosures made by Aegon and its subsidiaries, throughout the Aegon enterprise.

b. *The Order Is Not Criminal in Nature and Does Not Involve Scierter-Based Fraud*

The Order does not involve a criminal conviction or scierter-based antifraud violations. Therefore, Aegon is not subject to the higher standard in showing good cause per the Revised Statement.

c. *Persons Responsible for the Misconduct*

The personnel responsible for the conduct are associated with TRA. None of those individuals has responsibility for, or any influence over, TRA's ultimate parent, Aegon, as an issuer of securities or its filings with the Commission.

TRA bears responsibility for identifying and addressing legal and compliance issues related to its business. Aegon, as the ultimate parent over its subsidiaries, including Transamerica Corporation (Transamerica) and its indirect subsidiaries such as TRA, has developed and maintains an overarching compliance framework that extends to its subsidiaries. Subsidiaries, such as TRA, operate their own compliance teams within this framework. This framework allows Aegon's subsidiaries a degree of autonomy, making them primarily responsible for identifying and addressing legal and compliance issues, but Aegon bears overall responsibility within the framework. Aegon and Transamerica compliance leadership communicate and collaborate frequently to reasonably ensure that subsidiaries take appropriate actions to address compliance issues.

Transamerica and TRA legal and compliance personnel alerted Aegon promptly upon learning of this matter in June 2021 and have kept Aegon legal and compliance personnel apprised throughout the course of the matter, including providing details of the violations, corrective actions and remediation plans.

d. *The Duration of the Misconduct*

The Order describes conduct that occurred from June 1, 2017, to February 1, 2022.

e. *Remedial Steps*

TRA has taken remedial steps to address the issues that are the subject of the Order by enhancing certain disclosures in its Form ADV Part 2A brochures (brochures) and Form CRS. During the investigation, TRA began updating the Transamerica Third-Party Money Managers (TPMM) brochure and Transamerica Personalized Portfolio (TPP) brochure on February 1, 2022, and March 22, 2022, to include enhanced disclosures providing the following descriptions of the compensation received by (1) TRA, (2) TRA's education-based advisor representatives (known as Retirement Plan Consultants or RPCs), and (3) TRA's phone-based advisors (known as the Transamerica Advice Center or TAC advisors), the conflicts of interest surrounding that compensation, and how the Firm mitigates those conflicts of interest:

- The circumstances under which TRA, RPCs, and TAC advisors earn advisory fees and other compensation for the advisory services provided to clients, including, for example, that TRA's advisors earn a salary, bonus, and incentive compensation, and may be eligible to receive non-cash awards and other non-cash benefits that are not based on sales activities;
- The sources of TRA revenue, including describing that, through the TPP and TPMM programs, TRA earns greater net revenue than what it receives for its Managed Advice Individual Retirement Account advisory services;
- The conflicts of interest raised by:
 - the compensation received by RPCs when RPCs refer plan participants to TAC advisors for advisory services, which could include discussing investment options when joining a new employer, or when retiring or leaving an employer;
 - the compensation received by TAC advisors when a client opens a retail advisory account; and
 - the incentives provided to TAC advisors to recommend that clients in existing employee-sponsored retirement plans transfer or otherwise roll over their retirement plan account balance into a TRA advisory program; and
- Mitigation of conflicts of interest relating to:
 - the compensation received by RPCs, by:

- paying bonus and incentive compensation independent of whether a referral results in the enrollment in a service or the opening of an advisory account; and
 - determining bonus and incentive compensation based on several factors, one of which is the number of referrals made by an RPC. Other factors include other activity-based goals (e.g., the number of group meetings held with participants and the number of individual one-on-one meetings with participants), an RPC's customer service ratings, and personal development goals; and
- the compensation received by TAC advisors, by:
 - “levelizing” compensation paid on advisory and brokerage account openings to prevent an advisor from seeking to sell a product that is more profitable to themselves or the firm; and
 - providing training to advisors regarding their fiduciary obligations to clients, as well as monitoring, supervising, and surveilling TAC advisors' sales activity to confirm that they have met their fiduciary or best interest obligations.

Furthermore, in October 2022, TRA established a new conflicts of interest log maintained by TRA's legal and compliance staff. The log established a centralized inventory of conflicts of interest that are subsequently reviewed and tracked by the TRA Due Diligence Committee (DDC). The log shows the DDC's consideration of conflicts of interest, relevant mitigation strategies, and potential disclosure modifications. That same month, TRA modified the charter of the DDC to provide additional details regarding the DDC's role in the review and evaluation of conflicts of interest.

