

ISSUE MEMORANDUM



BOATS Investments (Netherlands) B.V.
(incorporated with limited liability in the Netherlands)

U.S.\$10,000,000,000
Secured Note Programme

Series 140 NOK 33,105,000
Secured Repackaged Notes due 2017

Issue Price 79.75%

Under its U.S.\$10,000,000,000 Secured Note Programme, BOATS Investments (Netherlands) B.V. (the “**Issuer**”) may issue from time to time Bond Obligation Asset Trust Securities on the terms set out in the programme memorandum dated 7 October 2010 relating to the Programme (the “**Programme Memorandum**”) as further described, in relation to each issue, by an Issue Memorandum applicable to such issue. This Issue Memorandum is the Issue Memorandum applicable to the issue by the Issuer of the Series 140 NOK 33,105,000 Secured Repackaged Notes due 2017 (the “**Notes**”). Terms defined in the Programme Memorandum have the same meaning in this Issue Memorandum.

Interest will accrue on the Notes from the Issue Date and will be payable on each Interest Payment Date, as set out on page 15 of this Issue Memorandum. The Interest Rate is a variable rate, as more particularly set out herein.

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on the Maturity Date (as defined herein). If, under the Swap Agreement, Credit Suisse International as counterparty (the “**Counterparty**”) determines that a Collateral Event has occurred, the Notes shall be redeemed on the relevant Cash Settlement Date (as defined herein), in accordance with the Conditions.

The Notes reference the Collateral Obligations (as defined herein) as set out herein. The performance of the Notes will differ significantly from a direct investment in the Collateral Obligations.

The Notes are only intended for highly sophisticated and knowledgeable investors who are capable of understanding and evaluating the risks involved in investing in the Notes and who are required to read “Risk Factors”. The risks set out in the Risk Factors, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a proportion of a Noteholder’s investment in the Notes.

The obligations of the Issuer under the Trust Deed, the Notes, the Coupons and the Swap Agreement will be secured by an assignment by way of security of the Issuer’s rights under (i) the Agency Agreement insofar as such rights relate to the Notes and any sums related thereto (ii) the Liquidation Agency Agreement (as defined herein) (iii) the Purchase Agency Agreement (as defined herein) (iv) the Securities Sale Agreement (as defined herein) and (v) the Custody Agreement (including the Issuer’s rights in respect of the Collateral Obligations) and sums derived therefrom or related thereto, in each case in favour of the Trustee for the benefit of itself and the Noteholders, the Couponholders and the Counterparty. The Issuer’s obligations under the Trust Deed, the Notes and the Coupons will also be secured by an assignment by way of security of the Issuer’s rights under the Swap Agreement in favour of the Trustee for the benefit of itself and the Noteholders and Couponholders, subject to an assignment by the Issuer to The Bank of New York Mellon in its capacity as Principal Paying Agent of the Issuer’s right to receive sums due from the Counterparty under the Swap Agreement.

This Issue Memorandum has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under Directive 2003/71/EC (the “**Prospectus Directive**”). The Central Bank only approves this Issue Memorandum as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Issue Memorandum comprises a Prospectus for the purposes of the Prospectus Directive.

Application has been made to the Irish Stock Exchange (the “**Irish Stock Exchange**”) for the Notes to be admitted to the Official List (the “**Official List**”) and trading on its regulated market. There cannot be any guarantee that admission to the Official List or admission to trading on the regulated market of the Irish Stock Exchange will be obtained or, if so obtained, will be maintained for the life of the Notes.

As at the Issue Date, it is not intended that the Notes will be rated by any rating agency, but this shall not preclude a future rating in respect of the Notes.

The Notes will be represented by a Permanent Global Note which will be deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg on or about 16 August 2011. Notes in definitive form will not be issued except in the limited circumstances specified in the Conditions.

Credit Suisse International

The date of this Issue Memorandum is 06 October 2011

This Issue Memorandum incorporates by reference, and should be read in conjunction with, the Programme Memorandum. This Issue Memorandum includes particulars for the purpose of giving information with regard to the issue by the Issuer of the Notes.

The Issuer accepts responsibility for the information contained in this Issue Memorandum (and in respect of the section herein entitled "Information relating to the Counterparty", the Counterparty also accepts responsibility). To the best of the knowledge and belief of the Issuer (and in respect of the section herein entitled "Information relating to the Counterparty", to the best of the knowledge and belief of the Counterparty) (each of which have taken all reasonable care to ensure that such is the case) the information contained in this Issue Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information. Investors are required to make their own assessment of Credit Suisse International (the "**Counterparty**" or "**CSI**"), the Collateral Obligations and the obligor of the Collateral Obligations. The Issuer does not have any access to information relating to the Counterparty, the Collateral Obligations or the obligor of the Collateral Obligations, other than that which is in the public domain. The obligor of the Collateral Obligations has not participated nor been involved in the offering of the Notes or any arrangements in connection therewith.

The delivery of this Issue Memorandum at any time does not imply that any information contained herein is correct at any time subsequent to the date thereof.

No person is authorised to give any information or to make any representation not contained in this Issue Memorandum in connection with the issue and sale of the Notes and any information or representation not contained herein must not be relied upon as having been authorised by or on behalf of the Issuer or CSI.

Any prospective purchaser of the Notes should ensure that it understands the nature of the Notes and the extent of its exposure to risk and that it considers the suitability of the Notes as an investment in the light of its own circumstances and financial condition, as a professional investor.

The Notes are issued on the terms set out in this Issue Memorandum read together with the Programme Memorandum.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may be offered and sold only to persons who are not "U.S. persons" as defined in, and pursuant to, Regulations under the Securities Act, in a transaction that is exempt from the registration requirements of the Securities Act. The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations.

This Issue Memorandum does not constitute an offer of, or an invitation by or on behalf of the Issuer or CSI to subscribe for or purchase any of the Notes.

The distribution of this Issue Memorandum and the offer of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any such restrictions. In this regard, see further "Subscription and Sale" in the Programme Memorandum.

In this Issue Memorandum, references to "**NOK**" are to Norwegian krone.

CONTENTS

DOCUMENTS INCORPORATED BY REFERENCE	4
SUMMARY	6
RISK FACTORS	10
TERMS AND CONDITIONS OF THE NOTES	14
USE OF PROCEEDS	23
FORM OF THE NOTES	23
DESCRIPTION AND FORM OF THE SWAP AGREEMENT	24
FORM OF CONFIRMATION OF SWAP TRANSACTION	25
ANNEX TO THE SWAP CONFIRMATION: FORM OF OPTIONAL TERMINATION NOTICE	30
INFORMATION RELATING TO COUNTERPARTY	32
INFORMATION RELATING TO THE COLLATERAL OBLIGATIONS	33
DESCRIPTION OF THE SECURITY AND CUSTODY ARRANGEMENTS	34
SUBSCRIPTION AND SALE	35
GENERAL INFORMATION	37

DOCUMENTS INCORPORATED BY REFERENCE

The following documents have been filed with the Irish Stock Exchange and shall be deemed to be incorporated by reference into this Issue Memorandum and the table below sets out the relevant page references for the information incorporated herein by reference:

<u>Information incorporated by reference</u>	<u>Page Reference</u>
<i>From the Programme Memorandum</i>	
Documents Incorporated by Reference	5
Risk Factors	6
Description of the Programme	7 to 10
Terms and Conditions of the Notes in Bearer Form	11 to 29
Summary of Provisions relating to the Notes in Bearer Form while represented by a Global Note	30 to 32
Description of the Issue Memorandum	33
Description of the Swap Agreement	34 to 38
Boats Investments (Netherlands) B.V.	39
Dutch Taxation	40 to 42
Subscription and Sale	43 to 48
General Information	49
<i>From the 2010 Annual Report and Accounts of the Issuer</i>	
Report of the Management	3
Balance Sheet as at 31 December 2010	6
Profit and Loss Account for the year 2010	7
Cash Flow Statement for the year 2010	8
Notes to the Annual Accounts for the year ended 31 December 2010	9
Other information	18
<i>From the 2009 Annual Report and Accounts of the Issuer</i>	
Report of the Management	3
Balance Sheet as at 31 December 2009	7
Profit and Loss Account for the year 2009	8

Cash Flow Statement for the year 2009	9
Notes to the Annual Accounts for the year ended 31 December 2009	10
Appropriation of results, Subsequent Events and Auditor's Report	18-19

From the CSi registration document, approved on 22 September 2011 by the Central Bank" (the "CSi Registration Document")

Introduction	3
Credit Ratings	3
Risk Factors	4
Shareholders	4
Directors and Management	5
Auditors and Accounts	6
Shareholders of Credit Suisse International – Overview	7
Financial Information	8
General Information	9

Any information not listed in the cross-reference table above but included in the documents incorporated by reference is either not relevant for the investor or covered elsewhere in this Issue Memorandum.

