

## Premium Prize Bonds (Registered) Scheme Frequently Asked Questions (FAQs)

SCHEME OUTLINE	
Q1	<p>What is Premium Prize Bonds Scheme and how different is it from the existing National Prize Bonds Scheme?</p> <p><i>Answer: The Central Directorate of National Savings (CDNS) initiated a new registered prize bonds scheme called "PREMIUM PRIZE BONDS (REGISTERED)" parallel to the National Prize Bonds Scheme.</i></p> <p><i>Contrary to the National Prize Bonds (bearer), the Premium Prize Bond is a registered prize bond which is issued in the name of registered investor. The investor gets a six monthly profit on investment at a rate notified by the Government of Pakistan upon completion of six month period either from the date of issue or date of last profit paid in addition to eligibility for prize money in quarterly draws, subject to compliance to shut period requirements.</i></p>
Q2	<p>What rules govern the Premium Prize Bond Scheme?</p> <p><i>Answer: This scheme is governed under "Premium Prize Bonds (Registered) Rules, 2017" available at <a href="https://www.sbp.org.pk/sbp_bsc/PrizeBond/PremiumPrizeBonds-Rules.pdf">https://www.sbp.org.pk/sbp_bsc/PrizeBond/PremiumPrizeBonds-Rules.pdf</a>.</i></p>
Q3	<p>How many denominations are there for Premium Prize Bond Scheme?</p> <p><i>Answer: Presently, there are two denominations i.e. Rs. 40,000/- and Rs. 25,000/-.</i></p>
Q4	<p>What is meant by Office of Issue?</p> <p><i>Answer: The Office of Issue is the SBP Banking Services Corporation (SBP BSC) Office and authorized conventional banks from where the Premium Prize Bond is issued.</i></p>
Q5	<p>Which conventional banks are authorized to deal in Premium Prize Bonds?</p> <p><i>Answer: All the major conventional banks are authorized to deal in Premium Prize Bonds. At present 19 banks are dealing in Premium Prize Bonds, the list of which is available at <a href="https://www.sbp.org.pk/sbp_bsc/PrizeBond/ConsolidatedListBranches-PPB.pdf">https://www.sbp.org.pk/sbp_bsc/PrizeBond/ConsolidatedListBranches-PPB.pdf</a>.</i></p>
Q6	<p>Is the Premium Prize Bond a product of State Bank of Pakistan?</p> <p><i>Answer: No, the Premium Prize Bond is not a product of State Bank of Pakistan. The Premium Prize Bond Scheme is initiated by Central Directorate of National Savings (CDNS) and Bonds are issued as a Central Government Debt. All policy related matters / rules pertaining to this scheme are devised by the CDNS in coordination with SBP BSC. SBP BSC acts as an agent to Government for management of this scheme.</i></p>
Q7	<p>What is the composition of Premium Prize Bond Number?</p> <p><i>Answer: Each bond has a unique alpha-numeric number where the alpha denotes the series and the number reflects bond serial number e.g. A123456. The series of prize bonds shall be issued in sequential order except I &amp; O which will not be used as series. Each series of bonds consists of one less than a million pieces of bonds i.e. from 000001 to 999,999.</i></p>

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<b>Q8</b>	<p>Is Zakat and Withholding Tax applicable to Premium Prize Bonds profit and prize money?</p> <p><i>Answer: Any investment made under Premium Prize Bond Scheme and profit earned thereon is exempted from compulsory deduction of Zakat. However, withholding tax on both the profit (Section 151 of Income Tax Ordinance, 2001) and prize money (Section 156 of Income Tax Ordinance, 2001) shall be applicable as per the prevailing rate notified by the Federal Government.</i></p>
<b>Q9</b>	<p>What is the tenor or maturity period for Premium Prize Bonds?</p> <p><i>Answer: The Premium Prize Bonds are issued for unlimited tenor without any maturity.</i></p>
<b>Q10</b>	<p>Can I pledge the Premium Prize Bonds (Registered)?</p> <p><i>Answer: Yes, three months after the date of issue, subject to the requirements of the institutions where they are pledged.</i></p>
<b>Q11</b>	<p>Can I choose the Premium Prize Bond numbers of my choice?</p> <p><i>Answer: No</i></p>
<b>SALE / ENCASHMENT / TRANSFER</b>	
<b>Q12</b>	<p>Who can purchase these Premium Prize Bonds?</p> <p><i>Answer: These bonds may be purchased by any of the following:</i></p> <ul style="list-style-type: none"> <li><i>a. A single adult</i></li> <li><i>b. Two adults in their joint names</i> <ul style="list-style-type: none"> <li><i>i. Payable to holder jointly or payable to either with written consent of the other called "Joint Class A" or</i></li> <li><i>ii. Payable to either called "Joint Class B".</i></li> </ul> </li> </ul>
<b>Q13</b>	<p>What documents are required for purchase of Premium Prize Bonds?</p> <p><i>Answer: The duly filled application form must be accompanied by the following documents:</i></p> <ul style="list-style-type: none"> <li><i>a. Legible copy of valid CNIC / SNIC / Pakistan Origin Card (POC) (Original/Seen)</i></li> <li><i>b. Account Maintenance Certificate (not older than one month from the date of application) of the IBAN Number provided in the application form mentioning Bank and Branch Name, Title of Account, Account Number and IBAN (Required at the time of registration or change of Account Number).</i></li> </ul>
<b>Q14</b>	<p>Is registration for purchase of Premium Prize Bonds mandatory?</p> <p><i>Answer: Yes. Since these bonds are registered in nature, registration at the office of issue prior to the purchase of bonds is mandatory. However, this exercise is required to be completed once for each investor.</i></p>

