UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Date of event requiring this shell company report _____

Commission file number: 001-41129

Nu Holdings Ltd.

(Exact name of Registrant as specified in its charter)

Nu Holdings Ltd.

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

Campbells Corporate Services Limited, Floor 4,
Willow House, Cricket Square, KY1-9010
Grand Cayman, Cayman Islands
+1 345 949 2648

(Address of principal executive offices)

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Copies to:

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Phone: (212) 450-4000 Fax: (212) 701-5800

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A ordinary shares, par value US$0.000006666666667 per share	NU	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

The number of outstanding shares as of December 31, 2021 was 3,459,743,432 Class A ordinary shares (including Class A ordinary shares underlying the BDRs), and 1,150,245,114 Class B ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☒

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☐ No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐ (not required)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☐ Accelerated Filer ☐ Non-accelerated Filer ☒ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this annual report:

U.S. GAAP ☐ International Financial Reporting Standards as issued by Other ☐
the International Accounting Standards Board ☒

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

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Presentation of Financial and Other Information

All references to “U.S. dollars,” “dollars,” or “US$” are to the U.S. dollar. All references to “IFRS” are to International Financial Reporting Standards, as issued by the IASB.

Financial Statements

Nu Holdings Ltd., or “Nu,” was incorporated in the Cayman Islands on February 26, 2016 as an exempted company incorporated with limited liability.

We maintain our books and records in U.S. dollars, which is the presentation currency for our financial statements and also our functional currency. The functional currency of our Brazilian, Mexican and Colombian operating entities, respectively, is the Brazilian real, the Mexican peso and the Colombian peso. The financial statements of each of our subsidiaries are maintained using the relevant functional currency for such subsidiary, which we determine is the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. See note 2.a to our audited consolidated financial statements, included elsewhere in this annual report, for more information about our and our subsidiaries’ functional currencies.

Our consolidated financial statements were prepared in accordance with IFRS. Unless otherwise noted, our consolidated statement of financial position data presented herein as of December 31, 2021, 2020 and 2019 and the consolidated statements of profit or loss for the years ended December 31, 2021, 2020, and 2019 is stated in U.S. dollars, our reporting currency. Our consolidated financial information contained in this annual report is derived from our audited consolidated financial statements as of December 31, 2021 and 2020 and for the years ended December 31, 2021, 2020 and 2019, together with the notes thereto. Any financial information contained in this annual report comparing growth in the year ended December 31, 2019 against the prior period has been prepared based on accounting records for the year ended December 31, 2018, which was prepared in accordance with IFRS.

This financial information should be read in conjunction with "Item 5—Operating and Financial Review and Prospects" and our consolidated financial statements, including the notes thereto, included elsewhere in this annual report.

Our fiscal year ends on December 31. References in this annual report to a fiscal year, such as "fiscal year 2021," relate to our fiscal year ended on December 31 of that calendar year.

Special Note Regarding Non-IFRS Financial Measures

This annual report presents our Adjusted Net Income (Loss) and certain FX Neutral measures and their respective reconciliations for the convenience of investors, which are non-IFRS financial measures. A non-IFRS financial measure is generally defined as a numerical measure of historical or future financial performance, financial position, or cash flow that purports to measure financial performance but excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. Adjusted Net Income (Loss) and the FX Neutral measures, however, should be considered in addition to, and not as a substitute for or superior to, profit (loss), or other measures of the financial performance prepared in accordance with IFRS.

Adjusted Net Income (Loss)

Adjusted Net Income (Loss) is prepared and presented to eliminate the effect of items from profit (loss) attributable to shareholders of the parent company that we do not consider indicative of our core operating performance within the period presented. We define Adjusted Net Income (Loss) as profit (loss) attributable to shareholders of the parent company, adjusted for expenses related to share-based compensation, allocated tax effects on share-based compensation, finance costs related to results with convertible instruments, as well as expenses (revenue deduction) and allocated tax effects related to the Initial Public Offering (IPO)-related customer program (NuSócios).

Adjusted Net Income (Loss) is presented because our management believes that this non-IFRS financial measure can provide useful information to investors, securities analysts and the public in their review of our operating and financial performance, although it is not calculated in accordance with IFRS or any other generally accepted accounting principles and should not be considered as a measure of performance in isolation. We also use Adjusted Net Income (Loss) as a key profitability measure to assess the performance of our business. We believe that Adjusted Net Income (Loss) is useful to evaluate our operating and financial performance for the following reasons:

- Adjusted Net Income (Loss) is widely used by investors and securities analysts to measure a company's operating performance without regard to items that can vary substantially from company to company and from period to period, depending on their accounting and tax methods, the book value and the market value of their assets and liabilities, and the method by which their assets were acquired;

- Non-cash equity grants made to executives, employees or consultants at a certain price and point in time, and their income tax effects, do not necessarily reflect how our business is performing at any particular time and the related expenses are not key measures of our core operating performance;

- Expenses related to the customer program (NuSócios), and their income tax effects, do not necessarily reflect how our business is performing at any particular time as they were related to a specific marketing effort event we carried out in connection with our IPO are not key measures of our core operating performance; and

- Finance costs with convertible instruments include fair value adjustments relating to the embedded derivative conversion feature, which are based upon subjective assumptions and do not reflect the cash cost of our convertible debt, and do not directly reflect how our business is performing at any particular time. The related expense adjustment amounts are not key measures of our core operating performance.

Adjusted Net Income (Loss) is not a substitute for profit (loss) attributable to shareholders of the parent company, which is the IFRS measure of earnings. Additionally, our calculation of Adjusted Net Income (Loss) may be different from the calculation used by other companies, including our competitors in the technology and financial services industries, because other companies may not calculate these measures in the same manner as we do, and therefore, our measure may not be comparable to those of other companies. A reconciliation of our Adjusted Net Income (Loss) to its most directly comparable measure of income (loss) can be found in "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Non-IFRS Financial Measures and Reconciliations."

FX Neutral Measures

FX Neutral measures are prepared and presented to eliminate the effect of foreign exchange, or "FX," volatility between the comparison periods, allowing management and investors to evaluate our financial performance despite variations in foreign currency exchange rates, which may not be indicative of our core operating results and business outlook.

FX Neutral measures are presented because our management believes that these non-IFRS financial measures can provide useful information to investors, securities analysts and the public in their review of our operating and financial performance, although they are not calculated in accordance with IFRS or any other generally accepted accounting principles and should not be considered as a measure of performance in isolation.

The FX Neutral measures included in this annual report were calculated to present what such measures in preceding years would have been had exchange rates remained stable from these preceding years until the date of our most recent financial information, as detailed below.

The FX Neutral measures for the years ended December 31, 2020, 2019 and 2018 were calculated by multiplying the as reported amounts of Adjusted Net Income (Loss) and the key business metrics for such years by the average Brazilian *reais*/U.S. dollars exchange rates for the years ended December 31, 2020, 2019 and 2018 (R$5.240, R$3.952 and R$3.681, to US$1.00, respectively), and using such results to re-translate the corresponding amounts back to U.S. dollars by dividing them by the average Brazilian *reais*/U.S. dollars exchange rate for the year ended December 31, 2021 (R$5.415 to US$1.00), so as to present what certain of our statement of profit and loss amounts and key business metrics would have been had exchange rates remained stable from these past periods/years until the year ended December 31, 2021.

The average Brazilian reais/U.S. dollars exchange rates were calculated as the average of the month-end rates for each month in the years 2021, 2020, 2019 and 2018, as reported by Bloomberg.

FX Neutral measures for deposits and interest-earning portfolio presented in this annual report were calculated by multiplying the as reported amounts as of December 31, 2020, 2019 and 2018 by the spot Brazilian *reais*/U.S. dollars exchange rates as of these dates (R$5.199, R$4.030 and R$3.875 to US$1.00, respectively), and using such results to re-translate the corresponding amounts back to U.S. dollars by dividing them by using the spot rate as of December 31, 2021 (R$5.576 to US$1.00) so as to present what these amounts would have been had exchange rates been the same as those on December 31, 2021. The Brazilian *reais*/U.S. dollars exchange rates were calculated using rates as of such dates as reported by Bloomberg.

FX Neutral measures do not include adjustments for any other macroeconomic effect, such as local currency inflation effects, or any price adjustment to compensate for local currency inflation or devaluation. A reconciliation of our FX Neutral measures to the most directly comparable financial measure calculated and presented in accordance with IFRS can be found in "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Non-IFRS Financial Measures and Reconciliations."

Special Note Regarding Certain Operational Metrics

Customers and Active Customers

This annual report presents information regarding our number of customers and our number of monthly active customers.

Number of customers information is prepared and presented as an important indicator of the size and momentum of our business, particularly as we continue to operate at a high growth pace. We define customers for a given measurement period as the individuals or SMEs that have previously or within such measurement period opened an account with us and we exclude any such individuals or SMEs that have been charged-off or blocked or have voluntarily closed their account. Number of customers is presented because it allows us to track our capacity to attract and retain customers and can provide useful information to investors, securities analysts and the public in their review of our operating performance.

Monthly active customer information is prepared and presented as an important indicator of the size and momentum of our business based on the number of customers we consider to be active. We define monthly active customers as all customers that have generated revenue in the last 30 calendar days, for a given measurement period. Monthly active customers information is presented because it allows us to track our capacity to attract and retain active customers and can provide useful information to investors, securities analysts and the public in their review of our operating performance.

Moreover, we differentiate between total number of customers (which includes customers we consider to be non-active) and active customers, to enable our management to evaluate performance metrics exclusively on the customers that we define as active. Doing so allows us to track performance based on revenue (defined as Monthly ARPAC) and cost (defined as Monthly Average Cost to Serve). For an explanation of how we calculate Monthly ARPAC and Monthly Average Cost to Serve per Active Customer please see the "Glossary of Terms" and "Item 5. Operating and Financial Review and Prospects—A. Operating Results."

Information regarding both total number of customers and monthly active customers should be analyzed in conjunction with other operating and financial metrics, and should not be considered as a measure of performance in isolation. Additionally, our calculation of these measures may be different from the calculation used by other companies, including our competitors in the technology and financial services industries, because other companies may not calculate these measures in the same manner as we do, and therefore, our measures may not be comparable to those of other companies.

Market Share and Other Information

This annual report contains data related to economic conditions in the markets in which we operate. The information contained in this annual report concerning economic conditions is based on publicly available information from third-party sources that we believe to be reasonable. Market data and certain industry forecast data used in this annual report were obtained from internal reports and studies, where appropriate, as well as estimates, market research, publicly available information (including information available from the U.S. Securities and Exchange Commission website) and industry publications. We obtained the information included in this annual report relating to the industry in which we operate, as well as the estimates concerning market shares, through internal research, a report dated October 28, 2021 by management consulting company Oliver Wyman Consultoria em Estratégia de Negócios Ltda. commissioned by us, public information and publications on the industry prepared by official public sources, such as the national association of financial and capital markets entities (Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais, or "ANBIMA"); the World Bank; the International Monetary Fund, or the "IMF;" the Organization for Economic Co-operation and Development, or "OECD;" the Central Bank of Brazil; the Colombian Central Bank; the Central Bank of Mexico; the Inter-American Development Bank; the Brazilian social and economic development bank (Banco Nacional de Desenvolvimento Econômico e Social, or "BNDES"); the Brazilian Institute of Geography and Statistics (Instituto Brasileiro de Geografia e Estatística, or the "IBGE"); the Institute of Applied Economic Research (Instituto de Pesquisa Econômica Aplicada, or "IPEA"), the Superintendence of Private Insurance (Superintendência de Seguros Privados, or "SUSEP"), the CVM; the Colombian National Administrative Department of Statistics (DANE – Departamento Administrativo Nacional de Estadística); the Mexican National Institute of Statistics and Geography (INEGI – Instituto Nacional de Estadística, Geografía e Informática); the Brazilian Micro and Small Business Support Service (Serviço Brasileiro de Apoio às Micro e Pequenas Empresas) or "SEBRAE;" the GSMA; and the Brazilian Association of Credit Card and Services Companies (Associação Brasileira de Empresas de Cartões de Crédito e Serviços), or "ABECS;" as well as private sources, such as B3, Bloomberg and Forbes, consulting and research companies in the Brazilian financial services industry, and Fundação Getulio Vargas, or "FGV," among others. We estimate that we are one of the largest digital banking platforms in the world by comparing what we believe to be the largest (by number of customers) digital banking platforms around the world (according to public statements made by these platforms and data from an independent research firm) to the number of customers on our platform.

Industry publications generally state that the information they include has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Although we have no reason to believe any of this information or these reports are inaccurate in any material respect and believe and act as if they are reliable, we have not independently verified it. Governmental publications and other market sources, including those referred to above, generally state that their information was obtained from recognized and reliable sources, but the accuracy and completeness of that information is not guaranteed. In addition, the data that we compile internally and our estimates have not been verified by an independent source. Except as disclosed in this annual report, none of the publications, reports or other published industry sources referred to in this annual report were commissioned by us or prepared at our request. Except as disclosed in this annual report, we have not sought or obtained the consent of any of these sources to include such market data in this annual report.

Calculation of Net Promoter Score

Net promoter score, or “NPS,” is a widely known survey methodology that measures the willingness of customers to recommend a company’s products and services. It is used to gauge customers’ overall satisfaction with a company’s products and services and their loyalty to the brand, and it is typically based on customer surveys. NPS measures satisfaction using a scale of zero to 10 based on a customer’s response to the following question: “How likely is it that you would recommend Nu to a friend or colleague?” Responses of nine or 10 are considered “promoters.” Responses of seven or eight are considered neutral. Responses of six or less are considered “detractors.” The NPS, a percentage expressed as a numerical value, is calculated by subtracting the percentage of respondents who are detractors from the percentage who are promoters.

Rounding

We have made rounding adjustments to some of the figures included in this annual report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

Cautionary Statement Regarding Forward-Looking Statements

This annual report contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” or “continue,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this annual report include statements about:

- general economic, financial, political, demographic and business conditions in Brazil, Mexico and Colombia, as well as any other countries we may serve in the future and their impact on our business;
- fluctuations in interest, inflation and exchange rates in Brazil, Mexico and Colombia and any other countries we may serve in the future;
- our ability to timely and efficiently implement any measures that are necessary to combat or reduce the impacts of the COVID-19 pandemic on our business, results of operations, cash flow, prospects, liquidity and financial condition;
- competition in the consumer technology and financial services industry;
- our ability to implement our business strategy;
- our ability to adapt to the rapid pace of technological changes in the sectors in which we operate;
- the reliability, performance, functionality and quality of our products and services, reliability and performance of our suitability, risk management and business continuity policies and processes;
- the availability of government authorizations on terms and conditions and within periods acceptable to us;
- our ability to continue attracting and retaining new appropriately-skilled employees;
- our capitalization and level of indebtedness;
- the interests of our founding shareholder;
- our ability to manage our growth effectively;
- our ability to successfully expand in Latin America and other new markets;
- changes in government regulations applicable to the financial services industry in Brazil, Mexico, Colombia and elsewhere;
- our ability to compete and conduct our business in the future;
- our ability to maintain, protect and enhance our brand and intellectual property;

- the success of operating initiatives, including advertising and promotional efforts and new product, service and concept development by us and our competitors;
- changes in consumer demands regarding the products and services we offer, and our ability to innovate to respond to such changes;
- changes in labor, distribution and other operating costs;
- our compliance with, and changes to, government laws, regulations and tax matters that currently apply to us;
- the size of our addressable markets, market share and market trends;
- other factors that may affect our financial condition, liquidity and results of operations; and
- other risk factors discussed under “Item 3. Key Information—D. Risk Factors.”

We caution you that the foregoing list may not contain all of the forward-looking statements made in this annual report. You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this annual report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors, including those described in “Item 3. Key Information—D. Risk Factors” and elsewhere in this annual report. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this annual report. We cannot guarantee that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

Neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Moreover, the forward-looking statements made in this annual report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this annual report to reflect events or circumstances after the date of this annual report or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward- looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this annual report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

PART I

Item 1. Identity of Directors, Senior Management and Advisors

A. Directors and Senior Management

Not applicable.

B. Advisers

Not applicable.

C. Auditors

Not applicable.

Item 2. Offer Statistics and Expected Timetable

A. Offer Statistics

Not applicable.

B. Method and Expected Timetable

Not applicable.

Item 3. Key Information

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Risk Factors Summary

Investing in our Class A ordinary shares, including in the form of BDRs, involves risks. You should carefully consider the risks described below before making a decision to invest in our Class A ordinary shares or BDRs. If any of these risks actually materialize, our business, financial condition or results of operations would likely be materially adversely affected. In such case, the trading price of our Class A ordinary shares and BDRs would likely decline, and you could lose all or part of your investment. The following is a summary of some of the principal risks we face:

Risks Relating to Our Business and Industry

- Our business depends on a well-regarded and widely known brand, and any failure to maintain, protect and enhance our brand and image, including through effective marketing strategies, would harm our business, financial condition and results of operations.
- Failure to successfully implement and improve our risk management policies, procedures and methods, including our credit risk management system, would materially and adversely affect our business, results of operations and financial condition.

- Our international expansion efforts may not be successful, or may subject our business to increased risks.
- Our business is highly dependent on the proper functioning of information technology systems, particularly at scale.
- Any failure of these systems would disrupt our business and impair our ability to provide our services and products effectively to our customers.
- We depend on data centers operated by third parties and third-party Internet hosting providers and cloud computing platforms, and any disruption in the operation of these facilities or platforms or access to the Internet would adversely affect our business.
- We have incurred losses since our inception, and we may not achieve profitability.

Risks Relating to Intellectual Property, Privacy and Cybersecurity

- Unauthorized disclosure of sensitive or confidential customer information or our failure or the perception by our customers that we failed to comply with privacy laws or properly address privacy concerns could harm our business and standing with our customers.
- Unauthorized disclosure of, improper access to, or destruction or modification of data through cybersecurity breaches, computer viruses or otherwise, or disruptions to our systems or services, could expose us to liability, protracted and costly litigation and damage our reputation.
- Claims by others that we infringe their proprietary technology or other rights could have a material and adverse effect on our business, financial condition and results of operations.

Risks Relating to Regulatory Matters and Litigation

- We are subject to extensive regulation and regulatory and governmental oversight as a digital banking platform and as a payment institution. Compliance with or violation of present or future regulations could be costly, expose us to substantial liability and force us to change our business practices, any of which could harm our business and results of operations.
- Certain ongoing legislative and regulatory initiatives under discussion by the Brazilian Congress, the Central Bank of Brazil and the broader payments industry may result in changes to the regulatory framework of the Brazilian payments and financial industries and may have an adverse effect on us.
- We are subject to costs and risks associated with enhanced or changing laws and regulations affecting our business, including those relating to data privacy, security and protection. Developments in laws and regulations could harm our business, financial condition or results of operations.

Risks Relating to the Countries in Which We Operate

- Exchange rate and interest rate instability may have a material adverse effect on the economies of the countries in which we operate and the price of our Class A ordinary shares and BDRs.
- Disruption or volatility in global financial and credit markets could adversely affect the financial and economic environment in the countries in which we operate, most notably Brazil, Colombia and Mexico, which could have a material adverse effect on us.

- Governments have exercised, and continue to exercise, significant influence over the Brazilian economy and the other economies in which we operate. This influence, as well as political and economic conditions in Brazil and the other countries in which we operate, could harm us and the price of our Class A ordinary shares and BDRs.

Risks Relating to Our Class A Ordinary Shares and Our BDRs

- An active trading market for our Class A ordinary shares may not be sustainable. If an active trading market is not maintained, you may not be able to resell your shares at or above the price paid and you could lose a significant part of your investment.
- Our founding shareholder and CEO David Vélez Osorno owns 86.2% of our outstanding Class B ordinary shares, which represents 74.9% of the voting power of our issued share capital. This concentration of ownership and voting power may limit your ability to influence corporate matters.
- We have granted the holders of our Class B ordinary shares preemptive rights to acquire shares that we may sell in the future, which may impair our ability to raise funds.

Risks Relating to Our Business and Industry

Our business depends on a well-regarded and widely known brand, and any failure to maintain, protect and enhance our brand and image, including through effective marketing strategies, would harm our business, financial condition and results of operations.

We believe our brand has contributed significantly to the historical success of our business. Maintaining, protecting and enhancing our brand is critical to expanding our customer base, our loan portfolio and our third-party partnerships, as well as increasing engagement with our products and services. Our success in this regard will depend largely on our ability to remain – or, in markets into which we expand, become – widely known, gain and maintain our customers' trust, be a technology leader and provide reliable, high-quality and secure products and services that continue to meet the needs of our customers at competitive prices, as well as the effectiveness of our marketing efforts and our ability to differentiate our services and platform capabilities from competitors' products and services.

We believe that maintaining and promoting our brand in a cost-effective manner is critical to achieving widespread acceptance of our products and services and to expand our customer base. Maintaining and promoting our brand will depend largely on our ability to continue to provide useful, reliable and innovative products and services, which we may not do successfully. Our brand promotion activities may not generate customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in promoting our brand. If we fail to successfully promote and maintain our brand or if we incur excessive expenses in this effort, we would lose significant market share and our business would be materially and adversely affected. Further, our success in the introduction and promotion of new products and services, as well as the promotion of existing products and services, may be partly dependent on our visibility on third-party advertising platforms. Changes in the way these platforms operate or changes in their advertising prices or other terms could make the introduction and promotion of our products and services and our brand more expensive or more difficult. If we are unable to market and promote our brand on third-party platforms effectively, our ability to acquire new customers would be materially harmed, which would adversely affect our business, financial condition and results of operations.

Failure to successfully implement and improve our risk management policies, procedures and methods, including our credit risk management system, would materially and adversely affect our business, results of operations and financial condition.

The management of risk is an integral part of our activities. We seek to monitor and manage our risk exposure through a variety of separate but complementary financial, credit, market, operational, compliance and legal policies, procedures and reporting systems, among others. We employ a broad and diversified set of risk monitoring and risk mitigation techniques, which may not be fully effective in mitigating our risk exposure in all economic market environments or against all types of risk, including risks that we may fail to identify or anticipate.

We use certain tools and metrics for managing market risk, including statistical models, which are based upon our use of observed historical market behavior. We apply statistical and other tools to these observations to quantify our market risk. However, in part because these tools and metrics are based on historical market behavior, and in part because the models do not take all market risks into account, they may fail to predict future market risks, including those that arise from factors we did not anticipate or correctly evaluate in our statistical models. This would limit our ability to effectively manage our market risk, which could result in our losses being significantly greater than predicted.

Because certain of our operating subsidiaries are financial or payments institutions, our business is also subject to inherent credit risk. An important feature of our credit risk management system is an internal credit score system that assesses the particular risk profile of a customer. As this process involves detailed analysis of a customer that takes into account both quantitative and qualitative factors, it is subject to error, and our internal risk models may not always be able to accurately predict the future credit risk of our customers or assign an accurate credit score, which may result in our exposure to higher credit risks than indicated by our risk management system. We also rely on certain publicly available customer credit information, information relating to credit agreements and other public sources to assess a customer's creditworthiness. Due to limitations in the availability of information and the underdeveloped information infrastructure in the markets in which we operate, our assessment of credit risk associated with a particular customer may not be based on complete, accurate or reliable information. In addition, we cannot ensure that our credit scoring systems collect complete or accurate information reflecting the actual behavior of customers or that their credit risk can be assessed correctly. Without complete, accurate and reliable information, we have to rely on other publicly available resources and our internal resources, which may not be effective. As a result, our ability to effectively manage our credit risk and subsequently determine our credit loss allowances may be materially adversely affected.

Relatedly, we are exposed to counterparty risk, which may arise from, for example, investing in securities of third parties, entering into derivative contracts under which counterparties have obligations to make payments to us or executing securities, futures or currency trades from proprietary trading activities that fail to settle at the required time due to non-delivery by the counterparty or systems failure by clearing agents, clearing houses or other financial intermediaries. Many of the routine transactions we enter into expose us to significant risk in the event of default by one of our significant counterparties, although we do not currently face specific counterparty risk from concentration within our loan portfolio. If these risks give rise to losses, this could materially and adversely affect us. Separately, because we routinely transact with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks and other institutional customers, defaults by, and even rumors or questions about the solvency of, certain financial institutions and the financial services industry could lead to market-wide liquidity problems that could lead to substantial losses for our business.

We also face operational and foreign exchange risk. Although we have adopted policies and procedures to identify, monitor and manage our operational risk, these policies and procedures may not be fully effective. For a discussion of the risks we face with respect to foreign exchange rates, see "—Risks Relating to the Countries in Which We Operate—Exchange rate and interest rate instability may have a material adverse effect on the economies of the countries in which we operate and the price of our Class A ordinary shares and BDRs."

If our policies and procedures are not fully effective or we are not successful in capturing all risks to which we are or may be exposed, we may suffer harm to our reputation or be subject to litigation or regulatory actions that could have a material adverse effect on our business, results of operations or financial condition. Further, if management were to rely on risk models – whether with respect to market, credit or operational risks – that were flawed or poorly developed, implemented or used, or if management were to misunderstand or use such information for purposes for which it was not designed, we may fail to adequately manage our risk. In addition, if existing or potential customers or counterparties believe our risk management is inadequate, they could take their business elsewhere or seek to limit their transactions with us. Further, certain of the models and other analytical and judgment-based estimations we use in managing risk are subject to review by, and require the approval of, our regulators. If our models do not comply with their expectations, our regulators may require us to make changes to such models, may approve them with additional capital requirements or we may be precluded from using them, any of which could limit our ability to operate our businesses.

Failure to effectively implement, consistently monitor or continuously refine our risk management systems may result in a material adverse effect on our reputation, operating results and financial condition.

Our international expansion efforts may not be successful, or may subject our business to increased risks.

We currently operate in Brazil, Mexico and Colombia, and we have information technology and support operations in Argentina, Germany, the United States and Uruguay. As part of our growth strategy, we may expand our operations by offering our products and services in additional regions, as well as additional countries in Latin America, where we have little or no experience, and by expanding our business in the jurisdictions in which we currently operate. We may not be successful in expanding our operations into these or other markets in a cost-effective or timely manner, if at all, and our products and services may not experience the same market adoption in such international jurisdictions as we have enjoyed in Brazil. In particular, the expansion of our business into new geographies (or the further expansion in geographies in which we currently operate) may depend on the local regulatory environment or require a close commercial relationship with one or more local banks or other intermediaries, which could prevent, delay or limit the introductions of our products and services in such countries. Local regulatory environments may vary widely in terms of scope and sophistication.

Further, our international expansion efforts have and will continue to place a significant strain on our personnel (including management), technical, operational and financial resources, and our current resources may not be adequate to support our planned geographical expansion. We also may not be able to recoup our investments in new geographies in a timely manner, if at all. If our expansion efforts are unsuccessful, including because potential customers in a given jurisdiction fail to adopt our products and services, our reputation and brand may be harmed, and our ability to grow our business and revenue may be adversely affected.

Even if our international expansion efforts are successful, international operations will subject our business to increased risks, including:

- increased licensing and regulatory requirements;

- competition from service providers or other entrenched market participants that have greater experience in the local markets than we do;
- increased costs associated with and difficulty in obtaining, maintaining, processing, transmitting, storing, handling and protecting intellectual property, proprietary rights and sensitive data;
- changes to the way we do business as compared with our current operations;
- a lack of acceptance of our products and services;
- the ability to support and integrate with local third-party service providers;
- difficulties in staffing and managing foreign operations in an environment of diverse culture, language, laws and customs;
- difficulties in recruiting and retaining qualified employees and maintaining our company culture;
- increased travel, infrastructure and legal and compliance costs;
- compliance obligations under multiple, potentially conflicting and changing, legal and regulatory regimes, including those governing financial institutions, payments, data privacy, data protection, information security, anti-corruption, anti-bribery and anti-money laundering;
- compliance with complex and potentially conflicting and changing tax regimes;
- potential tariffs, sanctions, fines or other trade restrictions;
- exchange rate exposure;
- increased exposure to public health issues such as the COVID-19 pandemic, and related industry and governmental actions to address these issues; and
- regional economic and political instability.

As a result of these risks, our international expansion efforts may not be successful or may be hampered, which would limit our ability to grow our business.

Our business is highly dependent on the proper functioning of information technology systems, particularly at scale. Any failure of these systems would disrupt our business and impair our ability to provide our services and products effectively to our customers.

Our continued growth depends in part on the ability of our existing and potential customers to access our products and platform capabilities at any time and within an acceptable amount of time. Continued access to our products and platform capabilities depends on the efficient and uninterrupted operation of numerous systems, including our computer systems, software, data centers and telecommunications networks, as well as the systems of third parties, such as credit and debit card transaction authorization providers, national financial system network infrastructure providers, back office and business process support, information technology production and support, Internet and telephone connections, network access, data center infrastructure services and cloud storage and computing. However, these systems and technologies are vulnerable to disruptions, failures or slowdowns. We have experienced, and may in the future experience, disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of customers accessing our products and platform capabilities simultaneously, denial of service attacks or other security-related incidents, natural disasters, power outages, terrorist attacks, hostilities, and other events beyond our control.

As our business grows, it may become increasingly difficult to maintain and improve the performance of our information technology systems, especially during peak usage times and as our products and platform capabilities become more complex and our customer traffic increases. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, financial condition and results of operations may be adversely affected. Specifically, if our products and platform capabilities are unavailable or if our customers are unable to access our products and platform capabilities within a reasonable amount of time, we may experience a loss of customers, lost or delayed market acceptance of our platform and products, delays in payment to us by customers, injury to our reputation and brand, the diversion of our resources, additional operating and development costs, loss of revenue, legal claims against us, the loss of licenses, loss of Central Bank of Brazil authorizations or fines or other penalties imposed by the Central Bank of Brazil (including intervention, temporary special management systems, the imposition of insolvency proceedings or the out-of-court liquidation of our operating subsidiaries), or by the Brazilian National Data Protection Authority (Autoridade Nacional de Proteção de Dados, or the "ANPD"). In addition, we do not maintain insurance policies specifically for property and business interruptions, meaning we would directly and without setoff incur any losses we suffer as a result of the aforementioned occurrences. For further information, see "—Our insurance policies may not be sufficient to cover all claims."

Our business is highly dependent on the ability of our information technology systems to accurately process a large number of highly complex transactions across numerous and diverse markets and products in a timely manner and at high processing speeds, and on our ability to rely on our digital technologies, computer and email services, software and networks, as well as on the secure processing, storage and transmission of confidential data and other information on our computer systems and networks. Specifically, the proper functioning of our financial control, risk management, accounting, customer service and other data processing systems is critical to our business and our ability to compete effectively. Any failure to deliver an effective and secure service, or any performance issue that arises with a service, could result in significant processing or reporting errors or other losses. See "—We depend on data centers operated by third parties and third-party Internet hosting providers and cloud computing platforms, and any disruption in the operation of these facilities or platforms or access to the Internet would adversely affect our business."

We do not operate all of our systems on a real-time basis and cannot assure that our business activities would not be materially disrupted if there were a partial or complete failure of any of these primary information technology systems or communication networks. In particular, because all customer transactions on the Nu Plataforma occur on our mobile application, any failure of our mobile application would cause our platform and services to be unavailable to our customers. Such failures could be caused by, among other things, major natural catastrophes, software bugs, computer virus attacks, conversion errors due to system upgrading, security breaches caused by unauthorized access to information or systems or malfunctions, loss or corruption of data, software, hardware or other computer equipment. Any such failures would disrupt our business and impair our ability to provide our services and products effectively to our customers, which could adversely affect our reputation as well as our business, results of operations and financial condition.

Our ability to remain competitive and achieve further growth will depend in part on our ability to upgrade our information technology systems and increase our capacity on a timely and cost-effective basis. We must continually make significant investments and improvements in our information technology infrastructure in order to remain competitive. We cannot guarantee that in the future we will be able to maintain the level of capital expenditures necessary to support the improvement or upgrading of our information technology systems. Any substantial failure to improve or upgrade our information technology systems effectively or on a timely basis would materially and adversely affect our business, financial condition or results of operations.

We depend on data centers operated by third parties and third-party internet-hosting providers and cloud computing platforms, and any disruption in the operation of these facilities or platforms or access to the Internet would adversely affect our business.

Our business requires the ongoing availability and uninterrupted operation of internal and external transaction processing systems and services. We primarily serve our customers from third-party data center hosting facilities provided by a third-party service provider, which we rely on to operate certain aspects of our products and services, and we depend on third-party Internet-hosting providers and third-party bandwidth providers for continuous and uninterrupted access to the Internet to operate our business. Any disruption of or interference with our use of such services would impair our ability to deliver our products and services to our customers, resulting in customer dissatisfaction, damage to our reputation, loss of customers and harm to our business. Further, we have designed our products and services and computer systems to use data processing, storage capabilities and other services provided by such third-party service providers. As such, we cannot easily switch our operations to another cloud provider, so any disruption of or interference with our use of such providers' services would increase our operating costs and could materially and adversely affect our business, financial condition and results of operations, and we might not be able to secure service from an alternative provider on similar terms or at all.

While we maintain oversight of our third-party data center hosting facilities and Internet-hosting providers, such third parties are ultimately responsible for maintaining their own network security, disaster recovery and system management procedures, and such third-parties do not guarantee that our customers' access to our solutions will be uninterrupted, error-free or secure. These third-party providers may experience website disruptions, outages and other performance problems, which may be caused by a variety of factors, including infrastructure changes, human or software errors, viruses, security attacks, fraud, spikes in customer usage and denial of service issues. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. In particular, we do not control the operation of the third-party data center hosting facilities, and such facilities are vulnerable to damage or interruption from human error, intentional bad acts, power loss, hardware failures, telecommunications failures, improper operation, unauthorized entry, data loss, power loss, cyberattacks, fires, wars, terrorist attacks, floods, earthquakes, hurricanes, tornadoes, natural disasters or similar catastrophic events. They also could be subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. The occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or terminate our hosting arrangement or other unanticipated problems could result in lengthy interruptions in the delivery of our solutions, cause system interruptions, prevent our customers from accessing their accounts online, reputational harm and loss of critical data, prevent us from supporting our solutions or cause us to incur additional expense in arranging for new facilities and support.

If we lose the services of one or more of our Internet-hosting or bandwidth providers for any reason or if their services are disrupted, for example due to viruses or denial of service or other attacks on their systems, or due to human error, intentional bad acts, power loss, hardware failures, telecommunications failures, fires, wars, terrorist attacks, floods, earthquakes, hurricanes, tornadoes or similar catastrophic events, we could experience disruption in our ability to offer our solutions and adverse perception of our solutions' reliability, or we could be required to retain the services of replacement providers, which could increase our operating costs and materially and adversely affect our business, financial condition and results of operations.

Furthermore, prolonged interruption in the availability, or reduction in the speed or other functionality, of our products or services could materially harm our reputation and business. Frequent or persistent interruptions in our products and services could cause customers to believe that our products and services are unreliable, leading them to switch to our competitors or to avoid our products and services, and would likely permanently harm our reputation and business.

Any of the foregoing, in addition to any of the factors described in "—We are dependent on third-party service providers in our operations, any failure of a third-party service provider could disrupt our operations," could have a material adverse effect on our business, financial condition and results of operations.

Negative publicity about us (including our directors or employees) or our industry could adversely affect our business, financial condition, results of operations and future prospects.

Negative publicity about us (including our directors or employees) or our industry, including the transparency, fairness, customer experience, quality and reliability of our products or services, effectiveness of our risk model, our ability to effectively manage and resolve complaints, our privacy and security practices, our ESG and diversity and inclusion practices, litigation, regulatory activity, misconduct by or statements made by our directors or employees, funding sources, service providers or others in our industry, could adversely affect our reputation and the confidence in, and the use of, our products and services. For example, in late 2020, we issued a public apology and reaffirmed our commitment to diversity after comments made by one of our co-founders received significant negative publicity. This and any future negative publicity could harm our reputation and cause disruptions to business. Any such reputational harm could further affect the behavior of customers and, as a result, materially and adversely affect our business, results of operations, financial condition and future prospects.

The credit quality of our loan portfolio may deteriorate and our ECL allowance could be insufficient to cover our losses, which would have a material adverse effect on our business, financial condition and results of operations.

Risks arising from changes in credit quality and the recoverability of amounts due from counterparties are inherent in many aspects of our businesses, in particular our customer credit card and lending businesses. We expect the amount of reported non-performing loans to increase in the future on an absolute basis as a result of the expected growth in our total loan portfolio, the credit quality of which may turn out to be worse than anticipated. The amount of reported non-performing loans may also increase due to factors beyond our control, such as adverse changes in the credit quality of our borrowers and counterparties or a general deterioration in economic conditions in the markets in which we operate.

Our provisions for credit losses are based on our current assessments and expectations concerning various factors affecting the quality of our loan portfolio. These factors include, among other things, our borrowers' financial condition, government macroeconomic policies, interest rates and the legal and regulatory environment. As many of these factors are beyond our control and there is no infallible method for predicting loan and credit losses, we cannot guarantee that our current or future reserves for credit losses will be sufficient to cover actual losses. If our assessment of and expectations concerning the above-mentioned factors differ from actual developments, if the quality of our total loan portfolio deteriorates, for any reason, or if the future actual losses exceed our estimates of expected losses, we may be required to increase our provisions for credit losses, which may adversely affect our financial condition. As such, any unexpected increase in the level of our non-performing loans could have a material adverse effect on our financial condition.

We depend on key management, as well as our experienced and capable employees, and any failure to attract, motivate and retain our employees would harm our ability to maintain and grow our business.

Our business functions at the intersection of rapidly changing technological, social, economic and regulatory developments that require a wide-ranging set of expertise and intellectual capital. Our future success is significantly dependent upon the continued service of our executives and other key employees, and in particular our founding shareholder and chief executive officer David Vélez Osorno. If we lose the services of any member of management or any key employee, we may not be able to locate a suitable or qualified replacement, and we may incur additional expenses to recruit and train a replacement, which would severely disrupt our business and growth.