The CSi Registration Document and the Programme Memorandum are available to the public on the website of the Central Bank at www.centralbank.ie. The above-referenced website does not form part of this Issue Memorandum for the purpose of its approval or of the listing of the Notes.

The Issuer will, at the specified offices of the Paying Agent, provide, without charge, to each person to whom a copy of this Issue Memorandum has been delivered, upon the written request of any such person, a copy of any or all of the documents incorporated herein by reference. Written requests for such documents should be directed to the specified office of the Paying Agent.

SUMMARY

THIS SUMMARY MUST BE READ AS AN INTRODUCTION TO THE PROSPECTUS AND ANY DECISION TO INVEST IN THE NOTES SHOULD BE BASED ON A CONSIDERATION OF THE PROSPECTUS AS A WHOLE.

Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the responsible persons in any such Member State solely on the basis of the summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus. Where a claim relating to the information contained in the Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

The following summary does not purport to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Issue Memorandum, including without limitation, the Terms and Conditions of the Notes and the Swap Agreement. Words and expressions used but not expressly defined in the summary of the transaction shall have the meanings given to them in the Terms and Conditions of the Notes and the Swap Agreement.

Issuer: BOATS Investments (Netherlands) B.V.

Arranger, Counterparty and Calculation Agent: Credit Suisse International

Principal Paying Agent and Custodian: The Bank of New York Mellon

Trustee: The Bank of New York Mellon

The Notes and the Swap Agreement: The Notes have a Principal Amount of NOK 33,105,000 and, unless previously redeemed, or purchased and cancelled, shall be redeemed on the Maturity Date at 100 per cent. of the principal amount of each Note. On the Issue Date of the Notes, the Issuer entered into the Swap Agreement with the Counterparty in respect of the Notes.

Pursuant to the Swap Agreement, upon the Calculation Agent determining and notifying the Issuer of the occurrence of a Collateral Event in respect of the Collateral Obligations, all payments of principal or interest in respect of the Notes shall immediately terminate as of the date of such notice. The Notes will then be redeemed on the relevant Cash Settlement Date by payment to each Noteholder of its *pro rata* share of an amount in NOK determined by the Calculation Agent equal to the Post-Event Amount, irrespective of whether the relevant Collateral Event is continuing.

Interest: A fixed amount of interest will be paid on each Interest Payment Date. Such Interest Amounts shall cease to be payable from the preceding Interest Payment Date or (if no such preceding Interest Payment Date) the Issue Date following the occurrence of a Collateral Event, as further provided in the Terms and Conditions of the Notes.

Form:	The Notes will be in bearer form and are represented by a Permanent Global Note, which will be deposited with a Common Depositary for credit to the accounts of subscribers at Euroclear and Clearstream, Luxembourg. The Permanent Global Note is exchangeable for Definitive Notes with Coupons attached in the limited circumstances set out therein.
Authorised Denomination:	NOK 15,000
Issue Price:	79.75 per cent.
Status:	The Notes are limited recourse obligations of the Issuer secured in the manner described herein.
Limited Recourse:	Interest and principal on the Notes will be payable only to the extent that funds are available from the Mortgaged Property and the proceeds thereof. If the Mortgaged Property is insufficient to pay any amounts due in respect of the Notes, the Issuer will have no other assets available to meet such insufficiency. In the event that the Security is enforced and after payment of all other claims in the relevant order of priority with a senior priority the remaining proceeds of such enforcement are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, then the Noteholders' claims against the Issuer in respect of the Notes shall be limited to their respective shares of such remaining proceeds and, after payment to each Noteholder of its respective share of such remaining proceeds, the obligations of the Issuer to such Noteholder shall cease to be due and shall be cancelled.
Security:	The “ Security ” for the Notes will be constituted by a Trust Deed entered into by the execution of a Supplemental Trust Deed dated the Issue Date between the Issuer and the Trustee, amongst others (the “ Trust Deed ”). The Collateral Obligations and the other assets and property which are expressed to be subject to the security interests created pursuant to the Trust Deed are set out in item 10 of the Terms of the Notes below and are herein referred to as the “ Mortgaged Property ”.
Collateral Obligations:	EUR 4,260,000 nominal amount of 4.625 per cent. Notes due 17 November 2017 issued by ArcelorMittal. (ISIN: XS0559641146), together with any Replacement Collateral Obligations which are substituted pursuant to the Terms and Conditions of the Notes (but excluding any Substituted Collateral Obligations for which Replacement Collateral Obligations have been substituted).
Collateral Exchange:	The holder of 100 per cent. in principal amount of the Notes for the time being outstanding shall have the right at any time, by giving at least ten Business Days’ Notice to the Issuer, the Calculation Agent and the Counterparty, and sufficient proof of ownership of the Notes as the Issuer shall require, to request a substitution of any Collateral Obligations with a nominal amount of new collateral obligations (subject to strict eligibility criteria), as further provided in the Terms and Conditions of the Notes.
Early Redemption:	The Notes will be redeemable prior to the Maturity Date (i) for taxation reasons; or (ii) upon the termination of the Swap

Agreement on the date of such termination; (iii) on grounds of illegality; or (iv) in such circumstances as are specified as Events of Default.

Events of Default:

The Events of Default include, without limitation, unremedied defaults by the Issuer relating to the payment of principal or interest on the Notes and the insolvency of the Issuer. Upon the occurrence of an Event of Default the Trustee may at its discretion (or, in certain cases, shall) deliver a notice to the Issuer and others declaring the Notes to be immediately due and payable.

Priority on Enforcement of Security:

After meeting the expenses and remuneration due to the Trustee or to any receiver appointed, the net proceeds of enforcement of the security constituted under the Trust Deed will be applied as follows:

- (i) first, in payment of the Trustee's expenses, liabilities, remuneration and any other amounts due to the Trustee;
- (ii) second, in meeting claims (if any) of the Custodian under the Agency Agreement and the Custody Agreement in respect of any fees, expenses or other amounts payable by the Issuer, including any claim for reimbursement by the Issuer in respect of any amount receivable in respect of the Collateral Obligations paid out prior to receipt of the same by the Custodian;
- (iii) third, in meeting the claims (if any) of the Swap Counterparty under the Swap Agreement;
- (iv) fourth, in paying amounts due to each of the Noteholders and Couponholders in respect of the principal outstanding in respect of the Notes and any interest or other amounts payable thereunder; and
- (v) fifth, in payment of the balance (if any) to the Issuer.

Use of Proceeds:

The net proceeds from the issue of the Notes, being NOK 26,401,237.50, were used by the Issuer to purchase the Collateral Obligations.

Issue Date:

16 August 2011.

Maturity Date:

19 November 2017.

Listing:

Application will be made to list the Notes on the Irish Stock Exchange but no assurance can be given that such application will be granted.

Business Days:

London, Oslo and the principal business centre for the relevant currency of the Collateral Obligations.

Governing Law:

The Notes will be governed by, and construed in accordance with, English law.

Risk Factors:

The purchase of, or investment in, the Notes involves substantial risks. Each prospective purchaser of, or investor, in Notes should be familiar with instruments having characteristics similar to the Notes and should fully understand the Terms and Conditions of the Notes and the nature and extent of its exposure to risk of loss.

There are certain risks relating to the Issuer and the Notes including but not limited to:

The risks relating to the Issuer include the fact that the Issuer is a special purpose vehicle established, *inter alia*, for the purpose of issuing Notes. The Notes are solely obligations of the Issuer and none of the Counterparty or the obligor of the Collateral Obligations has any obligations to Noteholders for payment of any amount due in respect of the Notes.

The risks relating to the Notes include the fact that the Notes can be volatile instruments and are subject to, *inter alia*, the credit risk of the obligor of the Collateral Obligations and the Counterparty. The Issue Price of the Notes may not reflect the market value of the Notes. Furthermore, if the Notes are redeemed early pursuant to their terms, the amount returned to any Noteholder may be less than the amount originally invested. In addition, no secondary market is likely to develop and if there is such a market, no assurance can be given as to the liquidity of the Notes.

