

Naya Pakistan Certificate Information Document

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MCB Bank Limited

Naya Pakistan Certificates

Build Pakistan, Build your wealth

Wherever in the world you may be, now is your time to prosper with Pakistan. Invest in the 'Naya Pakistan Certificates' exclusively through Roshan Digital Account for lucrative returns and play an instrumental role in the progress of your homeland.

	Annualized Rate of Return (%)				
	3 Months	6 Months	12 Months	3 Years	5 Years
USD	5.50	6.00	6.50	6.75	7.00
PKR	9.50	10.00	10.50	10.75	11.00
GBP	5.25	5.50	5.75	6.25	6.50
EUR	4.75	5.00	5.25	5.50	5.75



Shariah Compliance
Available in Conventional & Shariah Compliant variants.



Easy Repatriation
Funds in the account can be fully repatriated without needing prior approval from bank or SBP.



Simple Tax Process
Non-Resident Pakistanis do not need to file tax returns in Pakistan. Withholding tax of 10% will automatically apply on profits.

Visit the Roshan Digital Account Portal (<https://mopss.mcb.com.pk/>) to open your Roshan Digital Account and apply for Naya Pakistan Certificate digitally!

For more information:
Visit our website www.mcb.com.pk or call MCB Contact Center 111-000-622



Terms & Conditions Apply

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Over 1400 Branches

Over 1350 ATMs

Conventional Naya Pakistan Certificates – Information Sheet (Version 4)

1. Who is eligible to invest in Naya Pakistan Certificates (NPCs)?

Individual Non Resident Pakistanis (NRPs) and/or an employee or official of the Federal Government or a Provincial Government posted abroad that are eligible to open foreign currency value account (FCVA) and NRP rupee value account (NRVA) as per the relevant regulations can either individually or jointly purchase the Certificates. Additionally, a Resident Individual Pakistani having duly declared assets held abroad, as per wealth statement declared in latest tax return with FBR, is also eligible to invest in NPC.

2. Can a Resident Pakistani invest in NPC?

Yes. A Resident Pakistani can only open a Roshan Digital FCY Account (FCVA) and subsequently only invest in USD denominated Naya Pakistan Certificates.

3. What types of NPC can I invest in?

The Certificates shall be issued in conventional form and also in Shariah compliant form.

4. What tenors of NPC can I invest in?

The Certificates shall be issued for three (03), six (06), twelve (12), thirty six (36) and sixty (60) months.

5. What is the profit paying frequency of NPC?

The 3-Month, 6-Month and 12-Month tenor certificates shall be single-coupon securities on which principal and profit shall be paid on maturity or on premature encashment. Whereas, 3-Year and 5-year certificates shall be coupon securities, on which periodic profit payment shall be paid on half-yearly basis.

6. What currencies of NPC can I invest in?

The Certificates shall be issued in USD, EUR, GBP and PKR.

7. What is the minimum investment amount?

The minimum investment amount for the respective NPCs is as follows:

- USD denominated: USD 5,000 and integral multiples of USD 1,000
- PKR denominated: PKR 100,000 and integral multiples of PKR 10,000
- GBP denominated: GBP 5,000 and integral multiples of GBP 1,000
- EUR denominated: EUR 5,000 and integral multiples of EUR 1,000

8. How can I invest in NPC?

The funds for investment in the Certificates must be remitted from abroad in the Investors MCB Roshan Digital FCY Account (PKR or FCY) as per prevailing regulations and processes. Provided that funds remitted in Roshan Digital Account of the investor after June [30], 2020 can be used for investment in the Certificates.

For investments, Roshan Digital PKR Accountholders can invest in PKR denominated investments only. Similarly, Roshan Digital FCY Accountholders can invest in only USD/GBP/EUR denominated investments.

State Bank of Pakistan, and/or MCB Bank, reserves the right to accept or reject the investment application if the investor does not comply with the necessary requirements under the rules or instructions.

9. What will be the rate of return?

Government of Pakistan's Finance Division shall notify the rate of return on the Certificates and frequency of payment from time to time. Profit as well as principal repayment shall be made directly to the customers' own account.