To maintain and grow our business, we will need to identify, attract, hire, develop, motivate and retain highly skilled employees, which requires significant time, expense and effort. Competition for highly skilled personnel is intense, in our industry in particular. We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments. In addition, from time to time, there may be changes in our management team that may be disruptive to our business. If our management team, including any new hires that we make, fail to work together effectively and to execute our plans and strategies on a timely basis, our business would be harmed.

Furthermore, our international expansion and our business in general may be materially adversely affected if legislative or administrative changes to immigration or visa laws and regulations impair our hiring processes or projects involving personnel who are not citizens of the country where their work is to be performed. If we are not able to add and retain employees effectively, our ability to achieve our strategic objectives will be adversely affected, and our business and growth prospects will be harmed.

Increases in our remuneration expenses for our management that will be recognized in our future results will have an adverse effect on our accounting results

Our operations and strategies depend on the attraction and retention of qualified personnel with different levels of expertise, and as such, we offer competitive remuneration structures. As discussed in “Item 6. Directors, Senior Management and Employees—B. Compensation—Executive Compensation—Contingent Share Awards,” the cost of remuneration for our managers increased in the year ended 2021 compared to the year ended 2020 given the 2021 Contingent Share Awards and we expect that the cost of remuneration for our managers will continue to increase in the next few years. Total expenses for the 2021 Contingent Share Awards was determined to be US$422.6 million and the expenses will be recognized over a period of 7.5 years since its issuance. The recognition of these additional expenses as management remuneration will have an adverse effect on our results of operations.

If we fail to manage our growth effectively, our business would be harmed.

We have experienced and expect in the near term to continue to experience rapid growth. For instance, our total revenue increased by 130.4%, reaching US$1,698 million in 2021 from US$737.1 million in 2020. On a FX Neutral basis, our total revenue increased by 138.0%, reaching US$1,698 million in 2021 from US$713.3 million in 2020. See “Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures.” The number of our full-time employees increased by 107%, reaching 6,068 on December 31, 2021 compared to 2,929 as on December 31, 2020. Our growth has placed and will continue to place significant demands on our administrative, operational and financial resources. Our ability to effectively manage our growth will depend on a number of factors, including our ability to:

- expand our sales and marketing, technology, finance and administration teams;

- grow our facilities and infrastructure;
- adapt and scale our information technology systems;
- refine our operational, financial and risk management controls and reporting systems and procedures;
- recruit, integrate, train and retain a growing employee base and maintain our corporate culture;
- maintain and grow our customer base and provide quality customer service; and
- obtain, maintain, protect and develop our strategic assets, including our intellectual property and other proprietary rights.

Executing on these factors will require significant capital expenditures and the allocation of valuable management and employee resources. We may be unable to effectively manage any future growth in an efficient, cost-effective or timely manner, or at all. Any failure to successfully implement systems enhancements and improvements will likely negatively impact our ability to manage our expected growth, ensure uninterrupted operation of key business systems and comply with the rules and regulations that are applicable to public reporting companies. Moreover, if we do not effectively manage the growth of our business and operations, the quality of our platform would suffer, which would negatively affect our reputation, results of operations and overall business. Furthermore, we encourage employees to quickly develop and launch new features for our products and services; as we grow, we may not be able to execute as quickly as smaller, more efficient organizations.

A decline in the use of credit or prepaid cards as a payment mechanism for consumers or adverse developments with respect to the payment processing industry in general would have a materially adverse effect on our business, financial condition and results of operations.

If consumers do not continue to use credit or prepaid cards as a payment mechanism for their transactions or if there is a change in the mix of payments between cash, credit, and prepaid cards and other means of payment, including real-time payments, that is adverse to us, it would have a material adverse effect on our business, financial condition and results of operations. We believe future growth in the use of credit, prepaid cards and other means of payment will be driven by the cost, ease-of-use and quality of services offered to consumers and businesses. In order to consistently increase and maintain our profitability, consumers and businesses must continue to use electronic payment methods including credit, debit and prepaid cards and real-time payment methods, such as PIX. Moreover, if there is an adverse development in the payments industry or Brazilian market in general, such as new legislation or regulation that makes it more difficult for our customers to do business or utilize such payment mechanisms, our business, financial condition and results of operations may be adversely affected.

We have historically derived a substantial portion of our revenue from our credit card business, and losses or a significant reduction in our credit card business, or our failure to successfully expand and diversify our revenue sources beyond our credit card business, would adversely affect our business, financial condition and results of operations.

The commercial success of our consumer technology platform has depended and may continue to depend in part on the success of our credit card business. We have historically derived a significant portion of our revenue from (i) the interchange fees we collect when a customer uses a Nu credit card to make a purchase and (ii) the interest rates we receive from the financing or revolving of Nu credit card balance by our customers. In the year ended December 31, 2021, interchange fees and interest related to credit cards accounted for 27.8% and 22.1% of our revenue, respectively (34.5% and 29.5% in the year ended December 31, 2020). While we expect our revenue concentration to decline in the future as we expand our suite of products and services, our efforts to diversify our revenue sources, such as new products and regional diversification, may not be successful and our reliance on credit card-related revenue may increase. Further, our revenue would be significantly harmed if we were to lose all or a substantial portion of our credit card business, whether due to loss of customers, regulatory or legislative developments or otherwise. In particular, our revenue would be harmed if the interchange fees that we collect or the interest rates that we charge become capped by regulators (or, in markets in which regulatory caps already exist, if such caps were reduced). Please see "—Risks Relating to Regulatory Matters and Litigation—Certain ongoing legislative and regulatory initiatives under discussion by the Brazilian Congress, the Central Bank of Brazil and the broader payments industry may result in changes to the regulatory framework of the Brazilian payments and financial industries, which may have an adverse effect on our business and cause us to incur increased compliance costs."

Further, on July 2, 2021, Brazilian Law No. 14,181, or the "Super Indebtedness Law," created a chapter in the Brazilian Consumer Protection Code dedicated to responsible credit and financial education, with new provisions that require specific information to be provided to the consumer when granting credit or in installment sales, such as the effective monthly interest rate, interest on arrears and late payment charges. This new set of rules may contribute to driving customers and potential customers away from our credit card product, which could adversely impact our business, financial condition and results of operations. For more information, see "—A decline in the use of credit or prepaid cards as a payment mechanism for consumers or adverse developments with respect to the payment processing industry in general would have a materially adverse effect on our business, financial condition and results of operations."

If we are unable to attract new and retain existing customers, our business, financial condition and results of operations will be adversely affected.

We believe that our customer base is the cornerstone of our business. The growth of our business depends on existing customers expanding their use of our products and services and on our ability to attract new customers, including customers who may be reluctant to seek alternatives to incumbent financial institutions, by offering new products and services. If we are unable to attract new customers to our platform or encourage customers to broaden their use of our products and services, our growth may slow or stop, and our business may be materially and adversely affected.

Our ability to maintain and expand our customer base depends on a number of factors, including our ability to provide relevant and timely products and services to meet their changing needs at a reasonable cost. We have invested and will continue to invest in improving our platform and our suite of products and services. For example, we recently acquired NuInvest, our broker-dealer subsidiary, and have announced plans to expand our insurance broker activities. However, if new or improved features, products and services fail to meet shifting customer demands and fail to attract new customers or encourage existing customers to expand their engagement with our products and services, our growth may slow or decline. Further, these and other new products and services must achieve high levels of market acceptance before we are able to recoup our up-front investment costs, which may never occur if such products and services fail to attract new and retain existing customers.

Our existing and new products and services, including our payments, investments, insurance and credit solutions, could fail to attract new and retain existing customers for many reasons, including:

- we may fail to predict market demand accurately and provide products and services that meet this demand in a timely fashion;
- customers may not like, find useful or agree with any changes we make to our products or services;

- the reliability, performance or functionality of our products and services could be compromised or the quality of our products and services could decline;
- we may fail to provide sufficient customer support;
- customers may dislike our pricing, in particular in comparison to the pricing of competing products and services;
- competing products and services may be introduced or anticipated to be introduced by our competitors; and
- there may be negative publicity about our products and services or our platform's performance or effectiveness, including negative publicity on social media platforms.

Further, our customers have no obligation to continue to use our products and services, and we can make no assurances that our customers will continue to do so. We generally do not have long-term contracts with our customers; customer deposits and investments may be withdrawn without notice, and the consumer credit solutions we offer may be prepaid and canceled at any time. Further, recent changes in regulations have increasingly enabled customers to more easily switch to our competitors.

Any one or a combination of these factors could lead to customer attrition, and in particular at rates that are higher than we expect, which would adversely affect our business, financial condition and results of operations.

If we cannot keep pace with rapid technological developments to provide new and innovative products and services, the use of our products and services and, consequently, our revenue could decline or our revenue growth rate could slow.

Rapid, significant and disruptive technological changes have impacted or may in the future impact the industries in which we operate, including changes in:

- artificial intelligence and machine learning (e.g., in relation to fraud and risk assessment);
- payment technologies (e.g., real-time payments, payment card tokenization, virtual and crypto currencies, including distributed ledger and blockchain technologies, and proximity payment technology, such as near-field communication and other contactless payments);
- mobile and internet technologies (e.g., mobile phone app technology);
- commerce technologies, including for use in-store, online and via mobile, virtual, augmented or social-media channels; and
- digital banking features (e.g., balance and fraud monitoring and notifications).

In order to remain competitive and maintain and enhance customer experience and the quality of our products and services, we must continuously invest in the development of new products and features to keep pace with technological developments. We currently rely, and expect to continue to rely, in part, on certain third parties for the development of, and access to, new technologies. However, there can be no assurance that our development efforts, including through such third-party providers, will be successful, as we or such third parties may experience cost overruns, delays in delivery, performance failure or lack of customer adoption, among other potential issues. Further, there can be no assurance that our financial resources will be sufficient to maintain the levels of investment required to support such development efforts, which may require substantial capital commitment. Any failure in our development efforts, including any failure to adopt emerging technologies or to accurately predict and address market demand, and any delay in delivery of new products or services integrating emerging technologies, could render our services less desirable, or even obsolete, to our customers. Furthermore, our competitors may have the ability to devote more financial and operational resources than we can to the development of new technologies and services and, if successful, their development efforts could render our services less desirable to customers, resulting in the loss of customers or a reduction in the fees we can generate. If our development efforts prove unsuccessful, or if we are unable to develop, adapt to or access technological changes on a timely and cost-effective basis, our business, financial condition and results of operations could be materially adversely affected.

We are dependent on third-party service providers in our operations, any failure of a third-party service provider could disrupt our operations.

We utilize numerous third-party service providers in our operations, including payments, credit card transaction processing, back office and business process support, information technology production and support, Internet connections, network access and cloud computing. For example, our credit and debit (pre-paid) card transaction authorization is provided by Mastercard, our infrastructure services and connection to the National Brazilian Financial System Network, or "RSFN," depends on the infrastructure of Rede de Telecomunicações para o Mercado Ltda., or "RTM," a datacenter and link provider, our cloud data processing and storage services and, separately, our datacenter infrastructure services are both provided by third-party service providers, among other third-party service providers on which we rely for the continuity of our business. A failure by a third-party service provider could expose us to an inability to provide contractual services to our customers in a timely manner. Additionally, if a third-party service provider is unable to provide these services, we may incur significant costs to either internalize some of these services or find a suitable alternative. Significantly, certain third-party service providers, including Mastercard, are the sole source or one of a limited number of sources of the services they provide for us. It would be difficult and disruptive for us to replace some of our third-party vendors in a timely manner if they were unwilling or unable to provide us with these services in the future (as a result of their financial or business conditions or otherwise), and our business and operations likely would be materially adversely affected. Further, any failure in the performance of our due diligence processes and controls related to the supervision and oversight of these third parties in detecting and addressing conflicts of interest, fraudulent activity, data breaches and cyber-attacks, noncompliance with relevant securities and other laws could cause us to suffer financial loss, regulatory sanctions or damage to our reputation.

Inadequacy or disruption of our disaster recovery plans and procedures in the event of a catastrophe would adversely affect our operations.

We have made a significant investment in our infrastructure, and our operations are dependent on our ability to protect the continuity of our infrastructure against damage from catastrophe or natural disaster, breach of security, cyber-attack, loss of power, telecommunications failure or other natural or man-made events. A catastrophic event could have a direct negative impact on us by adversely affecting our customers, partners, third-party service providers, employees or facilities, or an indirect impact on us by adversely affecting the financial markets or the overall economy. If our business continuity and disaster recovery plans and procedures were disrupted, inadequate or unsuccessful in the event of a catastrophe, we could experience a material adverse interruption of our operations.

We serve our customers using third-party data centers and cloud services. While we have electronic access to the infrastructure and components of our platform that are hosted by third parties, we do not control the operation of these facilities. Consequently, we may be subject to service disruptions as well as failures to provide adequate support for reasons that are outside of our direct control. These data centers and cloud services are vulnerable to damage or interruption from a variety of sources, including earthquakes, floods, fires, power loss, system failures, cyber-attacks, physical or electronic break-ins, human error or interference (including by employees, former employees or contractors), and other catastrophic events. Our data centers may also be subject to local administrative actions, changes to legal or permitting requirements and litigation to stop, limit or delay operations. Despite precautions taken at these facilities, such as disaster recovery and business continuity arrangements, the occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems at these facilities could result in interruptions or delays in our services, impede our ability to scale our operations or have other adverse impacts upon our business. See "—We depend on data centers operated by third parties and third-party Internet hosting providers and cloud computing platforms, and any disruption in the operation of these facilities or platforms or access to the Internet would adversely affect our business."

Our disclosure controls and procedures over financial reporting may not prevent or detect all errors or acts of fraud.

Disclosure controls and procedures, including internal controls over financial reporting, are designed to provide reasonable assurance that information required to be disclosed by us in reports filed or submitted under the U.S. Securities Exchange Act of 1934, as amended, or the "Exchange Act," and the applicable rules and regulations of the CVM is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the SEC's and the CVM's respective rules and forms.

These disclosure controls and procedures have inherent limitations, which include the possibility that judgments in decision-making can be faulty and result in errors or mistakes. Additionally, controls can be circumvented by any unauthorized override of the controls. Consequently, our business is exposed to risk from potential noncompliance with policies, employee misconduct, negligence and fraud, which could result in regulatory sanctions, civil claims and serious reputational or financial harm. In particular, it is not always possible to deter employee misconduct, and the precautions we take to prevent and detect this activity may not always be effective. Accordingly, because of the inherent limitations in the control system, misstatements due to error or fraud may occur and not be detected.

We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2021 and, if we fail to remediate such deficiencies (or identify and remediate other material weaknesses) and maintain effective internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.

In connection with the audit of our consolidated financial statements for the year ended December 31, 2021, we identified certain material weaknesses in our internal control over financial reporting related to (i) IT systems change management processes and (ii) IT user identity and access management processes, all of which were originally identified in connection with a structured review of our internal control over financial reporting and procedures initiated by our management more than one year prior to the initial prospectus of our IPO, and the audit of our consolidated financial statements for the year ended December 31, 2020. We have adopted remediation measures with respect to the material weaknesses identified above, which we expect to be fully implemented within 2022, including hiring experienced key personnel in our technology function, implementing new processes and information technology controls, improving our internal controls to provide additional levels of review, enhancing our documentation practices, implementing new software solutions and increasing our personnel training. We believe these measures, once fully implemented, should adequately remediate the material weaknesses identified above, though as of the date of this annual report we have not been able to complete implementation nor testing of the effectiveness of the remediation measures.

We cannot guarantee that the measures we have taken to date and actions we may take in the future will be sufficient to remediate the control deficiencies that led to our material weaknesses in our internal control over financial reporting or that they will prevent or avoid potential future material weaknesses. Any failure to maintain effective internal control over financial reporting could severely inhibit our ability to accurately report our consolidated financial condition or results of operations, which could cause investors to lose confidence in our financial statements, and the trading price of our Class A ordinary shares to decline. See "Item 15. Controls and Procedures—D. Changes in Internal Control over Financial Reporting."

Under Section 404 of the Sarbanes-Oxley Act of 2002, our management is not required to assess or report on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F for the year ending December 31, 2021. We are only required to provide such a report for the year ending December 31, 2022. At that time, our management may conclude that our internal control over financial reporting is not effective. Moreover, since we are no longer classified as an emerging growth company, in our annual report on Form 20-F for the year ending December 31, 2022 our independent registered public accounting firm is required to attest to and report on the effectiveness of our internal control over financial reporting. Even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm, after conducting its own independent testing, may disagree with our assessment and may issue a report that contains an adverse opinion if, in their evaluation, there are deficiencies that, individually or in combination, result in one or more material weaknesses. Further, in terms of regulations and legislation in Brazil, all Brazilian financial and payment institutions, which includes some of our Brazilian subsidiaries, must maintain internal guidelines and procedures to control their respective financial, operational and information systems, and must comply with all applicable legislation. CMN Resolution No. 4,595 of August 28, 2017 provides that Brazilian financial institutions must implement and maintain a compliance policy compatible with its nature, size, complexity, structure, risk profile and business model. Central Bank of Brazil Resolution No. 65 of January 26, 2021, provides similar rules for Brazilian payment institutions. In accordance with CMN Resolution No. 2,554 of September 24, 1998, the executive directors of Brazilian financial and payment institutions are responsible for implementing efficient internal control structures that set out control responsibilities and procedures and establish objectives and procedures applicable to all levels of the institution, among other requirements. The executive directors are also responsible for ensuring compliance with all internal procedures. In addition, as a public company, our reporting obligations may place a significant strain on our management, operational and financial resources and systems for the foreseeable future. We may be unable to timely complete our evaluation testing and any required remediation.

We have incurred losses since our inception, and we may not achieve profitability.

We have incurred losses since our inception. We incurred a loss of US$165.3 million, US$171.5 million and US$92.5 million for the years ended December 31, 2021, 2020 and 2019, respectively. We will need to generate and sustain increased revenue levels and decrease proportionate expenses in future periods to achieve profitability. We anticipate that we will continue to incur losses in the near term as a result of our expected significant investments in our business, including with respect to our employee base; sales and marketing; development of new products, services and features; acquisitions; expansion of infrastructure; expansion of international operations; and general administration, including legal, finance and other compliance expenses related to being a public company. In addition, we intend to expand our customer base, and continue to invest in developing products and services that we believe will improve the experiences of our customers and therefore improve our long-term results of operations. However, customer acquisition could cause us to incur losses in the short term because costs associated with new customers are generally incurred up front, while revenue is uncertain and mostly recognized thereafter as customers make interest payments and utilize our services. Likewise, improvements in products and services have and will continue to cause us to incur significant up-front costs and may not result in the long-term benefits that we expect, which could materially and adversely affect our business. If any of these costs materially rise in the future, our expenses may rise significantly. If we are unable to generate adequate revenue growth and manage our expenses, we may continue to incur losses and may not attain profitability.

Our results of operations and operating metrics may fluctuate, which may cause the market price of our Class A ordinary shares and BDRs to decline.

Our results of operations may vary significantly and are not necessarily an indication of future performance. These fluctuations may be a result of a variety of factors, some of which are beyond our control. In particular, our results of operations and operating metrics are subject to volatility based on consumer spending levels. The electronic payments industry in general depends heavily on the overall level of consumer spending, which may be adversely affected by general or localized economic conditions that impact consumer confidence, consumer spending, consumer discretionary income or changes in consumer purchasing habits. A sustained deterioration in general economic conditions in the markets in which we operate, including a rise in unemployment rates (particularly in Latin America) or increases in interest rates, may cause a reduction in overall consumer spending, thereby causing a decline in the number of transactions made by our cardholders or in the average amount spent per transaction, which would adversely impact our results of operations. In addition, our business is affected by customer behavior throughout the year and experiences seasonal fluctuations. We are aware, based on historical information, that months in which certain holidays fall, such as Black Friday and Christmas, generate higher levels of consumption and thus positively benefit our total transaction volume and related revenue. Relatedly, February is a month with lower revenue given fewer calendar days and thus a lower monthly volume of transactions.

In addition to consumer spending levels and seasonality, our results of operations may fluctuate as a result of changes in our ability to attract and retain new customers, increased competition in the markets in which we operate, our ability to expand our operations in new and existing markets, our ability to maintain an adequate growth rate and effectively manage that growth, our ability to keep pace with technological changes in the industries in which we operate, changes in governmental or other regulations affecting our business, harm to our brand or reputation, and other risks described elsewhere in this annual report.

Further, from time to time, we have made and may make decisions that will have a negative effect on our short-term operating results if we believe those decisions will improve our operating results over the long term. These decisions may not produce the long-term benefits that we expect, or they may be inconsistent with the expectations of investors and research analysts, either of which could cause the price of our Class A ordinary shares and BDRs to decline.

Real or perceived inaccuracies in our key operating metrics may harm our reputation, results of operations and financial condition.

We track certain key operating metrics such as number of customers, monthly active customers, activity rate, purchase volume, deposits, interest earning portfolio, monthly ARPAC, monthly average cost to serve per customer and our net promoter score, among other metrics, which are not independently verified by any third party. While the metrics presented in this annual report are based on what we believe to be reasonable assumptions and estimates, our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If the internal systems and tools we use to track these metrics understate or overstate performance or contain algorithmic or other technical errors, the key operating metrics we report may not be accurate. If investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, and our results of operations and financial condition could be adversely affected.

We have a limited operating history with financial results that may not be indicative of future performance, and our revenue growth rate is likely to slow as our business matures.

We were founded in 2013 and began operations in Brazil in 2014, in Mexico in 2019 and in Colombia in 2020. As a result of our limited operating history, our ability to accurately forecast our future results of operations is limited and subject to a number of uncertainties. Our historical revenue growth and other historical results should not be considered indicative of our future performance. In particular, over the long-term, we expect that our revenue growth will slow as our business matures. It is also possible that our revenue growth does not reach the levels we expect, or declines for any number of reasons, including slowing demand for our products, increasing competition, changes to technology, a decrease in the growth of our overall market, increased regulation or our failure, for any reason, to take advantage of growth opportunities. If our assumptions regarding our future revenue growth and other operating and financial results are incorrect or change, our operating and financial results could differ materially from our expectations.

Our insurance policies may not be sufficient to cover all claims.

Our insurance policies may not adequately cover all risks to which we are exposed. A significant claim not covered by our insurance, in full or in part, may result in significant expenditures by us. Moreover, we may not be able to maintain insurance policies in the future at reasonable costs or on acceptable terms, which may adversely affect our business and the trading price of our Class A ordinary shares and BDRs.

Fraud could have a material adverse effect on our business, financial condition and results of operations.

We offer products and services to a large number of customers, and we are responsible for vetting and monitoring these customers and determining whether the transactions we process for them are legitimate. When our products and services are used to process illegitimate transactions and we settle those funds, we are unable to recover them, suffer losses and incur liabilities. These types of illegitimate transactions can also expose us to governmental and regulatory sanctions. The highly automated nature of, and liquidity offered by, our payments services make us a target for illegal or improper uses, including fraudulent or illegal sales of goods or services, money laundering and terrorist financing. Identity thieves and those committing fraud using stolen or fabricated credit card or account numbers, or other deceptive or malicious practices, potentially can steal significant amounts of money from businesses like ours. It is possible that incidents of fraud could increase in the future. Failure to effectively manage risk and prevent fraud would increase our liability, and could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to integrate our products with a variety of operating systems, software applications, platforms and hardware that are developed by others, our solutions may not operate effectively, our products may become less marketable, less competitive or obsolete and our business, financial condition and results of operations may be harmed.

Our products must integrate with a variety of network, hardware and software platforms, and we need to continuously modify and enhance our products to adapt to changes in hardware, software, networking, browser and database technologies. In particular, we have developed our technology platform to easily integrate with third-party applications through the interaction of application programming interfaces, or "APIs." In general, we rely on the fact that the providers of such software systems continue to allow us access to their APIs to enable these integrations. To date, we generally have not relied on long-term written contracts to govern our relationship with these providers. Instead, we are subject to the standard terms and conditions for application developers of such providers, which govern the distribution, operation and fees of such software systems, and which are subject to change by such providers from time to time. Our business could be harmed if any provider of such software or other technologies or systems:

- discontinues or limits our access to its APIs;
- modifies its terms of service or other policies, including fees charged to or other restrictions on us or other application developers;
- changes how customer information is accessed by us, our partners or our customers;
- establishes more favorable relationships with one or more of our competitors; or
- develops or otherwise favors its own competitive offerings over ours.

Although we actively monitor our partners and multi-source venders, we cannot prevent our providers of software or other technologies from changing the features of their APIs, discontinuing their support of such APIs, restricting our access to their APIs or altering the terms governing their use in a manner that is adverse to our business. If our partners or multi-source vendors were to take such actions, our capabilities that depend on such APIs would be impaired until we are able to find a replacement partner or develop an in-house solution, which could significantly diminish the value of our platform and harm our business, operating results and financial condition. In addition, third-party services and products are constantly evolving, and we may not be able to modify our platform to maintain its compatibility with such services and products as they continue to develop, or we may not be able to make such modifications in a timely and cost-effective manner, any of which could harm our business, operating results and financial condition.

If we are unable to operate effectively on mobile platforms, our business, financial condition and results of operations could be materially adversely affected.

Our future growth and success are dependent in part on our ability to provide a functional, reliable and user-friendly mobile platform to our customers. In particular, as we expand geographically, we will need to provide solutions for customers living in areas with low Internet connectivity, reduced bandwidth and latency issues. Our success will also depend on the interoperability of our offerings with a range of third-party technologies, systems, networks, operating systems and standards, including iOS and Android, and the availability of our mobile apps in app stores and in "super-app" environments.

The success of our mobile app could be harmed by factors outside our control, such as:

- actions taken by mobile app distributors;
- unfavorable treatment received by our mobile apps, especially as compared to competing apps, such as the placement of our mobile apps in a mobile app download store;
- increased costs in the distribution and use of our mobile app;

- changes, bugs or technical issues in mobile operating systems, such as iOS and Android, device manufacturers or mobile carriers that degrade the functionality of our mobile website or mobile apps or give preferential treatment to competitive offerings;

- changes to the terms of service or policies of mobile operating systems, device manufacturers or mobile carriers that reduce or eliminate our ability to distribute applications, limit our ability to target or measure the effectiveness of our applications or impose fees or other changes related to our delivery of our applications; and

- government action limiting the accessibility of our mobile app.

Further, we are subject to the standard policies and terms of service of third-party operating systems, as well as policies and terms of service of the various application stores that make our application and experiences available to our customers. These policies and terms of service govern the availability, promotion, distribution, content and operation generally of applications and experiences on such operating systems and stores. Each provider of these operating systems and stores has broad discretion to change and interpret its terms of service and policies with respect to our platform and any such changes, which may be driven by many factors, including increased competition, may be unfavorable to us and our customers' use of our platform. If we were to violate, or an operating system provider or application store believes that we have violated, its terms of service or policies, that operating system provider or application store could limit or discontinue our access to its operating system or store. In some cases, these terms of service or policies may not be clear or our interpretation of the requirements may not align with the interpretation of the operating system provider or application store, which could lead to inconsistent enforcement of these terms of service or policies against us. Any limitation or discontinuation of our access to any third-party platform or application store could adversely affect our business, financial condition or results of operations.

Additionally, in order to deliver a high-quality mobile experience for our customers, it is important that our products and services work well with a range of mobile technologies, products, systems, networks, hardware and standards that we do not control, and that we have good relationships with mobile operating system partners, device manufacturers and mobile carriers. We may not be successful in maintaining or developing relationships with key participants in the mobile ecosystem or in developing products that operate effectively with these technologies, products, systems, networks or standards. In the event that it is more difficult for our customers to access and use our mobile platform, or if our customers choose not to access or use our mobile platform on their mobile devices or use mobile products that do not offer access to our mobile platform, our customer growth and engagement could be harmed. The risks associated with our dependency on our mobile application may be exacerbated by the frequency with which customers change or upgrade their devices. In the event customers choose devices that do not already include or support our platform or do not install our mobile apps when they change or upgrade their devices, our customer engagement may be further harmed.

Any acquisition, partnership or joint venture that we make or enter into could disrupt our business and harm our financial condition and results of operations.

As part of our growth strategy, we intend to continue to evaluate opportunities to acquire, or form partnerships or joint ventures with businesses, technologies, services and products as such opportunities arise. In 2021, these opportunities included Easynvest (investments, June 2021), Juntos (conversational platform, July 2021), Creditas (secured credit, September 2021), SpinPay (checkout solutions, October 2021), Akala (Mexican financial cooperative, December 2021). In January 2022, we also concluded the acquisition of Olivia (AI-based personal finance management). We may enter into other strategic transactions or arrangements in the future. We may not, however, be able to identify appropriate acquisition, partnership or joint venture targets in the future, and our efforts to identify such targets may result in a loss of time and financial resources. In addition, we may not be able to successfully negotiate or finance such future acquisitions, partnerships or joint ventures successfully or on favorable terms, or to effectively integrate acquisitions into our current business, and we may lose customers or personnel as a result of any such strategic transaction (in particular the customers and personnel of an acquired business). The process of integrating an acquired business, technology, service or product into our business may divert management's attention from our core business, and may result in unforeseen operating difficulties and expenditures and generate unforeseen pressures and strains on our organizational culture. Moreover, we may be unable to realize the expected benefits, synergies or developments that we initially anticipate from such a strategic transaction.

Financing an acquisition or other strategic transaction could result in dilution to existing shareholders from issuing equity securities or convertible debt securities, or a weaker balance sheet from using cash or incurring debt, and equity or debt financing may not be available to us on favorable terms, if at all. In addition, in connection with an acquisition, it is possible that the goodwill that has been attributed, or may be attributed, to the target may have to be written down if the valuation assumptions are required to be reassessed as a result of any deterioration in the underlying profitability, asset quality and other relevant matters. There can be no assurance that we will not have to write down the value attributed to goodwill in the future, which would adversely affect our results of operations and net assets.

Furthermore, we may be unable to complete a proposed transaction if we are unable to obtain required regulatory approvals, which may include approval by the Central Bank of Brazil or Brazil's Administrative Council for Economic Defense (Conselho Administrativo de Defesa Econômica, or "CADE"), or other applicable regulatory authorities in the various jurisdictions in which we or a potential acquisition target operate. Even if we are able to obtain regulatory approval, such approval could be subject to certain conditions, which could prevent us from competing for certain customers or in certain lines of business. In addition, we may face contingent liabilities in connection with our acquisitions and joint ventures, including, among others, (1) judicial or administrative proceeding or contingencies relating to the company, asset or business acquired, including civil, regulatory, tax, labor, social security, environmental and intellectual property proceedings or contingencies; and (2) financial, reputational and technical issues, including with respect to accounting practices, financial statement disclosures and internal controls, as well as other regulatory or compliance matters, all of which we may not have identified as part of our due diligence process and that may not be sufficiently indemnifiable under the relevant acquisition or joint venture agreement. We cannot guarantee that any acquisition, partnership or joint venture we make will not have a material adverse effect on our business, financial condition and results of operations.

Substantial and increasingly intense competition within our industry may harm our business, financial condition, results of operations, and prospects.

The Latin American market for financial services, and in particular the Brazilian, Mexican and Colombian financial services markets, have become increasingly competitive in recent years. We face significant competition from traditional Brazilian, other Latin American and international banks and other neobanks, payment services providers, investment advisors and brokers, in addition to other new financial technology companies, startups and non-financial companies operating in certain segments of the financial services industry in which we operate. We expect competition to intensify in the future, both as emerging technologies continue to enter the marketplace and as large financial incumbents increasingly seek to innovate the services that they offer that compete with our platform.

Specifically, we face competition in the consumer credit, investment, payments and insurance segments. Our main competitors in the Brazilian consumer credit space include Itaú Unibanco S.A., Banco Bradesco S.A., Banco Santander S.A., Banco Caixa Econômica Federal S.A. and Banco do Brasil S.A. In the Brazilian investment segment, in addition to certain of our competitors in the consumer credit space, our main competitors include Banco BTG Pactual S.A., Banco Inter S.A. and XP Inc. In the Brazilian payments space, in addition to certain of our competitors in the consumer credit and investment spaces, we face competition from MercadoPago.com Representações Ltda., PicPay Serviços S.A., PagSeguro Digital Ltd. and StoneCo Ltd., among others. In addition to existing competition, new competitors may enter the market or existing competitors may offer new or expand existing products or services.

Many of our competitors, in particular traditional banks or competitors that are affiliated with traditional banks, have substantially greater financial, operational and marketing resources than we do. Accordingly, these competitors may be able to offer more extensive or enhanced products and services to customers, or offer such products and services at more attractive rates (including more attractive rates on deposits and rates on loans) or on better terms. As a result, we may be forced to increase our deposit rates, or lower the rates we charge for loans or the fees we charge for other services, or devote significant financial resources to our marketing efforts or developing customized products and services that customers demand, in order to maintain and expand our market share. If this were to occur, we would need to enhance cost control to maintain our margins, and if we are unable to control our costs, our margins and results of operations may be adversely affected. In particular, we have relied primarily on low-touch organic methods of customer acquisition, including an unpaid direct referral method. However, this method of customer acquisition may not be as productive as we would like going forward and could put us at a competitive disadvantage compared to competitors with high-touch customer acquisition models or greater marketing resources. If we are unable to acquire customers through our low-touch organic methods, we may have to increase our marketing investments, or could be unable to grow our revenue and our operating results could be adversely affected.

In addition, certain of our competitors in certain product areas and markets may not be subject to the same regulatory requirements that we are. For example, due to the volume of our payment transactions, we were required to obtain authorization from the Central Bank of Brazil to conduct our business as an issuer of post-paid payment instruments and an issuer of electronic currency, while certain other payment or financial institutions, including certain competitors, can operate without such authorization so long as their payment volume remains below certain thresholds. Further, as a regulated payment institution, our subsidiary Nu Pagamentos is required to comply with a set of regulations that is not applicable to non-regulated payment institutions, including minimum equity capital, minimum net equity, compulsory segregation of customers' funds maintained in payment accounts, internal controls and cybersecurity requirements, among others. In addition, our subsidiary Nu Financeira, a Brazilian financial institution, has undertaken a commitment before the Central Bank of Brazil to operate with a Basel minimum capital adequacy ratio of 14.0% until 2023, which is a higher capital ratio than those applicable to most other financial institutions operating in Brazil. See "Item 4. Information on the Company—B. Business Overview—Regulatory Overview" for more information about capital adequacy and other regulatory requirements applicable to us and our operating subsidiaries. As a result, our competitors who are not subject to similar regulatory requirements may be able to offer products and services at lower costs, which could put pressure on the pricing and terms that we offer and, as a result, our profit margins.

Further, competition in the financial services industry in Brazil and certain other Latin American markets (including Mexico and Colombia) has increased, both as a result of recent consolidations among financial institutions in such markets, adversely affecting the ability of new market entrants to access material amounts of equity capital, and as a consequence of changes in regulations that (i) increased the ability of customers to switch between financial institutions, (ii) enabled financial institutions to access the financial and personal information of customers, and (iii) established rules for an instant payment arrangement. For example, on May 4, 2020, the CMN and the Central Bank of Brazil implemented the Open Financial System, or "open banking," in Brazil to facilitate the new market entrants' access to the financial markets as well as to encourage competition between financial institutions. In particular, the implementing regulations make available to various participants in the Brazilian financial system data relating to customers (where consented to) and services of financial institutions. If we participate in open banking, we will be required to share standardized data related to our customers, service channels, products and services, which would make it easier for other market participants to compete with us. Mexico and Colombia are likewise in the process of implementing an open banking system. Further implementation of open banking may intensify competition in the industry, as the sharing of information between institutions may make it easier for competitors to offer better credit terms and conditions, enabling customers to move such financial obligations from our platform to other competing platforms, which would adversely affect our interest income and therefore our results of operations.

In addition, on November 16, 2020, the Central Bank of Brazil launched the instant payment system, or "PIX," and the Instant Payment System, or "SPI," which enable electronic fund transfers in real time around the clock. This ecosystem promotes innovation of the existing payment infrastructure. Although the regulations relating the PIX and SPI ecosystems are subject to further developments from time to time, such initiatives may promote greater competition in the industry, and could cause customers to transition away from the solutions we offer, towards PIX or SPI solutions. In particular, PIX is expected to make processing payments faster and less expensive, fostering additional competition and allowing new entrants to join the market, while also serving as a significant source of data that will contribute to the ongoing transformation of the financial industry in Brazil. Such developments could therefore materially and adversely affect our business and results of operations.

If we are unable to successfully compete, the demand for our platform, products and services could stagnate or substantially decline, and we could fail to retain or grow the number of customers using our platform, which would materially and adversely affect our business, results of operations, financial condition and prospects.

Our hedging strategy may not be able to prevent losses.

We use a range of strategies and instruments, including entering into derivative and other transactions, to hedge our exposure to market, credit and operational risks. Nevertheless, we may not be able to hedge all risks to which we are exposed, whether partially or in full, and the hedging strategies and instruments on which we rely may not achieve their intended purpose. Any failure in our hedging strategy or in the hedging instruments on which we rely could result in losses to us and have a material adverse effect on our business, financial condition and results of operations. In addition, our decision not to hedge our foreign exchange exposure originated by our investments in Brazil, Colombia and Mexico could negatively harm our financial condition and results of operations.

Financial instruments, including derivative instruments, securities and cash and cash equivalents that are substantially composed of securities, represented 59.3% and 65.3% of our total assets as of December 31, 2021 and 2020, respectively. Any realized or unrealized future gains or losses from our investments or hedging strategies could have a significant impact on our income. These gains and losses, which we account for when we sell or assess the fair value of investments in financial instruments, can vary considerably from one period to another. If, for example, we enter into derivatives transactions to protect ourselves against decreases in interest rates and interest rates instead increase, we may incur financial losses. We cannot forecast the amount of gains or losses in any future period, and the variations experienced from one period to another do not necessarily provide a meaningful forward-looking reference point. Gains or losses in our investment portfolio may create volatility in revenue levels, and we may not earn a return on our consolidated investment portfolio, or on a part of the portfolio in the future, and any losses on our securities and derivative financial instruments could materially and adversely affect our income and financial condition. In addition, any decrease in the value of our investment and derivatives portfolios may result in a decrease in our capital ratios, which could impair our ability to engage in lending activity at the levels we currently anticipate.

