

Summary of terms and conditions in relation to the Debentures

Sr. No.	Heading	Particulars
1.	Issuer	Aegon Life Insurance Company Limited
2.	Debenture Holder	AEGON India Holding B.V.
3.	Type and Nature of Instrument	Unsecured, unlisted, redeemable, non-convertible debentures which classify as 'subordinated debt' under the IRDAI (Other Forms of Capital) Regulations, 2015
4.	Mode of Issue	Private placement
5.	Issue Size	Rs. 700,000,000/- (Rupees seven hundred million)
6.	Number of Debentures	700 (seven hundred)
7.	Face Value	Rs.1,000,000/- (Rupees one million) per debenture
8.	Issue Price	At par
9.	Nature of Instrument and Mode of Consideration	The debentures / instrument will be fully paid-up and issued for cash.
10.	Seniority of Claims	The seniority of claims shall be governed as follows in accordance with the IRDAI (Other Forms of Capital) Regulations, 2015: Subordinated Debt: The claims of the holders of the subordinated debt shall be superior to the claims of the investors in preference shares and equity shares in that order but shall be subordinated to the claims of the policyholders and all other creditors.
11.	Guarantee	The debentures will not be covered by a guarantee of the Issuer or other arrangements that will enhance the seniority of the claims against the claims of the insurer's policyholders and creditors.
12.	Tenor	15 years from the Deemed Date of Allotment
13.	Deemed Date of Allotment	The date on which the Debentures are issued and subscription monies are deposited in the designated account of the Issuer
14.	Redemption	On expiry of 15 years from the Deemed Date of Allotment, unless redeemed earlier due to exercise of call option or upon an event of default
15.	Redemption Premium / Discount	Nil
16.	Redemption Amount	Rs.1,000,000/- (Rupees one million) per debenture
17.	Coupon rate / Interest	9.5% per annum
18.	Step Up / Step Down Coupon Rate	Not applicable
19.	Call Option	After the expiry of 5 years from the Deemed Date of Allotment, the Issuer shall have the right but not the obligation to, subject to the IRDAI Regulations, redeem the Debentures in full or partially.

20.	Call Option Date	At any time after 5 years from the Deemed Date of Allotment
21.	Call Notification Time	In the event that the Issuer is desirous of exercising the Call Option, the Issuer shall provide the Debenture Holder a prior written notice of not less than 30 (thirty) days specifying its intention to redeem the Debentures (such notice to include the number of Debentures to be redeemed).
22.	Incentive on Redemption or Exercise of Call Option	No incentive or redemption premium, by whatever name called, shall be payable by the Issuer to the Debenture Holder on redemption of the Debentures or on exercise of the call option by the Issuer.
23.	Coupon Payment Period	For the first year, the period commencing from the Deemed Date of Allotment up to the last Business Day of the end of Financial Year 2017-18. For subsequent years, the period commencing from the expiry of the last Coupon Payment Date upto the last Business Day of the end of the relevant Financial Year.
24.	Coupon Payment Dates	The date which is the last Business Day of the end of each Financial Year during the period commencing from the Deemed Date of Allotment and ending on the Redemption Date.
25.	Coupon Type	Fixed
26.	Coupon Reset Process	None
27.	Day Count Basis	Coupon payable will be calculated on the basis of actual number of days elapsed in a year of 365 or 366 days, as the case may be.
28.	Interest Payment Clause	<p>(a) For any Coupon Period, Interest shall not be liable to be accrued or paid on the Coupon Payment Date relevant to that Coupon Period if: (a) the Issuer's solvency margin is below the minimum regulatory requirements prescribed by the IRDAI; or (b) the impact of such payment would result in the Issuer's solvency margin falling below or remaining below the minimum regulatory requirements prescribed by the IRDAI.</p> <p>(b) For any Coupon Period, in the event the Interest payable by the Issuer results (as on the Coupon Payment Date relevant to that Coupon Period) in a net loss to the Issuer or increases the net loss of the Issuer (as on the Coupon Payment Date relevant to that Coupon Period), then while the Issuer shall accrue the Interest in its books of account, the payment of such accrued Interest for that Coupon Period shall be subject to receipt of the IRDAI's prior approval. The Issuer may, at its option, choose to approach the IRDAI for seeking such approval, or choose to roll over the Interest for that Coupon Period such that the unpaid Interest for that Coupon Period is paid in accordance with paragraph (c) below.</p> <p>(c) Any accrued Interest amount that remains unpaid in respect of a Coupon Period shall be payable on subsequent Coupon Payment Dates, subject to (i) the Issuer's solvency margin ratio being above the minimum regulatory requirements prescribed by the IRDAI on the relevant subsequent Coupon Payment Date; (ii) the payment</p>

