



1801 California St, STE 5200
Denver, CO 80202

December 14, 2018

The Honorable Hester Peirce
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Dear Commissioner Peirce,

This letter is to follow up on the October 19th meeting representatives of Transamerica, Lincoln Financial, Jackson National and Pacific Life held with you to discuss the impact of proposed Regulation Best Interest (the "Proposed Rule") on variable annuities.

As promised in our meeting, following are suggested changes to paragraph (b)(2) of the Proposed Rule's "retail customer investment profile" language. The revisions noted in bold will ensure, consistent with the elevated best interest standard, that broker dealers will fully identify the longevity risk tolerance and retirement income needs of their retail customers and take these considerations into account when making recommendations:

Revised Section 240.15l-1(b)(2):

Retail Customer Investment and Income Profile includes, but is not limited to, the retail customer's age, other investments, **other sources of guaranteed and non-guaranteed income**, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, **tolerance for relevant risks including market risk and longevity risk, retirement income needs** and any other information the retail customer may disclose to the broker, dealer, or a natural person who is an associated person of a broker or dealer in connection with a recommendation **or that the broker-dealer determines is relevant.**

The Proposing Release acknowledges that the items mentioned in customer investment profile are derived from FINRA Rule 2111, the FINRA suitability rule, and that the Commission believes that using a "consistent definition across existing suitability requirements and proposed Regulation Best Interest" would be of benefit to broker-dealers when making "best interest" recommendations. Therefore we further request that the Commission work with FINRA in making conforming changes to its Rule 2111.

The above recommended language is consistent with the Commission's statement in the Proposing Release that "Broker-dealers play an important role in helping Americans organize their financial lives, **accumulate and manage retirement savings**, and invest toward other important long-term goals, such as buying a house or funding a child's college education." (Emphasis added.) More Americans are living longer during their retirement years and fewer have access to defined benefit plans that could have provided the certainty of lifetime income. People are expected to save for their retirement on their own, and need help in understanding the benefits and risks of investment choices available in managing their

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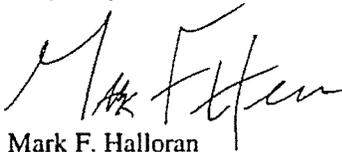
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private savings to meet their financial goals and objectives. An important component of that financial plan should be inclusion of a reliable source of income throughout their retirement. Variable annuities should be in that mix as they protect investors against inflation, longevity, and market risks through underlying investment accounts by providing guaranteed income for life.

Thank you for your consideration of our recommended changes to the customer investment profile.

Please do not hesitate to contact me if you have any questions.

Very truly,



Mark F. Halloran
VP Managing Director, Business Development
Transamerica

Cc: The Honorable Jay Clayton
The Honorable Robert J. Jackson, Jr.
The Honorable Elad L. Roisman
The Honorable Kara M. Stein

Transamerica
Maurice Perkins, Global Head of Government & Policy Affairs
Jackson National
Drew Bowden, General Counsel
Lincoln Financial Group
Will Fuller, President of Annuity Solutions
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