Such derivative transactions also subject us to market, credit and operational risks, including basis risk (the risk of loss associated with variations in the spread between the asset yield and the funding or hedge cost) and credit or default risk (the risk of insolvency or other inability of the counterparty to a particular transaction to perform its obligations thereunder). Further, the execution and performance of these transactions depend on our ability to maintain adequate control and administration systems. Our ability to adequately monitor, analyze and report derivative transactions continues to depend, largely, on our information technology systems. These factors further increase the risks associated with these transactions.

Liquidity and funding risks are inherent in our business. Because our principal sources of funds are short-term deposits, a sudden shortage of funds would heighten our liquidity risk and increase our costs of funding.

Liquidity risk is the risk that we either do not have available sufficient financial resources to meet our obligations as they become due or can secure them only at excessive cost. This risk is inherent in our business and can be heightened by a number of factors, including over-reliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation. Constraints in the supply of liquidity, including in interbank lending, can materially and adversely affect the cost of funding our business, and extreme liquidity constraints may affect our current operations, our growth potential and our ability to fulfill regulatory liquidity requirements.

We currently rely primarily on retail deposits as our main source of funding. As of December 31, 2021, we had US$9.7 billion of retail deposits, 96.9% of which were payable on demand, while we had US$11.7 billion of cash and cash equivalents and securities, composed substantially of liquid government bonds. The ongoing availability of funding through retail deposits is sensitive to a variety of factors beyond our control, including general economic conditions, the confidence of retail depositors in the economy, in the financial services industry and in us, the availability and extent of deposit guarantees and competition for deposits between banks or with other products. Any of these factors could significantly increase the amount of retail deposit withdrawals that we experience in a short period of time, thereby reducing our ability to access retail deposit funding on economically appropriate and reasonable terms, or at all, in the future. This would have a material adverse effect on our results of operations, financial condition and prospects.

Increases in our costs of funding would also increase our liquidity risk. Our cost of obtaining funds is directly related to prevailing interest rates and to our credit spreads, with increases in these factors increasing our cost of funding. Credit spread variations are market driven and may be influenced by market perceptions of our creditworthiness. Changes to interest rates and our credit spreads occur continuously and may be unpredictable and highly volatile. Disruption and volatility in the global financial markets could have a material adverse effect on our ability to access capital and liquidity on financial terms acceptable to us, or at all. In the event of a sudden or unexpected shortage of funds in the banking system, we cannot guarantee that we will be able to maintain levels of funding without incurring high funding costs, a reduction in the term of funding instruments or the liquidation of certain assets, which would materially adversely affect our business. Further, if the supply of retail deposits decreases or ceases to become available, we may be forced to raise the rates we pay on deposits, with a view to attracting more customers, and if retail deposits become excessively expensive, we may be forced to sell assets, potentially at depressed prices. The persistence or worsening of these adverse market conditions or an increase in base interest rates could have a material adverse effect on our ability to access liquidity and could increase our cost of funding, which would adversely affect our results of operations and financial condition.

Our ability to manage our funding base may also be affected by changes in regulation, including the compulsory reserve requirements applicable to our operating subsidiaries in Brazil. For more information on Brazil's compulsory reserve requirements, see "—Risks Relating to Regulatory Matters and Litigation—Increases in reserve, compulsory deposit, minimum capital and contributions to deposit insurance requirements may have a material adverse effect on us."

Changes in market and economic conditions could adversely affect our loan portfolio and decrease the demand for our products and services.

The financial markets, and in turn the financial services industry, are affected by many factors, such as U.S. and foreign economic conditions and general trends in business and finance that are beyond our control, which could be adversely affected by changes in the equity or debt marketplaces, unanticipated changes in currency exchange rates, interest rates, inflation rates, the yield curve, financial crises, war, terrorism, natural disasters and other factors that are difficult to predict. A severe or prolonged downturn or periods of market turmoil in the U.S., Brazilian, Mexican, Colombian or international financial markets (or in other foreign markets in the jurisdictions in which we currently or may in the future operate) could materially and adversely affect the liquidity, credit ratings, businesses and financial conditions of our borrowers, which could in turn increase our non-performing loan ratios, impair our loan and other financial assets and result in decreased demand for borrowings in general. Specifically, we have credit exposure to borrowers which have entered or may shortly enter into insolvency or similar proceedings. We may experience material losses from this exposure. In addition, investments may lose value and our investment customers may choose to withdraw assets or transfer them to investments that they perceive to be more secure, which would adversely affect our income and liquidity positions. Any downturn in financial markets could have a material adverse effect on our results of operations, financial condition or business.

We may not be able to generate sufficient cash to service our indebtedness and may be forced to take other actions to satisfy our obligations under the terms of our indebtedness, which may not be successful.

As of December 31, 2021, we had total indebtedness of US$176.9 million (comprising US$12.0 million in instruments eligible as capital, US$147.2 million in borrowings and financing, US$10.0 million in securitized borrowing and US$7.7 million in lease liabilities). Our ability to make scheduled payments on or to refinance our indebtedness depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flow from operating activities sufficient to permit us to pay the principal and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay acquisitions and capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. Our ability to restructure or refinance indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of indebtedness could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations.

The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. Our existing credit facilities contain restrictive covenants, including customary limitations on the incurrence of certain indebtedness and liens. Our ability to comply with these covenants may be affected by events beyond our control, and breaches of these covenants could result in a default under our credit facilities and any future financing agreements into which we may enter, which in turn could cause our outstanding indebtedness under our credit facilities and any future financing agreements that we may enter into under these terms to become immediately due and payable.

In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis could harm our ability to incur additional indebtedness. In the absence of sufficient cash flows and capital resources, we would face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources" for more information. Any of these circumstances could adversely affect our results of operations, financial condition or business.

Our holding company structure makes us dependent on the operations of our subsidiaries.

As a holding company, our corporate purpose is to invest, as a partner or shareholder, in other companies, consortia or joint ventures in Brazil, Mexico and Colombia, where most of our operations are located, and outside of these jurisdictions. Accordingly, our material assets are our direct and indirect equity interests in our subsidiaries, and we are therefore dependent upon the results of operations of and, in turn, the payments, dividends and distributions from, our subsidiaries for funds to pay our operating and other expenses and to pay future cash dividends or distributions, if any, to holders of our Class A ordinary shares or BDRs. We may be required to pay taxes on distributions made by our operating subsidiaries to us under the local laws applicable to such subsidiaries. For example, the Brazilian house of representatives recently approved proposed legislation (Projeto de Lei 2,337/21) that anticipates repealing the existing income tax exemption on the distribution of dividends and imposing an assessment of income taxes on the distribution of dividends, and that applicable taxes on the payment of interest on shareholders' equity may be increased in the future. The proposed legislation has not yet been approved by the Brazilian senate and remains subject to amendment. Any imposition of or increases in the taxation on the distribution of dividends (or similar payments or distributions, such as interest on shareholders' equity) may adversely affect us.

In addition, the payments, dividends and distributions from our subsidiaries to us for funds to pay future cash dividends or distributions, if any, to holders of our Class A ordinary shares or BDRs could be restricted under financing arrangements that we or our subsidiaries may enter into in the future, and such subsidiaries may be required to obtain the approval of lenders to make such payments to us. Furthermore, we may be adversely affected if the governmental authorities of the jurisdictions in which we operate impose legal restrictions on dividend distributions by our local subsidiaries, and exchange rate fluctuations will affect the U.S. dollar value of any distributions our subsidiaries make with respect to our equity interests in those subsidiaries.

We rely on the Mastercard payment scheme to process our transactions. If we fail to comply with the applicable requirements of the Mastercard payment scheme, Mastercard could seek to fine us, suspend us or terminate our registration, which would have a material adverse effect on our business, financial condition and results of operations.

We rely on payment schemes to process our transactions, and a significant source of our revenue comes from processing transactions through the Mastercard payment scheme. We must pay a fee for this service, and from time to time, the payment schemes may increase the fees that they charge for each transaction using one of their cards, subject to certain limitations.

Payment networks establish their own rules and standards that allocate liabilities and responsibilities among the payment networks and their participants. These rules and standards, including the Payment Card Industry Data Security Standard, govern a variety of areas, including how consumers and customers may use their cards, the security features of cards, security standards for processing, data protection and information security and allocation of liability for certain acts or omissions, including liability in the event of a data breach. The payment schemes routinely update and modify their requirements; the payment card networks could adopt new operating rules or interpret or reinterpret existing rules that we or our processors might find difficult or even impossible to follow or costly to implement. These changes may be made for any number of reasons, including as a result of changes in the regulatory environment, to maintain or attract new participants or to serve the strategic initiatives of the networks, and may impose additional costs and expenses on or be disadvantageous to us. Such changes may impact our ongoing cost of doing business, and we may not, in every circumstance, be able to pass through such costs to our customers. For example, changes in the payment card network rules regarding chargebacks may affect our ability to dispute chargebacks and the amount of losses we incur from chargebacks. If we fail to make such changes or otherwise resolve the issue with the payment card networks, the networks could disqualify us from processing transactions if satisfactory controls are not maintained, which would have a material adverse effect on our business, financial condition and results of operations.

We are subject to audit by the payment networks to ensure compliance with applicable rules and standards, and may be directly liable to the payment card networks for rule violations. If we do not comply with the payment scheme requirements, the payment schemes could seek to fine us, suspend us or terminate our registrations that allow us to process transactions on their schemes, and we could lose our ability to make payments using virtual cards or any other payment form factor enabled by the network. If we are unable to recover amounts relating to fines from or pass through costs to our customers or other associated participants, we would experience a financial loss. The termination of our registration due to failure to comply with the applicable requirements of the Mastercard payment scheme, or any changes in the payment scheme rules that would impair our registration, could require us to stop using the Mastercard payment scheme to process our transactions, which would have a material adverse effect on our business, financial condition and results of operations.

We may require additional capital in the future, which may not be available on acceptable terms or at all.

In the future, we may need to raise additional capital to fund our expansion (organically or through strategic acquisitions), to develop new or enhanced services or products or to respond to competitive pressures, or to comply with regulatory capital adequacy requirements discussed in “Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Other Rules—Corporate Capital and Limits of Exposure.” Such financing may not be available on terms favorable to us or at all. If adequate funds are not available or are not available on acceptable terms, we may not be able to fund our expansion, take advantage of acquisition opportunities, develop or enhance services or products or respond to competitive pressures, which would have a material adverse effect on our business, results of operations and financial condition. If we raise additional funds through the issuance of equity or convertible debt securities, our shareholders will experience dilution and the securities that we issue may have rights, preferences and privileges senior to those of our Class A ordinary shares, and the market price of our Class A ordinary shares and BDRs could decline. Any additional funds raised through debt financing will likely require our compliance with restrictive covenants that impose operating and financial restrictions on us, including restrictions on our ability to incur additional indebtedness, create liens, make acquisitions, dispose of assets and make restricted payments, among others. See “Item 5. Operating and Financial Review and Prospects—Liquidity and Capital Resources—Indebtedness.” In addition, such indebtedness may require us to maintain certain financial ratios. These restrictions may limit our ability to obtain future financings, to withstand a future downturn in our business or the economy in general, or to otherwise conduct necessary corporate activities. A breach of any such covenant would likely result in a default under the applicable agreement, which, if not waived, could result in acceleration of the indebtedness outstanding.

The COVID-19 pandemic has materially impacted, and is expected to continue to materially impact, our business, key metrics and results of operations in volatile and unpredictable ways.

Occurrences of epidemics or pandemics, depending on their scale, may cause different degrees of disruption to the regional, state and local economies in which we offer our products and services. While the COVID-19 pandemic in Brazil, Mexico, Colombia and worldwide will likely continue to adversely impact national and global economies, the full extent of the impact of the pandemic on our business, key metrics and results of operations depends on future developments that are uncertain and unpredictable, including the duration, severity and spread of the pandemic, its impact on capital and financial markets and any new information that may emerge concerning the virus, vaccines or other efforts to control the virus.

As a result of the COVID-19 pandemic, we have transitioned to an almost fully remote work environment and we may continue to operate on a significantly remote and dispersed basis for the foreseeable future. This remote and dispersed work environment could have a negative impact on the execution of our business plans and operations. For example, if a natural disaster, power outage, connectivity issue, or other event occurred that impacted our employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. Further, as the COVID-19 pandemic continues, we may experience disruptions if our employees or our third-party service providers' employees become ill and are unable to perform their duties, and our operations, Internet or mobile networks, or the operations of one or more of our third-party service providers, is impacted. The increase in remote working may also result in customer privacy, IT security and fraud vulnerabilities, which, if exploited, could result in significant recovery costs and harm to our reputation. Transitioning to a fully or predominantly remote work environment and providing and maintaining the operational and infrastructure necessary to support a remote work environment also present significant challenges to maintaining our corporate culture, including employee engagement and productivity, both during the immediate pandemic crisis and beyond.

Further, the COVID-19 pandemic has caused substantial changes in consumer behavior, restrictions on business and individual activities and high unemployment rates, which have led to reduced economic activity. Extraordinary actions taken by international, federal, state and local public health and governmental authorities to contain and combat the outbreak and spread of COVID-19 in regions throughout the world, such as travel bans, quarantines, "stay-at-home" orders, suspension of interest accrual and similar mandates for many individuals and businesses to substantially restrict daily activities, have caused and may continue to cause a decrease in consumer activity generally.

In addition, we experienced declining Purchase Volume during periods impacted by the COVID-19 pandemic when economic activity declined and when we implemented a more restrictive credit policy due to reduced consumer income and economic uncertainty, reducing purchase volume per customer, and consequently reducing Monthly ARPAC. Specifically, we saw decreases in the purchase volume of our card operations in the first half of 2020, a trend that has progressively reversed since the end of 2020. Moreover, during the beginning of the COVID-19 pandemic, we saw a temporary increase in our delinquency levels, in line with market trends, and by the end of 2020, our levels had improved relative to our own pre-COVID-19 delinquency levels. In 2021, our delinquency rates remained below both our historical averages and average industry levels. However, the COVID-19 pandemic may have a negative impact on our ability to accurately estimate consumers delinquency levels based on internal credit scoring systems. Extraordinary income-substitution policies undertaken by federal, state and local governmental authorities may have masked the true level of consumer income deterioration or behavior in the markets in which we operate. As a result, the effectiveness of our consumer credit models may suffer in the future.

We have also seen significant and rapid shifts in the traditional models of banking and commerce as the pandemic has evolved. As of the date of this annual report, we have been and are currently able to deliver substantially all of our services remotely and therefore our operations have not been materially or negatively impacted by the COVID-19 pandemic. However, we cannot predict if, and to what extent, our business, results of operations, financial condition and liquidity will be impacted by the COVID-19 pandemic in the future, including regional or global outbreaks, or by national or international aftershocks of the pandemic once controlled, including a recession, slowdown of the economy or increase in unemployment levels. Further, if the COVID-19 pandemic adversely affects our business, results of operations, financial condition and liquidity in the future, many of the other risks described in this "Item 3. Key Information—D. Risk Factors" may be heightened.

Risks Relating to Intellectual Property, Privacy and Cybersecurity

Unauthorized disclosure of sensitive or confidential customer information or our failure or the perception by our customers that we failed to comply with privacy laws or properly address privacy concerns could harm our reputation, business, financial condition and results of operations.

We collect, store, handle, transmit, use and otherwise process certain personal information and other customer data in our business. A significant risk associated with our operations is the secure transmission of confidential information over public networks. The perception of privacy concerns, whether or not valid, may harm our business and results of operations. We must ensure that all collection, use, storage, dissemination, transfer, disposal and other processing of data for which we are responsible comply with relevant data protection and privacy laws. The protection of our customer, employee and company data is critical to us. We rely on commercially available systems, software, tools and monitoring to provide secure processing, transmission and storage of confidential customer information, such as credit card and other personal information. Despite the security measures we have in place, our facilities and systems, and those of our third-party service providers, may be vulnerable to security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors or other similar events. Any security breach, or any perceived failure involving the misappropriation, loss or other unauthorized disclosure of confidential information, as well as any failure or perceived failure to comply with laws, policies, legal obligations or industry standards regarding data privacy and protection, whether by us or our vendors, could damage our reputation, expose us to litigation risk and liability, subject us to negative publicity, disrupt our operations and harm our business. Our security measures may fail to prevent security breaches, which could harm our business, financial condition and results of operations.

Unauthorized disclosure of, improper access to, or destruction or modification of data through cybersecurity breaches, computer viruses or otherwise, or disruptions to our systems or services, could expose us to liability, protracted and costly litigation and damage our reputation.

Our business involves the collection, storage, transmission and other processing of customers' personal data, including names, addresses, identification numbers, account numbers, account balances, loan positions and trading and investment portfolio information. We also have arrangements in place with certain third-party service providers that require us to share certain customer information. Our and such third parties' ability to protect such personal data and customer information is dependent on our ability to prevent cybersecurity breaches and unauthorized access and disclosure.

An increasing number of organizations, including large customers and businesses, other large technology companies, financial institutions and government institutions have disclosed breaches of their information security systems, some of which have involved sophisticated and highly targeted attacks, including on portions of their websites, networks or infrastructure, or those of third parties who provide services to them. Information security risks for financial and technology companies such as ours in particular have significantly increased recently, in part because of new technologies, the use of the Internet and telecommunications technologies (including mobile devices) to conduct financial and other business transactions and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties. For example, in 2020, we experienced a phishing attack that compromised two Nu employee corporate accounts and resulted in an unauthorized disclosure of an immaterial amount of confidential data (though it did not result in direct financial losses or harm our strategic plans or business operations or legal proceedings). Because of our position in the payments value chain, we believe that we are likely to continue to be a target of such threats and attacks. In addition, due to the size and complexity of our technology platform and services, the amount of personal data and other data that we store and the number of customers, employees and third-party providers with access to personal data and other data, we may be the target of a variety of intentional and inadvertent cybersecurity attacks and other security-related incidents and threats, which could result in a material adverse effect on our reputation, business, financial condition and results of operation.

The techniques used to obtain unauthorized, improper or illegal access to our systems, our data or our customers' data, to disable or degrade service, or to sabotage systems are constantly evolving may be difficult to detect quickly and often are not recognized until launched against a target. Unauthorized parties may attempt to gain access to our systems or facilities through various means, including, among others, hacking into our systems or those of our customers, partners or vendors, attempting to fraudulently induce our employees, customers, partners, vendors or other users of our systems into disclosing usernames, passwords, payment card information or other sensitive information, which may in turn be used to access our information technology systems, or installing malicious software. Certain efforts may be supported by significant financial and technological resources, making them even more sophisticated and difficult to detect.

Although we have developed systems and processes that are designed to protect our networks, applications, accounts and the confidentiality, integrity and availability of data and customer data and our information technology systems and to prevent data loss and other security breaches, and expect to continue to expend significant additional resources to bolster these protections, these security measures cannot provide absolute security and there can be no assurance that our safety and security measures (and those of our third-party providers) will prevent damage to, or interruption or breach of, our information systems and operations. Our information technology and infrastructure may be vulnerable to cyberattacks or security breaches, and third parties may be able to access our customers' personal or proprietary information and card data that are stored on or accessible through those systems. In addition to traditional computer "hackers," malicious code (such as viruses and worms), phishing, ransomware, social engineering attacks, unauthorized access or misuse and denial-of-service attacks, sophisticated criminal networks as well as nation-state and nation-state supported actors now engage in attacks, including advanced persistent threat intrusions. Our security measures may also be breached due to human error, malfeasance, fraud or malice on the part of employees, accidental technological failures, system errors or vulnerabilities, or other irregularities. Further, as a consequence of the COVID-19 pandemic, nearly all of our employees are working remotely, which may cause heightened vulnerability to cyberattacks across our business and those of our service providers. In the event our or our third-party providers' protection efforts are unsuccessful and our systems or solutions are compromised, we could suffer substantial harm.

Our Audit and Risk Committee has oversight responsibilities over cybersecurity risk management and meets at least quarterly with our management to discuss financial and non-financial risks and internal controls, including information security and cybersecurity matters and our cybersecurity program. In particular, our Audit and Risk Committee is involved in the oversight of our cybersecurity policies and procedures and is periodically updated on material cybersecurity risks and cybersecurity issues, if any, by management. Our Audit and Risk Committee also communicates with our independent audit firm regarding their annual audit procedures. Nevertheless, there can be no assurance that we can prevent service interruptions or security breaches in our systems or the unauthorized or inadvertent wrongful use or disclosure of confidential information that could adversely affect our business operations or result in the loss, misappropriation or unauthorized access to or use or disclosure of, or the prevention of access to, confidential information.

Any actual or perceived cybersecurity attacks, security breaches, phishing attacks, ransomware attacks, computer malware, computer viruses, computer hacking attacks, unauthorized access, coding or configuration errors or similar incidents experienced by us or our third-party service providers could interrupt our operations, result in our systems or services being unavailable, result in the loss, compromise corruption or improper disclosure of data or personal data, subject us to regulatory or administrative investigations and orders, litigation, disputes, sanctions, indemnity obligations, damages for contract breach or penalties for violation of applicable laws or regulations, impair our ability to provide our solutions and meet our customers' requirements, materially harm our reputation and brand, result in significant legal and financial exposure (including customer claims), lead to loss of customer confidence in, or decreased use of, our products and services, and adversely affect our business, financial condition and results of operations. In addition, any breaches of network or data security at our customers, partners or third-party service providers (including data center and cloud computing providers) could have similar negative effects. We could be forced to expend significant financial and operational resources in response to a security breach, including repairing system damage, increasing security protection costs by deploying additional personnel and modifying or enhancing our protection technologies, investigating and remediating any information security vulnerabilities and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of our management and key personnel and materially and adversely affect our business, financial condition and results of operations.

Specifically, because we leverage third-party providers, including cloud, software, data center and other critical technology vendors to deliver our solutions to our customers, we rely heavily on the data security technology practices and policies adopted by these third-party providers. Such third-party providers have access to personal data and other data about our customers and employees, and some of these providers in turn subcontract with other third-party providers. Our ability to monitor our third-party providers' data security is limited. A vulnerability in a third-party provider's software or systems, a failure of our third-party providers' safeguards, policies or procedures, or a breach of a third-party provider's software or systems could result in the compromise of the confidentiality, integrity or availability of our systems or the data housed in our third-party solutions.

Many jurisdictions have enacted laws requiring companies to notify individuals, regulatory authorities and others of security breaches involving certain types of data or information technology systems. Security compromises experienced by others in our industry, our customers, our third-party service providers or us may lead to public disclosures and widespread negative publicity. Any security compromise in our industry, whether actual or perceived, could erode customer confidence in the effectiveness of our security measures, negatively impact our ability to attract new customers, cause existing customers to elect not to renew or expand their use of our platform, services and products or subject us to third-party lawsuits, regulatory fines or other actions or liabilities, which could materially and adversely affect our business, financial condition and results of operations

Likewise, agreements with certain service providers may require us to notify them in the event of a security breach. Such mandatory disclosures are costly, could lead to negative publicity, may cause our customers to lose confidence in the effectiveness of our security measures and require us to expend significant capital and other resources to respond to and alleviate problems caused by the actual or perceived security breach. Further, a data security compromise or operational disruption impacting us or one of our critical vendors, or system unavailability or damage due to other circumstances, may give rise to a customer's right to terminate its contract with us. In these circumstances, it may be difficult or impossible to cure such a breach in order to prevent customers from potentially terminating their contracts with us. Furthermore, although our customer contracts typically include limitations on our potential liability, we cannot guarantee that such limitations of liability would be adequate.

Additionally, although we maintain insurance policies covering cyber-attacks, such policies may not be adequate to reimburse us for losses caused by security breaches, and we may not be able to collect fully, if at all, under these policies. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases in or the imposition of large deductible or co-insurance requirements, could adversely affect our business, financial condition and results of operations.

For information on the data protection and privacy laws and regulations to which we are subject and the risks associated therewith, see "—Risks Relating to Regulatory Matters and Litigation—We are subject to costs and risks associated with enhanced or changing laws and regulations affecting our business, including those relating to data privacy, security and protection. Developments in these and other laws and regulations could harm our business, financial condition or results of operations."

Claims by others that we infringe their proprietary technology or other rights could have a material and adverse effect on our business, financial condition and results of operations.

We may be subject to costly litigation in the event that third parties assert claims that our services or technology infringe, misappropriate or otherwise violate their intellectual property or proprietary rights. Third parties may have, or may eventually be issued, patents that could be infringed, misappropriated or otherwise violated by our services or technology, and any of these third parties could make a claim of infringement against us. As we face increasing competition and gain an increasingly high profile, the possibility of intellectual property rights claims against us grows. We may also be subject to claims by third parties for breach of copyright, trademark, license usage or other intellectual property rights. Any claim of infringement, misappropriation or other violation of intellectual property rights by a third party, even those without merit and regardless of the outcome, could cause us to incur substantial costs defending against the claim, distract our management from our business, require us to redesign or cease use of such intellectual property, pay substantial amounts to satisfy judgments or settle claims or lawsuits, pay substantial royalty or licensing fees, or satisfy indemnification obligations that we have with certain parties with whom we have commercial relationships. The outcome of any allegation is often uncertain. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, any claim of infringement, misappropriation or other violation of intellectual property rights by a third party, even those without merit and regardless of the outcome, may result in a limitation on our ability to use the intellectual property subject to these claims or could prevent us from registering our brands as trademarks. Additionally, in recent years, individuals and groups have been purchasing intellectual property assets for the sole purpose of making claims of infringement and attempting to extract settlements from companies like ours. Even if we believe that such claims are without merit, defending against such claims is time-consuming and expensive and could result in the diversion of the time and attention of our management and employees.

Claims of intellectual property infringement, misappropriation or other violation also might require us to redesign around such violated services, which may be expensive, time-consuming or infeasible, enter into costly settlement or license agreements, pay costly damage awards (including treble damages and attorneys' fees if we are found to have willfully infringed a patent or other intellectual property right), change our brands or face a temporary or permanent injunction prohibiting us from commercializing, using, marketing or selling the violating technology, products or services or using certain of our brands. We may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments.

Claims that we have misappropriated the confidential information or trade secrets of third parties could similarly harm our business. If we are required to make substantial payments or undertake any of the other actions noted above as a result of any intellectual property infringement, misappropriation or violation claims against us, such payments, costs or actions could have a material adverse effect on our competitive position, business, financial condition and results of operations.

Additionally, in certain of our agreements with customers and other third parties, we agree to indemnify them for losses related to, among other things, claims by third parties of intellectual property infringement, misappropriation or other violation. From time to time, customers or other third parties have required, and may in the future require, us to indemnify them for such infringement, misappropriation or violation, breach of confidentiality or violation of applicable law, among other things. Although we normally seek to contractually limit our liability with respect to such obligations, some of these indemnity agreements may provide for uncapped liability and some indemnity provisions survive termination or expiration of the applicable agreement. Any legal claims from customers or other third parties could result in substantial liabilities and reputational harm, and could have adverse effects on our relationship with such customers and other third parties. Even if we have an agreement for indemnification against such costs, the indemnifying party, if any, may be unable to uphold its contractual obligations. Any of the foregoing could negatively impact our business, revenue and earnings.

Our intellectual property rights are valuable, and any inability to protect them could reduce the value of our products, services and brand.

We believe the protection of our intellectual property, including our trademarks, patents, copyrights, domain names, trade dress, trade secrets, software and industrial designs, is critical to our success. We rely on, and expect to continue to rely on, a combination of contractual rights in various agreements with our employees, independent contractors, consultants and third parties with whom we have relationships, as well as trademarks and trade secrets in the United States, Brazil, Argentina, Mexico, Colombia and elsewhere internationally to establish and protect our intellectual property and proprietary rights, including technology. Third parties may challenge, invalidate, circumvent, infringe, misappropriate or otherwise violate our intellectual property and other proprietary rights, or such intellectual property may not be sufficient to permit us to take advantage of current market trends or otherwise to provide competitive advantages, which could result in costly redesign efforts, discontinuance of certain service offerings or other competitive harm. Others, including our competitors, may independently develop similar technology, duplicate our services or design around our intellectual property, and in such cases, we could not assert our intellectual property rights against such parties. Despite our efforts to protect our proprietary rights, there can be no assurance that our intellectual property rights will be sufficient to protect against others offering products or services that are substantially similar to ours and compete with our business or to prevent unauthorized parties from copying aspects of our technology. For example, it is possible that third parties, including our competitors, may obtain patents that overlap or compete with our technology. If third parties obtain patent protection with respect to such technologies, they may assert that our technology infringes their patents and seek to charge us a licensing fee or otherwise preclude the use of our technology.

In addition to registered intellectual property rights such as trademark registrations, we rely on non-registered proprietary information and technology, such as trade secrets, confidential information, know-how and technical information. In order to protect our proprietary information and technology, we rely in part on nondisclosure and confidentiality agreements with parties who have access to them, including our employees, independent contractors, corporate collaborators, advisors and other third parties, which place restrictions on the use and disclosure of this intellectual property. We also enter into confidentiality and invention assignment agreements with our employees and consultants. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary information or otherwise developed intellectual property for us, including our technology and processes. Individuals not subject to invention assignment agreements may make adverse ownership claims to our current and future intellectual property. Additionally, these agreements may be insufficient or breached, or otherwise fail to prevent unauthorized use or disclosure of our confidential information, intellectual property or technology, and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information, intellectual property or technology. As a result, our intellectual property, including trade secrets, may be disclosed or become known to our competitors, which could cause us to lose any competitive advantage resulting from this intellectual property. Additionally, to the extent that our employees, independent contractors or other third parties with whom we do business use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions.

Further, we may be unable to obtain trademark protection for our technologies and brands, and our existing trademark registrations and applications, and any trademarks that may be used in the future, may not provide us with competitive advantages or distinguish our products and services from those of our competitors. In addition, our trademarks may be contested, circumvented or found to be unenforceable, weak or invalid, and we may not be able to prevent third parties from infringing or otherwise violating them.

We may have to litigate to enforce or determine the scope and enforceability of our intellectual property rights, trade secrets and know-how, which is expensive, could cause a diversion of resources and may not prove successful. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. An adverse outcome in such litigation or proceedings may expose us to a loss of our competitive position, expose us to significant liabilities or require us to seek licenses that may not be available on commercially acceptable terms, if at all. Further, we will not be able to protect our intellectual property rights if we are unable to enforce our rights, and effective intellectual property protection may not be available in every country in which we offer our products and services. The laws of certain countries where we do business or may do business in the future may not recognize intellectual property rights or protect them to the same extent as do the laws of the United States. In addition, any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our trade secret and intellectual property rights. Failure to obtain or maintain protection of our trade secrets or other proprietary information could harm our competitive position and materially and adversely affect our business and results of operations.

Also, because of the rapid pace of technological change in our industry, aspects of our business and our services rely on technologies developed or licensed by third parties, and we may not be able to obtain or continue to obtain licenses and technologies from these third parties on reasonable terms or at all. See “—Our business and platform depend in part on intellectual property and proprietary rights and technology licensed from or otherwise made available to us by third parties. If we fail to comply with our obligations under license or technology agreements with third parties, we may be required to pay damages and we could lose license rights that are critical to our business.” The loss of intellectual property protection, the inability to obtain third-party intellectual property or delay or refusal by relevant regulatory authorities to approve pending intellectual property registration applications could harm our business and ability to compete.

Our use of third-party open source software could negatively affect our ability to offer and sell our solutions and subject us to possible litigation.

Our solutions incorporate and are dependent to some extent on the use and development of third-party open source software, including in Java and Clojure programming language, and we intend to continue our use and development of open source software in the future. Such open source software is generally licensed by its authors or other third parties under open source licenses and is typically freely accessible, usable and modifiable. Pursuant to such open source licenses, we may be subject to certain conditions, including requirements that we offer our proprietary software that incorporates open source software for no cost, that we make available source code for modifications or derivative works we create based upon, incorporating or using the open source software and that we license such modifications or derivative works under the terms of the particular open source license. If an author or other third party that uses or distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the use or sale of our solutions that contained or are dependent upon the open source software and required to comply with the foregoing conditions, which could disrupt the distribution and sale of some of our products and services. Additionally, we could face claims from third parties claiming ownership of, or demanding release of, any open source software or derivative works that we have developed using such software, which could include proprietary source code, or otherwise seeking to enforce the terms of the applicable open source license. These claims could result in litigation and could require us to make our software source code freely available, which would put us at a competitive disadvantage, purchase a costly license (with binding clauses that restrict our ability to commercialize and develop the implicated products or services), or cease offering the implicated products or services unless and until we can re-engineer such source code in a manner that avoids infringement. This reengineering process could require us to expend significant additional research and development resources, and we may not be able to complete the re-engineering process successfully. Litigation could be costly for us to defend, have a negative effect on our financial condition and results of operations or require us to devote additional research and development resources to change the source code underlying our platform, products and services. The terms of many open source licenses to which we are subject have not been interpreted by courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide, or distribute the products or services related to, the open source software subject to those licenses. As there is little or no legal precedent governing the interpretation of many of the terms of certain of these licenses, the potential impact of these terms on our business is uncertain and may result in unanticipated obligations regarding our solutions and technologies.

In addition to risks related to license requirements, use of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties, indemnification or other contractual protections regarding infringement claims or the quality of the code, controls on the origin or development of the software, or remedies against the licensors. Many of the risks associated with usage of open source software cannot be eliminated and could adversely affect our business. Although we seek to comply with our obligations under the various applicable licenses for open source software, it is possible that we may not be aware of all instances where open source software has been incorporated into our proprietary software or used in connection with our solutions or our corresponding obligations under open source licenses. We do not have open source software usage policies or monitoring procedures in place. We rely on multiple software programmers to design our proprietary software and we cannot be certain that our programmers have not incorporated open source software into our proprietary software that we intend to maintain as confidential or that they will not do so in the future. To the extent that we are required to disclose the source code of certain of our proprietary software developments to third parties, including our competitors, in order to comply with applicable open source license terms, such disclosure could harm our intellectual property position, competitive advantage, financial condition and results of operations. In addition, to the extent that we have failed to comply with our obligations under particular licenses for open source software, we may lose the right to continue to use and exploit such open source software in connection with our operations and solutions, which could disrupt and adversely affect our business.

Our business and platform depend in part on intellectual property and proprietary rights and technology licensed from or otherwise made available to us by third parties. If we fail to comply with our obligations under license or technology agreements with third parties, we may be required to pay damages and we could lose license rights that are critical to our business.

Our business and platform depend in part on intellectual property and proprietary rights and technology licensed from or otherwise made available to us by third parties and, in the future, we may enter into additional agreements that grant us valuable intellectual property licenses or rights to technology. If we fail to comply with our obligations under license or technology agreements with third parties, we may be required to pay damages and we could lose license rights that are critical to our business.

Our business and our platform rely in part on certain intellectual property, including technologies, data, content and software developed and licensed to us by third parties, and in the future we may enter into additional agreements that provide us with licenses to valuable intellectual property or technology. If we fail to comply with any of the obligations under our license agreements, we may be required to pay damages and the licensor may have the right to terminate the license. Termination by the licensor would cause us to lose valuable rights, and could prevent us from selling our products and services, or inhibit our ability to commercialize future products and services. Our business would suffer if any current or future licenses terminate, if the licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed patents against infringing third parties, if the licensed intellectual property rights are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms.

In addition, our rights to certain technologies are licensed to us on a non-exclusive basis. The owners of these non-exclusively licensed technologies are therefore free to license them to third parties, including our competitors, on terms that may be superior to those offered to us, which would place us at a competitive disadvantage. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights. In addition, the agreements under which we license intellectual property or technology from third parties are generally complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement.

Further, the licensed components may become obsolete, defective or incompatible with future versions of our services, relationships with the third-party licensors or technology providers may deteriorate, or our agreements with the third-party licensors or technology providers may expire or be terminated. Additionally, some of these licenses or other grants of rights may not be available to us in the future on terms that are acceptable, or at all, or that allow our platform, products and services to remain competitive. Our inability to obtain licenses or rights on favorable terms could have a material and adverse effect on our business and results of operations. Furthermore, incorporating intellectual property or proprietary rights licensed from or otherwise made available to us by third parties on a non-exclusive basis in our products or services could limit our ability to protect the intellectual property and proprietary rights in our services and our ability to restrict third parties from developing, selling or otherwise providing similar or competitive technology using the same third-party intellectual property or proprietary rights.

We seek to have all the necessary licenses and other grants of rights from third parties to use technology and software that we do not own. However, the licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. Even if such licenses are available, we may be required to pay the licensor substantial royalties based on sales of our products and services. Such royalties are a component of the cost of our products or services and may affect the margins on our products and services. Further, a third party could allege that we are infringing its rights. Our failure to obtain necessary licenses or other rights on acceptable terms, or litigation or claims arising out of intellectual property matters, may harm or restrict our business. In addition, we could be found liable for significant monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent or other intellectual property right. Any such litigation or the failure to obtain any necessary licenses or other rights could adversely impact our business, financial position and results of operations.

Risks Relating to Regulatory Matters and Litigation

We are subject to extensive regulation and regulatory and governmental oversight as a digital banking platform and as a payment institution. Compliance with or violation of present or future regulations could be costly, expose us to substantial liability and force us to change our business practices, any of which could harm our business and results of operations.