In case of a holiday on the periodic profit or principal payment date, the next working day falling after the holiday will be considered the periodic profit date/principal payment date. In such case, no profit will be payable for the period of the holidays.

10. What will happen in case of death of certificate holder?

In case the customer dies, the payment of principal and profit, if any, shall be paid to the legal heirs of the deceased customer in accordance with a valid succession certificate or equivalent documentation issued by a court of competent jurisdiction under the applicable laws.

11. Is NPC transferrable?

The Certificates shall not be transferrable except if required under the relevant laws.

12. Will rollover facility be provided?

The Certificates shall not be auto reinvested or rolled over after maturity date.

13. Can I pledge NPC for financing?

The Certificates shall be pledgeable as security for raising financing in Pakistan subject to such conditions as may be prescribed by SBP.

14. Can I encash my investment in NPC before maturity?

Early encashment is allowed and profit of broken period will be calculated at the profit rate of the nearest shorter tenor (e.g. 12 months' certificate encashed in 10th month, profit will be calculated @ profit rate of 6 months' certificate).

No profit on encashment before initial three months. Premature encashment shall be allowed. Proceeds from premature encashment will be credited on T+2 basis starting from next business day.

Note: Partial encashment is not allowed.

15. Will I be taxed if I invest in NPC?

The profit of the Certificate will be subject to deduction of Withholding Tax on profit at source as a full and final discharge of tax liability. There shall be no requirement for submission of income tax return filings in Pakistan for NRPs in respect of profit earned on these certificates.

16. Is my investment in NPC Zakat deductible?

The Certificates shall be exempt from compulsory deduction of zakat under section 3, Chapter II (Charge and collection of Zakat) of Zakat and Ushr Ordinance, 1980.

17. Form of the Certificates?

The Certificates shall be issued in scrip less form or any other form or format as approved by the Finance Division of Pakistan from time to time in consultation with SBP.

Islamic Naya Pakistan Certificates – Information Sheet (Version 3)

1. Who is eligible to invest in Islamic Naya Pakistan Certificates (INPCs)?

Individual Non Resident Pakistanis (NRPs) and/or an employee or official of the Federal Government or a Provincial Government posted abroad that are eligible to open foreign currency value account (FCVA) and NRP rupee value account (NRVA) as per the relevant regulations can either individually or jointly purchase the Certificates. Additionally, a Resident Individual Pakistani having duly declared assets held abroad, as per wealth statement declared in latest tax return with FBR, is also eligible to invest in INPC.

2. Can a Resident Pakistani invest in INPC?

Yes. A Resident Pakistani can only open a Roshan Digital FCY Account (FCVA) and subsequently only invest in USD denominated INPCs.

3. What types of INPC can I invest in?

The Certificates shall be issued in conventional form and also in Shariah compliant form.

4. What tenors of INPC can I invest in?

The Certificates shall be issued for three (03), six (06), twelve (12), thirty six (36) and sixty (60) months.

5. What is the profit paying frequency of INPC?

The 3-Month, 6-Month and 12-Month tenor certificates shall be single-coupon securities on which principal and profit shall be paid on maturity or on premature encashment. Whereas, 3-Year and 5-year certificates shall be coupon securities, on which periodic profit payment shall be paid on half-yearly basis.

6. What currencies of INPC can I invest in?

The Certificates shall be issued in USD, GBP, EUR and PKR.

7. What is the minimum investment amount?

The minimum investment amount for the respective INPCs is as follows:

- USD denominated: USD 5,000 and integral multiples of USD 1,000
- PKR denominated: PKR 100,000 and integral multiples of PKR 10,000
- GBP denominated: GBP 5,000 and integral multiples of GBP 1,000
- EUR denominated: EUR 5,000 and integral multiples of EUR 1,000

8. How can I invest in INPC?

The funds for investment in the Certificates must be remitted from abroad in the Investors MCB Roshan Digital FCY Account (PKR or FCY) as per prevailing regulations and processes. Provided that funds remitted in Roshan Digital Account of the investor after June [30], 2020 can be used for investment in the Certificates.

