



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

June 24, 2014

Burton W. Wiand
Wiand Guerra King P.L.
5505 West Gray Street
Tampa, FL 33609

Re: In re Transamerica Financial Advisors, Inc., (FL-03794)
AEGON N.V. – Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act

Dear Mr. Wiand

This is in response to your letter dated June 11, 2014, written on behalf of AEGON N.V. (Company) and its subsidiary Transamerica Financial Advisors, Inc. (“TFA”) and constituting an application for relief from the Company being considered an “ineligible issuer” under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). The Company requests relief from being considered an “ineligible issuer” under Rule 405, due to the entry on April 3, 2014, of a Commission Order (Order) pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) naming TFA as a respondent. The Order requires that, among other things, TFA cease and desist from committing or causing any violations and any future violations of Sections 206(2), 206(4) and 207 of the Advisers Act and Rule 206(4)-7 thereunder.

Based on the facts and representations in your letter, and assuming the Company and TFA comply with the Order, the Commission, pursuant to delegated authority has determined that the Company has made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts from those represented would require us to revisit our determination that good cause has been shown. In addition, this waiver is expressly conditioned on compliance with the Order.

Sincerely,

/s/

Mary Kosterlitz
Chief, Office of Enforcement Liaison
Division of Corporation Finance

Burton W. Wiand
Direct Dial: 813.347.5101
bwiand@wiandlaw.com

June 11, 2014

Via Federal Express

Mary J. Kosterlitz, Esq.,
Chief, Office of Enforcement Liaison
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: *In re Transamerica Financial Advisors, Inc.*, File No. 3-15822

Dear Ms. Kosterlitz:

This letter is submitted on behalf of our client, AEGON N.V. (“AEGON”), a reporting company registered pursuant to Section 12(b) of the Securities Act of 1933, in connection with the settlement of the above-captioned administrative proceeding by the Securities and Exchange Commission (the “Commission”) with Transamerica Financial Advisors, Inc. (“TFA”), an indirect investment adviser subsidiary of AEGON. The settlement includes the entry of a cease-and desist order against TFA (the “Order”), which is described below.

Pursuant to Rule 405 promulgated under the Securities Act of 1933 (the “Securities Act”), AEGON hereby requests that the Commission determine that for good cause shown it is not necessary under the circumstances that AEGON be considered an “ineligible issuer” under Rule 405.

BACKGROUND

The staff of the Division of Enforcement engaged in settlement discussions with TFA in connection with the above-captioned administrative and cease and desist proceeding brought pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 and Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, which alleges willful violations of Sections

206(2), 206(4), and 207 of the Investment Advisers Act of 1940 (the “Advisers Act”) and Rule 206(4)-7 thereunder. As a result of these discussions, TFA submitted an Offer of Settlement (the “Offer”) to the Commission, and the Commission accepted the Offer.

In the Offer, TFA agreed to consent to the issuance of the Order without admitting or denying the matters set forth therein (other than those relating to the jurisdiction of the Commission over it and the subject matter solely for purposes of that action).

Pursuant to the Order, which was issued on April 3, 2014, TFA consented to an Order finding that it willfully violated Sections 206(2), 206(4), and 207 of the Advisers Act and Rule 206(4)-7 thereunder by failing to apply certain “breakpoint discounts despite client requests for aggregation” of accounts and also by failing “to adopt and implement adequate policies and procedures to ensure that its clients’ fees were calculated as represented.” *See* Order § III.A.1. The Order requires TFA to cease and desist from committing or causing any violations and any future violations of Sections 206(2), 206(4), and 207 of the Advisers Act and Rule 206(4)-7 thereunder. Prior to the entry of the Commission’s Order, TFA had fully reimbursed its clients. Thus, the Order does not require disgorgement, but it imposes a civil monetary penalty of \$553,624. TFA is also ordered to comply with certain undertakings.

DISCUSSION

AEGON understands that as a result of the entry of the Order, it is an “ineligible issuer” under Rule 405 of Regulation C. If AEGON is an ineligible issuer, it would not be able to qualify as a well-known seasoned issuer, and, therefore, would not have access to file-and-go and other reforms available to well-known seasoned issuers, and would not be eligible to take advantage of all of the free writing prospectus reforms of Rules 164 and 433.

AEGON respectfully requests that the Commission determine that it is not necessary for AEGON to be considered an ineligible issuer as a result of the Order. Applying the ineligibility provisions to AEGON would be disproportionately and unduly severe for five principal reasons.

First, the conduct alleged in the Order does not pertain to activities undertaken by AEGON in connection with any of AEGON’s filings with the Commission nor is AEGON alleged to have been a primary violator of the federal securities laws. All of the pertinent conduct allegedly occurred at TFA, an indirect subsidiary of AEGON, and it involved TFA’s investment advisory operations.