Because we conduct the majority of our operations in Brazil, we are predominately subject to regulation under Brazilian law and by Brazilian authorities, some of which may be periodically amended or revoked. The Brazilian financial and payment markets and Brazilian financial and payment institutions are subject to extensive regulatory control by the Brazilian government, principally by the Central Bank of Brazil, the Brazilian Securities Commission (Comissão de Valores Mobiliários, or the "CVM"), the Brazilian Monetary Council (Conselho Monetário Nacional, or the "CMN"), and the Brazilian stock exchange (B3 S.A. – Brasil, Bolsa, Balcão, or the "B3"), which, in each case, materially affects our business.

Because certain of our subsidiaries are financial services payment institutions in Brazil, our business is subject to Brazilian laws and regulations relating to electronic payments in Brazil, including Federal Law No. 12,865/13, as well as to financial services, including Federal Law No. 4,595/64 and Federal Law No. 6,385/76 and related rules and regulations issued by the CMN, the Central Bank of Brazil, the CVM and, as a public company in Brazil, the CVM and the B3 with regard to the rules related to foreign issuers. In addition, the activity of one of our subsidiaries as an insurance broker is subject to various laws and regulations in Brazil, such as Federal Law No. 4,595/64, Decree Law No. 73/66 and certain other rules and regulations issued by the National Private Insurance Council (Conselho Nacional de Seguros Privados, or the "CNSP") and the Brazilian Superintendence of Private Insurance (Superintendência de Seguros Privados, or the "SUSEP"), among others.

The laws, rules, and regulations that govern our business include those relating to deposit-taking, cross-border and domestic money transmission, foreign exchange, payments services (such as payment processing and settlement services), consumer financial protection, tax, anti-money laundering and terrorist financing and rules relating to unclaimed property. Specifically, we are subject to anti-money laundering and terrorist financing laws and regulations in multiple jurisdictions that prohibit, among other things, involvement in transferring the proceeds of criminal or terrorist activities. We could be subject to liability and forced to change our business practices if we were found to be subject to, or in violation of, any laws or regulations impacting our ability to maintain a banking account in the countries where we operate, or if existing or new legislation or regulations applicable to financial institutions in the countries where we maintain a banking account were to result in banks in those countries being unwilling or unable to establish and maintain banking accounts for us. As regulated payment and financial institutions in Brazil, certain of our operating subsidiaries are subject to rules and regulations relating to minimum equity capital, minimum net equity and other regulatory capital requirements and reference equity, compulsory deposits and contributions, internal controls, anti-money laundering, know your customer obligations, sanctions, ombudsman and customer service, internal auditing, cybersecurity and bank secrecy, among others. See “Item 4. Information on the Company—B. Business Overview—Regulatory Overview” for a detailed description of the regulatory requirements applicable to us and our operating subsidiaries. In addition, as our business continues to develop and expand, we may become subject to additional rules and regulations, which may limit or change how we conduct our business.

These laws, rules and regulations are enforced by multiple authorities and governing bodies in Brazil, including the Central Bank of Brazil, the CVM and the CMN. In their supervisory roles, the Central Bank of Brazil, the CVM and the CMN seek to maintain the safety and soundness of financial and payment institutions with the aim of strengthening the protection of customers and the financial system. Their continuing supervision of financial and payment institutions is conducted through a variety of regulatory tools, including the collection of information by way of prudential returns, reports obtained from skilled persons, visits to firms and regular meetings with management to discuss issues such as performance, risk management and strategy. As a result, we face increased supervisory scrutiny (resulting in increasing internal compliance costs and supervision fees), and in the event of a breach of our regulatory obligations we are likely to face more stringent scrutiny and potentially significant fines.

Changes in regulations in Brazil and international markets in which we operate may expose us to increased compliance costs and limit our ability to pursue certain business opportunities or provide certain products and services. The regulation governing Brazilian payment and financial institutions is continuously evolving, including as a result of political, economic and social events, and the Central Bank of Brazil has reacted actively and extensively to developments in our industry. Specifically, Brazilian regulators frequently update prudential standards in accordance with the recommendations of the Basel Committee on Banking Supervision, in particular with respect to capital and liquidity, which could impose additional significant regulatory burdens on us, including additional and material capital requirements applicable to certain of our subsidiaries’ activities as payment institutions. For instance, as a result of Public Consultation No. 78 of November 2020, the Central Bank of Brazil recently enacted a new framework providing for prudential rules applicable to payment institutions, (such as Nu Pagamentos), increasing the capital and prudential requirements to which we are subject. This framework includes BCB Resolutions No. 197, 198, 199, 200, 201 and 202, all dated March 11, 2022. The new prudential requirements are expected to be enforceable according to an implementation calendar: the new rules would come into force in January 2023, and full implementation would take place in January 2025. As an example, if definitive regulation applicable to type 3 conglomerates - which will be the conglomerate led by Nu Pagamentos - had been in force as of December 31, 2021, Nu Pagamentos conglomerate would have been subject to a minimum regulatory capital of US$448 million (R$2.5 billion) as of December 31, 2021, which would represent an increase of US$97 million (R$541 million) compared to the requirements applicable jointly to Nu Pagamentos and Nu Financeira under current regulations. See “Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Other Rules—Corporate Capital Limits of Exposure—Payment Institutions” for more information about potential changes to prudential regulations applicable to payment institutions in Brazil. Our operations could also be adversely affected by changes with respect to restrictions on remittances abroad and other exchange controls as well as by interpretations of the law by courts and agencies in a manner that differs from our legal advisors’ opinions. There can be no assurance that future changes in regulations or in their interpretation or application will not have a material adverse effect on us.

The measures of the Central Bank of Brazil and the amendment of existing laws and regulations, or the adoption of new laws or regulations, could adversely affect our ability to provide loans, make investments or render certain financial and payment services. No assurance can be given generally that laws or regulations will be adopted, enforced or interpreted in a manner that will not have a material adverse effect on our business and results of operations. As some of the Brazilian banking laws and regulations have been recently issued or become effective, the manner in which those laws and related regulations are applied to the operations of financial and payment institutions is still evolving. Moreover, to the extent that these recently adopted regulations are implemented inconsistently in Brazil, we may face higher compliance costs. Furthermore, regulatory authorities have substantial discretion in how to regulate financial and payment institutions, and this discretion, and the regulatory mechanisms available to the regulators, have been increasing during recent years. Regulation may be imposed on an ad hoc basis by governments and regulators (such as caps on interchange fees or interest rates, which could negatively affect our business, financial condition and results of operations given the importance of consumer credit products to our revenue), and these ad hoc regulations may especially affect financial institutions that may be deemed to be systemically important.

Although we have a compliance program focused on applicable laws, rules and regulations and are continually investing in this program, in the event of non-compliance with laws or regulations, we may nonetheless be subject to fines or other penalties in one or more jurisdictions levied by federal, state or local regulators, as well as those levied by foreign regulators. In addition to fines, penalties for failing to comply with applicable rules and regulations could include significant criminal and civil lawsuits, including against our management and controlling shareholder, disgorgement of profits, forfeiture of significant assets, loss of required licenses or approvals or other enforcement actions, including insolvency proceedings instituted by the Central Bank of Brazil. Any disciplinary or punitive action by our regulators or failure to obtain required operating authorizations could seriously harm our business and results of operations. We could also be required to make changes to our business practices or compliance programs as a result of regulatory scrutiny. In addition, any perceived or actual failure to comply with applicable laws, rules and regulations could have a significant impact on our reputation and could cause us to lose existing customers, prevent us from obtaining new customers, require us to expend significant funds to remedy problems caused by non-compliance and to avert further non-compliance.

We also have operations outside of Brazil, including in Mexico and Colombia, along with information technology and business support operations in Argentina, Germany and the United States. In particular, in Mexico, our products are offered by both a financial institution (subject to the Popular Savings and Credit Law) and a commercial entity. Similar to financial entities in Brazil, financial entities in Mexico are subject to extensive regulation and the oversight of the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria de Valores, or the “CNBV”). Mexican authorities have been reviewing the regulations applicable to financial entities (for example, the enactment of the Fintech Law in 2018) and closely supervise financial technology companies. Changes to these laws and other applicable laws and regulations (for instance, regarding customer onboarding) have been discussed by the Mexican regulators, and could materially affect our operations in Mexico. In Colombia, our credit card product is offered by a commercial entity that is subject to extensive regulation, including those governing consumer protection (namely Law No. 1,480 of 2011, Decree No. 1,074 of 2015 and the Sole Circular of the Industry and Trade Superintendence) and data protection (Law No. 1,581 of 2012). In addition, interest rates in Colombia are capped, as provided in the Colombian Commercial and Criminal Codes. Our activities in Colombia are subject to the supervision of the Industry and Trade Superintendence with regards to consumer relations, data protection and antitrust. Furthermore, the Colombian Financial Regulatory Unit, or the “URF,” intends to propose various changes to financial regulations that may be implemented in the future and affect our Colombian operations. Changes in these and other applicable laws or regulations in the countries in which we operate, or the adoption of new laws and related regulations, may require us to modify our business practices and may have an adverse effect on us.

Given the volume, granularity, frequency and scale of regulatory and other reporting requirements, we must maintain a clear data strategy to enable consistent data aggregation, reporting and management. Inadequate management information systems or processes, including those relating to risk data aggregation and risk reporting, could lead to a failure to meet regulatory reporting requirements or other internal or external information demands, and we may face supervisory measures as a result.

Certain ongoing legislative and regulatory initiatives under discussion by the Brazilian Congress, the Central Bank of Brazil and the broader payments industry may result in changes to the regulatory framework of the Brazilian payments and financial industries, which may have an adverse effect on our business and cause us to incur increased compliance costs.

In recent years, the Central Bank of Brazil issued several regulations related to the Brazilian payments market, aiming to increase the use of electronic payments, increase competitiveness in the sector, strengthen governance and risk management practices in the industry, encourage the development of new solutions and the differentiation of products to consumers and promote the increased use of electronic payment means. Such measures include the following regulations enacted by the Central Bank of Brazil: (i) Circular of the Central Bank of Brazil No. 3,887/2018, which establishes that interchange fees on domestic purchase transactions using debit cards (within the meaning of Central Bank of Brazil regulations, which does not include the debit cards linked to prepaid accounts that we currently offer) are subject to a cap of up to 0.8% on debit transactions, and that debit card issuers must maintain a maximum average interchange fee of 0.5%; (ii) Resolution of the Central Bank of Brazil No. 1/2020, which created the instant payment ecosystem; and (iii) Joint Resolution No. 1/2020, which governs the Open Financial System (Open Banking) initiative in Brazil. With regard to interchange fees, the Central Bank of Brazil launched on October 8, 2021 Public Consultation No. 89, or "Public Consultation 89/21," which proposes to repeal Circular No. 3,887/2018 and impose a cap of 0.5% for interchange fees charged in domestic purchase transactions carried out using debit cards (including the debit cards linked to prepaid accounts that we currently offer).

Moreover, according to the notice to the market we released on March 23, 2022, Mastercard, the settlor of payment schemes of which our subsidiary Nu Pagamentos is a part of, launched on March 22, 2022 the public consultation AN 6229, proposing a reduction in the interchange rate levied on in-situ prepaid card transactions (card present transactions) made by individuals in Brazil, to 0.80%. Interchange fees for other types of transactions for this product would remain at 1.20%. The effectiveness of such a change is subject to comments from market participants, additional reviews by Mastercard, as well as approval by the Central Bank of Brazil. According to Mastercard, this review is a direct consequence of Public Consultation No. 89/21 and meetings held with the Central Bank of Brazil relating to the regulation of interchange fees for debit and prepaid instruments.

If the Central Bank of Brazil were to issue a definitive regulation setting forth such interchange fee cap in the manner proposed under Public Consultation 89/21, and the interchange rate on prepaid card proposed under public consultation AN 6229 were approved our revenue would be negatively impacted. For example, had Public Consultation 89/21 been enacted during the year ended December 31, 2021, our revenue would have been negatively impacted by US$86 million (or R$ 480 million, based on a real/U.S. dollar exchange rate of $5.581). Further, had the changes set forth under public consultation AN 6229 been in place during the year ended December 31, 2021, we believe our revenue would have been reduced by 2.4%. See "Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Interchange Fees and Public Consultation No. 89/2021" for more information regarding Public Consultation 89/21.

In addition to such recently enacted regulations, the Brazilian Congress, Central Bank of Brazil and the broader payments industry are discussing legislative and regulatory initiatives that would modify the regulatory framework of the Brazilian payments and financial industries. For instance, the Brazilian Congress is discussing initiatives regarding the payment cycle in place in the Brazilian payments market. The Central Bank of Brazil has issued a letter in response to a report issued by the Brazilian Congress regarding the payment cycle currently in place in the Brazilian payments market, which presents a technical study of the impact of changes to the Brazilian payment cycle and confirms the Central Bank of Brazil's decision to promote a gradual and planned shortening of the existing payment cycles. Should these discussions lead the Central Bank of Brazil, as the competent authority over the market, to implement regulatory initiatives to reduce existing payment cycles, this could adversely affect our business, revenue and financial condition. In addition, the Brazilian Congress is considering enacting new legislation that, if signed into law as currently drafted, would limit interest rates, particularly for credit cards facilities (rotativo do cartão) and overdrafts facilities (cheque especial) – the latter, with limits that are more restrictive than those recently imposed by the Central Bank of Brazil.

These discussions are in various phases of development, whether as part of legislative, regulatory or private initiatives in the industry, and the overall impact of any such reform proposals is difficult to estimate. Any such changes in laws, regulations or market practices have the potential to alter the type or volume of the card-based transactions we process and our payment services and could adversely affect our business, results of operations and financial condition.

We are subject to anti-corruption, anti-bribery and anti-money laundering laws and regulations and may be subject to sanctions.

We operate in jurisdictions that have a high risk for corruption and we are subject to various anti-corruption, anti- bribery and anti-money laundering laws and regulations, as well as those relating to sanctions, including the Brazilian Federal Law No. 12,846/2013, or the "Clean Company Act," the Brazilian Federal Law No. 9,613/1998, or the "Brazilian Anti-Money Laundering Law," the Brazilian Federal Law No. 8,429/1992, or the "Brazilian Public Improbity Law," the Brazilian Federal Law No. 14,133/2021, and the United States Foreign Corrupt Practices Act of 1977, as amended, or the "FCPA," among others. Each of the Clean Company Act, the Brazilian Anti-Money Laundering Act, the Brazilian Public Improbity Law and the FCPA impose liability against companies who engage in bribery of government officials, either directly or through intermediaries.

Anti-money laundering, anti-bribery, anti-corruption and sanctions laws and regulations to which we are subject require us, among other things, to conduct full customer due diligence (including sanctions and politically exposed person screening) and keep our customer, account and transaction information up to date. We are also required to report suspicious transactions and activity to appropriate law enforcement following full investigation. We have implemented financial crime policies and procedures detailing what is required from those responsible. However, we rely heavily on our employees to assist us by spotting such illegal and improper activities and reporting them, and our employees have varying degrees of experience in recognizing criminal tactics and understanding the level of sophistication of criminal organizations. If we decide to instead outsource any of our customer due diligence, customer screening or anti-financial crime operations, we would remain responsible and accountable for full compliance and any breaches. In addition, we rely upon our relevant counterparties to a large degree to maintain and appropriately apply their own appropriate compliance measures, procedures and internal policies. If we are unable to apply the necessary scrutiny and oversight of employees, third parties to whom we outsource certain tasks and processes or counterparties, we increase the risk of regulatory breach.

Financial crime – and the surrounding regulatory landscape – is continually evolving. Our ability to comply with changing applicable legal requirements depends on our ability to improve detection and reporting capabilities and reduce variation in control processes and oversight accountability, which requires proactive and adaptable responses from us and ongoing changes to systems and operational activities. While we maintain policies and procedures aimed at detecting and preventing the use of our platform for money laundering and other financial crime-related activities, emerging technologies, such as cryptocurrencies and blockchain, could limit our ability to track the movement of funds and therefore present a risk to our company. Even known threats can never be fully eliminated, and there will be instances where our platform may be used by other parties to engage in money laundering and other illegal or improper activities. Further, compliance with these laws and regulations requires sophisticated automated systems, which may fail.

Regulators may increase enforcement of or modify our obligations, which may require us to make adjustments to our compliance program, including the procedures we use to verify the identity of our customers and to monitor our transactions. Specifically, regulators regularly reexamine the transaction volume thresholds that we must obtain and any change in such thresholds could result in increased compliance costs. For example, the Central Bank of Brazil enacted new regulations, Circular No. 3,978, which became effective on October 1, 2020 and provides new guidelines with a risk-based approach for anti-money laundering and terrorist financing policies, procedures and controls. Under these guidelines, a regulated institution has the discretion to determine which procedures it will adopt for each customer, based on the internal risk assessment concerning the committing of crimes relating to money laundering and terrorism financing latent in the regulated entity's business. We may not be able to comply, in a timely manner or at all, with new regulations, or obtain appropriate exemptions from regulatory authorities, and any new requirements or changes to existing requirements could impose significant costs, result in delays to planned product improvements, make it more difficult for new customers to join our platform and reduce the attractiveness of our products and services.

While we have developed and implemented policies and procedures designed to ensure compliance by us and our personnel with applicable anti-corruption, anti-bribery, anti-money laundering and sanctions laws and regulations, such policies and procedures may not be effective in all instances to prevent violations, either directly or through intermediaries. Violations of – or even accusations of or associations with violations of – anti-corruption, anti-bribery, anti-money laundering or sanctions laws and regulations could result in criminal liability, administrative and civil lawsuits, significant fines and penalties (including being added to "black lists" that would prohibit certain parties from engaging in transactions with us), forfeiture of significant assets and reputational harm. If we are unable to fully comply with applicable laws, regulations and expectations, our regulators and relevant law enforcement agencies have the ability and authority to require a complete review of our business systems, day-to-day supervision by external consultants and ultimately the revocation of licenses necessary to conduct our business. And the foregoing could have a material adverse effect on our operating results, financial condition and prospects.

Misconduct of our directors, officers, employees, consultants or third-party service providers could harm us by impairing our ability to attract and retain customers and subjecting us to legal liability and reputational harm.

Our directors, officers, employees, consultants and third-party service providers could engage in misconduct that adversely affects our business. We are subject to a number of obligations and standards arising from our business and the violation of these obligations and standards by any of our directors, officers, employees, consultants or third-party service providers could adversely affect our customers and us. If our directors, officers, employees, consultants or third-party service providers were to improperly use or disclose confidential information, we could suffer serious harm to our reputation, financial condition or business relationships. Detecting or deterring employee misconduct is not always possible, and the precautions we take to detect and prevent this activity may not be effective in all cases. If one of our employees or consultants were to engage in misconduct or were to be accused of such misconduct, our business and our reputation could be adversely affected.

In recent years, regulatory authorities across various jurisdictions, including Brazil and the United States, have increasingly focused on enhancing and enforcing anti-bribery laws, such as the Clean Company Act and the FCPA. While we have developed and implemented policies and procedures designed to ensure compliance by us and our personnel with such laws, such policies and procedures may not be effective in all instances. Any determination that we have violated the Clean Company Act (which establishes in Brazil the strict administrative and civil liability of legal entities for the practice of harmful acts committed in their interest or benefit against the government, domestic or foreign), the FCPA, or other applicable anti-corruption laws could subject us to, among other things, civil and criminal penalties or material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business, financial condition, results of operations or the market value of our Class A ordinary shares or BDRs.

We are subject to costs and risks associated with enhanced or changing laws and regulations affecting our business, including those relating to data privacy, security and protection. Developments in these and other laws and regulations could harm our business, financial condition or results of operations.

We operate in a complex regulatory and legal environment that exposes us to compliance and litigation risks that could materially affect our business, financial condition or results of operations. These laws may change, sometimes significantly, as a result of political, economic or social events. In addition to the laws and regulations governing our status and operation as a financial and a payment institution (discussed in "—We are subject to extensive regulation and regulatory and governmental oversight as a digital banking platform and as a payment institution. Compliance with or violation of present or future regulations could be costly, expose us to substantial liability and force us to change our business practices, any of which could harm our business and results of operations"), some of the federal, state or local laws and regulations that affect us include those relating to consumer products, product liability or consumer protection; those relating to the manner in which we advertise, market or sell products; labor and employment laws, including wage and hour laws; tax laws or interpretations thereof; bank secrecy laws; data protection and privacy laws and regulations; and securities and exchange laws and regulations. See "Item 4. Information on the Company—B. Business Overview—Regulatory Overview" for more information. We face significant compliance costs and risk of non-compliance with respect to these existing laws and regulations, which costs and risks could be heightened by changes and developments with respect to such laws and regulations. There can be no guarantee that we will be able to adapt our business, or have sufficient financial resources, to comply with any new regulations, or that we will be able to successfully compete in the context of a shifting regulatory environment.

In particular, data protection and privacy laws are developing rapidly to take into account the changes in cultural and consumer attitudes towards the protection of personal data. In operating our business and providing services and solutions to customers, we collect, use, store, transmit and otherwise process sensitive employee and customer data, including personal data, in and across multiple jurisdictions. We leverage systems and applications that are spread all over the world, requiring us to regularly move data across national borders. As a result, we are subject to a variety of laws and regulations in Brazil, Mexico, Colombia, the EU and around the world, as well as contractual obligations, regarding data privacy, security and protection. In many cases, these laws and regulations apply not only to third-party transactions, but also to transfers of information between or among us, our subsidiaries and other parties with which we have commercial relationships.

Personal privacy, information security, and data protection are significant issues globally. The regulatory framework governing the collection, processing, storage, use and sharing of certain information, particularly financial and other personal data, is rapidly evolving and is likely to continue to be subject to uncertainty and varying interpretations. The occurrence of unanticipated events and development of evolving technologies often rapidly drives the adoption of legislation or regulation affecting the use, collection or other processing of data and the manner in which we conduct our business. Although we endeavor to comply with our policies and documentation, we may at times fail to do so or be alleged to have failed to do so. Any failure or perceived failure by us to comply with our privacy policies or any applicable privacy, security or data protection, information security or consumer-protection related laws, regulations, orders or industry standards in one or more jurisdictions could expose us to costly litigation, significant awards, fines or judgments, civil and criminal penalties or negative publicity, and could materially and adversely affect our business, financial condition and results of operations. The publication of our privacy policy and other documentation that provide promises and assurances about privacy and security can subject us to potential state and federal action if they are found to be deceptive, unfair or misrepresentative of our actual practices, which could, individually or in the aggregate, materially and adversely affect our business, financial condition and results of operations.

In particular, on August 14, 2018, the President of Brazil approved Law No. 13,709 the Brazilian General Data Protection Law (Lei Geral de Proteção de Dados, or the "LGPD"), a comprehensive personal data protection law establishing general principles and obligations that apply across multiple economic sectors and contractual relationships. The LGPD establishes detailed rules for the collection, use, processing and storage of personal data (including personal data of customers, suppliers and employees), and affects all economic sectors, including the relationship between customers and suppliers of goods and services, employees and employers and other relationships in which personal data is collected, whether in a digital or physical environment. Specifically, the LGPD establishes, among other things, personal data owners' rights, the legal basis for personal data protection, requirements for obtaining consent from data owners, obligations and requirements related to security incidents, data leaks and data transfers, as well as the creation of the ANPD, for the purposes of monitoring, implementing and supervising compliance with the LGPD in Brazil. The obligations established by the LGPD became effective in September 2020. In the event of non-compliance with the LGPD, we may be subject to administrative penalties, which are applicable since August 2021, including (1) warnings, with the impositions of a deadline for the adoption of corrective measures; (2) a one-time fine of up to 2% (subject to an upper limit of R$50,000,000 per violation) of our gross sales; (3) a daily fine (subject to an upper limit of R$50,000,000); (4) public disclosure of the violation; (5) the restriction of access to the personal data to which the violation relates, until corrective measures are implemented; (6) deletion of the personal data to which the violation relates; (7) partial suspension of the databases to which the violation relates for up to 12 months, until corrective measures are implemented; (8) suspension of the personal data processing activities to which the violation relates for up to 12 months; and (9) partial or full prohibition on personal data processing activities. Moreover, we may be liable for property, moral, individual or collective damages caused by us or by third-party providers or business partners that process personal data for us, and jointly liable for property, moral, individual or collective damages caused by our subsidiaries, due to non-compliance with the obligations established by the LGPD. We cannot guarantee that our LGPD compliance efforts will be deemed appropriate or sufficient by regulatory authorities, courts or other bodies, such as the Brazilian Public Prosecution Office (Ministério Público). Moreover, as the LGPD requires further regulation from the ANPD regarding several aspects of the law, which are yet unknown, we may have difficulty adapting our systems and processes to the new legislation due to the legislation's complexity. The changes have impacted, and could further adversely impact, our business by increasing our operational and compliance costs.

Further, Resolution No. 85 of the Central Bank of Brazil and CMN Resolution No. 4,893 establish requirements for data processing, storage and cloud computing services, respectively, by payment and financial institutions authorized to operate by the Central Bank of Brazil and determine the mandatory implementation of a cybersecurity policy. Payment and financial institutions, including certain of our operating subsidiaries, are required to draw up internal cybersecurity policies, to appoint an officer to be responsible for implementing and overseeing cybersecurity policies, to adopt procedures and controls to prevent and respond to cybersecurity incidents and to include specific mandatory clauses in contracts regarding data processing, storage and cloud computing services. By virtue of the Supplementary Law No. 105 of January 10, 2001, we are also subject to strict secrecy rules on transactions, and are required to preserve the confidential nature of assets and liabilities transactions and of the services provided to our customers. Any additional privacy laws or regulations enacted or approved in Brazil or in other jurisdictions in which we operate could seriously harm our business, financial condition or results of operations.

Internationally, many jurisdictions have established their own data security and privacy legal framework with which we or our customers may need to comply, including, but not limited to, the European Union, or the "EU." The EU's privacy, data protection and information security landscape is currently evolving, resulting in possible significant operational costs for internal compliance and risk to our business. Within the EU, the General Data Protection Regulation, or the "GDPR," which went into effect in May 2018 and contains numerous requirements and changes from previously existing EU law, including more robust, direct obligations on data processors in addition to data controllers, heavier documentation requirements for data protection compliance programs and significant increases in the level of sanctions for non-compliance. In particular, under the GDPR, EU data protection authorities have the power to impose administrative fines for violations of the GDPR of up to a maximum of €20 million (equivalent to US$18 million as of December 31, 2021) or 4% of the data controller's or data processor's total worldwide global turnover for the preceding fiscal year, whichever is higher, and violations of the GDPR may also lead to damages claims by data controllers and data subjects. Such penalties are in addition to any civil litigation claims by data controllers, customers and data subjects. Being subject to the GDPR, we may need to take steps to cause our processes to be compliant with applicable portions of the GDPR, but we cannot guarantee that we will be able to implement changes in a timely manner or without significant disruption to our business, or that such steps will be effective, and we may face liability under the GDPR. We expect that there will be additional proposed and adopted laws, regulations and industry standards concerning privacy, data protection and information security in the jurisdictions in which we operate, including in Mexico and Colombia and in jurisdictions into which we may expand in the future.

As we seek to build a trusted and secure consumer platform, and as we expand our customer base and increase the number of transactions we process, we will increasingly be subject to laws and regulations relating to the collection, use, retention, security and transfer of information, including the personally identifiable information of our employees and our customers. These laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible they will be interpreted and applied in ways that are inconsistent with our existing data management practices or the features of our services and platform capabilities, which would materially and adversely affect our business. Additionally, our customers may be subject to differing privacy laws, rules and legislation, which may mean that they require us to be bound by varying contractual requirements applicable to certain other jurisdictions. Adherence to such contractual requirements may impact our collection, use, processing, storage, sharing and disclosure of various types of information including financial information and other personal data, and may mean we become bound by, or voluntarily comply with, self-regulatory or other industry standards relating to these matters that may further change as laws, rules and regulations evolve. Complying with these requirements and changing our policies and practices may be onerous and costly, and we may not be able to respond quickly or effectively to regulatory, legislative and other developments. These changes may in turn impair our ability to offer our existing or planned features, products and services and increase our cost of doing business. As we expand our customer base, these requirements may vary from customer to customer, further increasing the cost of compliance and doing business. Any additional privacy laws, rules or regulations enacted or approved in Brazil, Mexico, Colombia or in other jurisdictions in which we operate could cause us to incur costs to correct the breaches or failures, expose us to uninsured liability, increase our risk of regulatory scrutiny, subject us to lawsuits and result in the imposition of material penalties and fines under state and federal laws or regulations, which could seriously harm our business, financial condition or results of operations. Any failure, real or perceived, by us to comply with our posted privacy policies or with any regulatory requirements or orders or other local, state, federal or international privacy or consumer protection-related laws and regulations could cause customers to reduce their use of our products and services and could materially and adversely affect our business.

Increases in reserve, compulsory deposit, minimum capital and contributions to deposit insurance requirements may have a material adverse effect on us.

The Central Bank of Brazil has periodically changed the level of regulatory reserves and compulsory deposits that payment institutions (such as Nu Pagamentos) and financial institutions (such as Nu Financeira) in Brazil are required to maintain, and has adjusted compulsory allocation requirements to finance government programs and mandated contributions to the deposit insurance program maintained by the Credit Guarantee Fund, or the "FGC," with these changes continuing to be a potential area of risk as they may increase the reserve and compulsory deposit or allocation and contribution requirements in the future or impose new requirements on us, which as a result could reduce our liquidity to fund our loan portfolio and other investments and, as a result, may have a material adverse effect on our business, financial condition and results of operations.

Compulsory deposits and allocations generally do not yield the same return as other investments and deposits because a portion of compulsory deposits and allocations:

- do not bear interest;
- must be held in Brazilian federal government securities; and
- must be used to finance government programs, including a federal housing program and rural sector subsidies.

In recent years, the CMN and Central Bank of Brazil have also published several rules to implement, update and improve Basel III and associated capital and prudential rules in Brazil. This set of regulations includes a revised definition of capital, capital requirements, capital buffers, credit valuation adjustments, exposures to central counterparties, leverage and liquidity coverage ratios. For instance, Public Hearing No. 78 issued by the Central Bank of Brazil in December 2020 proposes a new set of rules aiming to harmonize the capital and prudential requirements applicable to payment services offered by payment institutions (including those provided by Nu Pagamentos) to those applicable to payment services offered by financial institutions. Moreover, the recent Public Consultation No. 88 issued by the Central Bank of Brazil in July 2021 proposes amendments to Resolution CMN No. 4,193 and Circular of the Central Bank of Brazil No. 3,644 of 2013 to address new recommendations of the Bank for International Settlements dealing with the credit risk of financial instruments, which could be applicable to the Brazilian financial institutions, including Nu Financeira. These proposals, if approved and implemented by the Central Bank of Brazil, may increase the minimum capital requirements applicable to Nu Pagamentos or Nu Financeira, as applicable. However, no assurance can be given that such rules will be adopted, enforced or interpreted in a manner that will not have an adverse effect on us.

We are subject to regulatory intervention and antitrust litigation under competition laws.

We are subject to scrutiny from governmental agencies under competition laws in countries in which we operate. Some jurisdictions also provide private rights of action for competitors or consumers to assert claims of anticompetitive conduct pursuant to which companies or governmental agencies may allege that our actions violate antitrust or competition laws, or otherwise constitute unfair competition. Contractual agreements with buyers, sellers or other companies, as well as our unilateral business practices, could give rise to regulatory action or antitrust investigations or litigation. Some regulators may perceive our business to have such significant market power that otherwise uncontroversial business practices could be deemed anticompetitive. Any such claims and investigations, even if they are unfounded, may be expensive to defend, involve negative publicity and substantial diversion of management time and effort, and could result in significant judgments against us and harm to our business.

Requirements associated with being a public company in the United States require significant company resources and management attention.

We are subject to certain reporting requirements of the Exchange Act and the other rules and regulations of the SEC and the NYSE. We are also subject to various other regulatory requirements, including the Sarbanes-Oxley Act. We expect these rules and regulations to increase our legal, accounting and financial compliance costs and to make some activities more time-consuming and costly. For example, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantial costs to maintain the same or similar coverage.

New rules and regulations relating to disclosure, financial reporting and controls and corporate governance, which could be adopted by the SEC, the NYSE or other regulatory bodies or exchange entities from time to time, could result in a significant increase in legal, accounting and compliance costs and make certain corporate activities more time-consuming and costly, which could materially affect our business, financial condition and results of operations. These rules and regulations may also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or as executive officers. These obligations will also require substantial attention from our senior management and could divert their attention away from the day-to-day management of our business. Given that most of the individuals who now constitute our management team have limited experience managing a publicly traded company and complying with the increasingly complex laws pertaining to public companies, initially, these new obligations will demand even greater attention. These cost increases and the diversion of management's attention could materially and adversely affect our business, financial condition and results of operations.

The requirements associated with being a foreign BDR issuer in Brazil will require significant company resources and management attention.

We have issued BDRs on the B3 and, as such, we are a foreign issuer of BDRs in Brazil, as defined by the CVM. As such, we are subject to certain rules, in accordance with the laws and regulations applicable to publicly traded companies in Brazil, including rules and regulations issued by the CVM and the B3. Such rules and regulations may increase our legal, accounting and financial compliance costs and may make certain activities more time-consuming and costly. For example, as a foreign BDR issuer in Brazil, we are required to appoint a legal representative in Brazil, prepare and annually disclose certain forms, such as the Brazilian reference form (*formulário de referência*), as well as to disclose a Portuguese version of all of the relevant information disclosed by us in the United States, including financial statements, material facts and other filings. Any new rules and regulations related to the disclosure of information, reports, financial controls and corporate governance, which may be adopted by the CVM, B3 or other regulatory or self-regulatory bodies, may result in a significant increase in our costs, which could adversely affect our business, financial condition and results of operations. Existing and any new obligations will also require substantial attention from our management and may divert our management's attention away from our business. Such cost increases and the diversion of management's attention could materially and adversely affect our business, financial condition and results of operations.

There can be no assurance that we will not be a passive foreign investment company for the current or any future taxable year, which could subject U.S. investors in our Class A ordinary shares or BDRs to significant adverse U.S. federal income tax consequences.

Under the Internal Revenue Code of 1986, as amended, or the "Code," we will be a passive foreign investment company, or "PFIC," for any taxable year in which, after applying certain look-through rules, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average value of our assets (generally determined on a quarterly basis) consists of assets that produce, or are held for the production of, "passive income." Passive income generally includes dividends, interest, rents, certain non-active royalties, and capital gains. Cash is generally a passive asset for these purposes.

Based on proposed U.S. Treasury regulations, or the "1995 Proposed Regulations," including those which are proposed to be effective for taxable years beginning after December 31, 1994 and our current operations, income, assets and certain estimates and projections (such as the relative values of our assets, including goodwill), we do not believe that we were a PFIC for our 2021 taxable year. However, there can be no assurance that the Internal Revenue Service, or the "IRS," will agree with our conclusion. Among other reasons, whether we were a PFIC in 2021 or be a PFIC in any future taxable year is uncertain because: (i) the 1995 Proposed Regulations may not be finalized in their current form, (ii) PFIC status is determined on an annual basis at the end of each taxable year, and (iii) the composition of our income and assets and the market value of our assets (which may be determined, in part, by reference to the market price of our Class A ordinary shares and BDRs, which could be volatile) may vary from time to time. In addition, recently proposed U.S. Treasury regulations, or the "2021 Proposed Regulations," significantly alter the application of the exception to the PFIC rules for the active conduct of a banking, financing, or similar business. The application of the 2021 Proposed Regulations is not entirely clear and, if we can no longer rely on the 1995 Proposed Regulations, and the 2021 Proposed Regulations are adopted in their current form, there can be no assurances that we will not be considered a PFIC for any taxable year.

If we are a PFIC for any taxable year during which a U.S. investor holds Class A ordinary shares or BDRs, we generally would continue to be treated as a PFIC with respect to that U.S. investor for all succeeding years during which the U.S. investor holds Class A ordinary shares or BDRs, even if we ceased to meet the threshold requirements for PFIC status. Such a U.S. investor may be subject to adverse U.S. federal income tax consequences, including (i) the treatment of all or a portion of any gain on disposition as ordinary income, (ii) the application of a deferred interest charge on such gain and the receipt of certain dividends and (iii) compliance with certain reporting requirements. A "mark-to-market" election may be available that will alter the consequences of PFIC status if our Class A ordinary shares or BDRs are regularly traded on a qualified exchange. For further discussion, see "Item 10. Additional Information—E. Taxation—U.S. Federal Income Tax Considerations."

Changes in tax laws, incentives, benefits and regulations may adversely affect our financial condition and results of operations.

Changes in tax laws, regulations, related interpretations and tax accounting standards in Brazil, Mexico, Colombia, the Cayman Islands, the United States or any other jurisdiction in which we operate or may in the future operate may result in higher taxation of our business, which may significantly reduce our profits and cash flows from operations. For example, Brazilian Constitutional Amendment No. 102/2019 increased the federal corporate contribution over the net profits of financial institutions from 15% to 20% as of March 1, 2020, and Provisional Measure No. 1,034/2021 increased the same federal corporate contribution from 15% to 20% for the period of July 1, 2021 to December 31, 2021. Our payment processing activities are also subject to a Municipal Tax on Services (Imposto Sobre Serviços, or "ISS"), and any increases in ISS rates would harm our financial results. It is not possible to precisely predict if and how potential changes may affect our business, but one or more states, municipalities or federal governments may seek to challenge the taxation or procedures applied to our transactions, and could impose taxes or additional reporting, record-keeping or indirect tax collection obligations on our business. New taxes could also require us to incur substantial costs to capture data and collect and remit taxes. If such obligations were imposed, the additional costs associated with tax collection, remittance and audit requirements could have a material adverse effect on our business and financial results.

In addition, our net losses may grow if certain tax incentives are not retained or renewed. For example, Brazilian Law No. 11,196 currently grants tax benefits to companies that invest in research and development, which reduces our annual income tax expense. However, we cannot guarantee that such tax benefits will remain in place or that we will continue to qualify for them.

