



ADDENDUM TO P R O S P E C T U S

FOR 22nd BOND ISSUE OF \$109,603,300

BY THE EASTERN CARIBBEAN HOME MORTGAGE BANK (ECHMB)

ECCB Complex, Bird Rock
P.O. Box 753
Basseterre
ST KITTS

E-mail: info@echmb.com

Tel: 1 869 466 7869

Fax: 1 869 466-7518

The Prospectus has been drawn up in accordance with the Securities (Prospectus) Regulations 2001. The Eastern Caribbean Securities Regulatory Commission and Eastern Caribbean Central Bank accept no responsibility for the contents of this Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of corporate instruments or other securities.

MAY 2011

NOTICE TO INVESTORS

This Prospectus is issued for the purpose of giving information to the public.

Statements contained in this Prospectus describing documents are provided in summary form only and such documents are qualified in their entirety by reference to such documents. The ultimate decision and responsibility to proceed with any transaction with respect to this offering rests solely with the investor. Therefore, prior to entering into the proposed investment, the investor should determine the economic risks and merits, as well as the legal, and accounting characteristics and consequences of this Bond offering, and the ability to assume those risks.

This Prospectus and its contents are issued for the Bond issues described herein. Should you need advice, consult an intermediary licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of corporate instruments or other securities. The Prospectus has been delivered to the Commission for approval in accordance with the Securities Act 2001.

This is an Addendum to the Prospectus first published in December 2010

1.0 GENERAL INFORMATION ON THE BOND ISSUE

Issuer: Eastern Caribbean Home Mortgage Bank (ECHMB)

Address: ECCB Complex, Bird Rock Road
P.O. Box 753, Basseterre, St. Kitts

Email: info@echmb.com

Telephone No. : 1-869-466-7869

Facsimile No. : 1-869-466-7518

Registered Office: ECCB Agency Office, Mockton Street, St. George's, Grenada

Contact Persons: Duleep Cheddie Chief Executive Officer
Randy Lewis Manager, Corporate Finance

**Arranger
& Lead Broker:** 2nd Tranche, 3rd Tranche and 4th Tranche
Financial Investment and Consultancy Services Limited

Address: 15 Bridge Street
P.O. Box 1516
Castries
Saint Lucia

Email: fics_ltd@candw.lc

Telephone No. : 1-758-453-0225

Facsimile No. : 1-758-453-2303

Contact Persons: Mrs. Sharmaine Francois Managing Director
Mr. Anderson Soomer Business Development Manager

Date of Publication: May 2011

Purpose of Issues: To redeem the following Bonds:-
No. 13 \$6,700,000
No. 18 (Series 1) \$25,000,000
No.18 (Series 2) \$28,343,300
No.19 \$49,560,000

and, in the event of oversubscription, to finance the purchase of additional mortgages from Primary Lenders, subject to the limit of \$10,000,000.00 in the "Over-Allotment Option" in Section 3.0 below.

Amount of Issues: One hundred and nine million, six hundred and three thousand, three hundred dollars (\$109,603,300).

3.0 BOND TERMS AND CONDITIONS

Issuer : Eastern Caribbean Home Mortgage Bank (“ECHMB”)

Instrument Type : Secured Fixed Rate (Tax-free) Bond (“The Bond”).

<u>Auction Dates & Settlement Dates</u>	<u>Auction Dates</u>	<u>Settlement Dates</u>
1 st Tranche	24 March 2011	25 March 2011
2 nd Tranche	30 June 2011	1 July 2011
3 rd Tranche	25 August 2011	26 August 2011
4 th Tranche	31 August 2011	1 September 2011

<u>Issue Dates & Issue Amounts</u>	<u>Issue Dates</u>	<u>Issue Amounts</u>
1 st Tranche	25 March 2011	\$25,000,000
2 nd Tranche	01 July 2011	\$49,560,000
3 rd Tranche	26 August 2011	\$28,343,300
4 th Tranche	01 September 2011	\$6,700,000

<u>Tenors</u>	<u>Issue Dates</u>	<u>Tenors</u>
1 st Tranche	25 March 2011	3 Years
2 nd Tranche	01 July 2011	3 Years
3 rd Tranche	26 August 2011	4 Years
4 th Tranche	01 September 2011	5 Years

Over-Allotment Option In the event of any over-subscription, ECHMB reserves the right, without the consent of any of the applicants of the Bond, to increase the “Amount of Issues” up to an additional \$10,000,000, making the total a maximum of \$119,603,300. The additional Bond will form part of and rank *pari passu* in all respects with the Twenty Second (22nd) Bond. Should ECHMB exercise this right, consequential amendments required to the Debenture will be effected as from the Settlement Date and all Bondholders will be notified accordingly.