Second, the Order alleges only non-scienter based violations of the securities laws. The Division has indicated that it “will review whether the conduct involved a criminal conviction or

scienter based violation, as opposed to a civil or administrative non-scienter based violation.”¹ Here, the Order alleges TFA principally violated Section 206(2) of the Advisers Act, but the Order expressly acknowledges that “[p]roof of scienter is not required to establish a violation of Section 206(2) ... but, rather, may rest on a finding of simple negligence.” Order § III.D.18. In addition, the Division has previously stated that Sections 206(2) and 206(4) of the Advisers Act “are non-scienter based.” *See* 2014 Statement at fn. 6.

Third, the Order does not mention AEGON or its officers or directors. The Division has indicated that it will consider “who was responsible for the misconduct and whether it was known by the WKSI parent or whether personnel at the WKSI parent ignored warning signs regarding the misconduct.” 2014 Statement. As mentioned above, all of the pertinent conduct allegedly occurred at TFA, and there are no allegations in the Order or otherwise that AEGON’s officers, directors, or employees participated in or condoned any claimed misconduct.

Fourth, TFA has taken substantial remedial steps to remedy the alleged violations, including the reimbursement of its customers. The Division has indicated that it “will consider what remedial measures the issuer has taken to address the violative conduct and whether those actions would likely prevent a recurrence of the misconduct and mitigate the possibility of future unreliable disclosure.” 2014 Statement. Here, AEGON was not required to undertake any remedial measures itself because, as explained above, the alleged conduct did not involve AEGON or its disclosures about itself. Rather, it involved solely TFA’s investment advisory operations, and TFA has engaged in extensive remedial efforts.

The remedial efforts undertaken by TFA include conducting “a firm-wide review of client accounts” and the payment of \$553,624.32 in refunds or credits to 2,304 affected accounts. This review and reimbursement occurred before the entry of the Order. Also before the entry of the Order, TFA revised its policies and procedures to address the deficiencies noted in the Order. The Independent Consultant who was retained pursuant to the Order has already found that “these changes adequately address the problems noted by the Commission in the Order.” Further, the Independent Consultant has made recommendations to TFA to further enhance its policies and procedures to assure there is no recurrence of past problems. TFA has accepted these recommendations and is currently implementing the recommendations.

TFA is governed by a Board of Directors which oversees the activities of both the broker-dealer and the registered investment advisor. TFA also has a number of properly licensed, registered principals who are involved in the day to day operations of the broker-dealer and registered investment advisor. As reported on the firm’s Forms BD and ADV, TFA is an indirect subsidiary of AEGON U.S. Holding

¹ *See* <http://www.sec.gov/divisions/corpfin/guidance/wksi-waivers-interp-031214.htm>, accessed April 7, 2014 (the “2014 Statement”).

Mary J. Kosterlitz
June 11, 2014
Page 4

Corporation which is ultimately owned by AEGON N.V.² The U.S. holding companies regularly request information regarding pending and final actions against subsidiaries and provide information to AEGON N.V., as necessary, to facilitate required disclosures regarding material regulatory matters, litigation, arbitration and contingent liabilities arising out of such matters (e.g. in the AEGON N.V. Form 20-F).

Fifth, the impact on AEGON of a denial of this waiver request will be to prevent AEGON from taking advantage of pertinent financing windows. For example, AEGON has an existing shelf registration on Form F-3 that will expire on June 14, 2014. Denial of this waiver request would prevent AEGON from filing another registration statement as a “well-known seasoned issuer,” which in turn would inconvenience AEGON’s ability to raise capital and, at minimum, result in increased costs and expenses. The Division has indicated that it will “assess whether the loss of WSKI status would be a disproportionate hardship in light of the nature of the issuer’s misconduct.” 2014 Statement. Given the imminent expiration of AEGON’s existing shelf registration and the preceding four factors, AEGON’s loss of its WSKI status would be a disproportionate hardship, and it would do nothing to advance “the public interest and the protection of investors.” *Id.* This is especially true since the conduct involved in the administrative proceeding did not involve any conduct by AEGON NV or any of its filings.

In light of these considerations, we believe there is good cause to determine that AEGON should not be considered an ineligible issuer under Rule 405 as a result of the Order. *See, e.g., U.S. Pension Trust Corp.*, 2010 WL 3737922 (2010) (granting relief where issuer was not primary violator, alleged violations did not relate to issuer’s disclosures, and violations did not involve scienter); *Goldman Sachs Group, Inc.*, 2010 WL 2895309 (2010) (granting relief where alleged violations did not relate to issuer’s disclosures); *First Southwest Co.*, 2008 WL 4325859 (2008) (same). We respectfully request the Division make that determination.

Please contact me at the above listed telephone number if you should have any questions regarding this request.

Sincerely yours,



Burton W. Wiand

² TFA is owned by AUSA Holding Company (51.6%), AEGON Asset Management Services, Inc. (37.62%), and Transamerica International Holdings, Inc. (10.78%). AUSA Holding Company is owned by AEGON USA, LLC. AEGON USA, LLC is owned by AEGON U.S. Holding Corporation. AEGON U.S. Holding Corporation is owned by Transamerica Corporation. Transamerica Corporation is owned by the AEGON Trust. The AEGON Trust is owned by AEGON N.V.

Mary J. Kosterlitz
June 11, 2014
Page 5

cc: Chad Earnst
Salvatore Massa