Brazilian government authorities at the federal, state and local levels are considering changes in tax laws to cover budgetary shortfalls resulting from the recent economic downturn in Brazil, including the impact of COVID-19. If enacted, such changes may harm our financial results by increasing our tax burden, increasing our tax compliance costs or otherwise affecting our financial condition, results of operations and cash flows. The Brazilian government regularly enacts reforms to the tax and other assessment regimes to which we and our customers are subject. Such reforms include changes in tax rates and, occasionally, the enactment of temporary levies, the proceeds of which are earmarked for designated governmental purposes. The effects of these changes and any other changes that result from the enactment of additional tax reforms cannot be quantified and there can be no assurance that any such reforms would not have an adverse effect on our business. Furthermore, such changes may produce uncertainty in the financial system, thereby increasing the cost of borrowing and contributing to an increase in our non-performing credit portfolio.

Further, recent Brazilian government initiatives have proposed changes to the Brazilian tax regime that, if enacted, could impact our business. Bill of Law No. 3,887/2020 aims to replace social contributions, or "PIS/COFINS," with a new Contribution on Goods and Services, or "CBS," and Bill of Law No. 2,373/2021 seeks to introduce a comprehensive reform of income tax rules, chiefly seeking to revoke the income tax exemption on the distribution of dividends by Brazilian companies, while also introducing new anti-avoidance provisions for a broad variety of transactions within related parties, ending the possibility of deducting expenses corresponding to the payment of interest on equity, extending the minimum term for the amortization of intangibles, and changing the income tax rules related to investments in Brazilian investment funds, among other changes. Specifically, the deductibility of interest on equity will be prohibited, impacting the overall tax burden of our operations in Brazil. Although these laws have not yet been enacted and it is not possible to determine at this time the exact changes that will eventually pass into law, any such changes could have adverse effects on our results and operations, as well as on the taxation applied to the dividends distributed from our Brazilian subsidiaries.

Separately, establishing a provision for income tax expense and filing returns requires us to make judgments and interpretations about the application of inherently complex tax laws, and in particular Brazilian income tax laws, which are subject to different interpretations by the taxpayer and relevant governmental taxing authorities. If the judgments, estimates and assumptions we use in preparing our tax returns/obligations are subsequently found to be incorrect, we could become involved in a dispute with the relevant authority, which in Brazil can involve prolonged evaluation periods and litigation before a final resolution is reached, and which introduces further uncertainty and risk with respect to our tax and related liabilities.

Litigation, proceedings or similar matters, or adverse facts and developments related thereto, could materially affect our business, financial condition and results of operations.

We have been, and may in the future be, party to significant legal, arbitration and administrative proceedings arising in the ordinary course of our business or from extraordinary corporate, tax or regulatory events, involving our employees, customers or suppliers, or environmental, competition, tax or other governmental matters, particularly with respect to civil, tax and labor claims, and in connection with conflicts of interest and lending activities. In view of the inherent difficulty of predicting the outcome of such legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in the early stages of investigation or discovery, we cannot state accurately what the eventual outcome of these pending matters will be. The amount of our provisions in respect to these matters may be substantially less than the total amount of the claims asserted against us, and, in light of the uncertainties involved in such claims and proceedings, there is no assurance that the ultimate resolution of these matters will not significantly exceed the provisions recorded by us. As a result, the outcome of a highly uncertain matter may become material to our operating results. As of December 31, 2021 and 2020, we had provisions for taxes, other legal contingencies and other provisions of US$18.1 million and US$16.5 million, respectively.

Our indemnities and insurance coverage may not cover all claims that may be asserted against us and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. Furthermore, there is no guarantee that we will be successful in defending ourselves in future proceedings or similar matters under various laws. Should the ultimate judgments or settlements in any proceeding or investigation significantly exceed our indemnity rights and insurance coverage, they could have a material adverse effect on our business, financial condition and results of operations and the price of our Class A ordinary shares and BDRs. Further, even if we adequately defend our case in a proceeding or court action, we may have to set aside significant financial and management resources to settle issues raised by such proceedings, which could adversely affect our business. For more information see “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings.”

Our operations could be adversely affected by labor actions, disputes and other labor-related disruptions in the countries in which we operate.

We are subject to risks under applicable federal, state and municipal labor laws and regulations of the countries in which we operate, including disputes concerning which union applies to particular workers or the activities covered by a particular union, collective bargaining rights and compensation and other benefits, various issues arising from union contracts, potential labor reclassifications, and strikes, among others. Labor laws and regulations are complex, broad in scope and are often vague and differ vastly across states, countries and businesses and may require us to make interpretations of such laws and regulations, which may involve subjective factors or judgments. Further, these laws and regulations are subject to continuing and evolving interpretation by regulatory agencies, administrative law judges and courts. New or different interpretations of existing requirements, new laws or regulations or the enforcement of existing or new laws and regulations could subject our current practices to allegations of impropriety or illegality, or require us to make changes in our operations, facilities, equipment, personnel, compensation services, or operating expenses to comply with evolving requirements. We cannot guarantee that we will be able to make any such changes in a cost-efficient manner or at all.

We are subject to regulatory and administrative inspection, examinations and investigations.

The financial and payments industries face substantial regulatory risks and litigation. Like many firms operating within the financial and payments industries, we are experiencing a difficult regulatory environment across our markets. Increased regulatory oversight of the financial and payments industries generally, new laws and regulations affecting the financial industry and ever-changing regulatory interpretations of existing laws and regulations have made this an increasingly challenging and costly regulatory environment in which to operate. In Brazil specifically, the current regulatory and tax enforcement environment reflects an increased supervisory focus on enforcement, combined with uncertainty about the evolution of the regulatory regime, and may lead to material operational and compliance costs.

We may from time to time be subject to inspections, examinations or investigations by regulatory authorities, which could result in the identification of matters that may require remediation activities or enforcement proceedings by a regulator. The direct and indirect costs of responding to these examinations could be significant, and any examinations, investigations or litigation could result in settlements, awards, injunctions, fines and penalties and could have an adverse effect on our ability to offer some of our products and services.

As the regulatory framework for artificial intelligence and machine learning technology evolves, our business, financial condition and results of operations may be adversely affected.

The regulatory framework for artificial intelligence and machine learning technology is evolving and remains uncertain. It is possible that new laws and regulations will be adopted, or existing laws and regulations may be interpreted in new ways, that would affect the operation of our platform and the way in which we use artificial intelligence and machine learning technology, including with respect to fair lending laws. Further, the cost to comply with such laws or regulations could be significant and would increase our operating expenses, which could adversely affect our business, financial condition and results of operations.

We may face restrictions and penalties under the Brazilian Consumer Protection Code.

Brazil has a series of strict consumer protection statutes, collectively known as the Consumer Protection Code (Código de Defesa do Consumidor), that are intended to safeguard consumer interests and that apply to all companies in Brazil that supply products or services to Brazilian consumers. These consumer protection provisions include protection against misleading and deceptive advertising, protection against coercive or unfair business practices and protection in the formation and interpretation of contracts, usually in the form of civil liabilities and administrative penalties for violations. These penalties are often levied by the Brazilian Consumer Protection Agencies (Fundação de Proteção e Defesa do Consumidor, or "PROCONs"), which oversee consumer issues on a district-by-district basis. Companies that operate across Brazil may face penalties from multiple PROCONs, as well as the National Secretariat for Consumers (Secretaria Nacional do Consumidor, or "SENACON"). Companies may settle claims made by consumers via PROCONs by paying compensation for violations directly to consumers and through a mechanism that allows them to adjust their conduct, called a conduct adjustment agreement (Termo de Ajustamento de Conduta, or "TAC"). Brazilian Public Prosecutor Offices may also commence investigations related to consumer rights violations and this TAC mechanism is also available for them. Companies that violate TACs face potential automatic fines. Brazilian Public Prosecutor Offices may also file public civil actions against companies in violation of consumer rights, seeking strict observation of the consumer protection law provisions and compensation for the damages consumers may have suffered. As of December 31, 2021, we had approximately 4,474 active proceedings with PROCONs and small claims courts relating to consumer rights. To the extent customers file such claims against us in the future, we may face reduced revenue due to refunds and fines for non-compliance that could negatively impact our results of operations.

We expect that there will be additional proposed and adopted laws, regulations and industry standards concerning consumer protection in the jurisdictions in which we operate and jurisdictions into which we intend to expand in the future, including in Mexico and Colombia and elsewhere in Latin America.

The Cayman Islands Economic Substance Act may affect our operations.

The Cayman Islands has recently enacted the International Tax Co-operation (Economic Substance) Act (As Revised), or the "Cayman Economic Substance Act," which we are required to comply with as a Cayman Islands company. Our obligations under the Cayman Economic Substance Act include filing annual notifications, which need to state whether we are carrying out any relevant activities and if so, whether we have satisfied economic substance tests to the extent required under the Cayman Economic Substance Act. As it is a new regime, it is anticipated that the Cayman Economic Substance Act will evolve and be subject to further clarification and amendments. We may need to allocate additional resources to keep updated with these developments, and may have to make changes to our operations in order to comply with all requirements under the Cayman Economic Substance Act. Failure to satisfy these requirements may subject us to penalties under the Cayman Economic Substance Act.

Risks Relating to the Countries in Which We Operate

Exchange rate and interest rate instability may have a material adverse effect on the economies of the countries in which we operate and the price of our Class A ordinary shares and BDRs.

The currencies of the countries in which we operate, most notably Brazil, Colombia and Mexico, have experienced frequent and substantial variations in relation to the U.S. dollar and other foreign currencies. In particular, the Brazilian government has implemented various economic plans and used various exchange rate policies to stabilize the real, including sudden devaluations, periodic mini-devaluations (during which the frequency of adjustments has ranged from daily to monthly), exchange controls, dual exchange rate markets and a floating exchange rate system, which plans and policies have had varying degrees of success. Exchange rate volatility could cause our costs to increase relative to our revenue, given that around 27% of our costs in the year ended December 31, 2021 were directly or indirectly linked to the U.S. dollar, whereas the majority of our revenue was denominated in the real.

Further, given that a majority of the revenue generated by our operations is denominated in reais, any revenue growth that we may experience may not be sufficient to offset adverse exchange rate fluctuations. Although long-term depreciation of the real is generally linked to the rate of inflation in Brazil, depreciation of the real occurring over shorter periods of time has resulted in significant variations in the exchange rate among the real, the U.S. dollar and other currencies. For further information, see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Exchange Rates."

Depreciation of the real relative to the U.S. dollar has created additional inflationary pressures in Brazil, which has led to increases in interest rates, limited Brazilian companies' access to foreign financial markets and prompted the adoption of recessionary policies by the Brazilian government. Depreciation of the real may also, in the context of an economic slowdown, lead to decreased consumer spending, deflationary pressures and reduced growth of the Brazilian economy as a whole, and thereby harm our asset base, financial condition and results of operations. Additionally, depreciation of the real would make our foreign-currency-linked obligations and funding more expensive, negatively affect the market price of our securities portfolios and have similar consequences for our borrowers. Conversely, appreciation of the real relative to the U.S. dollar and other foreign currencies would lead to a deterioration of the Brazilian balance of payments, as well as dampen export-driven growth. Depending on the circumstances, either depreciation or appreciation of the real could materially and adversely affect the growth of the Brazilian economy and our business, financial condition and results of operations.

Disruption or volatility in global financial and credit markets could adversely affect the financial and economic environment in the countries in which we operate, most notably Brazil, Colombia and Mexico, which could have a material adverse effect on our business, financial condition and results of operations.

Our operations are dependent upon the performance of the economies in which we do business, and Latin American economies in particular. Crises and volatility in the financial markets of countries other than Brazil may affect the global financial markets and the Brazilian economy and may have a negative impact on our operations.

As an example, there have been concerns over conflicts, unrest and terrorist threats in the Middle East, Europe and Africa, which have resulted in volatility in oil and other markets. The United States and China have recently been involved in controversy over trade barriers in China that threatened a trade war between the countries and have implemented or proposed to implement tariffs on certain imported products. Sustained tension between the United States and China over trade policies could significantly undermine the stability of the global economy and financial markets. In 2022, the military conflict between the Russian Federation and Ukraine is contributing to further increases in the prices of energy, oil and other commodities and to volatility in financial markets globally, as well as a new landscape in relation to international sanctions. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term.

Volatility and uncertainty in global financial and credit markets have generally led to a decrease in liquidity and an increase in the cost of funding for Brazilian and international issuers and borrowers. Such conditions may adversely affect our ability to access capital and liquidity on financial terms that are acceptable, if at all. If we are unable to access capital and liquidity on financial terms acceptable to us or at all, our financial condition and the results of our operations may be adversely affected. In addition, the economic and market conditions of other countries, including the United States, countries in the European Union and emerging markets, may affect the volume of foreign investments in Brazil. If the level of foreign investment declines, our access to capital may likewise decline, which could negatively affect our business, ability to take advantage of strategic opportunities and, ultimately, the trading price of our Class A ordinary shares and BDRs.

Further, the demand for credit and financial services, as well as our customers' ability to make payments and deposits, is directly impacted by macroeconomic variables, such as economic growth, income, unemployment rates, inflation and fluctuations in interest and foreign exchange rates. Disruptions and volatility in the global financial markets may have significant consequences in the countries in which we operate, such as volatility in the prices of securities, interest rates and foreign exchange rates. Higher uncertainty and volatility may result in a slowdown in the credit market and the economy, which, in turn, could lead to higher unemployment rates and a reduction in the purchasing power of consumers. Such events may significantly impair our customers' ability to perform their obligations and increase overdue or non-performing loans, resulting in an increase in the risk associated with our lending activity.

Governments have exercised, and continue to exercise, significant influence over the Brazilian economy and the other economies in which we operate. This influence, as well as political and economic conditions in Brazil and the other countries in which we operate, could harm our business, financial condition and results of operations and the price of our Class A ordinary shares and BDRs.

Governments in many of the markets in which we currently, or may in the future, operate, frequently exercise significant influence over their respective economies and occasionally make significant changes in policy and regulations. Government actions to control inflation and other policies and regulations have often involved, among other measures, increases or decreases in interest rates, changes in fiscal policies, wage and price controls, foreign exchange rate controls, blocking access to banking accounts, currency devaluations, capital controls and import and export restrictions. We have no control over and cannot predict what measures or policies governments may take in the future. Our business and the market price of our Class A ordinary shares and BDRs may be harmed by changes in government policies, as well as general economic factors, including, without limitation:

- growth or downturn of the relevant economy;
- interest rates and monetary policies;
- exchange rates and currency fluctuations;
- inflation;
- liquidity of the domestic capital and lending markets;
- import and export controls;
- exchange controls and restrictions on remittances abroad and payments of dividends;
- modifications to laws and regulations according to political, social and economic interests;
- fiscal policy, monetary policy and changes in tax laws;
- economic, political and social instability, including general strikes and mass demonstrations;
- labor and social security regulations;
- energy and water shortages and rationing;
- public health crises, such as the ongoing COVID-19 pandemic;
- commodity prices; and
- other political, diplomatic, social and economic developments in or affecting the countries in which we operate.

Uncertainty over whether Brazil and other Latin American governments will implement reforms or changes in policy or regulation affecting these or other factors in the future may affect economic performance and contribute to economic uncertainty in Latin America, which may have an adverse effect on our activities and consequently our results of operations, and may also adversely affect the trading price of our Class A ordinary shares and BDRs.

In particular, Latin America's political environment has historically influenced, and continues to influence, the performance of the region's economy. Political crises have affected and continue to affect the confidence of investors and the general public, which have historically resulted in economic deceleration and heightened volatility in the securities offered by companies with significant operations in Brazil and other Latin American countries. The recent economic instability in Latin America has contributed to a decline in market confidence in the Latin American economies as well as to a deteriorating political environment.

As has been true in the past, the current political and economic environment in Brazil and certain other Latin American countries has and is continuing to affect the confidence of investors and the general public, which has historically resulted in economic deceleration and heightened volatility in the securities offered by companies with significant operations in Brazil and elsewhere in Latin America, which may adversely affect us and our Class A ordinary shares and BDRs.

Changes made by the Central Bank of Brazil in the basic interest rate could materially adversely affect our operating results and financial condition.

Our business is conducted primarily in Brazil, where the Monetary Policy Committee of the Central Bank of Brazil, or "COPOM," sets the target basic interest rate for the Brazilian banking system and makes changes in this rate as an instrument of monetary policy. The basic interest rate is the adjusted average rate of daily financing calculated in the Special System for Settlement and Custody, or "SELIC," for federal bonds. Variations in the basic interest rate can be harmful to us, causing, among other effects, a reduction in the demand for our credit and investment products, an increase in the cost of raising funds and the risk of default by our customers, all of which could adversely affect us.

Infrastructure and workforce deficiency in Brazil may impact economic growth and have a material adverse effect on our business, financial condition and results of operations.

Our performance depends on the overall health and growth of the Brazilian economy. Brazilian GDP growth has fluctuated over the past few years, with a contraction of 3.5% in 2015, a contraction of 3.3% in 2016, growth of 1.1% in 2017, growth of 1.1% in 2018, growth of 1.1% in 2019, a contraction of 4.1% in 2020 and growth of 4.6% in 2021. Growth is limited by inadequate infrastructure, including potential energy shortages and deficient transportation, logistics and telecommunication sectors, general strikes, the lack of a qualified labor force and the lack of private and public investments in these areas, which limit productivity and efficiency. Any of these factors could lead to labor market volatility and generally impact income, purchasing power and consumption levels, which could limit growth and ultimately have a material adverse effect on us.

Inflation and certain government measures to curb inflation have historically harmed the economies and capital markets in some of the countries in which we operate, including Brazil, and high levels of inflation in the future could harm our business and the price of our Class A ordinary shares and BDRs.

In the past, high levels of inflation have adversely affected the economies and capital markets of some of the countries in which we operate, particularly Brazil, and have hampered the ability of their governments to create conditions that stimulate or maintain economic growth. Moreover, governmental measures to curb inflation and market speculation about possible future governmental measures have contributed to the negative economic impact of inflation and have created general economic uncertainty and heightened volatility in the capital markets. Such measures have at times involved restrictive monetary policies and high interest rates that have limited the availability of credit and economic growth.

For example, according to Brazil's Broad Consumer Price Index (Índice Nacional de Preços ao Consumidor Amplo, or the "IPCA index"), Brazil recorded inflation of 10.1% in 2021, 4.2% in 2020 and 4.3% in 2019. Measures adopted by the Brazilian government to control inflation have included the maintenance of a restrictive monetary policy with high interest rates, thereby limiting the availability of credit and reducing economic growth. Further, COPOM frequently adjusts official interest rates in situations of economic uncertainty to meet the economic goals established by the Brazilian government. On December 8, 2021, it was set at 9.25 and reached 11.75% on March 16, 2022, due to concerns with inflationary pressures. Inflation and certain governmental actions to curb inflation, together with the speculation about governmental measures to be adopted, have materially and adversely affected the Brazilian economy and contributed to economic uncertainty in Brazil, heightening volatility in the Brazilian capital markets.

Any future measures adopted by the governments of the countries in which we operate, including a reduction in interest rates, intervention in the exchange market or the implementation of mechanisms to adjust or determine the value of the relevant local currency, may trigger inflation, adversely affecting the overall performance of the relevant country's economy. If Brazil or other Latin American countries in which we operate face significant inflation or deflation, we and our ability to meet our obligations may be adversely affected. These pressures could also affect our access to international financial markets. If Brazil or other Latin American countries in which we operate experience high inflation in the future, we may be unable to adjust the prices we charge our customers in order to offset the effects of inflation on our cost structure, which could increase our costs and reduce our operating margins.

Moreover, in the event of increased inflation, governments may choose to significantly increase official interest rates. The increase in interest rates may affect not only the cost of our new borrowings and financing, but also the cost of our current indebtedness, as well as our cash and cash equivalents, securities and lease agreements payable, which are subject to interest rates. Such events would likely materially adversely affect our results of operations.

Any further downgrading of Brazil's credit rating could depress the trading price of our Class A ordinary shares and BDRs.

We may be harmed by investors' perceptions of risks related to Brazil's sovereign debt credit rating. Rating agencies regularly evaluate Brazil and its sovereign credit ratings, which are based on a number of factors including macroeconomic trends, fiscal and budgetary conditions, indebtedness metrics and the potential for changes in any of these factors. The rating agencies began to review Brazil's sovereign credit rating in September 2015. Subsequently, the three major rating agencies downgraded Brazil's investment-grade status:

- Standard & Poor's initially downgraded Brazil's credit rating from BBB-negative to BB-positive and subsequently downgraded it again from BB-positive to BB, maintaining its negative outlook, citing a worse credit situation since the first downgrade. On January 11, 2018, Standard & Poor's further downgraded Brazil's credit rating from BB to BB-stable, which was reaffirmed on December 12, 2021.
- In December 2015, Moody's placed Brazil's Baa3's issue and bond ratings under review for downgrade and subsequently downgraded the issue and bond ratings to below investment grade, at Ba2 with a negative outlook, citing the prospect of a further deterioration in Brazil's debt indicators, taking into account the low growth environment and the challenging political scenario. On May 25, 2021, Moody's maintained Brazil's credit rating at Ba2-stable.
- Fitch downgraded Brazil's sovereign credit rating to BB-positive with a negative outlook, citing the rapid expansion of the country's budget deficit and the worse-than-expected recession. In February 2018, Fitch downgraded Brazil's sovereign credit rating again to BB-negative, citing, among other factors, fiscal deficits, the increasing burden of public debt and an inability to implement reforms that would structurally improve Brazil's public finances. On December 14, 2021, Fitch reaffirmed Brazil's credit rating at BB-negative.

Brazil's sovereign credit rating is currently rated below investment grade by the three main credit rating agencies. Consequently, the prices of securities offered by companies with significant operations in Brazil have been negatively affected. A prolongation or worsening of the current Brazilian recession and continued political uncertainty, among other factors, could lead to further ratings downgrades. Any further downgrade of Brazil's sovereign credit ratings could heighten investors' perception of risk and, as a result, cause the trading price of our Class A ordinary shares and BDRs to decline.

Risks Relating to Our Class A Ordinary Shares and Our BDRs

An active trading market for our Class A ordinary shares may not be sustainable. If an active trading market is not maintained, you may not be able to resell your shares at or above the price paid and you could lose a significant part of your investment.

Although our Class A ordinary shares are listed and traded on NYSE, an active trading market for our shares may not be maintained. If an active market for our Class A ordinary shares is not sustained, you may have difficulty selling any of our Class A ordinary shares that you buy, and may be unable to convert your Class A ordinary shares into BDRs or vice-versa. Investors may purchase Class A ordinary shares on the NYSE to be held in custody for the issue of BDRs in Brazil. See "Item 12. Description of Securities other than Equity Securities—C. Securities—Description of Brazilian Depositary Receipts" for more information regarding our BDR program. Further, the market price of our Class A ordinary shares may be materially and adversely affected if an active trading market is not maintained.

The market price of our Class A ordinary shares may be influenced by many factors, some of which are beyond our control, including:

- announcements by us or our competitors of significant developments;
- technological innovations by us or competitors;
- the failure of financial analysts to cover our Class A ordinary shares or changes in financial estimates by analysts;
- changes in financial estimates by financial analysts, or any failure by us to meet or exceed any of these estimates, or changes in the recommendations of any financial analysts that elect to follow our Class A ordinary shares or the shares of our competitors;
- actual or anticipated variations in our operating results;
- future sales of our shares; and
- investor perceptions of us and the industries in which we operate.

In addition, the stock market in general has experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of particular companies affected. These broad market and industry factors may materially harm the market price of our Class A ordinary shares, regardless of our operating performance. In the past, following periods of volatility in the market price of certain companies' securities, securities class action litigation has been instituted against these companies. This litigation, if instituted against us, could adversely affect our financial condition or results of operations.

Our founding shareholder and CEO David Vélez Osorno owns 86.2% of our outstanding Class B ordinary shares, which represents 74.9% of the voting power of our issued share capital. This concentration of ownership and voting power may limit your ability to influence corporate matters.

David Vélez Osorno, our founding shareholder and chief executive officer, continues to control our Company through his beneficial ownership of 86.2% of our outstanding Class B ordinary shares, and consequently, 74.9% of the combined voting power of our issued share capital. Our Class B ordinary shares are entitled to 20 votes per share and our Class A ordinary shares are entitled to one vote per share. Our Class B ordinary shares are convertible into an equivalent number of Class A ordinary shares. As a result, so long as David Vélez Osorno beneficially owns 57.6% of the outstanding Class B ordinary shares, even if he beneficially owns significantly less than 50% of our outstanding share capital, he will be able to effectively control our decisions and will be able to elect a majority of the members of our board of directors. David Vélez Osorno will also be able to direct our actions in areas such as business strategy, financing, distributions, acquisitions and dispositions of assets or businesses, and may cause us to make acquisitions that increase the amount of our indebtedness or number of outstanding Class A ordinary shares, sell revenue-generating assets or inhibit change of control transactions that may benefit other shareholders. In addition, we have entered into a Shareholder's Agreement with David Vélez Osorno pursuant to which we have granted him the right to nominate directors to our board and committees, rights to information, and rights to approve certain of our corporate actions. See "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Shareholder's Agreement." The decisions of David Vélez Osorno on these matters may be contrary to your expectations or preferences, and they may take actions that could be contrary to your interests. For further information regarding shareholdings in our company, see "Item 7. Major Shareholders and Related-Party Transactions—A. Major Shareholders."

We have granted the holders of our Class B ordinary shares preemptive rights to acquire shares that we may sell in the future, which may impair our ability to raise funds.

Under our Memorandum and Articles of Association, the holders of our Class B ordinary shares are entitled to preemptive rights to purchase additional ordinary shares in the event that there is an increase in our share capital and additional ordinary shares are issued, upon the same economic terms and at the same price, in order to maintain their proportional ownership interests, which is approximately 25.0% of our outstanding shares. The exercise by holders of our Class B ordinary shares of their preemptive rights may impair our ability to raise funds, or adversely affect the terms on which we are able to raise funds, as we may not be able to offer to new investors the quantity of our shares that they may desire to purchase. For more information see "Item 10—B. Memorandum and Articles of Association—Ordinary Shares—Preemptive or Similar Rights."

Future sales of a substantial number of our Class A ordinary shares, including in the form of BDRs, or the perception that such sales could occur, could cause the price of our Class A ordinary shares or BDRs to decline.

The market price of our Class A ordinary shares could decline as a result of substantial sales of our Class A ordinary shares, including in the form of BDRs, particularly sales by our directors, executive officers and significant shareholders, a large number of Class A ordinary shares or BDRs becoming available for sale or the perception in the market that such sales could occur. As of December 31, 2021, we have approximately 3,459,743,432 Class A ordinary shares outstanding, including those underlying BDRs (including any BDRs that were offered under the Customer Program), and 1,150,245,114 Class B ordinary shares outstanding. Subject to the lock-up agreements described below, the Class A ordinary shares, as well as the Class A ordinary shares underlying outstanding BDRs, are freely tradable without restriction or further registration under the Securities Act by persons other than our affiliates within the meaning of Rule 144 of the Securities Act.

Our shareholders or entities controlled by them or their permitted transferees are, subject to the lock-up agreements described below, able to sell their Class A ordinary shares, including in the form of BDRs, in the public market from time to time without registering them, subject to certain limitations on the timing, amount and method of those sales imposed by regulations promulgated by the SEC and the CVM, as applicable. If any of our shareholders, the affiliated entities controlled by them or their respective permitted transferees were to sell a large number of their Class A ordinary shares, including in the form of BDRs, the market price of our Class A ordinary shares may decline significantly. In addition, the perception in the public markets that sales by them might occur may also cause the trading price of our Class A ordinary shares to decline.

We and all of our directors, executive officers and certain other record holders that together represent substantially all of our outstanding ordinary shares and securities convertible into or exchangeable or exercisable for our Class A ordinary shares are subject to lock-up agreements with the underwriters of our initial public offering that restrict their ability to transfer such ordinary shares and such securities, including any hedging transactions, during the period ending on the later of (x) the opening of trading on the second trading day immediately following our public release of earnings for the three months ended March 31, 2022 and (y) the 181st day after the date of the prospectus of our initial public offering, as further described in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Lock-Up and Market Standoff Agreements."

In addition, holders of the remaining of our outstanding ordinary shares and securities convertible into or exchangeable or exercisable for our ordinary shares are subject to market standoff agreements with us that restrict certain transfers of such ordinary shares and such securities during the restricted period. Notwithstanding the terms of such market standoff agreements and lock-up agreements, our insider trading policy prohibits hedging by all of our current directors, officers and employees.

In addition, as further described in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Lock-Up and Market Standoff Agreements," (A) up to 15% of the outstanding Class A ordinary shares, BDRs and securities convertible into or exchangeable or exercisable for our Class A ordinary shares or BDRs (but excluding unvested securities and any securities subject to escrow or holdback and, solely in the case of our employees, contractors and consultants, excluding any securities that were neither issued under one of our equity incentive plans nor held by such person in his or her individual capacity, or collectively, the "Excluded Securities") held by each Employee Shareholder (as defined in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Lock-Up and Market Standoff Agreements") may have been sold for a five-trading day period beginning on the commencement of trading on the fourth day on which our Class A ordinary shares are traded on the NYSE, or the "First Release Window", and (B) up to 25% of the outstanding Class A ordinary shares, BDRs and securities convertible into or exchangeable or exercisable for our Class A ordinary shares or BDRs (but excluding any Excluded Securities) held by each Non-Founder/D&O Shareholder, plus any shares eligible to be sold in the First Release Window held by such person but not sold during such First Release Window, may be sold (in the case of an Employee Shareholder, for a nine-trading day period) beginning on the commencement of trading on the second trading day immediately following our public release of earnings for the year ended December 31, 2021, provided that, in the case of clauses (A) and (B), certain trading prices of our Class A ordinary shares are achieved. As of the date of the filing of this annual report, none of these triggers were met and the First and Second Release Windows did not occur.

Upon the expiration of the restricted period described above, certain securities subject to such lock-up and market standoff restrictions will become eligible for sale, subject to compliance with applicable securities laws. Furthermore, we and Morgan Stanley & Co. LLC may waive the lock-up agreements and market standoff agreements entered into by our executive officers, directors and record holders of our securities before they expire.

Sales of a substantial number of our Class A ordinary shares, including in the form of BDRs, including upon expiration of the lock-up agreements, the perception that such sales may occur, or early release of these lock-up periods, could cause the trading price of our Class A ordinary shares to fall or make it more difficult for you to sell your Class A ordinary shares at a time and price that you deem appropriate.

Our Memorandum and Articles of Association and the Shareholder's Agreement contain anti-takeover provisions, and the Central Bank of Brazil imposes certain restrictions and requirements, which may discourage a third-party from acquiring us and adversely affect the rights of holders of our Class A ordinary shares.

Our Memorandum and Articles of Association and the Shareholder's Agreement contain certain provisions that could limit the ability of others to acquire control of our company, including provisions that:

- authorize our board of directors to issue, without further action by the shareholders, undesignated preferred shares with terms, rights and preferences determined by our board of directors that may be senior to our Class A ordinary shares;
- institute a staggered board of directors and restrictions on our shareholders to fill a vacancy on the board of directors;
- impose advance notice requirements for shareholder proposals;
- limit our shareholders' ability to call special meetings;
- require approval from the holders of at least two-thirds in voting power of all outstanding shares entitled to vote thereon to amend a provision of our Memorandum and Articles of Association;
- condition any change of control of our company on the consent of the holders of a majority of the Class B ordinary shares in issue; and
- provides our founding shareholder, David Vélez Osorno, so long as our founding shareholder and his affiliates beneficially own shares accounting for at least 40% of the voting power of our issued share capital, the ability to designate a majority of the members of our board of directors, as described in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Shareholder's Agreement."

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also make it more difficult for you and other shareholders to elect directors of your choosing and cause us to take other corporate actions that you desire.

In addition, certain of our subsidiaries are Brazilian financial institutions (including Nu Financeira, Nu DTVM and NuInvest) and certain are Brazilian payment institutions (including Nu Pagamentos), all of which are regulated by the Central Bank of Brazil. Any proposed change of control of a financial or payment institution must be submitted to and conditioned upon approval from the Central Bank of Brazil. Further, if a person that is not the controlling shareholder of such an institution acquires: (i) more than 15% of the total equity capital of a financial institution, directly or indirectly; or (ii) more than 15% of the voting equity capital or more than 10% of the total equity capital of a payment institution, directly or indirectly (in each case, a "Qualified Equity Participation"), any such acquisition must be submitted to the Central Bank of Brazil, which has the right to request documents and information, and can demand that the acquisition be modified or undone in case of any irregularities. This rule also applies to any expansion of a Qualified Equity Participation. Such rules and regulations of the Central Bank of Brazil could likewise discourage, delay or prevent a transaction involving a change in control of our financial or payment institution subsidiaries, and could make it difficult for you and other shareholders to cause us to take corporate actions that you desire.

Our dual class capital structure means that our shares are not eligible to be included in certain indices. We cannot predict the impact this may have on the trading price of our Class A ordinary shares.

In 2017, FTSE Russell and S&P Dow Jones announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices to exclude companies with multiple classes of shares, such as ours, from being added to such indices. FTSE Russell announced plans to require new constituents of its indices to have at least five percent of their voting rights in the hands of public shareholders, whereas S&P Dow Jones announced that companies with multiple share classes, such as ours, will not be eligible for inclusion in the S&P 500, S&P MidCap 400 and S&P SmallCap 600, which together make up the S&P Composite 1500. We cannot guarantee that other stock indices will not take a similar approach to FTSE Russell and S&P Dow Jones in the future. Under the announced policies, our dual class capital structure is not eligible for inclusion in either of these indices and, as a result, mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track these indices will not invest in our shares. It continues to be somewhat unclear what effect, if any, these policies will have on the valuations of publicly traded companies excluded from the indices, but in certain situations they may depress these valuations compared to those of other similar companies that are included. Exclusion from indices could make our Class A ordinary shares less attractive to investors and, as a result, the market price of our Class A ordinary shares could be adversely affected.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our Class A ordinary shares and our trading volume could decline.

The trading market for our Class A ordinary shares depends in part on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who cover us downgrade our Class A ordinary shares or publish inaccurate or unfavorable research about our business, the price of our Class A ordinary shares would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, demand for our Class A ordinary shares could decrease, which might cause the price of our Class A ordinary shares and trading volume to decline.

We may not pay any cash dividends in the foreseeable future.

The declaration, payment and amount of any future dividends will be made at the discretion of our board of directors and will depend upon, among other things, the results of operations, cash flows and financial condition, operating and capital requirements, and other factors as our board of directors considers relevant. There is no assurance that future dividends will be paid, and if dividends are paid, there is no assurance with respect to the amount of any such dividend. In addition, we are governed by the laws of the Cayman Islands and our Memorandum and Articles of Association, under which there is no minimum mandatory dividend payable to our shareholders and no established periodicity for the distribution of dividends.

Pursuant to Brazilian law, we may amend our deposit agreement in respect of the BDRs and the rights of BDR holders by means of an agreement with the BDR Depositary and without the consent of BDR holders.

Pursuant to Brazilian law, we may amend the Deposit Agreement and the rights of BDR by means of an agreement with the BDR Depositary and without the consent of BDR holders. In that case, even if the amendment or change is materially adverse to the rights of BDR holders, it will become effective and the BDR holders will not be able to challenge such amendment.

Holders of our BDRs registered in a nominee account may not be able to exercise voting rights as readily as a shareholder.

Holders of BDRs are not and will not be considered to be holders of our Class A ordinary shares and are not entitled to attend or vote at meetings of our shareholders. We have agreed with the BDR Depositary that upon receipt by the BDR Depositary of notice of any meeting of our shareholders, the BDR Depositary will publish notice of such meeting for the holders of BDRs, requesting instructions by a specified date from the holders of BDRs as to the voting of our Class A ordinary shares represented by their BDRs. In order to direct the voting of any such shares, holders of BDRs must deliver instructions to the BDR Depositary by the specified date. Neither we nor the BDR Depositary can guarantee that you will see the published notice in time to instruct the BDR Depositary as to the voting of our Class A ordinary shares represented by your BDRs and it is possible that you will not have the opportunity to direct the voting of any shares. For more information, see "Item 12. Description of Securities other than Equity Securities—C. Securities—Description of Brazilian Depositary Receipts—Deposit Agreement—Voting Rights of BDRs."

There are no specific rules relating to the delisting of our BDRs from the B3.

We may decide to delist our BDRs from the B3. In such case, we cannot guarantee that we or our founding shareholder will make a public offering for the acquisition of our BDRs or our underlying Class A ordinary shares on terms and conditions that meet the expectations of the BDR holders, who in any case will not be able to prevent us from deregistering from the CVM and delisting our BDRs from the B3.

Holders of BDRs may be subject to additional risks related to holding BDRs rather than Class A ordinary shares.

Because holders of BDRs do not hold their Class A ordinary shares directly, they are subject to the following additional risks, among others:

- a holder of BDRs will not be treated as a direct holder of Class A ordinary shares and may not be able to exercise shareholder rights;
- dividends on the Class A ordinary shares represented by the BDRs will be paid to the BDR Depositary, and before the BDR Depositary makes a distribution to a holder on behalf of the BDRs, withholding taxes or other governmental charges, if any, that must be paid, will be deducted;
- we and the BDR Depositary may amend or terminate the Deposit Agreement without the consent of holders of the BDRs in a manner that could prejudice holders of BDRs or that could affect their ability to transfer BDRs, among others; and
- the BDR Depositary may take other actions inconsistent with the best interests of holders of BDRs.

As a foreign private issuer, we have different disclosure and other requirements than U.S. domestic registrants.