The Issuer, the Arranger and the Calculation Agent and/or their respective subsidiaries may have interests that conflict with those of the holders of the Notes.

Each prospective investor should ensure that it fully understands the nature of the transaction into which it is entering and the nature and extent of its exposure to the risk of loss of all or a substantial part of its investment. See section entitled “Risk Factors” in this Issue Memorandum.

RISK FACTORS

The purchase of Notes involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Before making an investment decision, a prospective purchaser of the Notes should consider carefully, in the light of its own financial circumstances and investment objectives, the considerations set forth below together with any other considerations deemed appropriate by the prospective purchaser. Prospective purchasers of Notes should make such enquiries as they think appropriate about the Notes, the Issuer, the Collateral Obligations, the obligor of the Collateral Obligations and the Counterparty, without relying on the Issuer or the Counterparty or any affiliate of the Counterparty.

The following risk factors, alone or collectively, may reduce the return on the Notes and could result in the loss of all or a portion of a Noteholder's investment in the Notes. Each prospective purchaser of Notes is solely responsible for making its own independent appraisal of all such matters and such other matters as the prospective purchaser deems appropriate, in determining whether to purchase Notes and that an investment in the Notes is suitable for its investment purposes. References to "CSI" and "Counterparty" are to Credit Suisse International and, in this section, includes its affiliates. Other capitalised terms used but not defined in this section shall have the respective meanings given to them in "Terms and Conditions of the Notes".

Limitations on claims against the Issuer

The Notes are solely obligations of the Issuer and none of the Counterparty or the obligor of the Collateral Obligations has any obligation to the Noteholders for payment of any amount due in respect of the Notes. The Issuer is a special purpose company established, *inter alia*, for the purpose of issuing the Notes. The Notes are limited in recourse, *inter alia*, to the Swap Agreement and the Collateral Obligations held pursuant to the Custody Agreement. Following termination of the Swap Agreement and its enforcement against the Counterparty and enforcement of the Custody Agreement against the Custodian (including realisation of the Collateral Obligations), there will be no other assets of the Issuer available to meet any outstanding claims of the Noteholders, who will bear such shortfall *pro rata* to their holdings of Notes.

Credit Risk

The Notes are subject, amongst other things, to the credit risk of the obligor of the Collateral Obligations and the Counterparty. If a Collateral Event occurs with respect to the Collateral Obligations, the Notes will fall due for redemption at an amount equal to the Post-Event Amount. An event may constitute a Collateral Event for these purposes even if it occurs prior to the Issue Date, provided that it occurs on or after the Trade Date.

The Post-Event Amount is an amount determined by Credit Suisse International (acting in its capacity as Calculation Agent) which will take into account (i) the Value of the Collateral Obligations (as defined herein) and (ii) the Asset Swap Gain (or Asset Swap Loss) (as defined herein). Prospective Noteholders must read and understand all the provisions herein that relate to the calculation of the Post-Event Amount before investing in the Notes.

In certain circumstances, the Maturity Date of the Notes may be extended or payments of interest and/or principal may be suspended and no compensation shall be payable to Noteholders as a consequence of such extension or suspension. Prospective Noteholders must read and understand the sections herein entitled "*Suspension of payments*" and "*Maturity Date Extension*" in this regard.

Any prospective purchaser of the Notes should have such knowledge and experience in financial and business matters and expertise in assessing such risks and should be capable of evaluating the merits, risks and suitability of investing in the Notes. Neither the Issuer nor the Counterparty

purports to be a source of information and credit or other analysis with respect to the Collateral Obligations, the obligor of the Collateral Obligations and the Counterparty.

Provision of information

Neither the Issuer nor the Counterparty (i) has provided or will provide prospective purchasers of Notes with any information or advice with respect to the obligor of the Collateral Obligations or the Counterparty, or (ii) makes any representation as to the credit quality of the obligor of the Collateral Obligations or the Counterparty. The Issuer and/or the Counterparty may have acquired, or during the term of the Notes may acquire, non-public information with respect to the obligor of the Collateral Obligations which will not be disclosed to holders of Notes. The timing and limited scope of the information provided to Noteholders regarding the obligor of the Collateral Obligations and the occurrence of a Collateral Event, may affect the liquidity of the Notes and the ability of Noteholders to value the Notes accordingly. Neither the Issuer nor the Counterparty is under any obligation to make such information, whether or not confidential, available to Noteholders.

Business relationships

The Issuer and/or the Counterparty may have existing or future business relationships with the obligor of the Collateral Obligations (including, but not limited to, lending, depository, risk management, advisory and banking relationships) and will pursue actions and take steps that it deems or they deem necessary or appropriate to protect their and/or its interests arising therefrom without regard to the consequences for a Noteholder.

The Issuer and the Counterparty may deal in any derivatives linked to the obligations or shares of the obligor of the Collateral Obligations and may accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with the obligor of the Collateral Obligations and may act with respect to such business in the same manner as each of them would had the Notes not been in issue, regardless of whether any such action might have an adverse effect on the obligor of the Collateral Obligations or the position of a Noteholder or otherwise.

No claim against the obligor of the Collateral Obligations

The Notes will not represent a claim against the obligor of the Collateral Obligations and, in the event of any loss, a Noteholder will not have recourse under the Notes to the obligor of the Collateral Obligations.

Determinations

The determination as to whether a Collateral Event has occurred shall be made by the Calculation Agent and without regard to any related determination by the obligor of the Collateral Obligations or any action taken, omitted to be taken or suffered to be taken by any other person including, without limitation, any creditor of the obligor of the Collateral Obligations.

Taxation

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. The Issuer will not pay any additional amounts to Noteholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes.

Legality of purchase

Neither the Issuer nor the Counterparty has or assumes responsibility for the lawfulness of a prospective purchaser's acquisition of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different) or the compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it. A prospective purchaser of the Notes may not rely on the Issuer or the Counterparty in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Independent review and advice

Each prospective purchaser of Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes: (i) is fully consistent with its (or, if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition; (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity); and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.

No Secondary Market

No secondary market is expected to develop in respect of the Notes and, in the unlikely event that a secondary market in the Notes does develop, there can be no assurance that it will continue. Accordingly, the purchase of Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. Notwithstanding the foregoing, as at the date hereof, the Counterparty intends, subject to market conditions, to offer bid prices for the Notes on request but (i) is under no obligation to do so and may decline to do so at any time without assigning any reason and (ii) may set such bid prices at such amount as it may in its sole discretion think fit and which may be zero.

Upon request from a Noteholder, the Counterparty will use reasonable endeavours to provide a bid price for the Notes provided that such request is for whole multiples of the denomination amount of the Notes. The Counterparty shall not be liable to provide a bid price where there is market disruption in the relevant markets as determined in its sole discretion, and any such bid prices are prepared as of a particular date and time and will not reflect subsequent changes in market values or prices or in any other factors relevant to their determination. Noteholders should not assume that other dealers will determine bid prices in the same manner, such bid prices may vary from dealer to dealer and sometimes this variance may be substantial. The Counterparty does not warrant that its bid prices are or will be representative of the bid prices that may be provided to a Noteholder by other dealers.

No reliance

A prospective purchaser may not rely on the Issuer, the Counterparty or any affiliate of the Counterparty in connection with its determination as to the legality of its acquisition of the Notes or as to the other matters referred to above.

Neither the Issuer nor the Counterparty has any duty, obligation or responsibility towards a Noteholder unless otherwise agreed in writing with that Noteholder. In particular, without limiting the foregoing, neither the Issuer nor the Counterparty needs to provide information to, act on the instruction or request of, find alternative mechanisms for realising money for, or take into account the views of any Noteholder. In taking action against third parties, the Issuer and the Counterparty may combine holdings of debt, securities or other interests as they shall see fit and

apply proceeds thereof, as they shall see fit. The Issuer may only waive contractual obligations in respect of the Notes in writing.

TERMS AND CONDITIONS OF THE NOTES

The text of the terms and conditions of the Notes is as set out in the Programme Memorandum as supplemented and varied in accordance with the provisions set out below. These provisions are scheduled to the Permanent Global Note, and the terms and conditions of the Notes set out in the Programme Memorandum as supplemented and varied in accordance with the provisions set out below and subject to the deletion of inapplicable provisions will be endorsed on the Definitive Notes (if any).