For investments, Roshan Digital PKR Account holders can invest in PKR denominated investments only. Similarly, Roshan Digital FCY Account holders can invest in only USD/GBP/EUR denominated investments.

State Bank of Pakistan, and/or MCB Bank, reserves the right to accept or reject the investment application if the investor does not comply with the necessary requirements under the rules or instructions.

9. What will be the rate of return?

Government of Pakistan's Finance Division shall notify the rate of return on the Certificates and frequency of payment from time to time. Profit as well as principal repayment shall be made directly to the customers' own account.

In case of a holiday on the periodic profit or principal payment date, the next working day falling after the holiday will be considered the periodic profit date/principal payment date. In such case, no profit will be payable for the period of the holidays.

10. What will happen in case of death of certificate holder?

In case the customer dies, the payment of principal and profit, if any, shall be paid to the legal heirs of the deceased customer in accordance with a valid succession certificate or equivalent documentation issued by a court of competent jurisdiction under the applicable laws.

11. Is INPC transferrable?

The Certificates shall not be transferrable except if required under the relevant laws.

12. Will rollover facility be provided?

The Certificates shall not be auto reinvested or rolled over after maturity date.

13. Can I encash my investment in INPC before maturity?

Early encashment is allowed. No profit will be paid on encashment before completion of the first month. For encashment after one month and before 3 months, the investor's share shall be redeemed at a discounted price by applying a discount on the announced profit rates for that category of investor. After completion of 3 months, the investor shall be given profit of the nearest shorter tenure (e.g. 12 months certificate encashed in 10th month, profit will be calculated @ profit rate of 6 months' certificate).

Proceed from the premature encashment will be credited on T+2 basis starting from the next business day.

Redemption/Encashment of any amount by the INPC investor shall mean the transfer of its respective share in the Business along with all related risks and rewards as such redemption shall be on the basis of the principal value of the investment.

14. Will I be taxed if I invest in INPC?

The profit of the Certificate will be subject to deduction of Withholding Tax on profit at source as a full and final discharge of tax liability. There shall be no requirement for submission of income tax return filings in Pakistan for NRPs in respect of profit earned on these certificates.

15. Is my investment in INPC Zakat deductible?

The Certificates shall be exempt from compulsory deduction of zakat under section 3, Chapter II (Charge and collection of Zakat) of Zakat and Ushr Ordinance, 1980.

16. Form of the Certificates?

The Certificates shall be issued in scrip less form or any other form or format as approved by the Finance Division of Pakistan from time to time in consultation with SBP.

17. What will the basis of profit sharing?

Profit Sharing Ratio between Mudarib (SPV) and Raab ul Maal (Investors) will be agreed at the outset. The SPV, as Mudarib, shall share in the profit on the basis of a predetermined Profit Sharing Ratio (PSR) of the Gross Income of the Business (the "Mudarib Share" respectively). The "Gross Income" of the Business is defined as profit earned on utilizing Investors' fund (i.e. income of the Business minus all allowed expenses incurred in deriving that income).

18. What is SPV?

Special Purpose Vehicle (SPV) means an SPV formed by the Government of Pakistan, acting through Ministry of Finance for Islamic Naya Pakistan Certificate (INPC).

19. What the Mudarabah relationship between SPV and investors?

For all Islamic Naya Pakistan Certificates (INPC) whether in PKR or any other foreign currency as notified by the GOP Finance Division, the relationship between the SPV and Investor(s) shall be based on the principles of Mudarabah, where the Investor(s) is the Raab-ul-Maal and the SPV is the Mudarib. SPV as the Mudarib may invest or disinvest, at its sole discretion, monies/funds received by it from the Investors only in Shariah Compliant activities/assets (The "Business") of the SPV. Additional features in respect of INPC as may be applicable from time to time shall be stipulated in product brochures and at the website of the SPV.

20. What is profit calculation methodology?

The profit calculation of investment pool shall be done, under this Mudarabah, at the end of every month by the SPV. Profit calculation method for INPC is on a daily product basis. Profit payment will be made at maturity for three, six and twelve month INPCs and on six monthly basis for thirty-six month and sixty month INPCs.