As a foreign private issuer we may be subject to different disclosure and other requirements than domestic U.S. registrants. For example, as a foreign private issuer, in the United States, we are not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act, including the requirements to prepare and issue quarterly reports on Form 10-Q or to file current reports on Form 8-K upon the occurrence of specified significant events, the proxy rules applicable to domestic U.S. registrants under Section 14 of the Exchange Act or the insider reporting and short-swing profit rules applicable to domestic U.S. registrants under Section 16 of the Exchange Act. In addition, we intend to rely on exemptions from certain U.S. rules which will permit us to follow Cayman Islands legal requirements rather than certain of the requirements that are applicable to U.S. domestic registrants. However, Cayman Islands laws and regulations applicable to Cayman Islands companies do not contain any provisions comparable to the U.S. proxy rules, the U.S. rules relating to the filing of reports on Form 10-Q or 8-K or the U.S. rules relating to liability for insiders who profit from trades made in a short period of time.

Furthermore, foreign private issuers are required to file their annual report on Form 20-F within 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information, although we will be subject to Cayman Islands laws and regulations having substantially the same effect as Regulation Fair Disclosure. As a result of the above, even though we are required to file reports on Form 6-K disclosing the limited information which we have made or are required to make public pursuant to Cayman Islands law, or are required to distribute to shareholders generally, and that is material to us, you may not receive information of the same type or amount that is required to be disclosed to shareholders of a U.S. company.

Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or within the same time frames as U.S. companies with securities registered under the Exchange Act. We currently prepare our financial statements in accordance with IFRS. We will not be required to file financial statements prepared in accordance with or reconciled to U.S. GAAP so long as our financial statements are prepared in accordance with IFRS as issued by the IASB.

We cannot predict if investors will find our Class A ordinary shares less attractive because we will rely on these exemptions. If some investors find our Class A ordinary shares less attractive as a result, there may be a less active and more volatile trading market for our Class A ordinary shares.

We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur additional legal, accounting and other expenses.

In order to maintain our current status as a foreign private issuer, either (a) more than 50% of the voting power of all our outstanding classes of voting securities (on a combined basis) must be either directly or indirectly owned of record by non-residents of the United States or (b)(1) a majority of our executive officers or directors must not be U.S. citizens or residents; (2) more than 50% of our assets cannot be located in the United States; and (3) our business must be administered principally outside the United States. If we lose this status, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various SEC and NYSE rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the costs we will incur as a foreign private issuer.

As a foreign private issuer, we rely on exemptions from certain NYSE corporate governance standards applicable to U.S. issuers, including the requirement that a majority of an issuer's directors consist of independent directors. This may afford less protection to holders of our Class A ordinary shares or to holders of our BDRs.

NYSE rules require listed companies to have, among other things, a majority of their board members be independent, and to have independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a foreign private issuer, however, we are permitted to follow, and we do follow, home country practice in lieu of the above requirements. See "Item 16G. Corporate Governance—Principal Differences between Cayman Islands and U.S. Corporate Law."

We are a "controlled company" within the meaning of the NYSE listing standards and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to shareholders of companies that are subject to such requirements.

David Vélez Osorno controls a majority of the voting power of our shares. As a result, we are a "controlled company" within the meaning of the NYSE listing standards. Under these rules, a company of which more than 50% of the voting power is held by an individual, a group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements of the NYSE, including (1) the requirement that a majority of the board of directors consist of independent directors, (2) the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (3) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities. We rely and intend to continue to rely on some or all of these exemptions. As a result, we do not have a stand-alone nominating and corporate governance committee, and our Leadership Development, Diversity and Compensation Committee is not required to consist entirely of independent directors. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of the NYSE.

Our Memorandum and Articles of Association designate the Grand Court of the Cayman Islands as the exclusive forum for substantially all disputes between us and our shareholders, and the federal district courts of the United States as the exclusive forum for the resolution of any complaint asserting a cause of action under the Securities Act, which could limit our shareholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.

Our Memorandum and Articles of Association provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or any other person, (iii) any action or proceeding arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the Companies Act, our Memorandum and Articles of Association, or any other provision of applicable law, (iv) any action or proceeding seeking to interpret, apply, enforce or determine the validity of our Memorandum and Articles of Association or (v) any action or proceeding as to which the Companies Act confers jurisdiction on the Grand Court of the Cayman Islands shall be the Grand Court of the Cayman Islands, in all cases subject to the court having jurisdiction over indispensable parties named as defendants. Our Memorandum and Articles of Association also provide that the federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action under the Securities Act. Nothing in our Memorandum and Articles of Association preclude shareholders that assert claims under the Exchange Act from bringing such claims in any court, subject to applicable law. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to these provisions. However, shareholders are not deemed to have waived our compliance with U.S. federal securities laws and the rules and regulations thereunder. These exclusive forum provisions may limit a shareholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. The enforceability of similar choice of forum provisions in other companies' organizational documents has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. For example, in December 2018, the Court of Chancery of the State of Delaware determined that a provision stating that federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable. Although this decision was reversed by the Delaware Supreme Court in March 2020, courts in other states may still find these provisions to be inapplicable or unenforceable. If a court were to find the exclusive forum provisions in our Memorandum and Articles of Association to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could adversely affect our results of operations.

We are a Cayman Islands exempted company with limited liability. The rights of our shareholders, including with respect to fiduciary duties and corporate opportunities, may be different from the rights of shareholders governed by the laws of U.S. jurisdictions.

We are a Cayman Islands exempted company with limited liability. Our corporate affairs are governed by our Memorandum and Articles of Association and by the laws of the Cayman Islands. The rights of our shareholders and the responsibilities of members of our board of directors may be different from the rights of shareholders and responsibilities of directors in companies governed by the laws of U.S. jurisdictions. In particular, as a matter of Cayman Islands law, directors of a Cayman Islands company owe fiduciary duties to the company and separately a duty of care, diligence and skill to the company. Under Cayman Islands law, directors and officers owe the following fiduciary duties: (1) duty to act in good faith in what the director or officer believes to be in the best interests of the company as a whole; (2) duty to exercise powers for the purposes for which those powers were conferred and not for a collateral purpose; (3) directors should not properly fetter the exercise of future discretion; (4) duty to exercise powers fairly as between different sections of shareholders; (5) duty to exercise independent judgment; and (6) duty not to put themselves in a position in which there is a conflict between their duty to the company and their personal interests. Our Memorandum and Articles of Association have varied this last obligation by providing that a director must disclose the nature and extent of his or her interest in any contract or arrangement, and following such disclosure and subject to any separate requirement under applicable law or the listing rules of the NYSE, and unless (x) disqualified by the chairman of the relevant meeting or (y) such interest is material, such director may vote in respect of any transaction or arrangement in which he or she is interested and may be counted in the quorum at the meeting. Conversely, under Delaware corporate law, a director has a fiduciary duty to the corporation and its shareholders (made up of two components) and the director's duties prohibit self-dealing by a director and mandate that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. See "Item 16G. Corporate Governance—Principal Differences between Cayman Islands and U.S. Corporate Law."

Our shareholders may face difficulties in protecting their interests because we are a Cayman Islands exempted company.

Our corporate affairs are governed by our Memorandum and Articles of Association, by the Companies Act (as amended) of the Cayman Islands, or the "Companies Act," and the common law of the Cayman Islands. The rights of our shareholders to take action against our directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, not binding, authority on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a significantly less exhaustive body of securities laws than the United States. In addition, some U.S. states, such as Delaware, have more fulsome and judicially interpreted bodies of corporate law than the Cayman Islands.

Specifically, subject to limited exceptions, under Cayman Islands' law, a minority shareholder may not bring a derivative action against the board of directors. Class actions are not recognized in the Cayman Islands, but groups of shareholders with identical interests may bring representative proceedings, which are similar. Further, while Cayman Islands law allows a dissenting shareholder to express the shareholder's view that a court sanctioned reorganization of a Cayman Islands company would not provide fair value for the shareholder's shares, Cayman Islands statutory law does not specifically provide for shareholder appraisal rights in connection with a court sanctioned reorganization (by way of a scheme of arrangement). This may make it more difficult for you to assess the value of any consideration you may receive in a corporate reorganization (approved by way of a scheme of arrangement) or to require that the acquirer gives you additional consideration if you believe the consideration offered is insufficient. However, the Companies Act does provide a mechanism for a dissenting shareholder in a statutory merger or consolidation to apply to the Grand Court of the Cayman Islands for a determination of the fair value of the dissenter's shares if it is not possible for the company and the dissenter to agree on the fair value of such shares within the time limits prescribed by the Companies Act.

In addition, shareholders of Cayman Islands exempted companies have no general rights under Cayman Islands law to inspect corporate records and accounts or to obtain copies of lists of shareholders. Our directors have discretion under our Memorandum and Articles of Association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain information needed to establish any facts necessary for a shareholder motion.

United States civil liabilities and certain judgments obtained against us by our shareholders may not be enforceable.

We are a Cayman Islands exempted company and substantially all of our assets are located outside of the United States. In addition, certain of our directors and officers are nationals and residents of countries other than the United States, and a substantial portion of the assets of these persons is located outside of the United States. As a result, it may be difficult to effect service of process within the United States upon these persons. It may also be difficult to enforce in U.S. courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our officers and directors who are not resident in the United States and the substantial majority of whose assets are located outside of the United States.

Further, it is unclear if original actions predicated on civil liabilities based solely upon U.S. federal securities laws are enforceable in courts outside the United States, including in the Cayman Islands and Brazil. Courts of the Cayman Islands may not, in an original action in the Cayman Islands, recognize or enforce judgments of U.S. courts predicated upon the civil liability provisions of the securities laws of the United States or any state of the United States on the grounds that such provisions are penal in nature. Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, courts of the Cayman Islands will recognize and enforce a foreign judgment of a court of competent jurisdiction if such judgment is final and conclusive and for a liquidated sum, provided it is not in respect of taxes or a fine or penalty, is not inconsistent with a Cayman Islands' judgment in respect of the same matters, and was not obtained by fraud or in a manner which is contrary to the public policy of the Cayman Islands. In addition, a Cayman Islands court may stay proceedings if concurrent proceedings are being brought elsewhere.

Judgments of Brazilian courts to enforce our obligations with respect to our Class A ordinary shares or BDRs may be payable only in reais.

Most of our assets are located in Brazil. If proceedings are brought in the courts of Brazil seeking to enforce our obligations in respect of our Class A ordinary shares or BDRs, we may not be required to discharge our obligations in a currency other than reais. Under Brazilian exchange control laws, an obligation in Brazil to pay amounts denominated in a currency other than reais may only be satisfied in Brazilian currency at the exchange rate, typically as determined by the Central Bank of Brazil, in effect on the date the judgment is obtained, and such amounts are then typically adjusted to reflect exchange rate variations and monetary restatements through the effective payment date. The then-prevailing exchange rate may not afford non-Brazilian investors with full compensation for any claim arising out of or related to our obligations under the Class A ordinary shares or BDRs.

Item 4. Information on the company

A. History and Development of the Company

Corporate Information

We were incorporated in the Cayman Islands as an exempted company with limited liability on February 26, 2016. Our principal executive offices are located at Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, Cayman Islands, and our telephone number at this address is +1 345 949 2648. Our website address is www.nubank.com.br. Information contained on, or that can be accessed through, our website is not part of, or incorporated by reference into, this annual report, and inclusions of our website address in this annual report are inactive textual references provided only for your informational reference.

Our Nu Journey

We launched Nu to provide a superior offering to Brazilian consumers. When we launched Nu, as is the case today, incumbent banks in Latin America offered similar checking account products, credit limits, interest rates, and annual fees to all customers based on homogenous underwriting methodologies and customer management strategies. We believed that customers in Brazil were paying some of the highest interest rates and fees in the world, and were often ignored and taken for granted, while a large percentage of the generally lowest-income population was simply left out of the banking system. In addition, Brazil has been among the most profitable countries for the financial institutions sector globally, with one of the highest returns on equity. In 2013, our founders saw an opportunity to create a fundamentally different financial services offering that would be fully digital and obsessed with the customer experience, utilizing credit cards as a first product. We sought to help our customers make payments more conveniently, organize their finances better, and improve their use and control of credit.

A Nu Journey Begins

2013 to 2017: **The Launch of a Nu Approach to the Market** – Reaching over 3 million customers

Our journey began in 2013 with a small group of engineers and designers. In 2014, we launched our first product, the Nu Credit Card, a purple Mastercard-branded credit card in Brazil. We were a pioneer in offering credit cards that did not have any annual fees and we designed an end-to-end mobile-first experience to set a new standard for best-in-class customer experience that is completely digital. With this innovation, we provided access to a much broader spectrum of customers—from more affluent card users to those just starting out.

Our strategy was to start with a single product to ensure we delivered a great user experience, delighted our customers, and gained enough insights about the market and our customers to refine and improve our data models. By starting with credit cards, we believe we tackled one of the most challenging (and larger potential) areas of financial services early in our evolution. This has helped us: (i) earn the trust of a large pool of customers by empowering them with differentiated credit solutions that they may have otherwise found to be low quality, expensive, or inaccessible from other providers; (ii) build a large and growing pool of proprietary data on customers' financial and transactional behavior, and (iii) create a favorable and highly defensible business position in the market from which we seek to expand.

Scaling the Business to Nu 2.0

2017 to 2018: **Growing Beyond Credit Cards**—Reaching over 6 million customers

In 2017, we launched our fully digital banking account solution, our NuAccount, which offered our customers the ability to make deposits, peer-to-peer transfers, payments free of charge, and withdraw cash across a network of partner ATMs at a nominal fee. We also created a savings feature by paying a fair yield on our customers' balances at a rate equivalent to 100% of the Brazilian interbank deposit rate. These were revolutionary features when compared to the checking account products incumbent banks offered, where customers had to pay a range of fixed account and transaction fees and received a fraction of the yield that we offered.

In 2018, we launched our complementary debit card, making it available free of charge to any customer with a NuAccount, and made it easy to order through our Nu mobile app.

The introduction of our NuAccount in 2017 and its corresponding debit card in 2018 were important evolutions in our product set and had a noticeable impact across our key business metrics as they allowed us to accelerate our customer growth by serving a much wider spectrum of the population, including lower-income customers who would not have started off with a consumer credit product such as our credit card. Consequently, customers who join us by acquiring only a NuAccount typically generate lower initial revenue than customers who start off with multiple products, such as a credit card and a NuAccount. However, these NuAccount-only customers are highly attractive and strategic to us. First, we often become their primary banking account provider and capture a greater share of their overall financial lives over time, including through the offering of spending, saving, insurance and investment solutions. Second, as we capture more data about these NuAccount-only customers, we progressively feed and optimize our segmentation and credit underwriting models, which often leads to the offer of consumer credit, insurance or third-party products, materially increasing their lifetime value to us, while serving them with our low-cost structure.

We have had over 100 million applications since our inception as potential customers turn to us for our sought-after products. Not all of our applicants become customers right away, as we apply disciplined underwriting procedures or did not have the product most suited for them at that time. As we have increased our product offering, we have stayed connected to our potential clients through our launch of targeted products, and many of them have subsequently represented an important source of customer base growth. We also monitor their profiles to see if they fit our underwriting criteria for products they have previously applied for. Our large applicant pool consequently further improves our ability to continue to scale our customer base.

Expanding Our Breadth & Depth to Nu 3.0

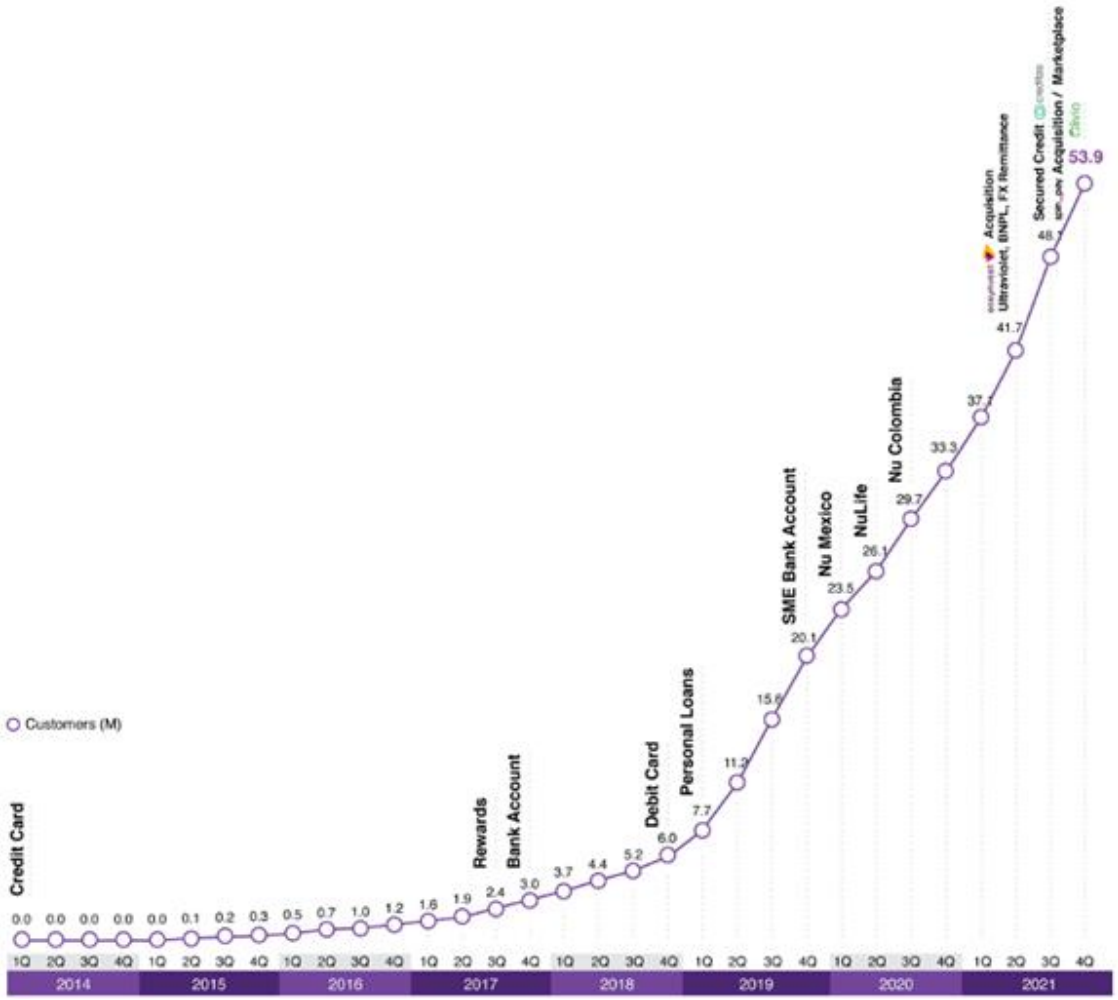
2019 to 2021: **Expanding to New Products and New Countries**—Reaching 53.9 million customers.

In 2019, we launched our personal loan product for people with larger credit needs, allowing our customers to apply, run repayment simulations, check balances, and pay balances ahead of time, in an easy and transparent manner on our mobile app. Later that year we launched our Nu business checking account to help meet the similar needs of the nearly 19 million single entrepreneur-led micro businesses that are estimated as operational in Brazil as of December 31, 2021, according to the Brazilian Micro and Small Business Support Service, or "SEBRAE." We had almost 1.4 million SME customers as of December 31, 2021, representing approximately an increase of 250% from approximately 435,000 customers as of December 31, 2020.

In 2019 and 2020, we expanded internationally to Mexico and Colombia, respectively, as we identified customer needs and opportunities in these markets that were similar to those in Brazil. We followed a similar strategy and launched in both countries with our flagship credit card product. In less than two years from the launch of our operations in Mexico in early 2020, we believe we have already become the top credit card issuer in the country, in terms of the number of cards issued during the second half of 2021 based on data for other issuers from the Central Bank of Mexico.

In 2020, we began to expand into insurance brokerage and investments (brokerage and asset management). We launched NuLife, a life insurance product seamlessly integrated and distributed through our mobile app in partnership with Chubb Limited, or "Chubb," a leading global policy underwriter. NuLife provides basic coverage starting from less than US$2.00 per month for benefits up to approximately US$30,000. We also announced the acquisition of Easynvest, which we believe is the largest direct-to-consumer retail investments platform in Brazil with 6.3 million customers as of December 31, 2021.

In 2021, we closed the acquisition of Easynvest and relaunched Easynvest under the NuInvest brand with curated features to help our customers invest more easily in the financial markets through our mobile app. We also expanded our product set further with the launch of (i) Ultraviolet, our premium metal credit card for more affluent customers, (ii) a new online remittance service in collaboration with Remessa Online Bee Tech Serviços de Tecnologia Ltda., or "Remessa Online", which joined our marketplace as a strategic partner, (iii) "Buy Now Pay Later" solutions that allow customers to (a) pay their debit purchases over time in up to twelve installments making use of their personal loan credit limits and (b) pay their boletos (banking payment slips) over time in up to twelve installments making use of their credit card limits, in both cases with the flexibility to anticipate future installments at a discount, increasing the purchasing power and financial autonomy of our customers through the Nu app.



5.6 Million people had access to a bank account or a credit card for the first time with Nu

3+ Average number of products per active customer

2021		
Customers **53.9M**	Monthly Active Customers **41.1M**	Total Revenue **$1,698.0M**
Rev. Growth YoY *(FX Netral)* **138%**	Net Income (Loss) **($165.3M)**	Adjusted Net Income (Loss) **($6.6M)**

Of our 53.9 million customers as of December 31, 2021, 1.4 million customers were in Mexico and 114,000 customers were in Colombia.

On December 8, 2021, the registration statement on Form F-1, as amended (File No. 333-260649), relating to our initial public offering was declared effective by the SEC. On November 30, 2021, we commenced our initial public offering, which closed on January 6, 2022. We sold 316,705,853 Class A ordinary shares for an aggregate price of approximately US$2,839 million, which included 48,526,380 in the form of BDRs and 27,555,298 Class A ordinary shares as a result of the partial exercise of the underwriters' option to purchase additional shares (greenshoe).

For information regarding our capital expenditures and divestitures, if any, see "Item 5. Operating and Financial Review and Prospects."

Recent Developments

Syndicated Facility

On April 11, 2022, we announced that we closed a US$650 million credit line via a syndicated facility with Citigroup Global Markets Inc., Morgan Stanley Senior Funding,Inc., Goldman Sachs International Bank and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC to support our internationalization strategy and the growth of local operations in Colombia and Mexico. The money is being raised in local currency. Nu is the guarantor and our subsidiaries Nu Mexico and Nu Colombia S.A. are the borrowers of such operation.

Appointment of New Chief People Officer of Nu

On February 8, 2022, we announced that, as per Written Resolutions of the Directors of the Company dated January 31, 2022, Renee Grace Mauldin Atwood resigned as Officer of the Company. Vitor Guarino Olivier, our former Vice-President of Operations and Platforms, assumed the role as our new Chief People Officer.

Olivia Acquisition

On January 3, 2022, we concluded the acquisition of 100% of the capital stock of Olivia AI, Inc. and, indirectly, of Olivia AI do Brasil Instituição de Pagamento Ltda. The platform and services provided by Olivia will be integrated with the products and services offered by us. In addition, Olivia's strategic capabilities in data science and its highly specialized team will enable Nu to continue creating and offering new products based on artificial intelligence.

B. Business Overview

Overview

Our Mission and Vision

Our mission is to fight complexity to empower people in their daily lives.

In 2013, we chose to begin our journey by disrupting the financial services market in Latin America, the market value of which reached approximately US$1 trillion as of December 31, 2021. This opportunity includes approximately 650 million people in Latin America according to the World Bank, many of whom we believe are underbanked and deeply unsatisfied with their legacy bank relationships, or completely unbanked.

We are in the early stages of technology companies revolutionizing a broad range of services by putting the customer at the center of their strategies and architecting experiences based on mobile-first and cloud-based models. We believe that new technology-driven companies can capture market share from legacy providers across all industries, expand the size of addressable opportunities and operate with superior economics. We also believe there is a significant opportunity to use the latest technologies and business practices to create new and more user-friendly experiences for individual consumers and SMEs that are simple, intuitive, convenient, low-cost, empowering and human.

As we pursue our mission of empowerment, we are building a company focused on connecting profit to purpose in order to create value for all our stakeholders, and deliver a positive impact on the communities we serve.

Welcome to Nu

We believe that Nu is one of the world's largest digital banking platforms, and one of the leading technology companies in the world, with 53.9 million customers across Brazil, Mexico and Colombia as of December 31, 2021. We are building our business based on four core principles: (1) a highly curated customer-centric culture that permeates everything we do; (2) the prioritization of human-centric design across all of our mobile apps, products, services and interactions to create extraordinary customer experiences; (3) the development of advanced proprietary technologies built from the ground up by some of the best talent from around the world; and (4) the utilization and optimization of data science and powerful proprietary models that support every aspect of our business. We combine these to create a self-reinforcing business model that we believe enables us to serve our ecosystem of customers and partners more effectively as we grow to generate significant impact to our stakeholders and sustainable competitive advantages in the marketplace. Together, these have compounded since our founding to produce:

- ***A Digital Banking Leader*** – As of December 31, 2021, we had 53.9 million customers, including approximately 31% of the population of Brazil aged 14 and above. We were also ranked as the #1 Bank in Brazil by Forbes for each of the past three years, the #1 Digital Banking App in the World by Pymnts.com in 2021, and Latin America's Best Bank and Best Digital Bank by Euromoney in 2021.

- ***One of the Most Loved Companies and Trusted Brands*** – By delighting our customers, we have created a powerful reputation and a valuable brand that is highly regarded in our markets and around the world. For example, we were listed in 2021 by TIME as one of the 100 Most Influential Companies in the world and by CNBC as one of the Top 50 Disruptors in the world. We were also ranked as the #1 Most Loved Brand in Brazil by eCGlobal in 2021.

- ***A Powerful and Expanding Ecosystem of Solutions and Services across the Five Financial Seasons*** – We have developed a growing suite of essential and high engagement financial solutions designed to create superior customer experiences across the Five Financial Seasons of a consumer or SME customer's journey. These Five Financial Seasons include (1) Spending with our credit and debit cards, QR code-based and PIX instant payment arrangements, WhatsApp Pay and traditional wire transfers; (2) Saving with our Nu personal and business accounts; (3) Investing with our direct-to-consumer NuInvest digital investment platform; (4) Borrowing with our transparent, easy-to-manage credit cards and personal loans with limits that grow over time as users build their credit histories with us; and (5) Protecting with our insurance solutions. We have also broadened our ecosystem by adding products and services from marketplace partners to our platform, such as insurance, mobile phone top-ups, and foreign remittances, as well as collateralized loans, all under the Nu brand and with the same customer experience as with our proprietary products.

- ***A Highly Engaged and Loyal Customer Base*** – We have built a strong reputation with our customers for being fair, transparent, trustworthy and high quality. In addition, we have developed a strategy to cultivate our customer relationships to foster new referrals and higher deposit and spending rates. As a result, we (1) acquired approximately 80%-90% of our customers organically on average per year since our inception, either through word-of-mouth or a direct unpaid referral from an existing customer without incurring direct marketing expenses; (2) received a Net Promoter Score, or "NPS," of 90 in Brazil and 94 in Mexico, which we believe far exceeds incumbent banks and all other major local financial technology companies; and (3) have become the primary banking relationship for over 55% of our active customers who had been with us for more than 12 months as of December 31, 2021. We consider ourselves the primary banking relationship for those of our active customers, who have been with Nu for over a year and had at least 50% of their post-tax monthly income move in or out of their NuAccount in any given month. For more information on how we calculate organic customer growth and primary banking relationships, see "Glossary of Terms."

- ***Advantaged Unit Economics*** – We operate with favorable unit economics, as demonstrated by our ability to recover our CAC with cumulative contribution margins in fewer than 12 months on average, while continuing to expand revenue and contribution margins significantly thereafter. We measure our customer acquisition efficiency by comparing the LTV of acquired customers to the CAC of those acquired customers to calculate an "LTV/CAC ratio," which we estimate to be greater than 30x. We believe these strong economic measurements are supported by our ability to:

    - **Acquire customers organically at a low CAC –** For the year ended December 31, 2021, our CAC was US$5.4 per customer of which paid marketing accounted for approximately 23%. Based on our internal research and publicly available information, we believe our CAC is one of the lowest across consumer FinTech companies in the world. In addition, we believe our organic customer acquisition model is among the best-in-class as evidenced by the fact that we have acquired approximately 80%-90% of our customers organically on average per year since our inception.

    - **Increase Monthly ARPAC –** For the three months ended December 31, 2021, our Monthly ARPAC was approximately US$5.6. For customers who were active across our core products, which include our credit card, NuAccount and personal loans, we had Monthly ARPACs in the US$26 to US$39 range for the month of December 2021. We estimate that the monthly average revenue per active retail customer for incumbent banks in Brazil was approximately 10x higher than ours in the first six months of 2021. This calculation assumes an estimated average active customer base for certain incumbent financial institutions that do not report this metric. We estimated the number of active customers at each incumbent financial institution using the median active-to-total customers ratio from Nu and one incumbent bank, which was 63% for the first six months of 2021. Based on this estimate, the incumbents had average Monthly ARPACs of US$38 for the first six months of 2021.

      While we may not reach these levels because the majority of our products have no fees, we believe we can increase our Monthly ARPAC meaningfully over time by (1) capturing greater customer wallet share across our customers' existing products and (2) cross-selling additional products to existing customers.

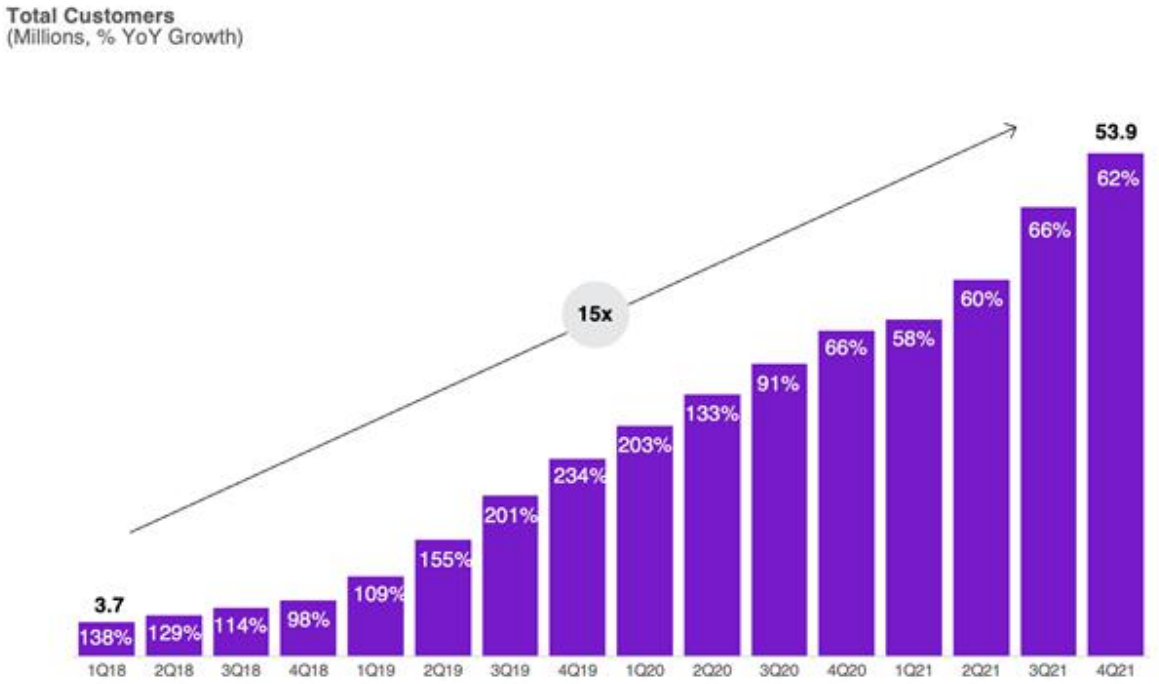
- ***Our World-Class Talent*** – We have assembled one the most international teams in Latin America. Our employees represent over 45 different nationalities and bring experience in scaling some of the largest technology and financial services companies in the world. We believe our culture, mission and commitment to innovation has helped us become a hub of the best engineering talent, not only in the region, but also internationally.

- ***Compounding Growth at Scale*** – Though we have incurred a loss of US$165.3 million, US$171.5 million and US$92.5 million for the years ended December 31, 2021, 2020 and 2019, respectively, we have grown our customer base and our revenue at high annual growth rates. As of December 31, 2021, we had 53.9 million customers, which represents an increase of almost 8x from 6.0 million as of December 31, 2018 (or a CAGR of 108%; see the chart below entitled "Total Customers (in Millions, % YoY Growth)" for further information on annual growth rates). Of these 53.9 million customers, approximately 76% were monthly active customers as of December 31, 2021. In the three months ended December 31, 2021, we added an average of 2 million net new customers per month across Brazil, Mexico and Colombia.

- ***Regulatory*** – We are committed to open, collaborative and transparent relationships with public officials as we work to improve how people are served by the financial sector. Over the past several years, Nu has been very active in some of the latest landmark regulations for the financial system in Brazil, such as: Brazil's real time payment system PIX, open banking, portability of checking accounts, cybersecurity and others. By applying our values to regulatory proposals we believe we can help shape a more competitive landscape for Latin America's financial sector. Through this process, we believe we have established a positive reputation and an open and collaborative relationship with regulators in the countries in which we operate.

- ***Nu Impact*** – We have a strong commitment to advancing ESG efforts, which is reflected in our "growth with a purpose" approach. We believe in shared value co-creation for all our stakeholders, with ESG integration and transparent governance in all of our decision-making processes. We are committed to making a lasting, meaningful and positive social impact on the lives of our customers and the communities we serve. Our business reaches 100% of the municipalities in Brazil in line with our mission to provide financial access and literacy, which we view as crucial to inclusive growth and sustainable development. We estimate that we provided the first credit card or bank account, as of December 31, 2021, to approximately 5.6 million people. With this access, based on internal survey data as of December 31, 2021, more than 67% of our customers say they have gained more financial independence due to the use of our financial services and 80% reported they could overcome unforeseen financial issues as a result of the access to our credit products. Our strong focus on impact allows us to recruit and retain the best talent and diverse teams, helping to ensure that we have the depth of perspectives to design the best human-centered customer experiences. As of December 31, 2021, among our employees in Brazil, 32.9% self-identified as black or brown, 45.2% as women, and 26.6% as LGBTQIA+ (lesbian, bisexual, gay, transgender, two-spirit, queer, questioning, intersex, asexual, nonbinary, gender nonconforming and non-heteronormative) and 61.4% of our employees in leadership positions self-identified as from underrepresented groups.

At Nu, we want to be known not only for the revolution we started, but also for the way we started it.



Our Attractive Opportunity

Within Latin America, we currently serve Brazil, Mexico and Colombia, which together accounted for over 60% of the population and 61% of the GDP in the region in 2020 according to the World Bank, and provide a fertile opportunity for our services due to several attractive attributes and market characteristics, including:

- ***Meaningful Pain Points in the Market*** – Financial services consumers in our markets suffer from real pain points, which gives us a significant opportunity to provide them with solutions. Incumbent banks in Brazil, Mexico and Colombia, which on average hold between 70% and 85% of all loans and deposits, charge very high fees and generate outsized profits, based on data from the respective Central Banks.

- ***Powerful Secular Trends*** – The Latin American region is benefiting from several positive secular trends that are highly complementary to our business. For example, there is a strong technology adoption trend in the region as illustrated by the 80% smartphone adoption rate projected in 2025 according to GSMA. This trend is fueled not only by the size of the population under 30 years old in Brazil, Mexico and Colombia (44%, 51% and 48% of the total population, respectively), but also a growing middle class, driving some of the highest mobile app usage rates in the world, based on time spent in mobile apps. In 2020, based on publicly available information, Brazil had the fifth highest smartphone usage globally. In terms of global ranking of users for social media apps, Brazil stands at either #2 or #3 in the world for major social apps such as Facebook, WhatsApp, Instagram, TikTok and Twitter, while Mexico stands at either #5 or #6 across these apps. For those same apps, Brazil has an average of approximately 80 million users per app while Mexico has approximately 38 million users per app, according to eMarketer. The foregoing figures for Facebook, Instagram, and Twitter are as of October 2020, WhatsApp as of August 2020 and TikTok as of April 2021.

- In addition, regulators across the region have been promoting policies designed to foster innovation, instill access and increase competition in the financial services sector. We believe that this represents a significant opportunity to disrupt legacy providers through innovative business models and mobile app-based solutions.

- ***Significant Penetration Opportunities*** – Financial services in Latin America still offer a significant penetration opportunity ahead as the electronic payments and consumer credit segments continue to deepen across the region and approach current levels in the United States and the United Kingdom, based on data gathered from the World Bank and the IMF. For example, in Brazil, Mexico and Colombia there is: (1) a large unbanked population consisting of 134 million adults in aggregate; (2) low credit card adoption rates of 27.0%, 9.5% and 13.9%, respectively, compared to 65.6% in the United States and 65.4% in the United Kingdom; (3) limited household debt as a percentage of GDP, at 30.5%, 16.2% and 27.6% in Brazil, Mexico and Colombia, respectively, compared to 55% to 85% in developed markets (consisting of the United Kingdom, the United States, Spain, Japan and France), according to data from the IMF and (4) a low credit and debit purchase volume as a percentage of household consumption: 40%, 24% and 15% in Brazil, Mexico and Colombia, respectively, compared to 51% in the United States and 62% in the United Kingdom, according to the World Bank as of 2021. This suggests a 2x-to-3x penetration opportunity for financial products in Latin America over the coming decades.

Our Go-to-Market Approach

We serve a broad customer base of 52.5 million individual consumers and 1.4 million SMEs as of December 31, 2021. Our customer base is well diversified across various demographic measures, such as income, age and geographical dispersion, and relatively in line with the overall segmentation of our markets. Based on our analysis of publicly available data and the general composition of the customers in our industry according to the Oliver Wyman Report, we believe that we serve a larger proportion of younger consumers than incumbent banks. We believe our position creates opportunities to grow with our customers as they accumulate wealth and reach life milestones that expand their financial needs.

