

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 100270 / June 4, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18681**

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**In the Matter of**

**AEGON USA INVESTMENT  
MANAGEMENT, LLC,  
TRANSAMERICA ASSET  
MANAGEMENT, INC.,  
TRANSAMERICA CAPITAL, INC.  
AND TRANSAMERICA FINANCIAL  
ADVISORS, INC.,**

**Respondents.**

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**ORDER AUTHORIZING THE  
TRANSFER TO THE U.S.  
TREASURY OF THE REMAINING  
FUNDS AND ANY FUNDS  
RETURNED TO THE FAIR FUND  
IN THE FUTURE AND  
TERMINATING THE FAIR FUND**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18682**

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**In the Matter of**

**BRADLEY J. BEMAN,**

**Respondent.**

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**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18683**

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**In the Matter of**

**KEVIN A. GILES,**

**Respondent.**

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On August 27, 2018, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Section 15(b) of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Section 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the “Aegon Order”)<sup>1</sup> against Aegon USA Investment Management, LLC, Transamerica Asset Management, Inc., Transamerica Capital, Inc. and Transamerica Financial Advisors, Inc. (collectively, the “Aegon Respondents”). In the Aegon Order, the Commission found that between July 2011 and June 2015, the Aegon Respondents violated the federal securities laws while offering, selling, and managing quantitative-model-based mutual funds, variable life insurance investment portfolios, and variable annuity investment portfolios and separately managed account strategies.

The Commission ordered the Aegon Respondents to pay \$53,299,896.00 in disgorgement, \$8,022,144.00 in prejudgment interest, and \$36,300,000.00 in civil money penalties, for a total of \$97,602,040.00. The Commission also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalties, along with the disgorgement and prejudgment interest paid by the Aegon Respondents, as well as any penalties paid by Bradley J. Beman (“Beman”)<sup>2</sup> and Kevin A. Giles (“Giles”)<sup>3</sup> in their respective proceedings, could be distributed to harmed investors (the “Fair Fund”). Simultaneously, the Commission issued two related settled orders against Beman, Aegon’s Global Chief Investment Officer, and Giles, Aegon’s Director of New Initiatives, and ordered them to pay a \$65,000.00 and \$25,000.00 civil money penalty respectively into the Fair Fund.

The Aegon Respondents, Beman, and Giles paid a collective total of \$97,692,040 pursuant to their respective Orders, comprising the Fair Fund.

Pursuant to the Aegon Order, the Aegon Respondents were responsible for administering the Fair Fund at their own expense pursuant to a calculation specified in the Aegon Order. The Aegon Respondents compensated advisory clients in an amount representing the *pro-rata* fees and commissions paid by the client and interest. No *de minimis* threshold was applied. The Aegon Respondents issued checks totaling \$97,691,822.04, of which \$93,076,053.19 was successfully disbursed (95.28%) to recipients, resulting in the harmed investors being fully compensated with reasonable interest. A total of \$4,619,370.26 remains in the Fair Fund, representing the amounts that would have gone to affiliates, uncashed checks, returned funds, tax refunds and other residual amounts.

The Aegon Order further requires the Respondents to provide a final accounting to the Commission staff for submission to the Commission for approval. Upon approval of the final

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<sup>1</sup> Securities Act Rel. No 10539 (Aug. 27, 2018).

<sup>2</sup> See Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Section 15(b) of the Securities Exchange Act of 1934, Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, and Section 9(f) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order, Securities Act Rel. No. 10539 (Aug. 27, 2018); Admin. Proc. File No. 3-18681.

<sup>3</sup> See Order Instituting Cease-and-Desist Proceedings Pursuant to Section 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing a Cease-and-Desist Order, Advisers Act Rel. No. 4997 (Aug. 27, 2018); Admin. Proc. File No. 3-18682.

accounting, all remaining amounts in the Fair Fund that are infeasible to return to investors, and any funds returned in the future that are infeasible to return to investors, are to be sent to the U.S. Treasury. The Aegon Respondents' final accounting has been submitted to the Commission for approval, as required by the Order, and has been approved.

Accordingly, it is ORDERED that:

- A. the remaining funds that are infeasible to return to investors, in the amount of \$4,619,370.26, and any funds returned to the Fair Fund in the future that are infeasible to return to investors, shall be transferred to the U.S. Treasury, subject to Section 21F(g)(3) of the Securities Exchange Act of 1934 [15 U.S. Code § 78u-6(g)(3)]; and
- B. the Fair Fund is terminated.

By the Commission.

Vanessa A. Countryman  
Secretary