



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

FOR 26th BOND ISSUE OF \$87,637,000

**BY THE EASTERN CARIBBEAN HOME
MORTGAGE BANK (ECHMB)**

ECCB Complex, Bird Rock Road

P.O. Box 753

Basseterre

ST. KITTS & NEVIS

E-mail: info@echmb.com

Tel: 1 869 466 7869

Fax: 1 869 466-7518

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JUNE 2015

3.0 BOND TERMS AND CONDITIONS

<u>Issuer</u>	: Eastern Caribbean Home Mortgage Bank (“ECHMB”)												
<u>Instrument Type</u>	: Secured Fixed Rate (Tax-free) Bond (“The Bond”).												
<u>Auction Dates & Settlement Dates</u>	: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Tranche</th> <th>Auction Date</th> <th>Settlement Date</th> </tr> </thead> <tbody> <tr> <td>1st Tranche</td> <td>30th June 2015</td> <td>1ST July 2015</td> </tr> <tr> <td>2nd Tranche</td> <td>1st July 2015</td> <td>2nd July 2015</td> </tr> <tr> <td>3rd Tranche</td> <td>28th January 2016</td> <td>29th January 2016</td> </tr> </tbody> </table>	Tranche	Auction Date	Settlement Date	1 st Tranche	30 th June 2015	1 ST July 2015	2 nd Tranche	1 st July 2015	2 nd July 2015	3 rd Tranche	28 th January 2016	29 th January 2016
Tranche	Auction Date	Settlement Date											
1 st Tranche	30 th June 2015	1 ST July 2015											
2 nd Tranche	1 st July 2015	2 nd July 2015											
3 rd Tranche	28 th January 2016	29 th January 2016											
<u>Issue Dates & Issue Amounts</u>	: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Tranche</th> <th>Issue Date</th> <th>Issue Amount</th> </tr> </thead> <tbody> <tr> <td>1st Tranche</td> <td>1st July 2015</td> <td>\$30,000,000</td> </tr> <tr> <td>2nd Tranche</td> <td>2nd July 2015</td> <td>\$30,000,000</td> </tr> <tr> <td>3rd Tranche</td> <td>29th January 2016</td> <td>\$27,637,000</td> </tr> </tbody> </table>	Tranche	Issue Date	Issue Amount	1 st Tranche	1 st July 2015	\$30,000,000	2 nd Tranche	2 nd July 2015	\$30,000,000	3 rd Tranche	29 th January 2016	\$27,637,000
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1 st Tranche	1 st July 2015	\$30,000,000											
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<u>Tenors</u>	: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Tranche</th> <th>Tenor</th> <th>Redemption Date</th> </tr> </thead> <tbody> <tr> <td>1st Tranche</td> <td>277 days</td> <td>3rd April 2016</td> </tr> <tr> <td>2nd Tranche</td> <td>335 days</td> <td>1st June 2016</td> </tr> <tr> <td>3rd Tranche</td> <td>336 days</td> <td>30th December 2016</td> </tr> </tbody> </table>	Tranche	Tenor	Redemption Date	1 st Tranche	277 days	3 rd April 2016	2 nd Tranche	335 days	1 st June 2016	3 rd Tranche	336 days	30 th December 2016
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1 st Tranche	277 days	3 rd April 2016											
2 nd Tranche	335 days	1 st June 2016											
3 rd Tranche	336 days	30 th December 2016											
<u>Coupon Rates</u>	: 1 st Tranche-Competitive Bid Auction up to a maximum of 2.80% 2 nd Tranche-Competitive Bid Auction up to a maximum of 3.00% 3 rd Tranche-Competitive Bid Auction up to a maximum of 3.00%												
<u>Over-Allotment Option</u>	: No Over-Allotment Option												
<u>Registrar, Transfer and Paying Agent</u>	: Eastern Caribbean Central Securities Registry (ECCSR) ECCB Complex, P. O. Box 94, Bird Rock, Basseterre, St. Kitts.												
<u>Use of Proceeds</u>	: To redeem the following Bonds: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Bond</th> <th>Tranche</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Bond-24</td> <td>3</td> <td>\$30,000,000</td> </tr> <tr> <td>Bond-25</td> <td>3</td> <td>\$30,000,000</td> </tr> <tr> <td>Bond-23</td> <td>1</td> <td>\$27,637,000</td> </tr> </tbody> </table>	Bond	Tranche	Amount	Bond-24	3	\$30,000,000	Bond-25	3	\$30,000,000	Bond-23	1	\$27,637,000
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Bond-24	3	\$30,000,000											
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Bond-23	1	\$27,637,000											
<u>Interest Payments & Due Dates</u>	: On maturity in arrears from the Issue Date 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>	: On the 23 rd June 2014, CariCRIS assigned ratings of CariA (Foreign Currency Rating) and CariA (Local Currency Rating) on the regional rating scale the debt issue of the size of US\$30,000,000 of the ECHMB.												