We go to market, serve and support our customers through an all-digital, cloud-based model that is low-cost and highly efficient without the need for expensive real estate and bank branches. We market and sell our solutions and services online by (1) prioritizing high-quality customer experiences to drive organic word-of-mouth advertising and customer referrals, (2) fostering our social media presence and developing digital content to drive awareness, education and engagement, and (3) making selected investments in marketing and promotional campaigns when returns are attractive to further accelerate customer adoption.

We operate with significant advantages that have helped us grow rapidly. For example, we have increased our Monthly ARPAC by growing our share of wallet and driving the adoption of multiple products, increased our customer retention through our focus on strong customer engagement and satisfaction, and increased our position as the primary banking relationship for our customers. As a result, we have increased the lifetime value of our customer relationships. Our approach has also enabled us to generate operating efficiencies, including a low cost to acquire new customers, a low cost to serve our customers, a low cost of risk, and a low cost of funding.

We earn revenue from two main sources: fees and interest payments. Fees include fees imposed on credit and debit card transactions, payments, loyalty programs, prepaid mobile phone top-ups and distribution of certain financial products and services, such as investments, insurance and remittance products. Interest payments are related to interest charged on revolving and refinanced credit card balances and personal loans, as well as interest earned on deposits, government bonds and other interest-earning instruments. For the year ended December 31, 2021, 38% of our revenue was earned through fee and commission income, which comes mostly from interchange fees and is not directly charged to the customer.

For the year ended December 31, 2021, we reported US$1.7 billion in revenue, and US$732.9 million in gross profit, representing year-over-year increases of 130.4% and 124.2%, respectively, versus the year ended December 31, 2020, or a year-over-year increase of 138.0% and 131.6%, respectively, when computed on an FX Neutral basis. In the year ended December 31, 2020, we reported US$737.1 million in revenue, and US$326.9 million in gross profit, representing year-over-year increases of 20.4% and 31.9%, respectively, versus the year ended December 31, 2019, or a year-over-year increase of 59.7% and 74.9%, respectively, versus the year ended December 31, 2019, when computed on an FX Neutral basis. A reconciliation of our FX Neutral revenue and gross profit to the IFRS measures of these metrics can be found under “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Non-IFRS Financial Measures and Reconciliations.”

Our Unique Approach

We are building our business using a unique approach that combines our four core principles to create a self- reinforcing business model that helps us nurture and grow our expanding ecosystem of individual consumers, SMEs and marketplace partners. Our four core principles are described in more detail in the following table.

Core Principle	Description
Customer-Centric Culture *We Are Obsessed with Serving Our Customers*	• Since our company was founded, we have intentionally and consistently cultivated a culture that is obsessed with delighting our customers. This culture is central to achieving our mission and we remain vigilant in preserving and nurturing it. The core values of our culture are: • ***We Want Our Customers to Love Us Fanatically*** – We design products and deliver experiences that delight customers, empowering them to take control of their financial lives. We tailor customer interactions and communication across all touchpoints from our brand to create an emotional bond with lasting relationships. • ***We Think and Act Like Owners, Not Renters*** – We want all our employees to think like owners and treat the business and our customers like their own, which we believe is essential to creating long-term shareholder value, with approximately 76% of our employees owning Nu shares or holding share-based incentive awards as of December 31, 2021. • ***We Are Hungry and Challenge the Status Quo*** – We have a culture of nonconformism that seeks to challenge and improve on the status quo. This is the principle that drives our team not to rest on our laurels and to keep pushing for more innovation and growth. • ***We Pursue Smart Efficiency*** – We aim to minimize waste in all of its forms to benefit our customers. We believe in using technology to build proprietary systems that give us scalability while making sure we optimize the use of all the constrained resources we have as a company: our people, our time, our attention and our capital, among others. As we gain efficiency, we are able to pass those gains to our customers, continuously working to provide services at lower costs. • ***We Build Strong and Diverse Teams*** – We believe that true creativity is bred in diversity in all of its forms, and have assembled a team of exceptional talent from around the world, who contribute their diverse experiences, preferences and perspectives to serve local markets. We appreciate diversity and value the importance of creating an inclusive workplace comparable to the community we serve, which we believe is a key driver of innovation.

Extraordinary Customer Experiences

We Focus on Creating Superior Customer Engagement and Experiences

We aim to deliver simple, easy-to-use products, seamlessly integrated through our Nu mobile application and backed up by our team of Xpeer customer support specialists. This is driven by:

- ***Mobile and Digital First Products*** – We focus on developing cloud-based mobile applications that provide our customers with a modern digital experience at their fingertips on any device.
- ***Product Simplicity*** – We offer digital financial services products that are simple, transparent, accessible and easy to use.
- ***Human-Centered Design*** – We design our solutions around the human perspective and seek to create a high-quality experience that is intuitive for our customers in everything we do.
- ***Seamless Integration*** – We create a seamless experience by using our Nu mobile app to provide our customers with easy and integrated access to all of our products and services.
- ***Xpeers*** – We employ a highly trained support team of customer service agents, or "Xpeers," who use proprietary software and AI-enhanced algorithms to continuously improve the customer experience by leveraging customer interactions to enhance everything we do, while contributing to the product co-creation process. For more information, see "—Our Customer Service and Support."

Advanced Technology

We Lead Everything with Technology

We use advanced technologies and modern tools to deliver a superior experience for our customers in a hyper-scalable and secure environment. We prioritize building our own architecture and investing in engineering talent. The key components of our technology include:

- ***NuCore Technology Platform*** – All of our products, services and operations are powered by NuCore, our proprietary, cloud-based core banking platform that we designed and built from the ground up. NuCore enables us to centrally manage several key functions, including transaction authorization and processing, core banking, regulatory reporting, business operations, customer services, credit underwriting and fraud prevention. This provides us with greater speed and control to optimize our products and address the needs of the markets in which we operate. It also allows us to innovate on core product features that won't be immediately accessible to competitors that leverage platforms that are standard in the market today.

- ***Microservices Approach*** – We use a versatile, decentralized technology architecture to manage and deploy over 500 modular microservices that we have developed. This advanced technology strategy enables us to scale, launch new products, enter new markets, and maintain and evolve our codebase incrementally with decentralized ownership.

- ***Immutable Architecture*** – We have created an advanced, immutable ledger utilizing the Datomic database technology we developed. This provides us with a highly reliable audit trail and transaction history that we believe provides better accuracy, control, reliability and transparency versus traditional database architectures. As a result, we are able to develop new code more aggressively with 120+ deployments per day on average during the year ended December 31, 2021.

- ***World-Class Software Engineers*** – We have attracted excellent software engineers from around the world who are drawn to our advanced technology strategies and want to code at a cutting-edge level using Clojure, the advanced programming language that we sponsor following our acquisition of Cognitect, a U.S.-based software consultancy whose founders created the language. We believe we have become a destination for top talent not just in Latin America but increasingly globally. We have over 1,000 developers and engineers organized across 75 agile development squads in six global technology hubs in Brazil, Mexico, Germany, the United States, Argentina and Colombia.

Proprietary Data Science

Everything We Do is Driven by Data Science

We acquire, store and analyze an enormous amount of data that we use to inform our decision-making, reduce risks and improve the customer experience. This provides us with significant advantages and ways to add differentiated value to our customers such as our proprietary NuX credit engine. Our data science strategy consists of:

- ***Proprietary Data*** – On average, during the year ended December 31, 2021, we collected approximately 9,000 data points on each monthly active customer, which our team, including 120+ data scientists, uses to better understand customers' behavior, risks and financial needs to better serve them across their lifecycle with Nu. We believe that this proprietary data set is difficult to replicate, provides us unique insights and strengthens our NuX credit engine and machine learning models.

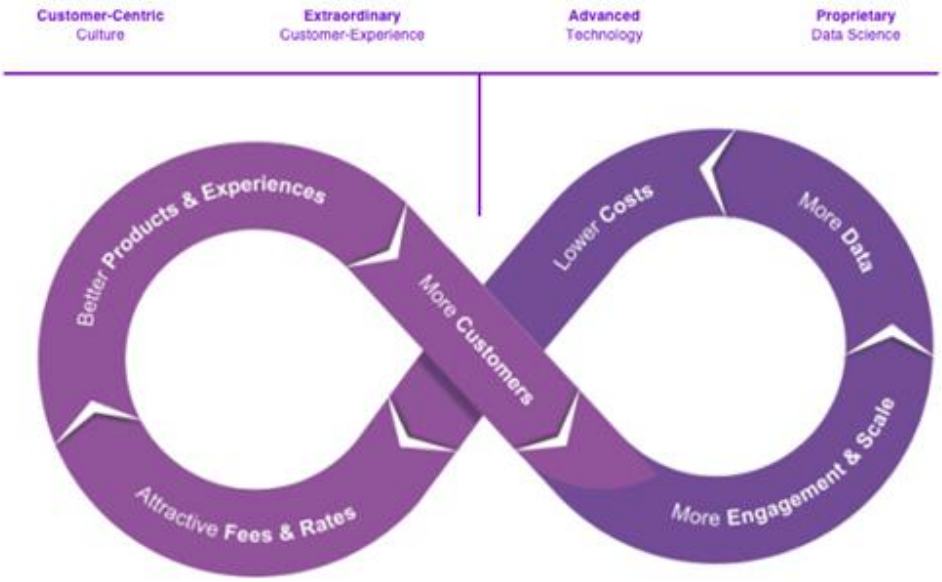
- ***Powerful NuX Credit Engine*** – Our in-house, proprietary credit underwriting engine learns from customer behavior, enabling us to develop curated credit strategies to offer customers the best product for their specific financial situation. For example, we utilize these capabilities to offer customers with limited credit histories a small credit line to start, which can grow as we learn more about their behavior.

- ***Artificial Intelligence and Machine Learning*** – We utilize a combination of proprietary and best-of-breed machine learning algorithms and artificial intelligence tools to continuously improve our underwriting, customer experience, risk management and operations.

- ***Self-Driving Ecosystem*** – We integrate all data in our Nu Ecosystem to develop a holistic profile of our customers, enabling us to algorithmically recommend products in real time that may meet specific customer needs throughout their financial journey.

Our Self-Reinforcing Model

Our self-reinforcing business model, illustrated below, includes seven key elements that we combine to serve our customers more effectively, generate competitive advantages, nurture and grow our ecosystem and create shareholder value.



The seven elements of our model include:

A. **More Customers –** Our most significant source of marketing is word-of-mouth recommendations from existing customers, which has resulted in viral organic customer acquisition and very high retention. This leads to:

B. ***More Engagement and Scale –*** Our customers increase their engagement with and usage of our high frequency and essential solutions or adopt new solutions. This leads to:

C. ***More Data –*** We gather data from each customer and each transaction. These data compound in value as we grow and drives our artificial intelligence and machine learning algorithms to improve everything we do. This leads to:

D. **Lower Costs –** We use our growing data sets to make smarter underwriting decisions, continuously improve customer segmentation and optimize business operations, which can improve efficiencies. This leads to:

E. ***Attractive Fees and Rates –*** We use our greater insights, efficiencies and cost savings to offer customers products with attractive fees and rates as we better understand their total risk profile and optimize our own operations. This leads to:

F. ***Better Products and Experiences –*** We can also use our greater insights and efficiencies to improve our product design, optimize the customer experience and develop new features. This leads to:

G. ***A Growing Nu Ecosystem –*** Our ecosystem includes our 53.9 million customers, composed of individual consumers and SMEs, and a growing number of marketplace partners who we partner with to offer attractive solutions beyond our core capabilities.

Our self-reinforcing model and execution have resulted in a large and vibrant community of customers, consisting of (1) individual consumers across all social classes and ages and (2) SMEs including small businesses and entrepreneurs that help fuel the economy. These customers, combined with a growing set of products that they love, a network of third-party vendors and service providers, and a substantial media following, form our large and expanding Nu ecosystem:

Our Market

Our Market Opportunity

Latin America is a large and dynamic region, with a total population of 652 million people as of December 31, 2020 and GDP of US$4.5 trillion in 2021 according to the World Bank. We currently operate in Brazil, Mexico and Colombia, which collectively account for 60% and 61% of the region's population and GDP, respectively.

Over time we aim to expand our presence to additional markets in Latin America, as consumers and SMEs have for too long faced a banking system with substantial challenges that create market inefficiencies and opportunities for disruption.

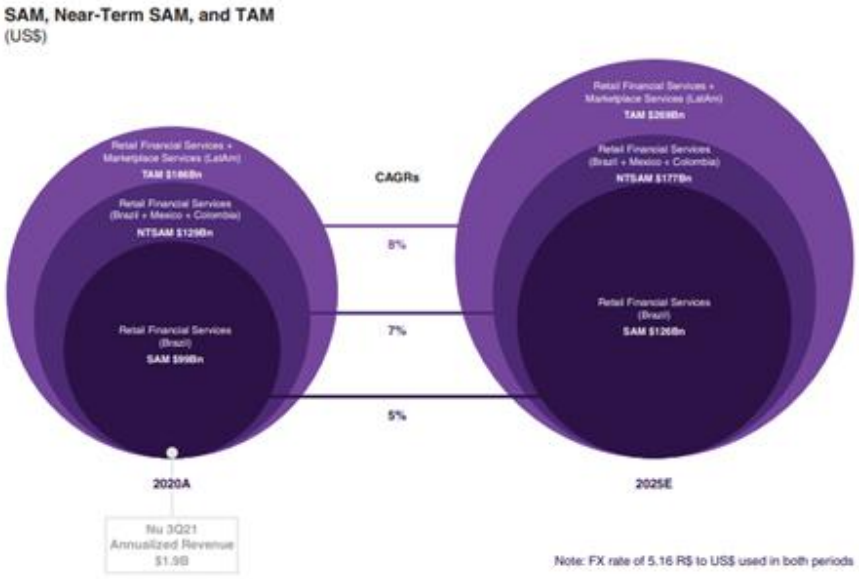
Our SAM includes the retail financial services we currently operate in Brazil, including revenue from:

- Retail credit (including payroll personal credit, SME credit, auto loans, unsecured personal credit, credit card revolving, credit card financing, and other), defined as interest income net of funding costs and credit charges;
- Payments, defined as prepaid, debit and credit interchange fees;
- Investments, defined as fees from securities brokerages, private pensions, savings accounts and investment funds; and
- Insurance brokerage, defined as fees from distribution of life and property & casualty, or "P&C" insurance products.

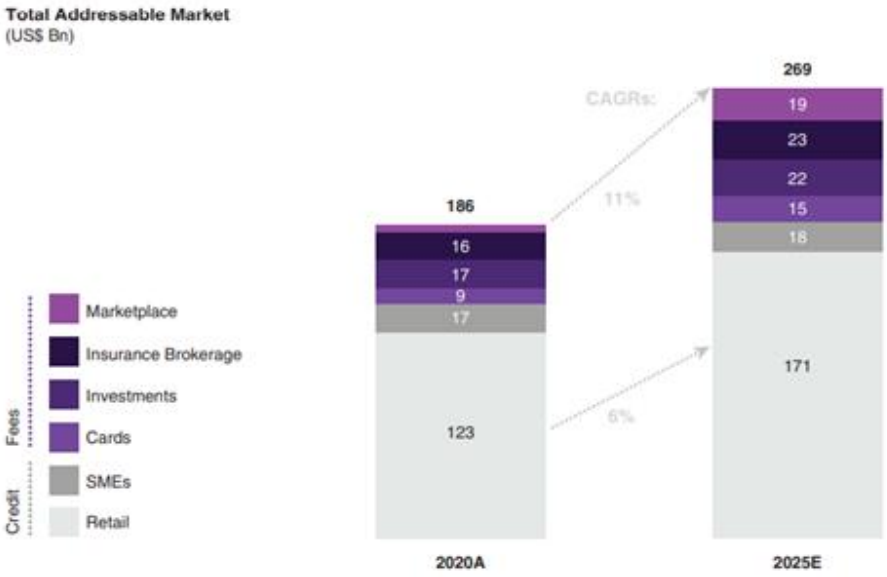
The revenue potential of the retail financial services amounted to US$99 billion in 2020 and it is projected to grow at a 5% CAGR to US$126 billion by 2025, according to the Oliver Wyman Report. Our revenue of US$1,698 million for the year ended December 31, 2021 and US$737 million for the year ended December 31, 2020 accounted for approximately 1.7% and 1% of this SAM, respectively, demonstrating the massive opportunity ahead.

The Near-Term SAM, or "NTSAM," in addition to Brazil, also includes Mexico and Colombia, countries we recently entered. The retail financial services NTSAM amounted to US$129 billion in 2020 and it is projected to grow at a 7% CAGR to US$177 billion by 2025, according to the Oliver Wyman Report.

Lastly, our TAM represents the total potential opportunity across all of Latin America, including marketplace revenue, defined as take rate fees derived from e-commerce marketplace gross merchandise volume. The retail financial services and marketplace revenue opportunity amounted to US$186 billion in 2021 and it is projected to grow at a CAGR of 8% to US$269 billion by 2025, according to the Oliver Wyman Report.



According to the Oliver Wyman Report, retail credit for individuals and SME credit accounted for approximately 75% of the revenue pool for retail financial services in 2020, and it is projected to have a CAGR of 6% from 2021 to 2025. This is the segment where we believe we have strong competitive advantages as a result of what we believe to be our superior underwriting capabilities, lower customer acquisition costs and ample funding. The fee portion of this revenue pool, composed of cards, investments, insurance brokerage and marketplace, accounts for 25% of the revenue pool, and it is projected to have a CAGR of 11% from 2021 to 2025.



For more information regarding our market opportunity, see "—Deep Dive on Our Industry Background and Market Opportunity."

Industry Background – the Latin American Financial Services Industry is Broken

Consumers and SMEs in Latin America have long faced a banking system with substantial challenges that create attractive opportunities for disruptors, including:

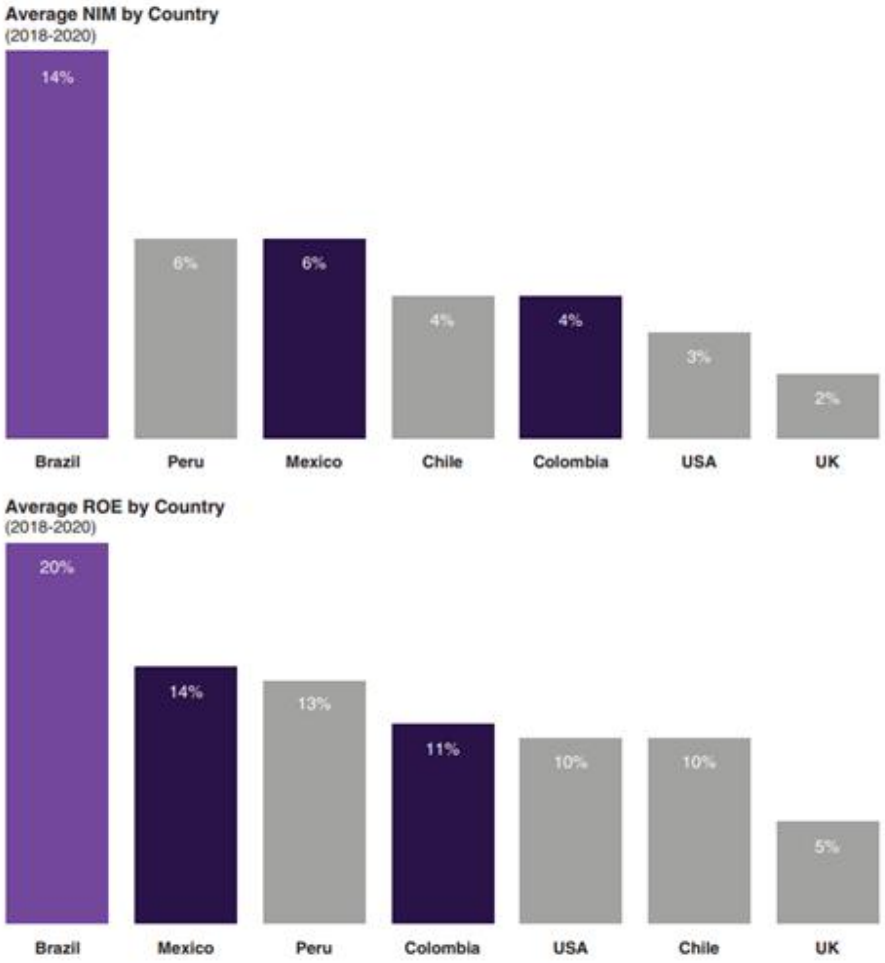
- ***Highly Concentrated Banking Sector with a Lack of Competition*** – The banking sector in Latin America is highly concentrated, controlled by a small number of incumbent financial institutions in each country. According to the respective Central Banks as of December 2020, the five largest banks in each of Brazil, Mexico and Colombia control between 70% and 85% of all loans, deposits and overall banking revenue in their respective markets, shares that are significantly higher than those of most developed markets. Given its highly concentrated nature, the Latin American banking sector has long suffered from a lack of competition. We believe that this has resulted in less innovation, a more limited selection of products and services, and higher fees than in the more open and competitive markets of the United States and Europe. While this concentration has enabled the large incumbent banks to maintain their status quo, we believe that it also creates a very fertile environment for disruption from new entrants who can use advanced technology, data and customer service to level the playing field.

- ***High Cost to Serve*** – The incumbent banks in Brazil, Mexico and Colombia have expansive and expensive branch distribution networks supported by large workforces and legacy systems. For example, as of December, 2020, each of the five incumbents in Brazil are reported to have between 2,000 and 5,000 branches and around 80,000 employees each. We believe this legacy infrastructure has translated into a higher cost to serve, incentivizing incumbents to sell high-margin products while excluding a large segment of the population from the financial system. We estimate that in Brazil, our cost to serve and general and administrative expense per active customer is approximately 85% lower than those of incumbents, based on their publicly available financial statements. Based on this estimate, for the six months ended June 30, 2021, incumbents had an average monthly cost to serve and general and administrative expense per active customer of approximately US$15.7.

- ***Poor Customer Service and Lack of Trust*** – We believe that incumbent financial service providers in Latin America have historically provided poor customer service to consumers, given an overall lack of market competition and choices. By contrast, our obsession with customer-centricity aimed at delighting customers has enabled us to achieve and scale with NPS levels of 90 or above in the countries in which we operate, which we believe far exceed not only those of incumbent banks, but also those of other major local financial technology companies. We have been consistently recognized for our customer service, as highlighted by our multiple awards received in recent years, and—based on the latest publicly available information—we have compared very favorably to both incumbents and disruptors and have achieved the fewest customer complaints. The high concentration of the banking sector, historic lack of competition and high cost to serve that characterize the financial services industry in Latin America have led to a pattern of behavior that has resulted in dissatisfied customers.

- ***Significantly Underpenetrated Market*** – The Latin American banking sector remains significantly underpenetrated. Among the main reasons for such low levels of financial inclusion are the prohibitively high costs for financial services. According to a study from the IDB, one of the most cited reasons for not having a bank account is that opening and maintaining accounts are too expensive. In Brazil, 30.0% of the 169 million people aged 15 and above did not have a bank account as of 2017, according to the World Bank. In Colombia and Mexico, the unbanked population in 2017 stood at 55.1% and 64.6% of the 40 million and 96 million people aged 15 and above, respectively, according to the World Bank. Together, these three countries account for 134 million unbanked adults, according to the World Bank. Additionally, aggregate household debt in Latin American economies averaged between 5% and 30% of GDP in 2019 according to IMF data, compared to between 55% and 80% in the developed economies of the United States, Western Europe and Japan. Lastly, credit card penetration in Brazil, Colombia and Mexico stood at 27.0%, 13.9% and 9.5% of the population aged 15 and above, respectively, compared to 65.6% in the United States and 65.4% in the United Kingdom, according to World Bank data for 2017.

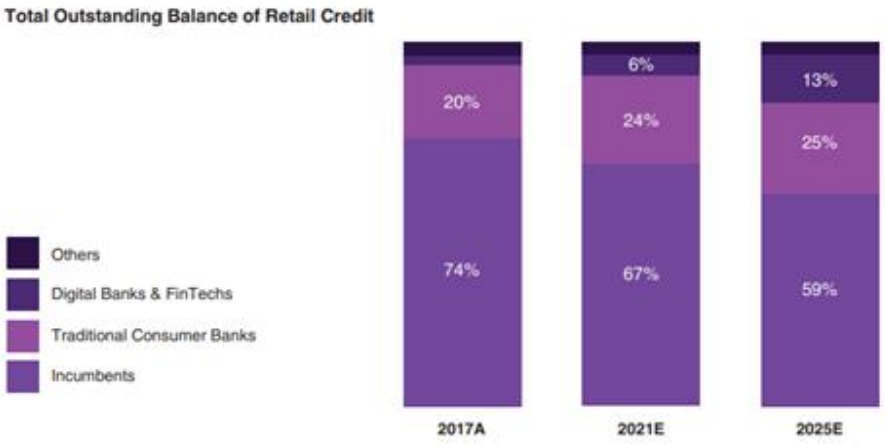
As a result of these dynamics, Latin America is one of the most expensive regions for banking in the world, in terms of both fees and net interest margins, or "NIMs", with Brazil and Mexico being two of the most expensive countries. In addition, Latin America is one of the most profitable regions for the financial institutions sector, and Brazil and Mexico are among the most profitable countries for the sector globally.



Trends Accelerating Industry Disruption

We believe there is a very fertile environment for disruption from new entrants who can use advanced technology, data and customer service to level the playing field. Financial technology companies such as us have the potential to completely change the landscape in Latin America by offering both low-cost and high-quality financial services to large portions of the region's adult population, materially increasing overall socioeconomic development and the addressable market of financial services in the region.

We believe that significant challenges and trends seen in Latin American markets have already begun to encourage consumers to increasingly look to digital banking platforms to fulfill their day-to-day banking needs. According to the Oliver Wyman Report, the share of total outstanding retail credit attributable to digital banks and FinTechs in Brazil more than doubled from 2.0% to 4.6% between December 2017 and December 2020, and has tripled to 6% in December 2021, and is projected to rise to 13.0% by 2025. Based on our analysis of available data, during December 2021, there were over 27 million downloads of banking apps in Brazil, of which 66% was attributable to digital banks and FinTechs, compared to 25% for incumbent banks. This mix has consistently been shifting more towards digital banks and FinTechs, with digital banks and FinTechs doubling their share in the last three years.



Several factors are driving this shift away from incumbents:

- ***Technological Innovation and Growing Payment Volumes*** – We believe that technological innovation, including the launch of instant payment solutions such as PIX in Brazil and CoDi in Mexico, will translate to sustained growth in electronic payments volumes. Latin America is expected to have an 80% smartphone adoption rate in 2025 according to GSMA, further facilitating technology inclusion. According to the Oliver Wyman Report, purchase volumes on credit, debit and prepaid cards in Brazil are projected to grow from US$386 billion in 2020 to US$698 billion in 2025 (R$2.0 trillion to R$3.6 trillion, using a fixed exchange ratio of 5.16), representing a CAGR of 13%. In Mexico, expectations for purchase volumes on credit, debit and prepaid cards are also positive and expected to grow from US$128 billion to US$233 billion in 2025, representing a CAGR of 13%.

- ***Shift from Savings to Higher-Yield Investments*** – According to the Oliver Wyman Report, between 2018 and 2021, the share of retail investment assets under management by banks decreased from 93% to 81%. In our view, the superior customer experiences and low-cost, open platform distribution models employed by direct-to-consumer independent brokers will continue to gain market share. We also believe that improving levels of financial education combined with middle-class expansion and lower interest rates are contributing to the shift of Brazilian retail investors away from savings products towards higher-yield investments such as equities.

- ***Favorable Regulatory Environment*** – Regulators in Latin America are promoting several initiatives to foster financial technology disruption to increase competition and financial inclusion. For example, in 2020, the Central Bank of Brazil rolled out its plan to enable open banking while launching PIX, an instant payment tool. In Mexico, the 2018 Financial Technology Law established the basis for the development of FinTech companies, and in 2019 CoDi, a platform for P2P transactions without commissions, was launched by Banxico. We believe that these regulatory changes will, together, increase efficiency, competition and innovation in the Latin American financial services market while increasing access to financial services.

Our Competitive Strengths and Advantages

The strengths generated by our core principles and our self-reinforcing model provide us with powerful competitive advantages that have enabled us to disrupt the legacy models of incumbent providers to become what we believe is one of the largest digital banking platforms in the world. We believe we are positioned favorably to continue to grow our business with attractive economics and expand our addressable market. We believe that our advantages are difficult to replicate and will continue to strengthen as we scale, compounding over time.

We Have Significant Market and Leadership Advantages

Over the past eight years, we believe we have built one of the largest, most influential, and trusted technology companies in the world. This privileged leadership position provides us with several key advantages, including:

- ***One of the Largest Digital Banking Platforms*** – We believe we have built one of the world's largest digital banking platforms (based on number of customers), with 53.9 million customers across Brazil, Mexico and Colombia as of December 31, 2021.

- ***First Mover Advantage*** – We were the first digital-native banking platform in Latin America and a pioneer in digital financial services globally. We have reached undisputed leadership in digital banking in Brazil in terms of number of customers and have been progressively claiming leadership in other countries in Latin America. In two years from the launch of our operations in Mexico in early 2020, we believe we have already become the top credit card issuer in the country, in terms of the number of cards issued during the second half of 2021 based on data for other issuers from the Central Bank of Mexico, surpassing long-established incumbent players such as Banco Azteca, Santander Mexico, HSBC, BanCoppel and Banamex. We estimate that the monthly average revenue per active retail customer for incumbent banks in Brazil was approximately 10x higher than ours in the first six months of 2021.

- ***Trusted and Recognized Global Brand*** – We have created a globally recognized brand and market position across the digital services and technology landscape, which have built trust and product awareness that have helped us rapidly grow our customer base, retain our customers and drive greater product adoption. In 2021 we were named as one of the TIME 100 Most Influential Companies, one of the CNBC Disruptor 50, Latin America's Best Digital Bank by Euromoney and the #1 Digital Banking App by Pymnts.com.

- ***World-Class Talent*** – We have attracted highly talented employees from some of the leading technology and financial services companies around the world who have brought deep expertise and new ideas in technology development, data science, product design, marketing, credit underwriting, business management, corporate strategy and human resources. Our employees are aligned with our mission and have an ownership mentality—approximately 76% of our employees owned Nu shares or held share-based incentive awards as of December 31, 2021.

We Have Significant Operating and Financial Advantages

Our all-digital and data-driven business model provides us with significant advantages, which have enabled us to scale and operate in a highly efficient manner. These operating advantages include:

- ***Extraordinary Customer Experiences*** – Our modern and intuitive products provide customers with extraordinary experiences which we believe are superior to both incumbent banks and other digital disruptors. We have NPS levels of 90 or above in the countries in which we operate, which exceeds those of many of the strongest consumer brands in the world. We believe that our reputation for exceptional customer experiences fuels our brand recognition, organic and word-of-mouth-driven growth and strong customer retention.

- ***Caring and Effective Customer Support*** – Our automated self-service support tools and highly trained team of Xpeers provide a superior level of customer service compared to many incumbent banks and financial services companies. We delight and educate our customers by providing them with a differentiated and human level of customer service, which we believe increases their financial literacy, improves their experience and increases their engagement with our platform.

- ***Proprietary Control and Capabilities from Our Technology Platform*** – We designed and made a significant investment to build our own cloud-based core banking platform, unlike many other FinTech companies or banks that typically are dependent on third-party core bank systems and credit card processors. Our NuCore platform enables us to centrally manage key functions, including our credit card transaction authorization and processing and core bank account processing, which has enabled us to operate efficiently, roll out new products or features with speed and agility, and expand into and scale in new markets faster and more effectively, facilitating our ramp-up in Mexico and Colombia.

- ***Low Operating Costs*** – We operate with a low-cost model across four key areas of our business:

    - *Low Cost to Acquire* – Given our focus on creating strong customer experiences, we have been able to acquire customers primarily through viral word-of-mouth and direct customer referrals, which has enabled us to acquire customers efficiently without expensive marketing campaigns or incentives.

    - *Low Cost to Serve* – By operating in a fully digital environment without the need for branches, and by consistently eliminating and simplifying processes, we have been able to serve our customers quickly and efficiently and achieve scale efficiencies that we can pass along to customers and investors.

    - *Low Cost of Risk* – By leveraging our advanced technology and proprietary data science to better assess and reduce credit risk, we have been able to operate and scale efficiently and offer more competitive pricing to our customers.

    - *Low Cost of Funding* – Our large and growing base of local currency deposits, originated 100% organically, has enabled us to cover more than our funding needs and extend increasing amounts of credit to our customers, creating a highly resilient, diversified and low-cost funding model that we can scale efficiently.

- ***Advantaged Unit Economics*** – The self-reinforcing nature of our business model and our low operating costs have helped us generate strong unit economic performance, with an estimated LTV/CAC ratio of greater than 30x as of December 31, 2021. We believe we benefit from several competitive advantages that include:

    - *Increasing Revenue per Customer* – Our cohorts show that we have increased our revenue per customer over time. We convert our strong customer experiences and low-and-grow credit underwriting approach into larger volumes and a greater wallet share of our customers' financial lives, while also successfully cross-selling additional products to our customers. For example, for our monthly cohorts from the first quarter of 2017, our Monthly ARPAC had increased on average by more than 18x by December 31, 2021 versus their initial month.

- *High Customer Engagement* – We believe that our continuous investments in technology and customer service combined with the compounding effects of our business model have resulted in engagement rates closer to those of social networks than digital banking platforms and helped us increase customer engagement over time. This resulted in an activity rate of approximately 76% in December 2021, which demonstrates the high frequency engagement and utility-like capabilities of our solutions.

- *Low Customer Churn* – We believe that our high level of customer engagement has contributed to our low customer churn. In the year ended December 31, 2021, we had an average monthly voluntary churn of 0.07% (measured as customers who chose to leave our platform) and involuntary churn of 0.06% (measured as customers who we removed from our platform due to risk or fraud concerns). We expect that voluntary churn will remain low as we continue to deliver an extraordinary customer experience, and become the primary banking account for our customers, and cross-sell to our existing customers to embed ourselves more deeply in their financial lives.

- ***Effective Underwriting and Pricing*** – By using our unique data and advanced NuX credit engine, we underwrite customers and manage credit risk more effectively and have lower fraud rates than incumbent banks that have been lending to consumers in our markets for over 100 years. As a result, we had a 90-day consumer finance delinquency rate of 3.5% as of December 31, 2021. This enables us to price our products more competitively while still generating advantaged unit economics. The 90-day consumer finance delinquency rate is defined as the sum of outstanding consumer finance balances with at least one payment past due for 90 days, divided by the total consumer finance balances, excluding balances past due for 360 days or more.

We Have Significant Strategic Advantages

Our self-reinforcing model also provides us with key strategic advantages that help us differentiate, grow and compete more effectively. These strategic advantages include:

- ***Unique Data*** – Our model generates proprietary data on millions of individual consumers and SMEs across Latin America, which provides us with unique insights into customer behavior. We feed this data into our artificial intelligence and 60+ machine learning algorithms to improve our underwriting, differentiate our products and services, enhance our customer support, tailor customer experiences and lower our risks.

- ***Powerful Self-Reinforcing Network Effects*** – We believe that our model demonstrates distinct self-reinforcing network effects that help compound our growth. For example, as we expand our ecosystem of customers and partners, we generate more data, which enables us to improve our products and services and customer experience. As more existing customers are delighted with their experience, they refer new customers which, in turn, increases the size of our ecosystem.

- ***Highly Defensible Business Model*** – We have built a disruptive business with a differentiated model that we believe has a strong competitive position in the market. We believe that it is highly defensible and difficult to replicate given the significant time, expertise and investments required to build our capabilities across multiple countries.

Our Growth Strategies

Despite our success to date in building what we believe to be one of the largest digital banking platforms in the world, we believe we are in the very early stages of capturing a very large market opportunity to simplify the daily lives of hundreds of millions of consumers and SMEs. We intend to leverage the competitive strengths and advantages of our self-reinforcing model to grow and expand our business and create value for our stakeholders. Our primary growth vectors are:

A. Grow Our Nu Ecosystem

We believe that our self-reinforcing model will continue to drive the expansion of our ecosystem, enabling us to reach, engage and grow our base of customers and partners. We intend to grow our Nu Ecosystem by:

- ***Nurturing Our Customer Acquisition Engine*** – We continue to build our customer acquisition engine by:
  - *Growing Our Base of Highly Loyal Customers* – Who we believe will continue to refer customers to us. We will continue to create innovative, superior products that tap into latent demand, to offer extraordinary financial solutions to consumers and SMEs who we believe are unserved or underserved by incumbent banks and to foster green-field markets to accelerate customer acquisition.
  - *Developing Our Digital Content and Social Media Presence* – Creating new digital content for our NuCommunity portal and our millions of mobile app users, and building our social media platforms to foster customer engagement, advocacy and financial education.
  - *Tactically Leveraging Marketing Spend* – To build a leading consumer brand that is loved and trusted by customers in all markets in which we operate, helping us to expand our ecosystem, attract higher-value customers and raise awareness of our new products and services. Additionally, our subsidiary, Nu Pagamentos, signed an agreement to be an Official South American Supporter of the FIFA World Cup Qatar 2022TM, which we believe will be viewed by hundreds of millions of consumers across the specific region.
- ***Increasing Our Share of Customers' Financial Lives*** – We believe we will continue to increase our share of customers' financial lives by:
  - *Growing With Our Customers* – As our customers accumulate more wealth and reach new life milestones, their need for diversified financial services may increase. We currently serve customers across a wide range of ages, and have a particularly young customer base, with more than 70% of our customers under 40 years old and an average age of 34 as of December 31, 2021, providing us with the opportunity to grow with customers who are in the early stages of their financial journeys. We believe that our youngest customers (20-24 years old) will grow their real income by about 70% in the next ten years.
  - *Cross-Selling New Products and Upselling to Higher-Value Products* – As we accumulate more data and learn more about our customers, we can suggest new products to fit their needs and optimize their credit limits, increasing our wallet share across customers' Five Financial Seasons and growing the revenue and profits we generate from each customer. We have also sold customers multiple products at progressively faster rates. For example, our January 2021 customer cohort took approximately three months to reach an average of 3.5 products per active customer, compared to over 12 months for the January 2020 customer cohort. Additionally, we have millions of customers who received access to a NuAccount but have not yet been approved to receive our credit products. As we continue to collect information on these customers and enhance our customer segmentation and credit models, we believe we will increase our approval rates and extend our full product suite to a significant share of these customers, at no marginal customer acquisition cost.

