



News

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Transamerica Retirement Services Provides Employers with a Guaranteed Blueprint for Increasing Participation

— A first-of-its kind program, “Plus 15SM Participation Guarantee” highlights participation-driven enrollment, educational tools and plan design as keys to increased participation—

LOS ANGELES (August 17, 2005) – In response to a long-standing challenge in retirement planning, Transamerica Retirement Services (“Transamerica”)¹ has announced a new program guaranteeing a 15 percent increase in plan participation for companies who move their retirement plans to Transamerica. The program, known as “Plus 15 Participation Guarantee,” is centered on Transamerica’s enrollment workshops and award-winning education initiatives, as well as plan design components that are proven to drive participation. Transamerica guarantees qualified plan sponsors who adopt the Plus 15 Participation Guarantee program an increase in participation of at least 15 percent² within the first quarter following enrollment with Transamerica or Transamerica will refund their administrative fees for the first quarter.

“Participation rates are the number one concern for many plan sponsors and the brokers who work with them,” said Kent Callahan, President and CEO of Transamerica Retirement Services. “As the first retirement plan provider to offer a pledge like this, we have confidence in our abilities and tools to design a plan that we guarantee will deliver increased participation for new clients who have struggled in the past.”

The Plus 15 Participation Guarantee will be available for qualified, new takeover plans currently struggling to meet their participation goals. In order to qualify, plan sponsors must have a current participation rate of less than 75 percent; make no material reduction to benefits from their current plan to the Transamerica plan; and ensure all eligible, non-participating employees attend a Transamerica enrollment workshop prior to the enrollment deadline. Plan sponsors must provide Transamerica with current participation data which brokers will use to conduct a free analysis of the plan environment and create a customized report outlining recommendations of key participation drivers. Plan sponsors must select a minimum of four Transamerica recommended participation drivers.

The centerpiece of the program is Transamerica’s interactive enrollment workshop. During these in-person meetings, Transamerica’s certified enrollers walk employees through a five-step process as they learn about retirement savings, examine personal risk tolerance, determine savings goals, select investments and begin saving for retirement. Employees who attend an enrollment workshop generally leave enrolled in their company’s retirement plan with an actionable strategy for their retirement savings.

The other key component of Plus 15 Participation Guarantee is a plan design that encourages active participation through the availability of various plan features identified as having a favorable impact on plan participation. The plan features were chosen based on Transamerica’s experience working with small

business clients, as well as findings from the 2004 LIMRA study which revealed compelling data on the positive impact of key plan design components on plan participation. The study showed that combinations of various component offerings, including employer matching and limited investment options, increased the likelihood that individuals would participate in their 401(k) plans.

“This guarantee further positions Transamerica as a forward-looking provider and an industry leader in participant education and communications,” said Callahan. “We’re confident in our ability to deliver on this promise, and look forward to working with employers to provide a retirement plan that will enable employees to meet their retirement goals through this program.”

About Transamerica Retirement Services

Transamerica Retirement Services creates customized retirement plan solutions designed to fit the growing business needs of today’s small to mid-sized businesses — the fastest-growing segment of the retirement plan market. Transamerica Retirement Services offers products underwritten by Transamerica Life Insurance and Annuity Company (Transamerica) and its affiliates. Transamerica is a member of the AEGON Group, a multinational insurance organization with over 27,000 employees. The AEGON Group is one of the world’s leading pension, life insurance and financial services organizations with \$325 billion in assets and a net worth of \$25 billion³

Transamerica Retirement Services is a top-ten retirement provider⁴ to more than 15,000 customers throughout the U.S., serving more than 650,000 individual participants. It has \$10.6 billion⁵ in assets under management by Transamerica Investment Management, LLC and other well-known mutual fund companies. Transamerica Investment Management, LLC is one of the AEGON Group of companies.

¹ Transamerica or Transamerica Retirement Services refers to Transamerica Financial Life Insurance Company (TFLIC). TRS markets the products and services of TFLIC and its affiliates. Transamerica and its representatives do not give ERISA, tax or legal advice. This document is provided for informational purposes only and should not be construed as ERISA, tax or legal advice.

² Plan participation is defined as the number of employees actively contributing and/or receiving employer Safe Harbor contributions under Internal Revenue Code Section 401(k)(12). Plus 15 participation will be assessed in comparison to the status of the plan participation data of the current plan immediately prior to transitioning to Transamerica.

³ Source: AEGON NV annual report 2005. Obligations covered under the terms of any insurance policy are guaranteed only by the assets of the licensed insurance company that underwrites the coverage.

⁴ *Transamerica Retirement Services ranks as one of the top-ten retirement services provider based on data published in CFO Magazine's April & May 2005 report "CFO Buyer's Guide: 401(k) Providers." This ranking is derived from data on the total number of plans managed by investment companies reporting over \$8 billion in 401(k) assets.*

⁵ As of 12/31/04.