1. Series No: 140
2. Principal Amount: NOK 33,105,000
3. Currency: Norwegian krone ("**NOK**")
4. Denomination: NOK 15,000
5. Form of Notes: Bearer
6. Status: Secured and limited recourse obligations of the Issuer, secured as provided below.
7. Issue Price: 79.75 per cent.
8. Issue Date: 16 August 2011
9. Maturity Date: Subject to Condition 6(n), the Notes shall be redeemed on 19 November 2017 (such date for redemption, the "**Scheduled Maturity Date**").
10. Mortgaged Property: The Issuer's obligations pursuant to the Trust Deed, the Notes, the Coupons and the Swap Agreement (as described below) are secured by an assignment by way of security of the Issuer's rights under (i) the Agency Agreement insofar as such rights relate to the Notes and any sums related thereto, (ii) the Liquidation Agency Agreement (as defined in Condition 6(t)), (iii) the Purchase Agency Agreement (as defined in Condition 6(t)), (iv) the securities sale agreement dated 16 August 2011 between the Issuer and Credit Suisse International (the "**Securities Sale Agreement**") and (v) the custody agreement dated 16 August 2011 between the Issuer, the Trustee, the Custodian and the Counterparty (the "**Custody Agreement**") under which the Collateral Obligations and sums derived therefrom or related thereto are to be held by the Custodian, in each case in favour of the Trustee for the benefit of itself, the Noteholders, the Couponholders and the Counterparty.

The Issuer's obligations under the Trust Deed, the Notes and the Coupons are also secured by an assignment by way of security of the Issuer's rights under the Swap Agreement in favour of the Trustee for the benefit of itself and the Noteholders and the Couponholders, subject to an assignment by the

Issuer to The Bank of New York Mellon in its capacity as Principal Paying Agent of the Issuer's right to receive sums due from the Counterparty under the Swap Agreement.

11. Interest Basis: Fixed Rate
12. Interest Commencement Date: 16 August 2011.
13. Interest Payment Dates: Subject to the provisions contained in item 24 below, annually on each 19 November commencing on (and including) 19 November 2011 to (and including) the Scheduled Maturity Date, each such date subject to adjustment in accordance with the Relevant Business Day Convention (provided that the corresponding Interest Periods shall not be so adjusted).
14. Interest Rate: Subject to the provisions set out in item 24 below, the Interest Rate shall be 1.00 per cent. per annum.
15. Day Count Fraction: With respect to each Interest Period, 30/360.
16. Business Day Convention: Modified Following Business Day Convention
17. Calculation Agent: Credit Suisse International
18. Redemption Amount on the Maturity Date: Subject to the provisions contained in item 24 below, 100 per cent. of the principal amount of each Note.
19. Redemption Amount on early redemption: The aggregate Redemption Amount payable upon redemption of the Notes pursuant to Condition 6(b) or Condition 8 (the "**Early Redemption Amount**") shall be an amount (determined by the Calculation Agent), subject to the limited recourse provisions set out in Condition 3(a), which has the effect of preserving for the Noteholders the economic equivalent of the payment obligations of the Issuer that would have arisen but for the early redemption (calculated with reference to the mark-to-market value of the Swap Transaction, which will take into account, *inter alia*, the market value of the Collateral Obligations and the Asset Swap Value (each, as defined in Condition 6(t)) which, for the avoidance of doubt, shall each be determined by the Calculation Agent.

The Issuer shall notify the Trustee and the Principal Paying Agent in writing of the Early Redemption Amount or the Redemption Amount, as the case may be, as soon as reasonably practicable after the Calculation Agent's determination of the same and the Principal Paying Agent (having been instructed by the Issuer) shall notify the other Paying Agents, the Noteholders and the Couponholders thereof in accordance with the Conditions.

20. Notifiable Determinations: The Calculation Agent's determination of a Collateral Event.
- Notwithstanding anything to the contrary in Condition 5(f), the foregoing Notifiable Determination shall be notified by the Calculation Agent to the Issuer, the Trustee and the Principal Paying Agent and by the Principal Paying Agent to the Noteholders in accordance with Condition 6(n).
- The Trustee is under no obligation to monitor or ascertain whether the Calculation Agent has made any of the foregoing determinations and until it shall have express notice to the contrary, the Trustee may assume that no such determination has been made.
21. Business Days: London, Oslo and the principal business centre for the relevant currency of the Collateral Obligations. For the purposes of Condition 7(a), the reference to each Relevant Business Day Centre shall be construed as a reference to a London Business Day.
22. Listing: Application will be made to the Central Bank of Ireland, as competent authority under the Prospectus Directive, for the Issue Memorandum to be approved. Application will be made to the Irish Stock Exchange for the Notes to be admitted to the official list of the Irish Stock Exchange and to trading on its regulated market. However, no assurance is given that such listing will be granted and the Notes will not be listed as at the Issue Date.
23. Exchange:
- (a) Permanent Global Note
 - (b) Applicable TEFRA exemption: C Rules
 - (c) Permanent Global Note: Bearer
24. Additional Provisions:
- A. **Early Redemption following a Collateral Event**
- The provisions of paragraphs (c) to (j) of Condition 6 shall not apply to the Notes. The following provisions shall be added to the end of Condition 6 for this Series of Notes:
- “(n) **Early Redemption following a Collateral Event**
- If the Calculation Agent determines that a Collateral Event has occurred with respect to the Collateral Obligations, the Calculation Agent shall give notice of such determination (including a description in reasonable detail of the facts relevant to such determination) to the Issuer (copied to the Principal Paying Agent and the Trustee) (the date of such notice being the “**Collateral Event Determination Date**”), then:

- (i) no payments of principal or interest shall be made from (and including) the Collateral Event Determination Date (and, for the avoidance of doubt, interest shall be deemed to have ceased to accrue from and including the preceding Interest Payment Date or (if no such preceding Interest Payment Date) the Issue Date);
- (ii) within 5 Business Days following the Collateral Event Determination Date (the **"Collateral Event Notice Date"**) the Principal Paying Agent (having been instructed by the Issuer) will give notice to the Noteholders (the **"Collateral Event Notice"**) of the determination of the Collateral Event (by forwarding a copy of the notice delivered by the Calculation Agent on the Collateral Event Determination Date or the information provided therein);
- (iii) within 30 Business Days following the Collateral Event Notice Date, the Asset Swap Value and the Value of the Collateral Obligations shall be determined (the **"Collateral Event Valuation Date"**); and
- (iv) each Note will be redeemed on the relevant Cash Settlement Date by payment to each Noteholder of its *pro rata* share of an amount in NOK determined by the Calculation Agent equal to the Post-Event Amount, irrespective of whether the relevant Collateral Event is continuing.

(o) **Definition of Collateral Event**

For the purposes of these Conditions **"Collateral Event"** shall have the meaning given to it in the Swap Agreement.

(p) **Suspension of payments**

If under the Swap Agreement, the Counterparty determines that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event, no payment of principal or interest shall be made by the Issuer in respect of the Notes during the Suspension Period (as defined in the Swap Agreement). If at any time during the Suspension Period the Counterparty under the Swap Agreement determines that a Collateral Event has occurred, then the provisions of paragraph (n) of this Condition shall apply. If on the final Business Day of the Suspension Period no such determination has been made, then the balance of the principal or interest that would otherwise have been payable in respect of the Notes shall be due on the second Business Day after such final Business Day of the Suspension Period. Noteholders or Couponholders shall not be entitled to a further payment as a consequence of the fact that payment of principal or interest is postponed pursuant to this paragraph.

Notwithstanding the foregoing, if the Counterparty determines that a payment failure with respect to the Collateral Obligations is remedied prior to the end of the applicable grace period, then the Issuer shall make any payments that would otherwise have been payable in respect of the Notes on the second Business Day following the date on which the Counterparty determines that the relevant payment failure has been remedied. In determining whether a payment failure has (or may have) occurred, the Counterparty may rely on evidence of non-receipt of funds.

