

**DO NOT COMPLETE THIS FORM UNLESS YOU WISH TO SUBSCRIBE FOR CONVERTIBLE SECURITIES**

**THIS APPLICATION FORM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about what action you should take, you are recommended to seek your own personal financial advice immediately from an independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser. This Application Form represents a right to apply for Convertible Securities to be issued by Eurocastle Investment Limited (the "Company"). It is not a document of title and cannot be traded. This Application Form must be used if you are to apply for Convertible Securities under the Offer. The attention of Shareholders resident in territories outside the United Kingdom is drawn to the restrictions on applications by such persons referred to in the sections entitled "Overseas Shareholders" in the Information Memorandum and below. The Convertible Securities and the Ordinary Shares to be issued upon conversion of the Convertible Securities have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States. The Convertible Securities are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. Convertible Securities may be purchased in the United States only by persons (a) reasonably believed to be "accredited investors" within the meaning of the Securities Act or "qualified institutional buyers" in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A thereunder and (b) who are "qualified purchasers" or "knowledgeable employees" within the meaning of the Investment Company Act. The Company will not be registered under the Investment Company Act, and investors will not be entitled to the benefits of such Act. Unless an exemption from the relevant local laws is available, the Offer is not being made, and neither the Convertible Securities nor the Ordinary Shares to be issued upon conversion of the Convertible Securities will be sold or issued, to any person in the United States of America, Australia, Canada or Japan or in any other jurisdiction where such Offer, issue or sale would be unlawful. Subject to certain exceptions, this Application Form should not be forwarded or transmitted in or into the United States of America, Australia, Canada or Japan. The full details of the Offer to which this Application Form relates are contained in the Information Memorandum dated 28 May 2009 (the "Information Memorandum").

**IF YOU WISH TO SUBSCRIBE FOR CONVERTIBLE SECURITIES, PLEASE COMPLETE THIS APPLICATION FORM IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT BELOW AND SIGN AND RETURN IT, BY POST OR BY HAND (DURING NORMAL BUSINESS HOURS), TO ANSON REGISTRARS LIMITED, PO BOX 426, ANSON PLACE, MILL COURT, LA CHARROTERRIE, ST PETER PORT, GUERNSEY GY1 3WX, SO AS TO BE RECEIVED NO LATER THAN 3 P.M. ON 19 JUNE 2009, TOGETHER WITH PAYMENT BY WAY OF INTERBANK ELECTRONIC TRANSFER (SWIFT) FOR THE FULL AMOUNT PAYABLE FOR THE CONVERTIBLE SECURITIES BEING SUBSCRIBED.**

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**EUROCASTLE INVESTMENT LIMITED**

*(Registered in Guernsey No. 41058)*

**Offer of €130,000,000**

**20 per cent. Perpetual Subordinated Convertible Securities (the "Convertible Securities")  
convertible into Ordinary Shares of Eurocastle Investment Limited (the "Offer")**

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**NOTES ON HOW TO COMPLETE THE APPLICATION FORM**

**Applications should be returned so as to be received by Anson Registrars Limited no later than 3 p.m. (London time) on 19 June 2009 (the "Expiry Date"). In the event that the Offer period is changed, Eurocastle Investment Limited (the "Company") will notify investors of such change and any consequent changes to the timetable through the publication of a press release and via the Company's website ([www.eurocastleinv.com](http://www.eurocastleinv.com)).**

HELP DESK: If you have a query concerning completion of this Application Form please call Anson Registrars Limited (the "**Registrar**" and/or the "**Receiving Agent**") on 01481 711301 or from outside the UK on +44 01481 711301.

To facilitate application enquiries, applicants should insert their unique Applicant's Reference Number of up to twelve numbers in the box at the top of the first page of the application form. This should be the direct telephone number of the person completing the form. If you wish to obtain confirmation that your application has been received, call Anson Registrars Limited's Help Desk on the number shown above, quoting your unique Applicant's Reference Number. No other acknowledgement of receipt of this Application Form will be issued. No contract note will be issued.

As the Convertible Securities are to be issued in certificated form, a certificate will be sent by post to the first named holder specified in section 2 at the holder's risk.

### 1. Application

Fill in (in figures) in Box 1 the amount of money being paid to subscribe for Convertible Securities (the "**Subscription Amount**"). The Subscription Amount must be for a minimum of €50,000 and thereafter in integral multiples of €10 up to and including €99,990. You must also fill in (in figures) in Section 1 the number of Convertible Securities you wish to subscribe.

Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is made.

Applications, once made, will be irrevocable.

### 2. Holder Details

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form at section 3.