21. What happens if a loss is incurred?

In the event of loss on the capital in respect of the Business, all investors of the investment pool shall share such loss in proportion to their investments. However, if loss was caused by the negligence or willful default of the SPV, the INPC holder will not be liable to share in such loss.

22. What are the applicable laws on INPC Mudarabah agreement?

The Mudarabah Agreement will be governed by the agreed with Terms and Conditions and all laws, regulations, rules, decrees, by-laws applicable to SPV and laws of Islamic Republic of Pakistan in line with the principles or rules of Shariah (as defined and approved by the reputed Shariah Advisor of the SPV).

No business or activity can be undertaken by SPV under this Mudarabah Agreement which does not comply with the rules of Shariah and SPV is responsible to ensure Shariah Compliance of the Business as advised by the Shariah Advisor or Shariah Board of SPV.

23. Where will the funds used for investment in INPC be used for?

To manage the investment received from customers, the SPV shall maintain two separate Mudarabah pools i.e. USD pool, GBP Pool, EUR Pool and PKR pool. The SPV shall use these funds to provide financing to the Federal Government through sale and lease back of the identified assets in USD for USD pool, EUR for EUR Pool, GBP for GBP Pool and PKR for PKR pool.

The rental rate shall be mutually agreed between the SPV and the Federal Government enabling the SPV to have sufficient profits to remunerate the INPC holders at the rate equivalent / close to the expected rates.

Redemption Structure of Islamic Naya Pakistan Certificates



ISLAMIC NPC COMPANY LIMITED
 (Special Purpose Vehicle Owned by the
 Government of Pakistan)
 SBP BUILDING
 I.I.CHUNDRIGAR ROAD,
KARACHI

Annexure A to Letter NO.SFAD/3112/INPC-2020

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (PKR)						
S. No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months to 1 year	1 year to 3 year	3 - 5 years
1	3 months	1.05% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 1.05% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.



ISLAMIC NPC COMPANY LIMITED
 (Special Purpose Vehicle Owned by the
 Government of Pakistan)
 SBP BUILDING
 I.I.CHUNDRIGAR ROAD,
KARACHI

Annexure B to Letter NO.SFAD/3112/INPC-2020

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (USD)						
S. No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months to 1 year	1 year to 3 year	3 - 5 years
1	3 months	1.8% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 1.8% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (PKR)

S.No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months - 1 year	1 - 3 year	3 - 5 years
1	3 months	1.05% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 1.05% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.

* face value would be adjusted after accounting for any losses (if any).

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (USD)

S.No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months - 1 year	1 - 3 year	3 - 5 years
1	3 months	1.8% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 1.8% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.

* face value would be adjusted after accounting for any losses (if any).

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (GBP)

S.No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months - 1 year	1 - 3 year	3 - 5 years
1	3 months	1.9% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 1.9% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.

* face value would be adjusted after accounting for any losses (if any).

Schedule of Early Redemption Price for Islamic Naya Pakistan Certificates (EURO)

S.No.	Tenure	Within 3 months	Between 3 - 6 months	Between 6 months - 1 year	1 - 3 year	3 - 5 years
1	3 months	2.1% of '3 months INPC' rate				
2	6 months		3 months INPC			
3	12 months		3 months INPC	6 months INPC		
4	3 year - half yearly		3 months INPC	6 months INPC	12 months INPC	
5	5 year - half yearly		3 months INPC	6 months INPC	12 months INPC	3 year INPC

Rules:

- For early redemption within 3 months, the redemption price would be the sum of face value and 2.1% of applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3-6 months, the redemption price would be the sum of face value and applicable 3 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 6 months and 1 year, the redemption price would be the sum of face value and applicable 6 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 1 and 3 year, the redemption price would be the sum of face value and applicable 12 Month INPC rates applied on the face value for the relevant number of days.
- For early redemption between 3 and 5 year, the redemption price would be the sum of face value and applicable 3 Year INPC rates applied on the face value for the relevant number of days.

* face value would be adjusted after accounting for any losses (if any).