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<b>Q15</b>	<p>I don't have a Bank account; can I still purchase Premium Prize Bonds?</p> <p><i>Answer: No. Maintenance of an account in the name of the applicant(s) is mandatory for purchase of Premium Prize Bonds.</i></p>
<b>Q16</b>	<p>What is maximum limit in numbers or value for purchase of Premium Prize Bonds?</p> <p><i>Answer: There is no maximum limit in number or value for purchase of Premium Prize Bonds. However, these bonds shall be issued in multiples of its face value only.</i></p>
<b>Q17</b>	<p>Can these bonds be purchased from Commercial Bank branches?</p> <p><i>Answer: Yes. At present 19 banks are dealing in Premium Prize Bonds, the list of which is available at</i></p> <p><a href="https://www.sbp.org.pk/sbp_bsc/PrizeBond/ConsolidatedListBranches-PPB.pdf">https://www.sbp.org.pk/sbp_bsc/PrizeBond/ConsolidatedListBranches-PPB.pdf</a>.</p>
<b>Q18</b>	<p>I am an overseas Pakistani. Can I purchase Premium Prize Bonds?</p> <p><i>Answer: Yes. The overseas Pakistanis can purchase the Premium Prize Bonds (Registered) from authorized offices in Pakistan on production of NICOP or Pakistan Origin Card (POC).</i></p>
<b>Q19</b>	<p>How can I pay to purchase these Premium Prize Bonds?</p> <p><i>Answer: The payment for purchase of Bonds may be made by any of the following methods:</i></p> <ol style="list-style-type: none"> <li><i>a. Cash</i></li> <li><i>b. Bank draft *</i></li> <li><i>c. Cross Cheque *</i></li> <li><i>d. Pay order *</i></li> </ol> <p><i>* subject to realization of proceeds</i></p>
<b>Q20</b>	<p>From where can I encash the Premium Prize Bonds?</p> <p><i>Answer: The Premium Prize Bonds can only be encashed from the Office of Issue</i></p>
<b>Q21</b>	<p>Will there be any deduction against the face value of Premium Prize Bonds upon encashment?</p> <p><i>Answer: No deduction will be made on face value.</i></p>
<b>Q22</b>	<p>What documents are required for encashment of Premium Prize Bonds?</p> <p><i>Answer: The registered investor shall be required to fill an Application Form (PPB-2) along with the following documents at the time of encashment:</i></p> <ol style="list-style-type: none"> <li><i>a. Original Premium Prize Bond duly signed on reverse.</i></li> <li><i>b. Legible copy of valid CNIC/ SNIC / Pakistan Origin Card (POC) (original seen)</i></li> <li><i>c. Any other document (if any) as specified from time to time.</i></li> </ol>