<u>Coupon Rates</u>	<u>Issue Dates</u>	<u>Issue Amounts</u>	<u>Coupon Rates</u>
1 st Tranche	25 March 2011	\$25,000,000	6.0%
2 nd Tranche	01 July 2011	\$49,560,000	} Competitive Bid Auction up to a maximum of 6.0%
3 rd Tranche	26 August 2011	\$28,343,000	
4 th Tranche	01 September 2011	\$6,700,000	

Registrar, Transfer and Paying Agent Eastern Caribbean Central Securities Registry (ECCSR) ECCB Complex, P.O. Box 94, Bird Rock, Basseterre, St. Kitts.

Use of Proceeds : To redeem the following Bonds: No.13 \$6,700,000, No. 18 (Series 1) \$25,000,000, No. 18 (Series 2) \$28,343,300, No. 19 \$49,560,000, and, in the event of oversubscription, to finance the purchase of additional mortgages from Primary Lenders, subject to the limit of \$10,000,000 in the “Over-Allotment Option” in aggregate for the four (4) bonds and noted above in this Section.

Interest Payments & Due Dates : Semi-annually in arrears commencing six (6) months after each Issue Date, for the duration of the Bond. If the applicable Interest Payment Date would otherwise fall on a day which is not a Business Day it shall be postponed to the next day which is a Business Day unless it would thereby fall in the next calendar month. In the latter event the Interest Payment Date shall be the date of the immediately preceding day which is a

	Business Day.
<u>Principal Repayment</u>	Bullet at maturity
<u>Security</u>	: Fixed and floating charges on the assets of ECHMB, ranking pari passu with ECHMB's Existing Bonds and the Caribbean Development Bank (CDB) Long Term Loan of US\$10,000,000 pursuant to a Loan Agreement of 31 st January, 2008.
<u>Issuer Rating</u>	: CariCRIS has assigned ratings of Cari AA- (Foreign Currency Rating) and Cari AA- (Local Currency Rating) on its regional rating scale on the debt issue of the size of US\$30,000,000 of the ECHMB.
<u>Minimum Bid and Bid Multiplier</u>	: The Bond will be issued in multiples of \$5,000 and the minimum bid amount is \$5,000.
<u>Governing Law</u>	: The Issue will be governed according to the laws of Grenada.
<u>Trading Platform</u>	: Each Tranche of the Bond will be issued on the Eastern Caribbean Securities Market (ECSM).
<u>Method of Issue</u>	: Uniform Price Auction
<u>Trading Symbol</u>	: The trading symbols will be:- 1 st Tranche HMB 250314 2 nd Tranche HMB 010714 3 rd Tranche HMB 26081 5 4 th Tranche HMB 01091 6
<u>Bidding Parameters</u>	: Each investor will be allowed one bid with the option to increase the amount of the bid at any time during the bidding period.
<u>Broker Fees</u>	: Investors can participate in the issue through the services of any of the Licensed Intermediaries, on such terms and such conditions as may be determined by the Intermediary.
<u>List of Licensed Intermediaries</u>	: <ul style="list-style-type: none"> ▪ ABI Bank Limited ▪ Antigua Commercial Bank Limited ▪ Bank of Saint Vincent and the Grenadines Limited ▪ Financial Investment and Consultancy Services Limited ▪ First Citizens Investment Services Limited ▪ ECFH Global Investment Solutions Limited ▪ National Bank of Anguilla Limited ▪ National Mortgage Finance Company of Dominica Limited ▪ St. Kitts Nevis Anguilla National Bank Limited ▪ The Bank of Nevis Limited

“Business Day” means a day on which Commercial Banks are open for business in the Federation of St Kitts and Nevis.

The "Interest Period" of the 2nd Tranche, 3rd Tranche and 4th Tranche will be similarly calculated from each respective Issue Date of 1st July 2011, 26th August 2011 and 1st September 2011.

5.4.3 Rate of Interest

The Rates of Interest are fixed for the duration of the Bond as follows:

1st Tranche - 6.0%

2 nd Tranche -	} Competitive Bid	
3 rd Tranche -		Auction up to a
4 th Tranche -		maximum of 6.0%

5.4.4 Notifications to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Section 4, by the Paying Agent or the Trustee, shall (in the absence of willful default, bad faith or manifest error) be binding on ECHMB, and (in the absence as aforesaid) no liability to the Bondholders shall attach to the Paying Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretion.