Applicants who are beneficial and not registered holders of Ordinary Shares must provide proof reasonably acceptable to the Issuer and the Registrar of their beneficial holding of such Ordinary Shares. The Issuer and the Registrar have agreed that, among other things, a certified copy of such applicant's paper or online brokerage account statement of holdings dated as of the Record Date will be deemed to be sufficient proof of ownership. The Issuer and the Registrar have absolute discretion to refuse any application made by an applicant who is a beneficial and not registered holder of Ordinary Shares if it reasonably believes that the legal holder of such Ordinary Shares has also made an application for Convertible Securities.

Any beneficial owners will notify the registered holders and/or custodians holding Ordinary Shares on their behalf that they have made such an application.

### 3. Signature

**All holders named in section 2 must sign section 3 and insert the date.** The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

### 4. Payment Details

Payment of the Subscription Amount may only be made in euros by interbank electronic transfer (SWIFT). Payment by cheque will not be accepted. SWIFT payment for the Subscription Amount must be made to:

**BARCLAYS PRIVATE CLIENTS INTERNATIONAL LIMITED, GUERNSEY  
INTERNATIONAL BANKING CENTRE BRANCH, SORT CODE: 20-35-32; SWIFT  
CODE: BARCGB22; ACCOUNT NAME: EUROCASTLE INVESTMENTS LIMITED –  
ESCROW ACCOUNT; ACCOUNT NUMBER: 69006111;  
IBAN: GB17BARC20353269006111.**

and should be received by the Registrar at the same time as receipt of the Application Form, which must be by no later than 3 p.m. on the Expiry Date.

Your payment must relate solely to this application. No acknowledgement of receipt of an Application Form nor the accompanying SWIFT payment will be made. Applications which are not accompanied by cleared funds at 3 p.m. on the Expiry Date may be rejected, at the absolute discretion of the Registrar. Application Forms received after this time will not be accepted.

All monies received in excess of the Subscription Amount will be returned without interest to the applicant (at the applicant's risk).

#### **5. Reliable Introducer Declaration**

All applications will be subject to Guernsey's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 5 of the Application Form given and signed by a firm acceptable to the Registrar and Receiving Agent. In order to ensure your application is processed timely and efficiently **all applicants are strongly advised to have the declaration provided in section 5 of the Application Form completed and signed by a suitable firm.**

#### **6. Identity Information**

Applicants need only consider section 6 of the Application Form if the declaration in section 5 cannot be completed. Notwithstanding that the declaration in section 5 has been completed and signed, the Registrar reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are requested in section 6, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

#### **7. Contact Details**

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Registrar or Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are entered here and the Registrar or Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

#### **8. Delivery by Post**

If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after the Expiry Date may be returned.

#### **9. Definitions**

Capitalised terms used but not defined herein shall have the meanings ascribed to them in the Information Memorandum in respect of the Offer dated on or around 28 May 2009.

#### **10. Deemed representations**

By signing and returning an Application Form, you will be deemed to have given the representations, undertakings, warranties and agreements set out in section 9 of the Application Form. If you are unable to give any of the deemed representations, undertakings, warranties and agreements set out in section 9 of the Application Form then you are ineligible to participate in the Offer and you should not complete and return your Application Form.

APPLICANT'S REFERENCE NUMBER

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## Application Form

Please send this completed form by post or by hand (during normal business hours) to **Anson Registrars Limited, PO Box 426, Anson Place, Mill Court, St Peter Port, Guernsey GY1 3WX** (Reg No 37054) so as to be received no later than 3 p.m. on 19 June 2009, together in each case, with payment in euros by interbank electronic transfer (SWIFT) for the full amount payable for the Convertible Securities being subscribed.

**Important:** before completing this form, you should read the accompanying notes.

To: **Eurocastle Investment Limited (the "Company") and Anson Registrars Limited**

### 1. APPLICATION

I/We the person(s) detailed in section 2 below offer to subscribe the amount shown in Box 1 for € \_\_\_\_\_ Convertible Securities subject to the Terms and Conditions set out in Information Memorandum dated 28 May 2009 (the "**Information Memorandum**") and subject to the Memorandum and Articles of Association of the Company.

FOR OFFICIAL USE ONLY

Log No.