<u>Minimum Bid</u>	: The Bond will be issued with a minimum bid amount of \$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:- <table> <thead> <tr> <th>Tranche</th> <th>Trading Symbol</th> </tr> </thead> <tbody> <tr> <td>1st Tranche</td> <td>HMB030416</td> </tr> <tr> <td>2nd Tranche</td> <td>HMB010616</td> </tr> <tr> <td>3rd Tranche</td> <td>HMB301216</td> </tr> </tbody> </table>	Tranche	Trading Symbol	1 st Tranche	HMB030416	2 nd Tranche	HMB010616	3 rd Tranche	HMB301216
Tranche	Trading Symbol								
1 st Tranche	HMB030416								
2 nd Tranche	HMB010616								
3 rd Tranche	HMB301216								
<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>Expenses of the Offer</u>	: The expenses associated with this 26 th Bond Issue of \$87,637,000 are estimated at \$300,000, including cost of marketing the Bond Issue and preparation and printing of the Prospectus, payable by ECHMB. There is no commission payable by ECHMB to any person in consideration of his agreeing to subscribe for the Bond Issue or his procuring or agreeing to procure subscriptions for this Bond Issue.								
<u>List of Licensed Intermediaries who are Members of the ECSE</u>	<ul style="list-style-type: none"> ▪ Bank of Saint Vincent and the Grenadines Limited ▪ ECFH Global Investment Solutions Limited ▪ First Citizens Investment Services Limited ▪ St. Kitts Nevis Anguilla National Bank Limited ▪ The Bank of Nevis Limited. 								

5.3 **Interest**

5.3.1 **Accrual of Interest**

The Bond will bear interest from and including the “Issue Date” (which expression means 1st July 2015 for the 1st Tranche; 2nd Tranche – 2nd July 2015; 3rd Tranche – 29th January 2016. Interest in respect of the amount of Bond represented by each registered Bond will accrue from day to day and will cease to accrue from the due date for repayment thereof. A year represents 365 days.

5.3.2 **Interest Payment Dates, Interest Periods and Arrears of Interest.**

Interest in respect of the Bond shall be payable on each Interest Payment Date, in respect of the Interest Period ending on the day immediately preceding such date. Any interest in respect of the Bond not paid on an Interest Payment Date, together with any other interest in respect thereof not

paid on any other Interest Payment Date shall, so long as the same remains unpaid constitute “Arrears of Interest”. Arrears of Interest may at the option of ECHMB be paid in whole or in part at any time upon the expiration of not less than seven days’ notice to such effect given to the Bondholders, but all Arrears of Interest in respect of all Bonds for the time being outstanding shall become due in full on the date fixed for any repayment pursuant to Section 5.5 below or on maturity of the Bond whichever is the earlier. If notice is given by ECHMB of its intention to pay the whole or any part of Arrears of Interest, ECHMB shall be obliged to do so upon the expiration of such notice. Arrears of Interest shall not themselves bear interest.

As used herein:

“Interest Payment Date” means the maturity date of the instrument, i.e. 4th April 2016 for the 1st Tranche; and 2nd June 2016 for the 2nd Tranche; and 30th December 2016 for the 3rd Tranche. If the applicable Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below) 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 immediately preceding the day which is a Business Day. If for any reason an Interest Payment Date is so determined by the Paying Agent (as defined in sub-paragraph 5.4.2 below) to be, or to be deemed to be, the last Business Day of any calendar month all subsequent Interest Payment Dates shall (subject as provided below) be the last Business Day of the month. If, however, after the determination of an Interest Payment Date the same is declared or determined not to be a Business Day then that Interest Payment Date will be re-determined on the above basis (*mutatis mutandis*) except that if such re-determination fails to be made 14 days or less before that Interest Payment Date as originally determined then that Interest Payment Date as re-determined will be postponed to the next day which is a Business Day even though such Business Day falls in the next calendar month. Subsequent Interest Payment Dates will in such event, nevertheless be determined as if that re-determined Interest Payment Date had fallen on the last Business Day of the calendar month in which it was originally determined to fall.

“Interest Period” means the period from and including one Interest Payment Date (or, as the case may be, the Issue Date) up to but excluding the next (or first) Interest Payment Date. “Business Day” means a day on which Commercial Banks are open for business in the Federation of St Kitts and Nevis.

ALL OTHER INFORMATION REMAINS THE SAME AS THE ORIGINAL PROSPECTUS DATED MAY 2015