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Q23	<p>When can I encash my Premium Prize Bonds?</p> <p><i>Answer: Premium Prize Bonds can be encashed by the registered investor as and when required from the office of issue.</i></p>
Q24	<p>Can I encash my Premium Prize Bonds and receive face value in my bank account?</p> <p><i>Answer: Yes, the proceeds will be credited directly to the registered bank account.</i></p>
Q25	<p>What will happen in case a Premium Prize Bond is lost?</p> <p><i>Answer: In case of loss of Premium Prize Bonds, the investor is required to personally visit the Office of Issue and report the loss of instruments by submitting an application form, copy of FIR / NC. After necessary verification, the Office of Issue will issue new Premium Prize Bonds of same Face Value with different numbers in the name of same investor.</i></p>
Q26	<p>What will happen in case of death of registered investor of Premium Prize Bond?</p> <p><i>Answer: In case of death of bond holder, payment of principal amount, profit and prize money (as the case may be) to the legal heir(s) will be made according to succession certificate.</i></p>
Q27	<p>Are Premium Prize Bonds transferrable?</p> <p><i>Answer: Yes.</i></p>
Q28	<p>How can I transfer my Premium Prize Bonds to anyone?</p> <p><i>Answer: The Premium Prize Bonds can be transferred to anyone from the Office of Issue. However, personal presence of both the Transferor and Transferee is mandatory.</i></p>
Q29	<p>What documents are required for transfer of Premium Prize Bonds?</p> <p><i>Answer: For transfer of Premium Prize Bonds, the following documents are required:</i></p> <ol style="list-style-type: none"> <li><i>a. Original Bonds to be transferred</i></li> <li><i>b. Legible copy of valid CNIC/SNIC/Pakistan Origin Card (POC) of transferor (Original Seen)</i></li> <li><i>c. Legible copy of valid CNIC/SNIC/Pakistan Origin Card (POC) of transferee (Original Seen)</i></li> <li><i>d. Account Maintenance Certificate of transferee for the IBAN Number provided in the application form (Not older than one month from the date of application).</i></li> </ol>
Q30	<p>What happens when I transfer my Premium Prize Bonds?</p> <p><i>Answer: Upon transfer of Premium Prize Bonds, the transferor relinquishes all rights on the face value, profit and prize money (if any) to the Transferee.</i></p>
Q31	<p>When can I transfer my Premium Prize Bonds?</p> <p><i>Answer: Premium Prize Bonds can be transferred by the registered investor as and when required from the office of issue.</i></p>
Q32	<p>Are there any charges for transfer of Premium Prize Bonds?</p> <p><i>Answer: No.</i></p>