Box 1 (minimum of €50,000; can be an integral multiple of €10 in excess thereof, up to and including €99,990)

€

### 2. DETAILS OF HOLDER(S) IN WHOSE NAME(S) THE CONVERTIBLE SECURITIES WILL BE ISSUED

(BLOCK CAPITALS)

1: Mr, Mrs<sup>1</sup>, Miss or Title

Forenames (in full):

Surname/Company name:

Address<sup>2</sup> (in full):

Post Code:

Designation (if any):

2: Mr, Mrs, Miss or Title

Forenames (in full):

Surname/Company name:

Address (in full):

Post Code:

3: Mr, Mrs, Miss or Title

Forenames (in full):

<sup>1</sup> Maiden Name also required

<sup>2</sup> if individual must be primary residential address

Surname/Company name:

Address (in full):

Post Code:

4: Mr, Mrs, Miss or Title

Forenames (in full):

Surname/Company name:

Address (in full):

Post Code:

### 3. SIGNATURE(S) ALL HOLDERS MUST SIGN

First holder signature:

Second holder signature:

Dated:

Dated:

Third holder signature:

Fourth holder signature:

Dated:

Dated:

### 4. PAYMENT

Payment must be by interbank electronic transfer (SWIFT) only. Cheques will not be accepted. An Applicant should send subscription monies in full to:

**BARCLAYS PRIVATE CLIENTS INTERNATIONAL LIMITED, GUERNSEY INTERNATIONAL BANKING CENTRE BRANCH, SORT CODE: 20-35-32; SWIFT CODE: BARCGB22; ACCOUNT NAME: EUROCASTLE INVESTMENTS LIMITED – ESCROW ACCOUNT; ACCOUNT NUMBER: 69006111; IBAN: GB17BARC20353269006111.**

by 3 p.m. on 19 June 2009, and enter below the sort code and account number of the euro denominated account of a bank within the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System, who you will be instructing to make such payment by SWIFT transfer in euros for value, together with the name of the account to be debited with such payment and the branch contact details. Please also ensure a unique reference number, SWIFT Code and IBAN is quoted on your payment and in the box below.

Sort Code:	Account name:
Account Number:	Contact name at branch and telephone no.:

Payment Reference Number:
SWIFT Code:
IBAN:

In the event of over-subscription of the Convertible Securities, the Board shall have the discretion to increase the principal amount of the Convertible Securities offered and/or to scale back applications to a minimum subscription amount of €50,000. Any subscription monies to be returned to Applicants will be returned to the Applicant's account (without payment of interest) at the Applicant's risk, details of which have been provided by the Applicant immediately above (the "**Applicant's Account**").

If the Offer is terminated by the Issuer or is not completed by 25 June 2009 (or such later date as the Issuer may determine) and the Offer lapses, all application monies will, as soon as reasonably practicable thereafter, be returned to the Applicant's Account, without payment of interest.

#### 5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "**firm**") which is itself subject in its own country to operation of 'know your customer' and anti-money laundering regulations no less stringent than those which prevail in Guernsey. Acceptable countries include Austria, Australia, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

#### **DECLARATION: To the Company and the Registrar**

With reference to the holder(s) detailed in section 2, all persons signing at section 4 and the payor identified in section 5 if not also a holder (collectively the "**subjects**") WE HEREBY DECLARE:

1. we operate in one of the above mentioned countries and our firm is subject to money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in Guernsey;
2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
3. each of the subjects are known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
4. we confirm the accuracy of the names and residential/business address(es) of the holder(s) given at section 2;
5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Convertible Securities; and
6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:

Name:

Position:

having authority to bind the firm.

Name of regulatory authority:

Firm's licence number:

Website address or telephone number of regulatory authority:

STAMP of firm giving full name and business address:

If a Nominee company please state name of regulated parent.

6. IDENTITY INFORMATION

Only complete this section if the declaration in section 5 cannot be signed.

In accordance with internationally recognised standards for the prevention of money laundering the undermentioned documents and information must be provided.

Holders				Payor
1	2	3	4	5

A. For each holder being an individual enclose:

- (1) a certified<sup>3</sup> clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport, Government identity card, Armed Forces identity card or driving licence; and
- (2) certified copies of at least two of the following documents which purport to confirm that the address given in section 2 is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill, a recent bank statement, a council rates bill or similar document issued by a recognised authority; and
- (3) if none of the above documents show their date and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary.

Tick here for documents provided

Grid for document provision (row 1)

Grid for document provision (row 2)

Grid for document provision (row 3)

Grid for document provision (row 4)

B. For each holder being a legal entity (a "holder entity") enclose:

- (1) a certified copy of the certificate of incorporation or certificate of good standing of the holder entity; and
- (2) the name and address of the holder entity's principal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary; and
- (3) a statement as to the nature of the holder entity's business, signed by a director; and

Grid for document provision (row 5)

Grid for document provision (row 6)

Grid for document provision (row 7)

<sup>3</sup> must be by an individual and include the company stamp



- (4) a list of the names and residential addresses of each director or legal representatives of the holder entity; and
- (5) for each director or legal representative provide documents and information similar to that mentioned in A above; and
- (6) a copy of the authorised signatory list for the entity company; and
- (7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 25% of the issued share capital or other ownership interests of the holder entity and, where a person is named, also complete C below and, if another legal entity is named (hereinafter a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder entity but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder entity.