(q) **Collateral Obligations Exchange**

A holder of 100 per cent. in principal amount of the Notes for the time being outstanding shall have the right at any time, by giving at least ten Business Days' Notice to the Issuer, the Calculation Agent and the Counterparty, and sufficient proof of ownership of the Notes as the Issuer shall require, to request a substitution of any Collateral Obligations (such Collateral Obligations, the **"Substituted Collateral Obligations"**) with a nominal amount of new collateral obligations (rounded down to the nearest whole denomination) that fulfil

the New Collateral Criteria (set out in Appendix 1 hereto), as determined by the Calculation Agent in its sole and absolute discretion (such new collateral obligations, the **"Replacement Collateral Obligations"**) and further provided that the Issuer shall have sufficient funds to purchase such nominal amount of Replacement Collateral Obligations, having taken into account any sale proceeds relating to the Substituted Collateral Obligations. The Liquidation Agent shall effect the sale of the Substituted Collateral Obligations on behalf of the Issuer pursuant to the Liquidation Agency Agreement and the Purchase Agent shall use the Liquidation Proceeds to purchase the Replacement Collateral Obligations on behalf of the Issuer pursuant to the Purchase Agency Agreement and any excess funds shall be for the credit of the Counterparty.

Any Replacement Collateral Obligations substituted in accordance with this paragraph shall thereafter be deemed to be Collateral Obligations for the purposes of the Conditions, the Trust Deed and the Swap Agreement. Any Substituted Collateral Obligations substituted in accordance with this paragraph shall thereafter cease to be Collateral Obligations for the purposes of the Conditions and the Swap Agreement.

(r) **References to principal and payments on Notes**

- (i) In the Conditions, references to principal shall be deemed to include, wherever the context so admits, the Redemption Amount.
- (ii) Condition 7(a) shall not apply to this Series of Notes.

Payments of principal and interest in respect of Notes shall be made against surrender or, in the case of a partial redemption, presentation for endorsement of the Notes or, as the case may be, the Coupons at the specified office of any Paying Agent by a cheque payable in NOK, or, at the option of the holder, by transfer to an account denominated in NOK with a bank specified by the payee, subject in all cases to any fiscal or other laws and regulations applicable thereto.

A Note or Coupon may be presented for payment only on a day that is a Business Day in the place of presentation (and, in the case of payment by transfer, in London, and a TARGET 2 Business Day). However, a Note or Coupon may not be presented for payment anywhere before the first day that falls on or after the due date that is a Business Day in London and Oslo, and which is a TARGET 2 Business Day.

(s) **Responsibility**

The Calculation Agent shall have no responsibility for good faith errors or omissions in its calculations and determinations as provided in the Conditions, whether caused by negligence or otherwise. The calculations and determinations of the Calculation Agent shall be made in accordance with the Conditions (having regard in each case to the criteria stipulated herein and where relevant) on the basis of information provided to or obtained by employees or officers of the Calculation Agent responsible for making the relevant calculation or determination and shall, in the absence of manifest error, be final, conclusive and binding on the Trustee, the Noteholders and the Couponholders.

(t) **Definitions**

As used in these Conditions:

"Asset Swap Value" means the asset swap value (which may be positive, zero or negative) determined in accordance with the Determination of Value provision set out in this paragraph (t) and, for the purposes of such determination, the Counterparty shall request each of five dealers in the relevant market to provide its firm, executable quotation in NOK of the amount it would require the Counterparty to pay to it, which shall

be defined as the “**Asset Swap Loss**” (or pay to the Counterparty, which shall be defined as the “**Asset Swap Gain**”), in consideration of an agreement for the Counterparty to pay the Note Cashflows to the dealer and receive the Collateral Obligation Cashflows from the dealer. For the purpose of “Determination of Value” below, each such quotation shall be a “**Quotation**” and the Asset Swap Value shall be a “**Value**”;

“**Cash Settlement Date**” means, in relation to a Collateral Event, the day falling 5 Business Days after the Collateral Event Valuation Date (as defined in Condition 6(n));

“**Collateral Event**” has the meaning given to it in Condition 6(o);

“**Collateral Obligation Cashflows**” means a series of cashflows comprising:

- (i) each amount that is not yet due but which was originally scheduled to be paid in respect of interest and principal on the Collateral Obligations, to be paid on the originally scheduled payment date therefor; plus
- (ii) a payment of each amount that is due but unpaid in respect of interest and principal on the Collateral Obligations (compounded monthly at the one month London interbank deposit rate for the relevant currency);

“**Collateral Obligations**” means each obligation as so defined in the Swap Agreement which shall include any Replacement Collateral Obligations which are substituted pursuant to Condition 6(q) of the Notes (but excluding any Substituted Collateral Obligations for which Replacement Collateral Obligations have been substituted). The initial Collateral Obligations are EUR 4,260,000 nominal amount of 4.625 per cent. notes due 17 November 2017 issued by ArcelorMittal (ISIN: XS0559641146);

“**Determination of Value**” means a determination in accordance with the following provision: If four or more Quotations are provided, the Calculation Agent shall disregard the highest and lowest Quotations and the Value shall be the arithmetic mean of the remaining Quotations. If three Quotations only are provided, the Calculation Agent shall disregard the highest and lowest Quotations and the Value shall be the remaining Quotation. If more than one Quotation has the same highest or lowest value, then the Calculation Agent shall disregard one such Quotation. If two or fewer Quotations are provided, the Value shall be determined by the Calculation Agent in a commercially reasonable manner;

“**Liquidation Agency Agreement**” means a liquidation agency agreement between the Issuer and the Liquidation Agent dated 16 August 2011, pursuant to which the Liquidation Agent is appointed by the Issuer as its agent for the purposes of liquidating any Substituted Collateral Obligations held by or on behalf of the Issuer where so required under the Conditions;

“**Liquidation Agent**” means Credit Suisse International;

“**Liquidation Proceeds**” means the proceeds from the sale of any Collateral Obligations or Substituted Collateral Obligations held by the Issuer effected on behalf of the Issuer by the Liquidation Agent under the terms of the Liquidation Agency Agreement, less any amount deducted by the Liquidation Agent pursuant to the Liquidation Agency Agreement in respect of any commissions or expenses (including legal costs), stamp and other documentary taxes or duties incurred and/or payable by the Liquidation Agent in connection with the liquidation of such Collateral Obligations;

“**Note Cashflows**” means a series of cashflows comprising:

- (i) each amount that is not yet due but which was originally scheduled to be paid in respect of interest and principal on the Notes; and
- (ii) a payment of each amount that is due but unpaid in respect of interest and principal on the Notes (compounded monthly at the one month London interbank deposit rate for NOK);

"Post-Event Amount" means an amount denominated in NOK calculated by the Calculation Agent and equal to the greater of:

- (i) zero; and
- (ii) (a) the Value of the Collateral Obligations; plus (or minus)
 - (b) the Asset Swap Gain (or Asset Swap Loss).

"Purchase Agency Agreement" means a purchase agency agreement between the Issuer and the Purchase Agent dated 16 August 2011 pursuant to which the Purchase Agent is appointed by the Issuer as its agent for the purposes of purchasing Replacement Collateral Obligations where so required under the Conditions;

"Purchase Agent" means Credit Suisse International;

"Suspension Period" has the meaning given to it in Section 5.2 of the Confirmation;

"Swap Agreement" means the agreement constituting the Swap Transaction;

"Swap Transaction" means the transaction evidenced by and pursuant to an ISDA master agreement dated as of 4 December 1997 together with a confirmation thereto with an effective date of 16 August 2011 (the **"Confirmation"**) that references the Notes between the Issuer and the Counterparty;

"Value of the Collateral Obligations" means, for the purposes of determining the Value of the Collateral Obligations consequent upon a Collateral Event, the Value of the Collateral Obligations, determined in accordance with the Determination of Value provision set out in this paragraph (t) (together with the amount of any redemption proceeds received in respect thereof) and, for the purpose of such determination, the Calculation Agent shall request each of five dealers in the relevant market to provide its all-in, firm executable bid price in NOK to purchase the Collateral Obligations on the Collateral Event Valuation Date. For the purpose of "Determination of Value" above, each such bid price shall be a **"Quotation"**.

- B. Condition 16 shall have the following added to the second paragraph (for the purposes of the Notes only):

"The Trustee shall have no responsibility for the validity, sufficiency and enforceability of the Security nor any responsibility for monitoring the performance of the Calculation Agent, the Counterparty or the Custodian in respect of their obligations. In addition, the Trustee shall have no responsibility for taking any action to enforce the obligations of the issuer of any of the assets comprising the Collateral Obligations."