5.5. Redemption and Purchase

5.5.1 Redemption

The Bond shall be redeemed on the following dates:-

1st Tranche 25th March 2014

2nd Tranche 1st July 2014

3rd Tranche 26th August 2015

4th Tranche 1st September 2016

5.5.2 Services of Registrar, Transfer and Paying Agent

Upon purchase of the Bond by investors, the ECCSR will provide the services of Registrar, Transfer and Paying Agent to ECHMB's 22nd Bond Issue. Accordingly, the register of Bondholders will be transferred and maintained electronically by the ECCSR. The ECCSR is a subsidiary of the ECSE. The ECCSR operates in a dematerialized environment.

The ECCSR will send to each Bondholder a notification regarding the Bondholders' investments in ECHMB's Bond and provide them with an update of their ownership every six months. Furthermore, every time there is a movement in the respective Accounts, the ECCSR will send the Bondholders an activity statement confirming the transactions, which will represent certification of ownership.

Bondholders will be given an Investor ID and Registry Account Number. The Investor ID is a nine-digit number followed by a two (2) alpha character country code. All joint holders are required to designate one of the joint holders to have responsibility for operating the Account, or the Account will have to be operated jointly.

5.6 Payments

Payments in respect of the Principal and Interest will be made by cheque drawn on a bank in any of the Eastern Caribbean Territories and by direct deposit to designated accounts.

Cheques in respect of interest payments only will be mailed to Bondholders at the addresses appearing in the register of Bondholders.

5.7 Prescription

Any Principal and Interest payable that remains outstanding after the maturity date of the Bond shall be held by ECHMB in trust for the benefit of the Bondholder, for a period not exceeding seven (7) years after which all such amounts will be transferred to the Eastern Caribbean Central Bank, for the benefit of the Bondholder.

5.8 Replacement of Bond

Confirmation of ownership of a Bond to be replaced or otherwise shall be obtained directly from the Registrar, Transfer and Paying Agent at all times, on payment of such costs as may be incurred in connection therewith.

5.9 Further Issues

ECHMB will be at liberty from time to time without the consent of the Bondholders to create and issue further Bonds either ranking *pari passu* in all respects (or in all respects save for the first payment of interest thereon) with the Bond or upon such terms as to interest, conversion, repayment and otherwise as ECHMB may at the time of the issue thereof determine.

5.10 Notices

All notices to the Bondholders will be valid if published in a newspaper in each of the member territories of the Eastern Caribbean Currency Union (ECCU). Such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication.

5.11 Use of Proceeds

To redeem the following Bonds: No.13 \$6,700,000, No. 18 (Series 1) \$25,000,000, No. 18 (Series 2) \$28,343,300, No. 19 \$49,560,000, and, in the event of oversubscription, to finance the purchase of additional mortgages from Primary Lenders, subject to the limit of \$10,000,000 in the "Over-Allotment Option" noted above in Section 3.0 above.

5.12 Security Issuance Procedures and Settlement and Secondary Market Activities

The 22nd Bond will be issued on the ECSM. This will operate on the ECSE trading platform for both primary issuance and secondary trading. The pricing methodology to be used for selling the securities will be that of a **Uniform Price Auction**. The ECSE and its subsidiaries are responsible for processing, clearance and settlement of securities and providing the Intermediaries with access to their settlement projections report, which indicates the obligations of the Intermediary.

16.0 SECURITY ISSUANCE PROCEDURES, CLEARING AND SETTLEMENT, REGISTRATION OF OWNERSHIP AND SECONDARY MARKET ACTIVITY

The Bond will be issued on the primary market of the ECSM and listed on the secondary market of the ECSE utilizing a **Uniform Price Auction** methodology. The ECSE is responsible for dissemination of market information, providing intermediaries with market access, administering the bidding process and monitoring and surveillance of the auction.

The ECSE, through the Eastern Caribbean Central Securities Depository (ECCSD), is responsible for facilitating clearance and settlement for securities allotted. The ECCSD ensures that funds are deposited to the issuing corporate's account. The ECSE, through

the ECCSR, records and maintains ownership of corporate securities in electronic book-entry form. The ECCSR mails confirmation of proof of ownership letters to all investors who were successful in the auction. The ECCSR will also process corporate action on behalf of issuers. The Licensed Intermediaries are responsible for interfacing with prospective investors, collecting applications for subscription and processing the same for bidding on the ECSE auction platform. Investors must provide the intermediaries with funds to cover the cost of the transaction.

