

GLOSSARY

Term	Definition	Legal Basis
National Treasury Bill – LTN	National Treasury security, issued to cover the budget deficit, only in electronic book entry form registered in the Selic. Fixed rate security.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001; Ministry of Finance/GM Directive 183, of 7.31.2003.
Financial Treasury Bill – LFT	National Treasury security, issued to cover the budget deficit, only in electronic book entry form registered in the Selic. Floating rate security, linked to the Selic rate.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001; Ministry of Finance/GM Directive 183, of 7.31.2003.
National Treasury Note – NTN	National Treasury security, issued to cover the budget deficit, only in electronic book entry form registered in the Selic. Floating rate security (except for NTN-F), having several series linked to different indexes like inflation, foreign exchange or interest rates.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001; Ministry of Finance/GM Directive 183, of 7.31.2003.
Treasury Financial Certificate – CFT	National Treasury security, issued to conduct financial transactions defined by law, only in book entry form registered in the Cetip. Floating rate security (except for CFT-F), having several series linked to different indexes like inflation, foreign exchange or interest rates.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001.
National Treasury Certificate – CTN	National Treasury security issued directly to borrowers of agricultural loans, with the exclusive purpose of serving as a collateral of principal in these debt novation with financial institutions. Issued only in book entry form registered in the Cetip. Floating rate security, inflation indexed by IGP-M variation.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001; Ministry of Finance/GM Directive 183, of 7.31.2003.

Term	Definition	Legal Basis
Public Debt Certificate – CDP	National Treasury security, issued with exclusive purpose of settlement of debts with the National Institute of Social Security - INSS. Issued only in book entry form registered in the Cetip. Floating rate security, updated by TR interest rate variation.	Provisional Measure 2,181-45, of 8.24.2001; Law 10,179, of 2.6.2001; Decree 3,859, of 7.4.2001; Ministry of Finance/GM Directive 183, of 7.31.2003.
Negotiable Securities	Securities with free market negotiation.	
Non-negotiable Securities	Securities with a clause forbidding transfer, by force of law or contract.	
Agrarian Debt Bond – TDA	National Treasury security, issued to promote agrarian reform, only in book entry form registered in the Cetip. Floating rate security, updated by TR interest rate variation.	Constitution of the Federative Republic of Brazil, of 1988; Law 4,504, of 1964; Provisional Measure 2,183-56, of 8.24.2001; Decree 578, of 6.24.1992.
Securitized Debt	National Treasury securities issued as a result of assumption and renegotiation of debts of the Union or assumed by force of law. Issued only in book entry form registered in the Cetip. Floating rate securities, having several series linked to different indexes like inflation, foreign exchange or interest rates.	Law 8,029, of 4.12.1990; Law 9,711, of 11.20.1998; Decree 1,647, of 9.26.1995; Decree 1,785, of 1.11.1996; Decree 1,907, of 5.17.1996.
Non-competitive Issuance	Issuances of government securities held directly to several economic agents, according to the Law. They are intended mainly for the securitization of debts of the Union, structured finance transactions, assumption and refinancing of the debt of states, municipalities and state companies.	
Public Offering	Public issuances of securities by the National Treasury and Central Bank of Brazil through electronic auction. Can be made with securities registered in the Selic or in the Cetip.	Ministry of Finance/GM Directive 183, of 7.31.2003.
Selic	Established in 1979, the Special System for Settlement and Custody – Selic - is an electronic system intended for the safekeeping of book entry securities issued by the National Treasury and the registration and settlement of transactions with these securities.	Central Bank Circular 3,587, of 3.26.2012.
Cetip	Established in 1986, Cetip - OTC Clearing House, manages trading and registration environments for all Securitized Credits of the Union, Agrarian Debts (Law 9,138, of 11.29.1995 and CMN Resolution 2,471, of 2.26.1998), Agrarian Debt Bonds - TDA, Treasury Financial Certificates - CFT and Public Debt Certificates - CDP.	