- C. Clause 19 of the Agency Agreement contains provisions relating to the removal of the Calculation Agent if at any time the Calculation Agent becomes incapable of acting. In addition, the appointment of the Calculation Agent shall forthwith terminate if at any time the Trustee or the Issuer determines, based upon reasonable evidence, that the Calculation Agent has become unable or unwilling to perform its duties under the Agency Agreement or under the terms and conditions of the Notes. The provisions of Clause 19 of

the Agency Agreement shall apply in respect of the replacement of the Calculation Agent in such circumstances.

APPENDIX 1 – NEW COLLATERAL CRITERIA

Any proposed Replacement Collateral Obligations shall fulfil the “**New Collateral Criteria**” if, in comparison to the Substituted Collateral Obligations that they are proposed to replace, such proposed Replacement Collateral Obligations:

- (i) have equal duration; and
- (ii) are denominated in the same currency; and
- (iii) are not a security that is primarily serviced by the cash flows of a discrete pool of receivables or other financial assets, either fixed or revolving, and that, by its terms converts into cash within a finite time period, plus any rights or other assets designed to assure the servicing or timely distribution of proceeds to the holders thereof, including collateralised bond obligations and collateralised loan obligations; and
- (iv) have a rating equal to or better from the same rating agency; and
- (v) have the same status in terms of seniority to other creditors and security; and
- (vi) the par asset swap spread, when calculated at the offer side market price, multiplied by the Asset Swap DV01 shall be equal or higher (where “**Asset Swap DV01**” means the present value, discounted at the bid side of the relevant interest rate swap curve, of 0.01% paid quarterly on an Actual/360 day basis from such date to the maturity date of the Replacement Collateral Obligations); and
- (vii) the maximum value of a swap whereby the Counterparty shall receive each amount that is not yet due but which was originally scheduled to be paid in respect of the Replacement Collateral Obligations versus each amount that is not yet due but which was originally scheduled to be paid in respect of a proportional part of the cashflows due from the Counterparty to the Issuer under the Swap Agreement (with such proportion based upon the principal amount of the Replacement Collateral Obligations) may show an amount owing to the Counterparty no higher (or amount owed by the Counterparty no lower) than would have been the case for the Substituted Collateral Obligations; and
- (viii) are not issued by an entity or from a jurisdiction that the Issuer, the Custodian or the Counterparty is prohibited from having business dealings with; and
- (ix) the payments of which cannot be subject to any withholding tax as a result of their holding by the Issuer; and
- (x) are issued by an entity that is the issuer of the Substituted Collateral Obligations; and
- (xi) have a maturity date no longer than the Scheduled Maturity Date of the Notes.

USE OF PROCEEDS

The net proceeds of the issue which amounted to NOK 26,401,237.50 were used by the Issuer to purchase the Collateral Obligations.

FORM OF THE NOTES

The Notes will be in bearer form and are represented by a Permanent Global Note, which will be deposited with a Common Depositary for credit to the accounts of subscribers at Euroclear and Clearstream, Luxembourg. The Permanent Global Note is exchangeable for Definitive Notes with Coupons attached in the circumstances set out therein.

DESCRIPTION AND FORM OF THE SWAP AGREEMENT

The Issuer has entered into an ISDA Master Agreement dated as of 4 December 1997 with the Counterparty and the Counterparty will issue a confirmation confirming the terms of the swap transaction entered into in connection with the issue of the Notes, with an effective date as of 16 August 2011. The form of such confirmation is set out in full on the following pages.

Payments of interest to the Noteholders, save as expressly stated herein, are entirely contingent on the full and timely performance of the obligations of the Counterparty under the Swap Agreement.

The Swap Agreement is governed by and shall be construed in accordance with the laws of England.

FORM OF CONFIRMATION OF SWAP TRANSACTION

BOATS Investments (Netherlands) B.V.
(having its corporate seat ("zetel") in Amsterdam, the Netherlands)
Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands

16 August 2011

Dear Sirs,

Confirmation of swap transaction relating to BOATS Investments (Netherlands) B.V.'s Series 140 NOK 33,105,000 Secured Repackaged Notes due 2017

The purpose of this letter agreement (this "**Confirmation**") is to confirm the terms and conditions of the swap transaction entered into between Party A and Party B (each as defined below) on the Trade Date specified below (the "**Transaction**"). This Confirmation constitutes a "**Confirmation**" as referred to in the Agreement specified below.

1. Words and expressions used, but not otherwise defined herein, shall have the same meaning ascribed to them in the Terms and Conditions of BOATS Investments (Netherlands) B.V.'s Series 140 NOK 33,105,000 Secured Repackaged Notes due 2017 (the "**Notes**").

The definitions and provisions contained in the 2006 ISDA Definitions (the "**2006 Definitions**") are incorporated into this Confirmation. In the event of any inconsistency between those definitions, the 2006 Definitions will govern and in any case in the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the 1992 ISDA Master Agreement and Schedule dated as of 4 December 1997 as amended and supplemented from time to time (the "**Agreement**") between Party A and Party B. All provisions contained in the Agreement govern this Confirmation except as expressly modified below.

In this Confirmation "**Party A**" means Credit Suisse International and "**Party B**" means BOATS Investments (Netherlands) B.V.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date	: 25 July 2011
Effective Date	: 16 August 2011
Termination Date	: 19 November 2017, subject to adjustment in accordance with the Following Business Day Convention and subject to Section 3 below.
Collateral Obligations	: EUR 4,260,000 nominal amount of 4.625 per cent. notes due 17 November 2017 issued by ArcelorMittal. (ISIN: XS0559641146), together with any Replacement Collateral Obligations which are substituted pursuant to Condition 6(q) of the Notes (but excluding any Substituted Collateral Obligations for which Replacement Collateral Obligations have been substituted).

Party A Amounts	Payment	: Subject to adjustment in accordance with the provisions set out in Section 3 (<i>Collateral Event</i>) below, Party A shall pay to Party B an amount equal to the aggregate of each Interest Amount payable by Party B in respect of the Notes on each Interest Payment Date in respect of the Notes and, unless the Notes have fallen due for redemption in full prior to the Maturity Date, an amount equal to the outstanding Principal Amount of the Notes payable by Party B on the Maturity Date.
Party B Amounts	Payment	: Subject to adjustment in accordance with the provisions set out in Section 3 (<i>Collateral Event Provisions</i>) below, Party B shall pay to Party A an amount equal to the Available Amount (as defined in Section 5.3 below) due to be paid in respect of the Collateral Obligations on the relevant Collateral Obligation Payment Date. Party B Payment Amounts shall be paid one Business Day following each Collateral Obligation Payment Date falling in the period from, and including, the Effective Date to and including the Termination Date.
Collateral Payment Dates	Obligation	: Each day on which a payment in respect of interest is due to be made in respect of the Collateral Obligations.
Business Days		: London, Oslo and the principal business centre for the relevant currency of the Collateral Obligations.
Calculation Agent		: Party A, whose determinations and calculations will be binding in the absence of manifest error. Section 4.14 of the 2006 Definitions shall apply with respect to the responsibilities of the Calculation Agent, but the Calculation Agent shall have no obligation to consult with the parties notwithstanding the provisions of such Section 4.14.

3. **Collateral Event Provisions**

Collateral Event(s)	:	“Collateral Event” means:
		(i) the occurrence of an event of default in relation to one or more of the Collateral Obligations as described in the terms and conditions of such Collateral Obligations; or
		(ii) the redemption of one or more of the Collateral Obligations in whole or in part prior to their scheduled maturity date as a consequence of the occurrence of any event or upon the exercise by the issuer of such Collateral Obligations of any option or other right to redeem, repay or repurchase such Collateral Obligations (including, for the avoidance of doubt, where the Collateral Obligations include credit-linked notes, following the occurrence of a credit event in respect thereof).

If Party A determines that a Collateral Event has occurred then, subject as provided

below:

- (a) no further Party A Payment Amounts or Party B Payment Amounts shall be payable by either Party A or Party B as from the Collateral Event Determination Date; and
- (b) settlement shall take place as contemplated under Condition 6(n) of the Notes and on the relevant Cash Settlement Date Party B shall deliver the Collateral Obligations and any cash (including any interest thereon) arising therefrom and held by the Custodian in connection with the Notes to Party A and, against such delivery, Party A shall pay to Party B an amount equal to the relevant Post-Event Amount, following which this Transaction shall terminate and no further amount shall be payable by either party to the other whether pursuant to Section 6 or otherwise.