In November 2022, TRA enhanced the description of conflicts of interest in its Form CRS in light of financial professionals' ability to recommend new brokerage and advisory accounts, some of which are more profitable to the Firm and/or its affiliates than others, and to reflect that the more assets deposited into a TRA advisory account, the more revenue the Firm receives. The Firm further enhanced its Form CRS to provide more detailed disclosure of its TAC advisors' compensation, including that financial professionals receive bonus and incentive compensation based on the sale of a product or service, which is typically based on the assets invested into the account and the number of accounts opened by the advisor; the number of phone calls made/received; time spent in phone queue; use of certain investment tools; number of applications sent; number of referrals and certain other activity, including assets invested in advisory or brokerage accounts.

In addition, in early 2023, TRA developed an updated product questionnaire to be used for new product presentations made to the DDC. Two of the underlying questions focus on compensation received by TRA and its representatives as well as affiliates, the creation of conflicts of interest, and how to address conflicts created. In addition, the DDC will conduct a focused review of conflicts at least annually.

In October 2024, TRA (through its outside counsel) voluntarily retained a third-party compliance consultant to conduct a regulatory review and gap analysis of TRA's written policies and procedures, disclosure documents, and related practices as they relate to the identification, assessment, mitigation, and/or disclosure of conflicts of interests and general compliance with Advisers Act related to conflicts of interest. The review assessed whether TRA's compliance program was designed to consistently and effectively prevent, detect, and correct compliance problems in a timely manner as it relates to conflicts of interest. The third-party compliance consultant completed its review on February 5, 2025, and found that TRA's compliance program had no material compliance issues, and its conflict of interest supervision and governance system was reasonably designed to effectively identify, assess, mitigate, and disclose material conflicts of interest. As part of its final report, the consultant recommended the following enhancements: (1) update disclosures to improve transparency and alignment across brochures; (2) provide clearer explanations of referral arrangements, chargeback processes, and compensation structures; and (3) expand an internal committee's focus and the conflicts of interest log process to include non-compensation-related conflicts, such as outside business activities and affiliate interconnectivity.

TRA has also agreed to reimburse clients in connection with the Order.

f. *Impact on the Issuer if the Request Is Denied*

The Division's Revised Statement provides that it will "assess whether the loss of WKSI status would be a disproportionate hardship in light of the nature of the issuer's conduct." As noted above, the conduct of the issuer, Aegon, was not at issue in the Order. Rather, the conduct in the Order was limited to TRA, a downstream subsidiary of Aegon, and was not related to parts of the broader Aegon company operations, nor did it impact debt or equity investors. As a result, Aegon respectfully submits that applying ineligible issuer status to Aegon would have a disproportionate consequence on Aegon.

Aegon is an integrated, diversified, and regulated financial services group that offers life insurance, savings, pensions, and asset management solutions with operations in numerous countries serving over 23 million customers and has maintained its WKSI status for many years. Aegon has used the automatic shelf registration process to access United States capital markets in a timely and efficient manner. Accessing the US capital markets is important in funding the company's global operations and for maintaining adequate capital and liquidity. Due to Aegon's large US businesses, Aegon has a natural funding need for US dollars. As a result, Aegon needs US dollar financing and re-financing flexibility for a meaningful portion of its existing debt. While the large amount of cash generated from the sale of its Dutch insurance business in July 2023 reduced its capital raising needs over the past year, Aegon expects to prepare and file a new automatic shelf registration statement in the coming months to replace its expired shelf. The automatic shelf registration process provides capital raising flexibility. Aegon and its subsidiaries have issued \$6.25 billion in senior and subordinated debt under its U.S. shelf registration. In addition, Aegon has issued almost 600 million common shares under its

automatic shelf registration statements. Losing its status as a WKSI could limit Aegon's ability to efficiently access the United States capital markets as the need for additional capital and liquidity arises and when market conditions are most advantageous because of the inability to file an automatic shelf registration statement to register the offer and sale of an indeterminate amount of securities or to register the offer and sale of a type of security not covered by an existing registration statement.

3. CONCLUSION

Accordingly, Aegon respectfully requests that the Commission, or the Division pursuant to delegated authority on behalf of the Commission, determine that there is good cause for Aegon not to be considered an "ineligible issuer" as a result of the Order and grant this request for waiver from ineligible issuer status.

If you have any questions regarding any of the foregoing, please contact me.

Sincerely,



Brian L. Rubin