



GENERAL HISTORY

AEGON's operations in the Americas comprise of AEGON USA and AEGON Canada and are referred to collectively as AEGON Americas.

AEGON USA was formed in 1989 when AEGON decided to consolidate the United States holding companies under one financial services holding company. Business operations are conducted through life insurance subsidiaries of AEGON USA Inc., Commonwealth General and Transamerica Corporation. Products are offered through several primary life insurance subsidiaries, with licenses in every state of the United States, the District of Columbia, Puerto Rico, the Virgin Islands and Guam. Reference to AEGON, or AEGON USA, generally means one or more of its operating subsidiaries.

The primary insurance subsidiaries in the United States, all of which are wholly owned, are:

- Transamerica Financial Life Insurance Company, Inc., Purchase (New York USA)
- Life Investors Insurance Company of America, Cedar Rapids (Iowa USA)
- Monumental Life Insurance Company, Baltimore (Maryland USA)
- Peoples Benefit Life Insurance Company, Cedar Rapids (Iowa USA)
- Stonebridge Casualty Insurance Company, Columbus (Ohio USA)
- Stonebridge Life Insurance Company (formerly J.C. Penney), Rutland (Vermont USA)
- Transamerica Life Insurance & Annuity Company, Charlotte (North Carolina USA)
- Transamerica Life Insurance Company, Cedar Rapids (Iowa USA)
- Transamerica Occidental Life Insurance Company, Cedar Rapids (Iowa USA)
- Western Reserve Life Assurance Co. of Ohio, Columbus (Ohio USA)
- Veterans Life Insurance Company, Springfield (Illinois USA)
- First AUSA Life Insurance Company, Baltimore (Maryland USA).

The United States operations (carried out by the collective group of operating companies in the United States) primarily sell life insurance products, including traditional life insurance, universal life insurance, variable universal life insurance, guaranteed investment contracts, funding agreements, fixed annuities and variable annuities. AEGON's operations in the United States also sell accident and health insurance, but made the strategic decision to move away from primary health coverage a number of years ago and to concentrate health operations in the supplemental coverage sector. The majority of earnings contributions from AEGON's operations in the United States are derived from traditional life products.

Operationally, the United States subsidiary companies contain five operating groups acting through one or more of the AEGON USA life insurance companies: Agency, Direct Marketing Services, Financial Markets, Institutional Products and Services, and Pension. The group structure enables AEGON USA to manage across the organization more easily and to identify business synergies, pursue cross-selling opportunities and improve operating efficiencies. Coordinated support services provide expertise in systems technology, investment management, regulatory compliance and various corporate functions to complement operations. Products are offered and distributed through one or more of the AEGON USA licensed insurance or brokerage subsidiary companies. The divisions referenced below are part of those subsidiary companies.

PRODUCTS AND DISTRIBUTION

AGENCY GROUP

The Agency Group divisions offer a wide range of insurance products through career and independent agents, registered representatives, financial advisors and specialized marketing organizations, and target distinct market segments ranging from home service to the advanced market that serves clients with higher net worth by providing various tax and estate planning products. The Agency Group consists of the following divisions:

- AEGON Financial Partners
- Life Investors Career Agents/Independent Producers Group
- Intersecurities, Inc.
- Transamerica Insurance & Investment Group
- World Financial Group
- Monumental Division
- Long Term Care Division and
- Worksite Marketing.

AEGON Financial Partners (AFP) was formed in early 2002 as a new internal service organization to enable the Agency Group to take better advantage of its combined size and strength by integrating the operations, technology and service functions of separate but similar operating groups. AFP provides services to Life Investors Career Agents/Independent Producers Group, Intersecurities, Transamerica Insurance & Investment Group and World Financial Group.