		<p>of all outstanding Interest (together with interest thereon) not resulting in the Issuer suffering a net loss as indicated in its profit and loss account for the period ending on such subsequent Coupon Payment Date or increasing the net loss of the Issuer as of such subsequent Coupon Payment Date and (iii) prior approval of IRDAI, if required. Any accrued Interest shall be payable with compound interest thereon, compounded annually, and such compound interest being at the same rate as the Coupon Rate applicable for the Coupon Period to which the payout relates. The interest so payable shall be calculated from the date on which the Interest for a Coupon Period became due until the date of actual payment of such Interest.</p> <p>(d) Non-payment of Interest for any Coupon Period due to applicability of paragraphs (a) and (b) above, as the case may be shall not be treated as an event of default for non-payment.</p>
29.	Interest on Application Money	Not applicable
30.	Objects of the issue	General corporate purposes and to meet the solvency requirements of the Issuer
31.	Issuance Mode	In demat mode only
32.	Listing	Unlisted debentures
33.	Depository	National Securities Depositories Limited
34.	Registrar	Karvy Computershare Private Limited
35.	Business Day Convention	<p>Any day of the week (excluding non-working Saturdays, Sundays and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881)) on which banks are open for business in Mumbai and Amsterdam, the Netherlands, shall be a Business Day for the purpose of this Agreement.</p> <p>If the date for performance of any event or the Redemption Date is not a Business Day, then the Due Date in respect of the performance of such event or the Outstanding Amounts in respect of the Redemption Date shall be paid on the previous Business Day.</p> <p>If a Coupon Payment Date falls on a date which not a Business Day, then the interest on the Debentures shall be paid on the succeeding Business Day.</p>
36.	Transaction Documents	<p>(a) Debenture Subscription Agreement between the Issuer and the Debenture Holder;</p> <p>(b) Private placement offer letter in relation to the Debentures in the form specified pursuant to sub-rule (1) of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014;</p> <p>(c) Tripartite agreement between the Issuer, Karvy Computershare Private Limited and National Securities Depositories Limited; and</p> <p>(d) Any other document the Debenture Holder may notify to be a Transaction Document.</p>

37.	Conditions Precedent to Subscription of Debentures	As per the Debenture Subscription Agreement between the Issuer and the Debenture Holder (Clause 6 of the Debenture Subscription Agreement)
38.	Conditions Subsequent to Subscription of Debentures	As per the Debenture Subscription Agreement between the Issuer and the Debenture Holder (Clause 8 of the Debenture Subscription Agreement)
39.	Events of Default and Consequences of Event of Default	As per the Debenture Subscription Agreement between the Issuer and the Debenture Holder (Clause 12 of the Debenture Subscription Agreement)
40.	Governing Law	Laws of India
41.	Jurisdiction	Exclusive jurisdiction of the courts at Mumbai if the Issuer is the applicant, or non-exclusive jurisdiction of the courts at Mumbai if the Debenture Holder is the applicant (i.e. the Debenture Holder shall not be prevented from making such an application in any other court (in India) exercising competent jurisdiction)
42.	Dispute Resolution	Arbitration in accordance with the rules prescribed by the Mumbai Centre for International Arbitration with seat at Mumbai
43.	Default Coupon Rate / Default Interest	Not applicable.
44.	Pledge / Encumbrance of Debentures	The Debentures / instrument will not be pledged or encumbered by the Debenture Holder for the purpose of availing a loan or any other credit facility.
45.	End Use restrictions	The proceeds will not be utilized for investment in real estate business, capital markets, purchase of land or any other restricted purposes under guidelines issued by the RBI and SEBI.

For Aegon Life Insurance Company Limited



K S Gopalakrishnan
Managing Director & CEO

Date : 15 November 2017