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### DRAWS & PRIZE MONEY

<b>Q33</b>	<p>What is the frequency of draws for Premium Prize Bonds?</p> <p><i><b>Answer:</b> The Draws for each denomination of Premium Prize Bonds are held on quarterly basis.</i></p>																														
<b>Q34</b>	<p>What is the procedure of Premium Prize Bonds draws? Is the process of draw fair and transparent?</p> <p><i><b>Answer:</b> Prize bond draw is held by a committee constituted by CDNS and open to general public. Winning prize bonds are drawn through Hand operated draw machine, which is operated by special children in front of Committee members and general public attending the draw ceremony. Draw machine is also checked by general public before the start of draw. Video recordings of all draws are also kept in record.</i></p>																														
<b>Q35</b>	<p>Can I attend draw ceremony?</p> <p><i><b>Answer:</b> Yes, general public may also attend the prize bond draw ceremony on production of original CNIC.</i></p>																														
<b>Q36</b>	<p>Who issues the draw schedule for each denomination?</p> <p><i><b>Answer:</b> CDNS issues the draw schedule for one calendar year.</i></p>																														
<b>Q37</b>	<p>What is the minimum holding/retention period for my Premium Prize Bond(s) to become eligible for prize money in the forthcoming draw?</p> <p><i><b>Answer:</b> Two (02) months for Rs. 25,000/- &amp; Rs. 40,000/- denomination Premium Prize Bonds.</i></p>																														
<b>Q38</b>	<p>What is the prize money schedule for Premium Prize Bonds?</p> <p><i><b>Answer:</b> The prize money schedule for Premium Prize Bonds is as under:</i></p> <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="padding: 5px;">Denomination</th> <th style="padding: 5px;">Prize Tier</th> <th style="padding: 5px;">No. of Prizes</th> <th style="padding: 5px;">Prize Money Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td rowspan="4" style="padding: 5px;">Rs. 25,000</td> <td style="padding: 5px;">1st</td> <td style="padding: 5px;">2</td> <td style="padding: 5px;">30,000,000</td> </tr> <tr> <td style="padding: 5px;">2nd</td> <td style="padding: 5px;">5</td> <td style="padding: 5px;">10,000,000</td> </tr> <tr> <td style="padding: 5px;">3rd</td> <td style="padding: 5px;">700</td> <td style="padding: 5px;">300,000</td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">707</td> <td style="padding: 5px;">-----</td> </tr> <tr> <td rowspan="4" style="padding: 5px;">Rs. 40,000</td> <td style="padding: 5px;">1st</td> <td style="padding: 5px;">1</td> <td style="padding: 5px;">80,000,000</td> </tr> <tr> <td style="padding: 5px;">2nd</td> <td style="padding: 5px;">3</td> <td style="padding: 5px;">30,000,000</td> </tr> <tr> <td style="padding: 5px;">3rd</td> <td style="padding: 5px;">660</td> <td style="padding: 5px;">500,000</td> </tr> <tr> <td style="padding: 5px;">Total</td> <td style="padding: 5px;">664</td> <td style="padding: 5px;">-----</td> </tr> </tbody> </table>	Denomination	Prize Tier	No. of Prizes	Prize Money Amount (Rs.)	Rs. 25,000	1st	2	30,000,000	2nd	5	10,000,000	3rd	700	300,000	Total	707	-----	Rs. 40,000	1st	1	80,000,000	2nd	3	30,000,000	3rd	660	500,000	Total	664	-----
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Q39	<p>How can I claim my prize money against Premium Prize Bonds?</p> <p><i>Answer: The investor is not required to submit any claim as the prize money against winning Premium Prize Bonds is directly credited to registered investor's Bank account provided at the time of purchase of respective bond.</i></p>
Q40	<p>Is there any tax/deduction against prize money/profit on Premium Prize Bonds?</p> <p><i>Answer: Yes. The rate of WHT shall be deducted as per the prevailing rates notified by the Federal Government.</i></p>
Q41	<p>Are there any charges for prize money claim form?</p> <p><i>Answer: There is no prize money claim form for Premium Prize Bonds.</i></p>
Q42	<p>What is the draw schedule for each denomination of Premium Prize Bonds?</p> <p><i>Answer: Draw for each denomination Premium Prize Bonds are held as per schedule below: 10th of March, June, September and December every year.</i></p>
Q43	<p>What is meant by Single Common Draw?</p> <p><i>Answer: Single Common Draw means a single draw commonly applicable for all series qualifying for prize money in that specific draw.</i></p>
<b>PROFIT</b>	
Q44	<p>How can I be eligible for profit once I purchase the Premium Prize Bonds?</p> <p><i>Answer: The eligibility for profit on investment in Premium Prize Bonds is to hold the bonds for minimum of six months, either from the date of issue or last profit paid.</i></p>
Q45	<p>If I encash my Premium Prize Bonds before six months from the date of issue or date of last profit received, can I get profit for the period these bonds were held in my name?</p> <p><i>Answer: No, profit is paid only after completion of six months.</i></p>
Q46	<p>What is the rate of profit on Premium Prize Bonds?</p> <p><i>Answer: The rate of profit is decided and notified by the Federal Government from time to time.</i></p>
Q47	<p>Is the rate of profit on Premium Prize Bonds fixed?</p> <p><i>Answer: No, as mentioned above, profit on PPBs is notified by the Finance Division GoP from time to time.</i></p>
Q48	<p>How can I claim my profit on Premium Prize Bonds?</p> <p><i>Answer: Similar to prize money, the investor is not required to submit any claim for profit payment. The profit on investment is directly credited on due dates into the registered bank account of the investor.</i></p>
Q49	<p>Is my taxpayer status accounted for before payment of profit on Premium Prize Bonds?</p> <p><i>Answer: Yes. The rate of WHT shall be applicable according to the taxpayer status of the investor and as per the rates notified by the Federal Government for both Filers and Persons not appearing in Active Taxpayers List (ATL).</i></p>

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<b>Q50</b>	<p>What is the frequency for profit payment on Premium Prize Bonds?</p> <p><i>Answer: Bi-annually, subject to completion of six months from the date of issuance or profit paid.</i></p>
<b>Q51</b>	<p>What is current WHT rate on profit?</p> <p><i>Answer: 15% for Filer and 30% for persons not appearing in the ATL</i></p>
<b>Q52</b>	<p>I have changed my bank account, how can I receive the profit payment against Premium Prize Bonds?</p> <p><i>Answer: Such cases should immediately be reported to Office of Issue for change of bank account in their record.</i></p>
<b>Q53</b>	<p>In case my profit credit is returned by my commercial bank due to any reason whatsoever, what should I do?</p> <p><i>Answer: In such cases, the registered owner is informed to contact the office of issue.</i></p>