

The Washington Letter is a regular update and commentary on national politics and policy affecting the AEGON companies.

JANUARY 29, 2010

## Citizens United vs. FEC

On January 21st, the Supreme Court handed down its opinion on Citizens United vs. The FEC, partially overturning the long-standing restrictions on political spending by corporations, unions and other organizations. Wednesday night in his [State of the Union address](#), President Obama noted his concerns about the opinion and urged Congress to pass legislation prohibiting foreign owned companies from participating in federal elections.

The Supreme Court opinion and President Obama's remarks have been all over the news and everyone seems to have an opinion about it, [but what does it mean for the AEGON companies?](#)

## Let's Start with the Players:

[Citizens United](#): "... an organization dedicated to restoring our government to citizens' control."

[Federal Election Commission \(FEC\)](#): Established by Congress in 1975 to administer and enforce the statute that governs the financing of federal elections.

## The Controversy:

**McCain-Feingold Act:** It limited personal and corporate contributions to political candidates and parties and **placed content and timing restrictions on political advertising.**

Citizens United claimed that the FEC violated their First Amendment Right to free speech by blocking the promotion of the controversial movie "[Hillary: The Movie](#)" just before the 2008 elections and sued.

## The Supreme Court Ruling:

The Supreme Court Ruling found that the McCain-Feingold Act restrictions on the funding of political advertising based on its content and timing are unconstitutional. With this Ruling, the rest of the Act, including the [limits on financial contributions](#) anyone can make to a federal election campaign, will remain intact.

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## AEGON will continue to support our trade associations and coalitions that represent our interests.

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The restrictions that were in place stated that no corporation, non-profit organization, union or entity funded by any of them, could use broadcast ads that named a federal candidate within 30 days of a primary election and 60 days of a general election. The Supreme Court lifted these restrictions -- allowing these entities to directly support or oppose candidates in public advertising. It is important to note that corporate-sponsored advertising **CANNOT** be coordinated with candidates or political parties.

## What will the AEGON companies do with this?

What we **won't** be doing is running smear campaigns or any other campaign ads just before any elections.

AEGON will continue to support our trade associations and coalitions that represent our interests. We anticipate that these groups will consider taking advantage of these new opportunities. The focus of our government relations function will continue, however, to be on the issues. Furthermore, AEGON companies will continue to be active in the political process to help ensure a legislative and regulatory environment in which we can grow our business. Many of our employees are also active in the political process, representing their personal interests. Our [Business Practice on Political Involvement](#) provides guidance and rules for such participation in the political process that is well within congressional ethics rules--including the full disclosure of all lobbying activities. AEGON USA does not, however, plan to expend any corporate funds in support of federal election campaigns.

## **How will this impact the AEGON companies political spending as it is a foreign owned company?**

The Company will continue to engage in the U.S. political process in accordance with U.S. law and sound ethical standards. We have not yet seen the details of the legislation called for by President Obama, and therefore cannot comment on its impact on AEGON. The Company will continue to advocate for a level playing field, for both domestic and foreign companies operating in the U.S. and in other countries in which it has operations.

## **So what about the AEGON USA PAC?**

The AEGON USA PAC dollars are still preserved for direct contributions to the campaigns of both Republican and Democratic candidates for political office who are in a position to advocate proposals that recognize our business interests, as well to certain of our trade association PACs.

We appreciate your continued support in our government relations efforts and invite you to reach out with any question or concerns that you may have regarding this ruling.

Sincerely,

AEGON USA Government Relations Team