**C. For each person named in B(7) as a beneficial owner of a holder entity enclose for each such person documents and information similar to that mentioned in A(1) to (4)**

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**D. For each beneficiary entity named in B(7) as a beneficial owner of an entity enclose:**

- (1) a certified copy of the certificate of incorporation of that beneficiary entity; and
- (2) a statement as to the nature of that beneficiary entity’s business signed by a director or legal representative; and
- (3) the name and address of that beneficiary entity’s principal bankers from which the Registrar or the Receiving Agent may request a reference, if necessary; and
- (4) enclose a list of the names and residential/registered address of each beneficial owner owning more than 5% of the issued share capital of that beneficiary entity.


**E. If the payor is not a holder (see note 5 on how to complete this form) enclose:**

- (1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or
- (2) if the payor is a legal entity, for that entity the documents mentioned in B(1) to (7); and
- (3) an explanation of the relationship between the payor and the holder(s).


The Registrar or the Receiving Agent reserves the right to ask for additional documents and information.

**7. CONTACT DETAILS**

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Registrar or the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are entered here and the Registrar or the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:
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E-mail address:
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Contact address:
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Postcode:
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Telephone No:

Fax No:

## 8. DEFINITIONS

Capitalised terms used but not defined herein shall have the meanings ascribed to them in the Information Memorandum.

## 9. DEEMED REPRESENTATIONS AND UNDERTAKINGS

By signing and returning this Application Form, you will be deemed to have:

9.1 represented, warranted and agreed as follows:

- (A) you are not (and are not acting on behalf of) a Benefit Plan Investor or otherwise using assets of Plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (ERISA) or Section 4975 of the Internal Revenue Code of 1986, as amended;
- (B) if you are in the United States of America:
  - (i) you are both (a) a “qualified institutional buyer” (“QIB”) or an “accredited investor” (an “Accredited Investor”) as defined in Rule 501(a) under the United States Securities Act of 1933 (the “Securities Act”) and (b) a “qualified purchaser” (a “Qualified Purchaser”) within the meaning of Section 3(c)(7) of the U.S. Investment Company Act of 1940 (the “Investment Company Act”) or a “knowledgeable employee” (a “KE”) within the meaning of Rule 3c-5 under the Investment Company Act, and are purchasing the Securities for your own account or for the account of another person who is both (a) a QIB or an Accredited Investor and (b) a Qualified Purchaser or KE;
  - (ii) you understand that the Convertible Securities have not been and will not be registered under the Securities Act, and are aware that the offer of Securities is being made in a transaction exempt from the registration requirements of the Securities Act pursuant to Section 4(2) thereunder;
  - (iii) you understand that the Company has not been and will not be registered under the Investment Company Act, and you will not be entitled to the benefits of such acts;
- (C) (i) you have received and reviewed the Information Memorandum, and (ii) you have reviewed such other information as you have deemed necessary or appropriate concerning the Company, the Convertible Securities and any other matter relevant to your decision to purchase Convertible Securities;
- (D) you have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Convertible Securities;
- (E) you are acquiring the Convertible Securities for our own account (or for accounts as to which we exercise sole investment discretion and have authority to make, and do make, the statements contained in this term) and not with a view to any distribution of the Convertible Securities subject, nevertheless, to the understanding that the disposition of our property shall at all times be and remain within your control;
- (F) you understand that the Convertible Securities have not been and will not be registered under the Securities Act and may not be reoffered, resold, pledged or otherwise transferred except: (a)(i) to a person (x) whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A under the Securities Act and (y) is a Qualified Purchaser or a KE, (ii) pursuant to an exemption from registration under the Securities Act such as provided by Rule 144 thereunder to a person who is a Qualified Purchaser or KE or (iii) to a person that is not a “US Person” in an

offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S and (b) in each case in accordance with any applicable securities laws of any state of the United States. **You understand that no representation can be made as to the availability of the exemption provided by Rule 144 for resales of the Securities;**

- (G) the Convertible Securities have not been offered or sold to you by any form of “general solicitation” or “general advertising”, each as defined in Rule 502(c) of Regulation D under the Securities Act;
- (H) you understand and acknowledge that the representations by you contained in this Application Form are required, inter alia, in connection with the laws of the United States and that the Company will be relying on these representations. You hereby irrevocably authorise the Company to rely upon these representations and to produce this Application Form to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby ; and

9.2 undertaken and agreed as follows:

- (A) you will treat the Convertible Securities as equity interests for all U.S. federal, state and local income tax purposes.