4. **Early Redemption of the Notes**

If the Notes fall due for redemption pursuant to Condition 6(b) or Condition 8, on the date for such redemption Party B shall deliver the Collateral Obligations and any cash (including any interest thereon) relating thereto held by the Custodian in relation to the Notes to Party A and, against such delivery, Party A shall pay the Early Redemption Amount to Party B, following which this Transaction shall terminate and no further amount shall be payable by either party to the other whether pursuant to Section 6 or otherwise.

5. **Other Provisions**

5.1 **Counterparty Optional Termination**

For the purposes of this Transaction, Part 1(m) applies and, for the purposes of Part 1(m), the Optional Termination Notice shall be substantially in the form annexed hereto.

5.2 **Suspension of Payments**

If Party A determines that facts exist which may (assuming the expiration of any applicable grace period) amount to a Collateral Event no payment shall be made by it under this Transaction for the period of ten Business Days following such determination (the “**Suspension Period**”). At any time during the Suspension Period, Party A may determine that a Collateral Event has occurred. If on the final Business Day of the Suspension Period no such determination has been made then two Business Days thereafter, Party A shall pay the balance of the scheduled payment that was otherwise due by it under this Transaction.

Notwithstanding the foregoing, if Party A determines that a payment failure with respect to the Collateral Obligations is remedied prior to the end of the applicable grace period, then Party A and Party B shall make any payments that would otherwise have been payable under this Transaction on the second Business Days following the date on which Party A determines that the relevant payment failure has been remedied. In determining whether a payment failure has (or may have) occurred, Party A may rely on evidence of non-receipt of funds.

5.3 **Definitions**

The following terms are defined below:

“**Available Amount**” means the amount in respect of interest and principal due to be paid (and in the currency in which it is due to be paid) in respect of such Collateral Obligations,

if any (and, for the avoidance of doubt, any such amount due to be paid shall not be net of any Deductions).

“Custodian” means The Bank of New York Mellon pursuant to a Custody Agreement dated 16 August 2011 entered into in relation to the Notes.

“Deductions” means an amount, determined by the Calculation Agent in its opinion equal to the aggregate of (i) any amount withheld or deducted or required to be withheld or deducted from any amount in respect of interest and principal otherwise payable to Party B under the Collateral Obligations in respect of any taxes, fees, levies, duties, charges or assessments to the extent that the issuer of such assets does not pay such additional amounts as would result in the receipt by Party B of such amounts (after it has discharged any such amount imposed, levied or assessed against it) as would have been received by Party B under such assets or securities had no such withholding or deduction been imposed and (ii) fees of any nature, in each case imposed, levied or assessed by or on behalf of any government, territory or taxing authority having jurisdiction over the issuer of such securities or any governmental subdivision thereof on Party B relating to such assets and (iii) any fees, taxes or duties imposed on Party B relating to the transfer of the assets and (iv) any funding costs incurred by Party B in respect of (i), (ii) and (iii).

5.4 Subparagraph (j) of Part 1 of the Schedule to the Agreement shall not apply.

5.5 If this Transaction is terminated early pursuant to Section 6(a) or 6(b), the Notes will become due for redemption pursuant to Condition 6(b)(ii) and the provisions of Section 4 above shall apply. Accordingly, notwithstanding the designation of any day as the Early Termination Date, this Transaction shall terminate in accordance with such Section 4 above and no payments and deliveries shall be due other than those set out in such Section 4 above.

5.6 Party A hereby agrees to perform all the functions required of it, and Party B hereby agrees that Party A shall be entitled to exercise all rights expressed to be exercisable by Party A, under the terms of the Notes, including (but without limitation) making the calculations and determinations that it is required or entitled to make under the terms of the Notes and delivering the notices that it is required or entitled to deliver under the terms of the Notes. Party B agrees that all such calculations, determinations and deliveries of notices that are effected by Party A shall be conclusive for all purposes.

5.7 **Account Details**

Payments to Party A

The account with:	Citibank, London (SWIFT: CITIGB2L)
International Bank Account No:	GB50CITI185008 10403229
For the account of:	Credit Suisse International, London (SWIFT: CSFPGB2L)

Payments to Party B

The account with:	DnB NOR Bank ASA, Oslo (SWIFT: DNBANOKK)
Account No:	7002 02 09176
For the account of:	The Bank of New York Mellon (SWIFT: IRVTBEBB)
Ref:	Corporate Trust, ISIN: XS0654469526 BOATS Investments (Netherlands) B.V. Series 140

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

Yours sincerely

CREDIT SUISSE INTERNATIONAL

By: _____

Name:

Title:

Confirmed as of the date first written above.

BOATS INVESTMENTS (NETHERLANDS) B.V.

By: _____

Name:

Title:

ANNEX TO THE SWAP CONFIRMATION: FORM OF OPTIONAL TERMINATION NOTICE

From: Credit Suisse International
One Cabot Square
London E14 4QJ
(**"Party A"**)

To: BOATS Investments (Netherlands) B.V.
Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands
(**"Party B"**)

cc: The Bank of New York Mellon
One Canada Square
London E14 5AL
(the **"Principal Paying Agent"** and the **"Trustee"**)

cc: Credit Suisse International
One Cabot Square
London E14 4QJ
(the **"Calculation Agent"**)

[Insert date of Optional Termination Notice]

Dear Sirs,

We refer to the Confirmation dated 16 August 2011 (the **"Confirmation"**) and the swap transaction between you and us relating to BOATS Investments (Netherlands) B.V.'s Series 140 NOK 33,105,000 Secured Repackaged Notes due 2017 (the **"Notes"**)

Words and expressions used, but not otherwise defined herein, shall have the same meaning ascribed to them in the Confirmation.

Pursuant to paragraph 5.1 of the Confirmation and Part 1(m) of the Schedule to the Agreement and following the purchase of NOK [•] in nominal amount of the Notes by us (as Party A) or one or more of our subsidiaries or affiliates (the **"Purchased Notes"**), we hereby provide notice of our intention to terminate the Transaction in [part]/[whole], with effect from [•], or if such a day is not a London and Amsterdam Banking Day the next following such day (the **"Value Date"**).

Pursuant to and in accordance with Part 1(m) of the Schedule to the Agreement:

- (i) the Transaction shall terminate on the Value Date pro rata in the proportion (the **"Proportion"**) that the aggregate principal amount of the Purchased Notes bears to the aggregate principal amount of the Notes outstanding immediately prior to the above mentioned purchase of the Purchased Notes;
- (ii) upon service of this Optional Termination Notice, we (as Party A) are authorised by you (as Party B) to realise on Party B's behalf, on or prior to the Value Date, the Proportion of the Securities (if any) charged to the Trustee under the Trust Deed (**"Realised Securities"**) and the realised value of the Realised Securities shall be payable in EUR to us, or to our order (as Party A) by you (as Party B). Upon receipt of such amount, we (as Party A) will deliver the Purchased Notes to the Principal Paying Agent in respect of the Notes for cancellation; and

- (iii) no other amounts shall be payable by Party A or Party B in respect of the Proportion of the Transaction.

This Optional Termination Notice, and any contractual and non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

Yours sincerely

CREDIT SUISSE INTERNATIONAL

By: _____

Name:

Title:

INFORMATION RELATING TO COUNTERPARTY

The Counterparty accepts responsibility for this section entitled “Information Relating to the Counterparty”. The Counterparty (having taken all reasonable care to ensure that such is the case) confirms that the information contained in the section is in accordance with the facts and contains no omission likely to affect the import of such information. None of the Issuer, the Trustee or any other person has verified, or accepts any liability whatsoever for the accuracy of such information and prospective investors should make their own independent investigations into the Counterparty.

The Counterparty is Credit Suisse International. Its address is One Cabot Square, London E14 4QJ.

The Counterparty has securities admitted to trading on the regulated market of the Irish Stock Exchange.

Further information on the Counterparty can be obtained from the CSI Registration Document which is incorporated by reference into this Issue Memorandum.

INFORMATION RELATING TO THE COLLATERAL OBLIGATIONS

The following information relating to the Collateral Obligations is a summary only and has been extracted and accurately reproduced from the website of the Luxembourg Stock Exchange (www.bourse.lu) and the Final Terms dated 16 November 2010 in respect of the Collateral Obligations. So far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Issuer, the Arranger, the Trustee or the Counterparty has verified, or accepts any liability whatsoever for the accuracy of, such information and prospective investors in the Notes should make their own independent investigations and enquiries into the issuer of the Collateral Obligations and the Collateral Obligations.