For this particular offering, all commissions and brokerage fees are to be borne by investors. ECHMB is not responsible for any commissions charged by Intermediaries, the cost of which is the responsibility of the investors. A list of licensed Intermediaries is provided in Appendix I. Clients that are successful will be informed of their payment obligations and funds deducted from their respective accounts held with the Intermediary. In the case where all or part of an investor's bid is not successful, the Intermediary will inform the investor and the Intermediary will reimburse the funds to the investor by cheque or direct deposit. The ECHMB will receive the full proceeds of the issue on the settlement date of the transaction. There will be no fees deducted from the issue amount. As an issuer in the ECSM, ECHMB is also subject to the rules, guidelines and procedures of the ECSRC and the ECSE.

APPENDIX I - LIST OF LICENSED INTERMEDIARIES

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Anguilla		
National Bank of Anguilla Ltd	P O Box 44 The Valley Tel: 264-497 2101 Fax: 264-497 3870 / 3310 Email: nbabank1@anguillanet.com	Principal Selwyn Horsford Representative Shernika P. Connor
Antigua and Barbuda		
ABI Bank Ltd.	ABI Financial Centre Redcliffe Street St John's Tel: 268 480 2837 / 2824 Fax: 268 480 2765 Email: abibsec@candw.ag	Principals Casroy James Carolyn Philip Representative Heather Williams
Antigua Commercial Bank Ltd.	ACB Financial Centre P O Box 95 St John's Tel: 268 481 4200 Fax: 268 481 4158/ 4313 Email: acb@candw.ag	Principal Peter N Ashe Representatives Sharon Nathaniel Alban Bass
Dominica		
National Mortgage Finance Company of Dominica Ltd. (NMFC)	64 Hillsborough Street Roseau Tel: 767 448 4401 / 4405 Fax: 767 448 3982 Email: customersupport@nbd.dm	Principal Caryl Phillip-Williams Linda Toussaint-Peter Representatives Curtis Clarendon Joel Denis
St Kitts and Nevis		
St Kitts Nevis Anguilla National Bank Ltd.	P O Box 343 Central Street Basseterre Tel: 869 465 2204 Fax: 869 465 1050 Email: national_bank@sknanb.com	Principals Winston Hutchinson Anthony Galloway Representatives Marlene Nisbett Petronella Edmeade-Crooke Angelica Lewis
The Bank of Nevis Ltd.	P O Box 450 Main Street Charlestown Tel: 869 469 5564 / 5796 Fax: 869 469 5798 E mail: info@thebankofnevis.com	Principals Kevin Huggins Brian Carey Representatives Lisa Herbert Vernesia Walters Kelva Merchant

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Saint Lucia		
ECFH Global Investment Solutions Limited	5 th Floor, Financial Centre Building 1 Bridge Street Castries Tel: 758 456 6826 / 457 7233 Fax: 758 456 6733 E-mail : capitalmarkets@ecfhglobalinvestments.com	Principals Joel Allen Beverley Henry Donna Matthew Representatives Dianne Augustin Lawrence Jean Amobi Armstrong
Financial Investment and Consultancy Services	15 Bridge Street Castries Tel: 7584530225 Fax: 758 4532303 Email: fics_ltd@candw.lc	Principal Sharmaine Francois Representative Anderson Soomer
First Citizens Investment Services Limited	9 Brazil Street Castries Tel: 758 450 2662 Fax: 758 451 7984 Email: stlucia@myFirst Citizens Investment Services .com	Principal Carole Eleuthere-Jn Marie Representative Samuel Agiste
St Vincent and The Grenadines		
Bank of Saint Vincent and the Grenadines Limited	P O Box 880 Cnr. Bedford and Grenville Streets Kingstown Tel: 784 457 1844 Fax: 784 456 2612/ 451 2589 Email: natbank@svgnb.com	Principal Keith Inniss Representatives Patricia John Monifa Latham
Trinidad and Tobago		
First Citizens Investment Services Limited	No. 1 Richmond Street, Ground Floor Furness Court, Independence Square Port of Spain Tel: 868 623 7815 / 5153 Fax: 868 624 4544 / 9833; 627 2930 Email: info@myFirst Citizens Investment Services .com	Representative Vishwatee Jagroop