For the avoidance of doubt, the website www.bourse.lu does not form part of this Issue Memorandum for the purpose of its approval or of the listing of the Notes.

Issuer:	Arcelormittal
Address:	19, avenue de la Liberté L-2930 Luxembourg Grand Duchy of Luxembourg
Country of Incorporation:	Luxembourg
Nature of business:	Steel production
Description:	EUR 4,260,000 nominal amount of 4.625 per cent. Notes due 17 November 2017 (ISIN: XS0559641146)
Listing:	The Collateral Obligations are admitted to trading on the regulated market of the Luxembourg Stock Exchange
Governing Law:	The Collateral Obligations are governed by English law

DESCRIPTION OF THE SECURITY AND CUSTODY ARRANGEMENTS

The obligations of the Issuer under the Trust Deed, the Notes, the Coupons and the Swap Agreement are secured by or pursuant to the Supplemental Trust Deed dated the Issue Date and the principal trust deed dated 12 February 1998 (as supplemented and amended from time to time) between the Issuer, The Bank of New York Mellon as Trustee and the Counterparty. The security will be created in favour of the Trustee for the benefit of itself and the Noteholders, the Couponholders and the Counterparty.

The obligations of the Issuer under the Trust Deed, the Notes, the Coupons and the Swap Agreement will be secured by an assignment by way of security of the Issuer's rights under (i) the Agency Agreement insofar as such rights relate to the Notes and any sums related thereto; (ii) the Liquidation Agency Agreement; (iii) the Purchase Agency Agreement; (iv) the Securities Sale Agreement; and (v) the Custody Agreement under which the Collateral Obligations and sums derived therefrom or related thereto are held by the Custodian, in each case in favour of the Trustee for the benefit of itself and the Noteholders, the Couponholders and the Counterparty. The Issuer's obligations under the Trust Deed, the Notes and the Coupons will also be secured by an assignment by way of security of the Issuer's rights under the Swap Agreement and in favour of the Trustee for the benefit of itself and the Noteholders and Couponholders, subject to an assignment by the Issuer to The Bank of New York Mellon in its capacity as Principal Paying Agent of the Issuer's right to receive sums due from the Counterparty under the Swap Agreement.

If the Collateral Obligations are cleared through the Euroclear or Clearstream, Luxembourg clearing systems, the Custodian will hold such Collateral Obligations on behalf of the Issuer, but subject to the security interests described above, in an account at Euroclear. If the Collateral Obligations are not cleared through the Euroclear or Clearstream, Luxembourg clearing systems the Custodian will hold such Collateral Obligations on behalf of the Issuer in such manner as it shall deem appropriate. The Custodian will credit the Collateral Obligations to an account in its books in the name of the Issuer into which all payments received by it in respect of the Collateral Obligations will also be credited.

SUBSCRIPTION AND SALE

United States of America

The Notes are subject to the C Rules for the purposes of TEFRA.

Global

The Notes may not, directly or indirectly, be, (or announced to be) offered, sold, resold, delivered or transferred as part of their initial distribution or at any time thereafter to, or to the order of, or for the account of, any person anywhere in the world other than to professional market parties ("**Professional Market Parties**") within the meaning of and as further described and defined in article 1:1 of the Act on Financial Supervision (*Wet op het financieel toezicht*) and the regulations pursuant thereto, as amended from time to time, being:

- (A) Legal entities licensed or otherwise authorised or regulated to operate in the financial markets;
- (B) Legal entities without a licence and not so authorised or regulated to operate in the financial markets with the sole corporate purpose to invest in securities;
- (C) National or regional governments, central banks, international and supranational institutions and similar international institutions;
- (D) Legal entities with their seat in the Netherlands which:
 - (1) meet at least two of the following three criteria:
 - (a) an average number of employees over the financial year of less than 250;
 - (b) a balance sheet total not exceeding EUR 43,000,000; and
 - (c) an annual net turnover not exceeding EUR 50,000,000; and
 - (2) at their own request, have been registered as qualified investor by the Dutch Financial Markets Authority (*Autoriteit Financiële Markten*, "**AFM**").
- (E) Legal entities which according to their most recent (consolidated) annual accounts meet at least two of the following three criteria:
 - (a) an average number of employees over the financial year of at least 250;
 - (b) a balance sheet total in excess of EUR 43,000,000; and
 - (c) an annual net turnover in excess of EUR 50,000,000;
- (F) Individuals domiciled in the Netherlands who have been registered as qualified investor by the AFM and who meet at least two of the following three criteria:
 - (1) the investor has carried out transactions of a significant size on securities markets at an average frequency of, at least, ten (10) per quarter over the previous four quarters;
 - (2) the size of the person's securities portfolio exceeds EUR 500,000; and

- (3) the person works or has worked for at least one year in the financial sector in a professional position which requires knowledge of securities investment;
- (G) Individuals or enterprises considered as qualified investors in another Member State pursuant to article 2, first paragraph, part (e) under (iv) alternatively (v), of the Prospectus Directive;

the parties under (A) up to and including (G) being qualified investors (“**Qualified Investors**”);

- (H) Subsidiaries of Qualified Investors provided such subsidiaries are subject to supervision on a consolidated basis;
- (I) Legal entities with a balance sheet total of at least EUR 500,000,000 as per the balance sheet as of the year end preceding the date they purchase or acquire the Notes;
- (J) Legal entities or individuals with net equity of at least EUR 10,000,000 as per the balance sheet as of the financial year end preceding the date they purchase or acquire the Notes and who or which have been active in the financial markets on average twice a month over a period of at least two consecutive years preceding such date;
- (K) Legal entities which have a rating of a rating agency that is recognised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or which has issued securities that have a rating from such rating agency;
- (L) Legal entities established for the sole purpose of:
 - (1) transactions for the acquisition of receivables that serve as security for securities (to be) offered;
 - (2) transactions for the investment in sub-participations or derivatives as to the transfer of credit risk that may be settled by transfer of receivables to such legal persons or companies, while the rights pursuant to the sub-participations or derivatives, will be used as security for the securities (to be) offered; or

providing credit for the benefit of Qualified Investors and their subsidiaries as referred to under (H) above.

GENERAL INFORMATION

1. The issue of the Notes was authorised pursuant to a resolution passed by the Board of Directors of the Issuer on 15 August 2011.
2. Save as disclosed herein, there has been no material adverse change in the financial position of the Issuer since its incorporation on 3 February 1998.
3. The Issuer is not involved in any litigation or arbitration proceedings that may have, or have had since its incorporation, a significant effect on its financial position, nor is the Issuer aware that any such proceedings are pending or threatened.
4. Copies of the Trust Deed will be made available during usual business hours on any day (except Saturdays, Sundays and legal holidays) so long as any of the Notes remain outstanding, at the specified office of the Principal Paying Agent.
5. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg under Common Code 065446952. The International Securities Identification Number for the Notes is XS0654469526. The Swiss Security Number for the Notes is 13447846.
6. The Arranger has agreed to take responsibility for the expenses relating to the admission to trading therefore the cost of such expenses to the Issuer is nil.
7. The Issuer does not intend to provide any post issuance information, except if required by any applicable laws or regulations.
8. The language of this Issue Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

REGISTERED OFFICE OF THE ISSUER

BOATS Investments (Netherlands) B.V.

Prins Bernhardplein 200
1097 JB Amsterdam
The Netherlands

TRUSTEE

The Bank of New York Mellon

One Canada Square
London E14 5AL

**PRINCIPAL PAYING AGENT AND
CUSTODIAN**

The Bank of New York Mellon

One Canada Square
London E14 5AL

**COUNTERPARTY, CALCULATION AGENT,
PURCHASE AGENT AND LIQUIDATION
AGENT**

Credit Suisse International

One Cabot Square
London E14 4QJ

LEGAL ADVISERS

To the Arranger as to Dutch law

Simmons & Simmons LLP

Claude Debussylaan 247
1082 MC Amsterdam
The Netherlands

To the Arranger as to English law

Simmons & Simmons LLP

CityPoint
One Ropemaker Street
London EC2Y 9SS

LISTING AGENT

The Bank of New York Mellon (Ireland) Limited

Hanover Building
Windmill Lane
Dublin 2
Ireland