- ***Utilizing Partners to Grow Our Marketplace of Offerings –*** As we identify new areas to address, we may also partner with best-of-breed providers to serve customers in areas where we do not currently have a core product or service. We believe this represents an important growth channel and will enable us to participate in more areas of our customers' daily lives quickly and efficiently, strengthening our position as their primary financial relationship. For example, we have announced partnerships with Chubb to provide a life insurance product and Remessa Online to provide international remittance solutions, each of which can be originated and managed seamlessly through our Nu mobile app. In addition:

    - *Our Partnership with Creditas* – In September 2021, we entered into an agreement with Creditas Financial Solutions Ltd. (and/or its affiliates in Latin America), or together, "Creditas," through which we will distribute certain financial products offered by Creditas to our customers in Latin America. These include affordable retail collateralized loans, such as home and auto equity loans, auto financing, motorcycle financing and payroll loans. The agreement also provides that we will invest up to US$200 million in newly created securitization vehicles that will operate as warehousing facilities for Creditas. In the context of this agreement, we will be granted warrants that provide us with the right to acquire an equity interest equivalent to up to 7.7% of Creditas, on a fully diluted basis, under a pre-agreed valuation. As of December 31, 2021 US$130 million had been invested and the warrants had a fair value of US$19.8 million. We believe that this partnership with Creditas is an important step in complementing our ecosystem and is a testament to our commitment to bringing the best products and solutions available to our customers, irrespective of whether these products and solutions are manufactured by us or our partners.

B. Enhance Our Nu Platform

We believe that there is a significant opportunity to leverage our advanced technology and proprietary data science to offer additional functionality, solutions and experiences to our customers as we learn more about their behaviors and needs. We intend to improve our Nu Platform by:

- ***Innovating and Developing New Solutions*** – We are focused on developing and launching new products and features, which could generate additional revenue streams, complement our customers' experiences and fulfill customers' wider financial service needs. We launched several products since we started our operations in 2013, including credit and debit cards, a loyalty rewards program, payment accounts for individuals and SMEs, personal loans, PIX and life insurance. In 2020 and 2021, we added an investments offering through the acquisition of NuInvest and new "Buy Now Pay Later" solutions that allow customers to make purchases on their credit and debit card purchases and boletos (banking payment slips) over time in up to twelve installments. We expect to launch further products in the future, including additional credit products, other types of insurance policies, new investment solutions and other fee-driving businesses intended to leverage our large customer base, while constantly developing new code and making improvements to our platform and our solutions, with 120+ code deployments per day on average in the year ended December 31, 2021. For example, we added payment functionality to our NuAccounts, our fully digital banking account solution, in November 2020 by launching new instant payment functionality, which initially included PIX, the new real-time payment system in Brazil, and, in May 2021, we launched WhatsApp Pay capabilities.

- ***Executing Strategic Acquisitions*** – Although we are primarily focused on growing our business organically, we may selectively pursue strategic acquisitions that we believe are attractive business opportunities and are aligned with our mission to consolidate or expand into new areas and gain new capabilities quickly and efficiently. For example:

- *Our Acquisition of Olivia (U.S. and Brazil)* – In November 2021, we entered into an agreement to acquire Olivia, a U.S.-based data company with subsidiaries in Brazil specializing in applying machine learning and artificial intelligence solutions to retail banking. Olivia has a personal finance management application with over 100,000 customers as of November 2021, which we believe will further strengthen our open banking initiatives. The closing of the transaction was in January 2022.

- *Our Acquisition of Spin Pay (Brazil)* – In October 2021, we acquired Spin Pay, a Brazilian payments platform that has pioneered the development of instant payments solutions for online and offline merchants via PIX. As of August 31, 2021, Spin Pay had more than 220 merchants on its platform, connected to Spin Pay through commerce-enablement platforms such as VTEX and Shopify Plus, as well as directly through the Spin Pay API. We believe that the expertise and technology of Spin Pay will be instrumental in the development of our broader payments platform in Brazil.

- *Our Acquisition of Juntos (U.S.)* – In July 2021, we acquired certain assets of and hired a group of employees from Juntos, a conversational account management platform for two-way messaging customer interaction through mobile interfaces (WhatsApp, SMS and in-app chat), further strengthening our capabilities to foster strong customer engagement and product cross-sell in a hyper-scalable manner.

- *Our Acquisition of Akala (Mexico)* - In December 2020, our subsidiary Nu Tecnologia entered into a purchase and sale agreement for the acquisition of 100% of Akala, a financial cooperative association based in Mexico involved in fundraising and providing financial services, inoperative since 2018, but with a valid "SOFIPO" license. The transaction was approved by the Mexican regulatory authorities on August 31, 2021. The closing of the transaction was in September 2021.

- *Our Acquisition of Easynvest (Brazil)* – In September 2020, we announced the acquisition of online broker Easynvest. This acquisition enabled us to enter the online investing sector quickly and at scale. We received final regulatory approvals for the deal in May 2021 and closed the transaction in June 2021. Since then, we have rebranded the business as NuInvest and begun the process of integration with our business.

- *Our Acquisition of Cognitect (U.S.)* – In July 2020, we announced the acquisition of Cognitect, a U.S.-based consultancy that developed the Clojure programming language and Datomic database, which we leverage for our efficient codebase and immutable database. The acquisition closed in August 2020.

- ***Making Strategic Minority Investments*** – We will selectively make strategic minority investments in companies with which we have negotiated commercial agreements or partnerships where we believe we would benefit from strong alignment. We believe these investments can provide us with access to third-party products and capabilities at a faster pace and in a highly capital efficient manner, particularly as we build our marketplace of offerings.

- ***Making Corporate Venture Investments*** – We have also assembled an in-house corporate ventures team to evaluate and make minority investments in earlier stage companies where we see long-term strategic value establishing relationships and receiving first-hand insights on new potential geographies, products, technologies and strategies that we might consider entering or using in the future.

- *Our Investment in Jupiter (India)* – In August 2021, we announced a venture investment in Jupiter, an emerging digital banking platform in India with several innovative solutions in development. India is one of the largest emerging markets in the world, and, together with Brazil, has pioneered the broad adoption of a central-bank led QR code-based real-time payments system expected to promote profound changes to how financial services are consumed and distributed.

C. Expand into New Markets

We believe that our Nu Model also provides us with the capability to expand into new markets and scale quickly and efficiently. For example, we may consider expanding into:

- ***New Geographies*** – We believe that we are in the early stages of our international expansion. We have leveraged our technology, data science, credit and customer experience approach to continue expanding into new markets, such as Mexico and Colombia. We believe the early results of our international expansion are a testament to the geographical portability of our unique approach. In the future, we may also seek to grow our business by selectively expanding into new international markets where we can provide services to millions of consumers while disrupting the legacy models of traditional financial institutions.

- ***Case Study – Expansion to Mexico –*** In two years from the launch of our operations in Mexico in early 2020, we believe we have witnessed the ability of our Nu Model to successfully transcend borders:

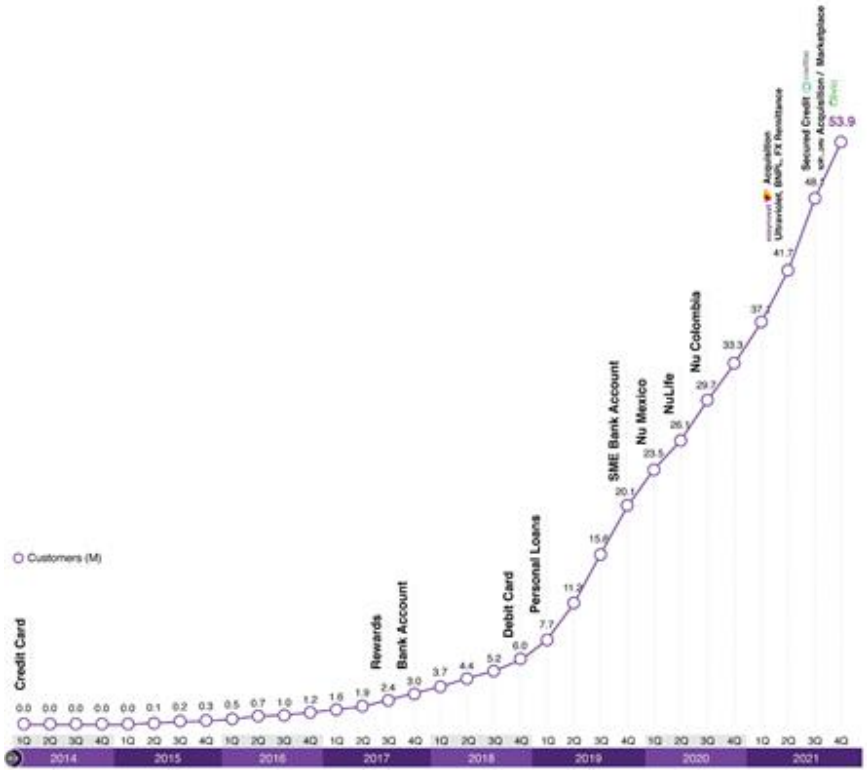
- **Customer Acquisition and Experience –** Our customer base is growing at a rapid rate and, as of December 31, 2021, we had a total of 1.4 million customers, approximately 71% of whom we acquired through unpaid word-of-mouth referrals, and an NPS of 94, which we believe is well above incumbent banks in Mexico. Both the ramp up of our customer base and our NPS in Mexico are ahead compared to where we were in Brazil two years into our journey.

- **Consumer Credit Underwriting –** We are already in the third generation of our proprietary machine-learning underwriting models, which have meaningfully increased our ability to accept new customers in a country with one of the lowest levels of financial inclusion in the world. We estimate that our first payment default ratio (that is, the percentage of customers that did not pay their first scheduled payment within 10 days of it falling due in relation to the total customers acquired in the period) would drop by over 60%, if approval rates were held constant since the adoption of our first model in the country compared against credit bureaus. On a year-over-year basis, our first payment default rate has dropped to 5.3% in the quarter ended December 31, 2021, from 8.4% in the quarter ended December 31, 2020. The velocity with which we have implemented our proprietary underwriting models in Mexico is also ahead of our experience in Brazil at the same point in the journey.

- **Leadership Position –** We believe we have already become the top credit card issuer in the country, in terms of the number of cards issued during the second half of 2021, surpassing long-established incumbent players such as Banco Azteca, Santander Mexico, HSBC, BanCoppel and Banamex, based on data for other issuers from the Central Bank of Mexico.

- **Adjacent Sectors –** We believe there is a significant opportunity to bring the self-reinforcing effects of our model to adjacent sectors where we can disrupt legacy models and provide additional value to our existing and new customers. For example, we believe there are similar opportunities to simplify the daily lives of our customers by disrupting existing models in industries such as e-commerce, healthcare and telecommunications.

Of our 53.9 million customers as of December 31, 2021, 1.4 million customers were in Mexico and 114,000 customers were in Colombia.



5.6 Million people had access to a bank account or a credit card for the first time with Nu

3+ Average number of products per active customer

2021		
Customers **53.9M**	Monthly Active Customers **41.1M**	Total Revenue **$1,698.0M**
Rev. Growth YoY *(FX Netral)* **138%**	Net Income (Loss) **($165.3M)**	Adjusted Net Income (Loss) **($6.6M)**

Our Products and Services

We offer a wide range of products and services for our customers. In Brazil, we offer customers products across the Five Financial Seasons: (1) spending, (2) saving, (3) investing, (4) borrowing, and (5) protecting. All our products are fully digital solutions to help us provide simple, convenient and low-cost services with a great user experience to our customers.

Spending Solutions

Our spending solutions are designed to help customers pay for goods and services in their everyday lives with a customized credit line or instantly through a mobile phone, while collecting loyalty points, rewards and discounts and benefits on applicable transactions. These include:

Nu Credit and Debit Card

Our core Nu Credit and Debit Card was our first product, launched in 2014. It is a Mastercard-branded international card that is 100% digital-enabled and acts as both a credit and a debit card. Our Nu business debit and credit cards are also similar to the personal cards. The credit function started to be tested with customers in 2021 and we believe it is being received by entrepreneurs with the same enthusiasm as the personal cards.

Features and benefits include:

- No fees or annuity charges
- WhatsApp Pay (debit card only), Android Pay and Apple Pay enabled
- Accepted by more than 30 million merchants all over the world
- Complete digital experience with broad control over mobile apps such as blocking and unblocking cards, managing credit limits and due dates for bill payments
- Discounts for early installment payments

Ultraviolet Credit and Debit Card

Our premium Ultraviolet Credit and Debit Card was launched in 2021 for our more affluent customers with higher transaction volumes and NuInvest balances, or customers willing to pay a fee of R$49 per month (approximately US$9.0, based on the Brazilian reais/U.S. dollars exchange rate on December 31, 2021).

Features and benefits include:

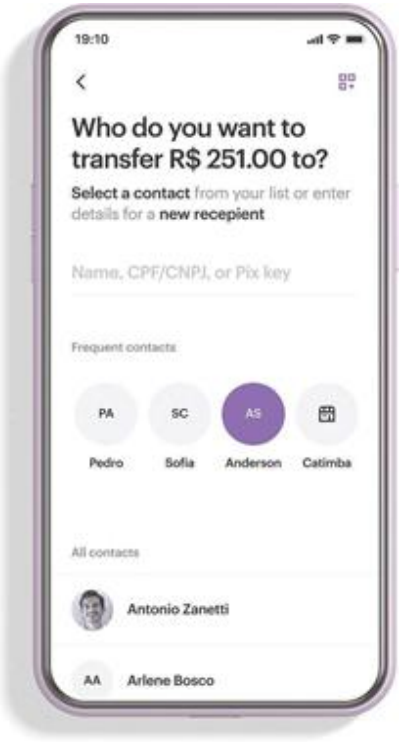
- Metal design
- 1% cashback that yields 200% of the Brazilian interbank deposit rate, which may be exchanged for miles, invested or transferred to our NuAccounts
- Full benefits of Mastercard Black, including insurance on selected purchases and VIP airport lounge access
- Access to exclusive NuInvest products

Mobile Payments

Instant payments for NuAccount customers to make and receive transfers, pay bills and make everyday purchases any time through their mobile phone.

Features and benefits include:

- Real-time transfers through PIX, WhatsApp Pay or NuAccounts
- Easy and secure payments using PIX keys instead of lengthy bank information
- Pay using traditional payment types such as an express wire transfer, or “TED,” and a credit transfer document, or “DOC”
- No fees
- Instant settlement
- Available 24/7

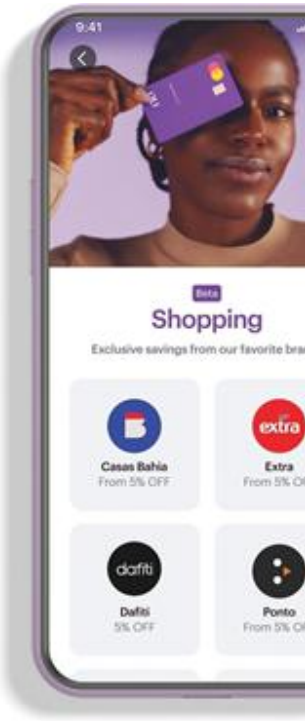


Nu Shopping

Our integrated Shopping solution enables customers to purchase goods and services from several of the most well-known e-commerce retailers in Brazil via the Nu mobile app. We launched a beta version to customers in Brazil in November 2021, and plan to roll the Shopping solution out more broadly in 2022.

Features and benefits include:

- Exclusive benefits, product offers, and special pricing
- Coupons and discounts of up to 10% on selected goods and services
- Access to shopping partners across retail e-commerce, fashion, apparel, and mobile devices
- Seamless payment using Nu Credit Card, Ultraviolet Credit and
- Debit Card
- Certain e-commerce partners also accept PIX and boletos (banking payment slips) from Nu Account



Saving Solutions

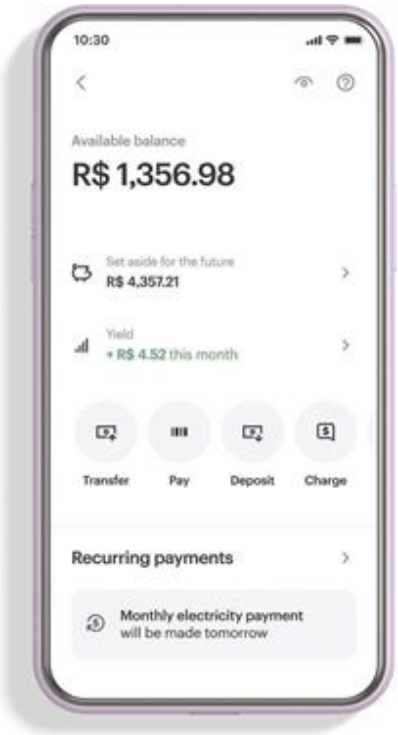
Our savings solutions are designed to help our customers deposit, manage and save their money in interest-earning accounts with complementary debit cards. These include:

Nu Personal Accounts

NuAccounts is our fully digital account solution that supports all personal finance activities, from daily purchases and money transfers to savings.

Features and benefits include:

- No annual or maintenance fees
- Access to all account details anytime through the app
- Auto-invest feature that automatically invests any existing balances in time deposits or government bonds, providing a yield equal to the Brazilian interbank deposit rate and instant liquidity
- Complementary contactless debit card
- Unlimited free transfers and payments
- Pay credit card with account balance for instant limit availability
- Real-time digital notifications for all activities
- Reserve account to store funds or lock them as time deposits for enhanced yields
- Ability to save set amounts on monthly basis for better spending control
- Access to cash withdrawals in at least 38,000 locations

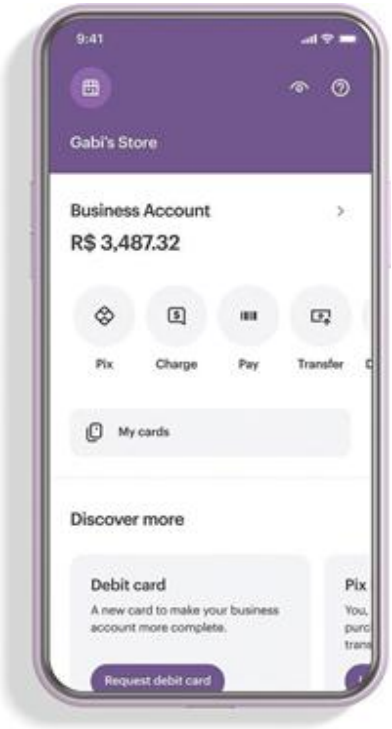


Nu Business Accounts

Our Nu business accounts are similar to our Nu personal accounts, but designed specifically for our entrepreneur customers and their businesses. This allows our customers to separate their business and personal transactions.

Features and benefits include:

- No annual or maintenance fees
- Business debit card for easy purchases and withdrawals
- Real-time access to account details
- Unlimited transfers to and from the account
- Set up regular expense payments
- Receive payments from customers (receiving from PIX is free)



Investing Solutions

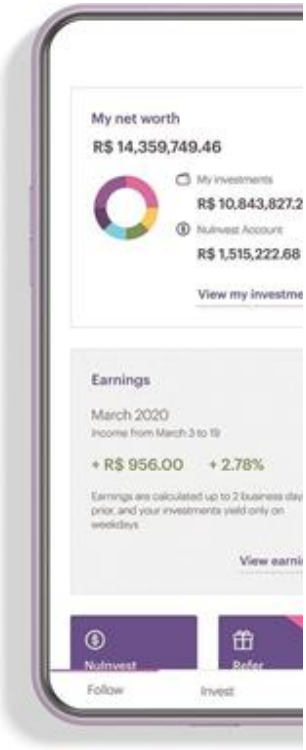
Our investing solutions are designed to help our customers invest their money easily and conveniently with access to a growing number of investment products and services. These include:

NuInvest Investment Accounts

NuInvest is our investment product offered direct-to-consumer without the need for third-party brokers. We provide equity, fixed-income, options and ETF products as well as multimarket funds with curated asset allocations based on the customer's risk profile and financial position in a trustworthy account.

Features and benefits include:

- Ability to invest as little as US$1
- Clear information in easy-to-understand language
- Transparent fee pricing
- Wide portfolio of investment choices



Borrowing Solutions

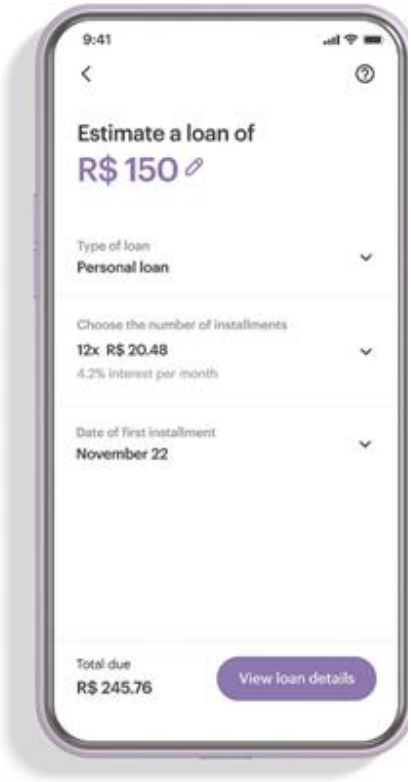
Our borrowing solutions are designed to provide our customers with unsecured loans that are easy to receive, manage and pay back. Over time we expect our credit products to be a mixture of our own proprietary products as well as those offered by third parties, and to be funded through different sources including securitizations and deposits. These products currently include:

Personal Unsecured Loans

Easy-to-manage fully digital loans for our credit card and digital account customers. Our customers are in control from the pre-loan simulation through loan management.

Features and benefits include:

- Instantaneous and fully digital approval process, with borrowed funds deposited in the customer's NuAccount
- Transaction financing products including: bill payment in installments, debit transaction financing and boleto financing
- Interest rates that are lower than the market average
- Transparent loan terms
- Better terms for customers with direct deposit into their NuAccounts
- Easy simulation with control over the installments and principal payments in the mobile app
- Functionality for installment anticipation and renegotiation within the mobile app

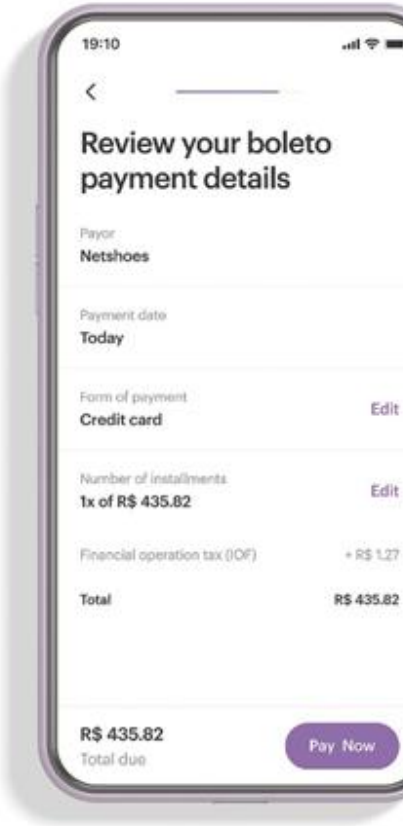


Buy Now Pay Later

Simple, in-app “buy now pay later” solution for Nu card customers, giving our customers the ability to pay credit and debit purchases and boletos (banking payment slips) over time in up to twelve installments.

Features and benefits include:

- Transparent and flexible payment terms, all in-app
- More financial autonomy and purchase power for customers to decide how and when to use their money
- Increased flexibility for customers to spread out a payment for purchases that do not offer installments at the point of transaction
- Democratized access to credit-like features for debit card payments
- Better flexibility for customers with unexpected large purchases, expenses or bills



NuPay

A new and disruptive way to pay for online purchases with just a few clicks within the Nubank app, offering a more practical and secure experience.

Features and benefits include:

- Enables customers to pay with their account balances or interest-free installments
  - Expands customers purchasing power and merchant sales through additional limits beyond what is already available through credit card
  - Improves checkout conversion by simplifying the purchase experience and eliminating the need to type credit card information
  - Eliminates the risk of fraud and credit card information leakage once the transaction is securely approved through an authenticated device with PIN confirmation.
  - Simplifies merchants operational processes and reduces working capital needs through D+1 settlement for all purchases

Protecting Solutions

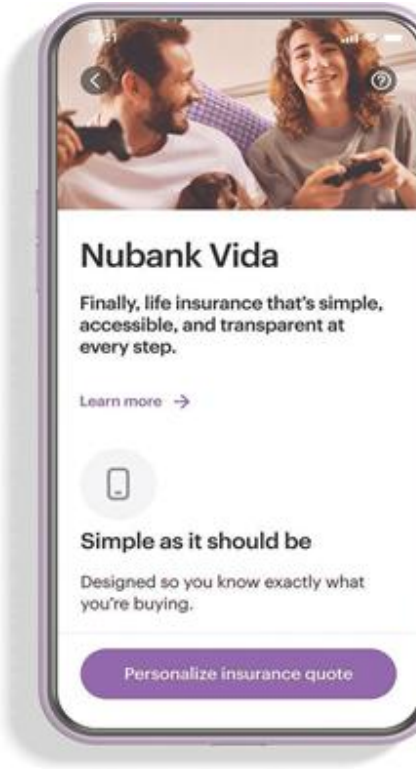
Our NuInsurance protecting solutions are designed to help our customers secure life insurance and funeral benefits easily and at a low cost. These include:

NuLife and NuMobile Insurance Policies

NuLife is our complete life insurance product and NuMobile is our mobile insurance. Both are underwritten by Chubb, that can be customized by our customers based on their needs and budgets.

Features and benefits include:

- Premiums as low as US$2 for NuLife
- Fast, simple, and clear application process
- Transparent and disruptive fee structure
- Fully customized packages to customers' circumstances
- Easy claims process
- 24/7 customer service



Our Marketing and Distribution

We have created a member-get-member marketing strategy that leverages our high-quality products and services to delight customers, who may then refer us to their family, friends and peers. Over time, this strategy has enabled us to grow virally and acquire approximately 80%-90% of our customers organically on average per year since our inception, either through word-of-mouth or direct unpaid referrals, without the need for significant marketing expenses. We believe that this low-cost approach allows us to focus resources on improving the customer experience, which further enhances the virtuous cycle of our member-get-member strategy.

In particular, our subsidiary, Nu Pagamentos, signed an agreement to be an Official South American Supporter of the FIFA World Cup Qatar 2022TM, which we believe will be viewed by hundreds of millions of consumers across the specific region. The FIFA World Cup has historically been one of the biggest sporting events, and we believe that this World Cup in particular will be a special moment for the world to unite and celebrate collectively for the first time since the start of the COVID-19 pandemic. We anticipate that this will give us significant exposure in the South American region and put us in the spotlight during the matches.

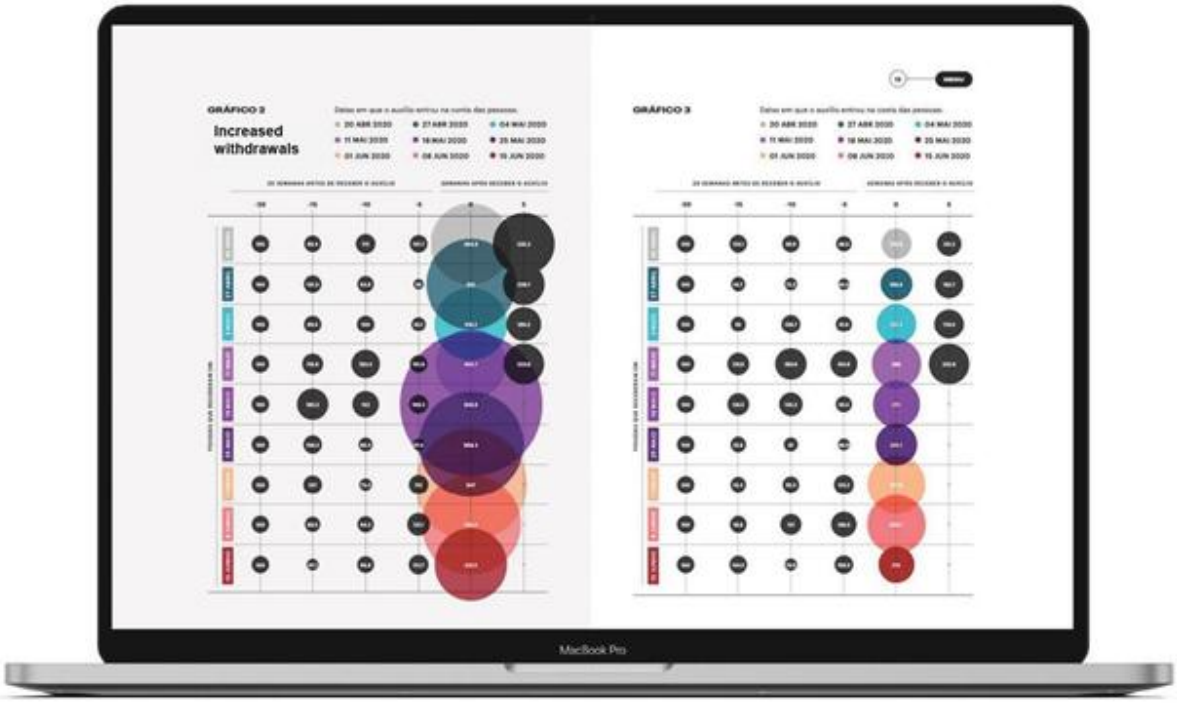
We also employ various social and digital media initiatives to drive greater awareness and support across our ecosystem, foster the development of our online NuCommunity portal and promote our member-get-member strategy. These include:

Influencer Partnerships

We have partnered with Brazilian pop star and influencer Anitta, who is one of the largest and most recognizable musical artists and influencers in Brazil. She has earned five nominations for Latin Grammy awards and over 58 million followers on Instagram as of December 31, 2021. Anitta advises us on the rollout of selected new products, such as our Ultraviolet card for more affluent consumers, which was launched in July, 2021. Anitta also joined our board of directors in June 2021, where we expect she will leverage her broad influence and deep understanding of consumer behavior to support our growth.

Proprietary Financial Education Content

We create proprietary educational content that we believe is a highly differentiated and powerful tool to strengthen our brand and awareness, attract new customers, and improve engagement with existing customers. Our diverse content is distributed through multiple digital and social channels, including our blog, which has become a powerful search engine optimization benchmark in Brazil, covering over 240 thousand keywords, from branded topics, such as our products, to financial education, and amassed nearly 72 million unique visitors as of December 31, 2021. In addition, as of December 31, 2021, we had more than 2.3 million monthly subscribers who receive our financial education newsletter. Additionally, we distribute content through InvestNews, our proprietary content channel that offers daily coverage of news and educational content on economics, investments, finance and politics. As of December 31, 2021, the InvestNews channel on YouTube had 340,000 subscribers. Since its inception, the channel has produced more than 2,000 videos and has accumulated over 33 million total views.



Social Media

We maintain a strong social media presence across major platforms where we have attracted approximately 10.2 million followers and 296 million impressions (defined as the number of times our posts, stories, videos or live videos were viewed on screen by an account other than our own in any given month. Impressions may include multiple views of our posts, etc. by the same accounts) across all social channels as of December 31, 2021. Our presence spans across Instagram, Facebook, Twitter, LinkedIn, YouTube, TikTok and our own NuCommunity portal, as illustrated in the graphics below. We have a leading social media position, with more followers across several social media platforms when compared to both incumbent banks and digital banks, including LinkedIn, Instagram and TikTok, based on our internal analysis of publicly available information.

Linkedin
3.8 million followers

Facebook
2.3 million followers

Instagram
2.3 million followers

YouTube
1 million followers

Twitter
540,000 followers

TikTok
91,000 followers

Spotify
5,665 subscribers

NuCommunity
280,000 subscribers

Our Proprietary Technology and Data Platform

We use advanced cloud-based technologies and data science tools to deliver a superior experience for our customers in a hyper-scalable and secure environment. We prioritize building our own technology and investing in extraordinary engineering talent to operate and enhance a proprietary technology platform that was purpose-built for our mission. The key components of our technology include:

- ***NuCore Technology Platform*** – All of our products, services and operations are powered by NuCore, our proprietary, cloud-based core banking platform that we designed and built from the ground up. NuCore enables us to centrally manage several key functions of the business, which provides us with greater speed and control to optimize our products and address the needs of the markets in which we operate. The key functions of NuCore include:
  - *Transaction Authorization and Processing* – which allows us to efficiently monitor transactions across our ecosystem.
  - *Core Banking* – which allows us to manage all banking applications and data across our ecosystem.
  - *Regulatory Reporting* – which allows us to manage regulatory requirements and generate reports for regulators in an automated environment.
  - *Business Operations* – which automates significant parts of the operations across our business.
  - *Credit Underwriting* – which supports our proprietary data analytics and credit scoring algorithms necessary to differentiate our credit services from those of the incumbents in the industry.
  - *Fraud Prevention* – which enhances fraud prevention proactively and automatically, powered by our data analytics, artificial intelligence and proprietary algorithms.
- ***Experimentation Platform*** – We leverage an experimentation platform that allows us to quickly test, measure and validate all applications and data models before we deploy in a live environment, which helps us improve decision-making and agility when launching new technology.
- ***Microservices Approach*** – We use a versatile, decentralized technology architecture to manage and deploy over 500 modular microservices that we have developed. This advanced technology strategy enables us to scale, launch new products, enter new markets and update our codebase in a fast and highly efficient manner.
- ***Product Platformization*** – We designed our technology platform to enable product development and new capability deployment to occur seamlessly across our applications. Our platformization approach enables faster product and market launches.
- ***Immutable Database*** – We have created an advanced, immutable ledger, utilizing the Datomic database technology we own, which provides us with a highly reliable audit trail and transaction history that we believe provides better accuracy, control, reliability and transparency when compared to traditional database architectures.
- ***Cloud-Based Architecture*** – We employ an architecture and infrastructure that is designed for scalability, efficiency and security. We operate in a fully cloud-based environment, leveraging the latest technologies to optimize our performance and increase capacity as needed, which enables us to manage our growth efficiently and cost-effectively. We have partnered with Amazon Web Services to be our primary third-party cloud infrastructure provider.

- ***Machine Learning and Artificial Intelligence*** – Through the utilization of our data analytics and customer insight, we are able to utilize artificial intelligence and machine learning algorithms to enhance our customer experience and product offerings. As a result of our available customer data, our systems power a self-driving experience where we provide customers with real-time recommendations on products that meet their specific needs throughout their financial journey.
- ***Operate at Low Marginal Costs*** – The architecture and various operating advantages of the NuCore Technology Platform enable us to run our business efficiently and with low incremental costs as we scale our business.

Our Customer Service and Support

We service and support our customers with convenient, caring and high-quality customer service and support teams. We also leverage technology tools to streamline the customer support experience, empowering our customer service agents. Together this combination of human-centric and technologically advanced support has enabled us to achieve an industry-leading NPS. Our customer service and support functions, processes and tools were designed from the bottom-up to embody our strong customer-centric culture, strengthen our relationship with customers and create fanatical customers who will refer Nu to their peers. These teams, technologies and programs include:

- ***Xpeers*** – We have assembled a team of highly trained and passionate customer service agents with a human-focused mentality who we call our Xpeers. Our Xpeers are trained to be subject-matter experts empowered to solve customer questions at first contact, which can be made by chat, email or phone. We utilize our data analytics and artificial intelligence insights to direct customers to the best-suited Xpeer team member, improving resolution times and, we believe, customer satisfaction. We employ a strategy of using internal and external resources for customer support that provides us with the ability to maintain the highest customer service quality alongside our hyper-growth. In the three months ended December 31, 2021, 95% of the calls received were answered in less than 45 seconds and the customer satisfaction rate for the calls exceeded 94%. We measure the customer satisfaction rate as the percentage of customers who rate our customer service as a 4 or a 5 on a scale of 1 to 5.

- ***WoW Approach*** – We have developed an approach for our Xpeers that builds stronger human connections and delights our customers with excellent customer service. We call this our WoW Approach. We have a team of over 30 customer excellence professionals to train and manage the WoW Approach across our customer service team. Additionally, we encourage Xpeers to send a gift of their choice to customers when they build a real human connection during a positive customer experience. In the year ended December 31, 2021, we sent more than 26,000 gifts to customers across Brazil. Many customers have posted their positive experiences on social media, which continues to fuel our referral and word-of-mouth customer acquisitions strategy.

- ***Shuffle*** – We have developed a technology platform to support our Xpeers and simplify customer service that we call Shuffle. This platform provides our Xpeers with a robust interface that features a single go-to application for up-to-date information on the customer, interaction history and insights into the likely problem the customer is facing, which enables our Xpeers to address the issue quickly and efficiently. On the backend, Shuffle connects to another proprietary platform called Proximo!, which intelligently tags each customer inquiry with a "reason" and routes these inquiries to the agent with the greatest level of expertise in this area, allowing them to tackle the next most important task in line. This ecosystem helps to maximize first contact resolution and minimize transfers and friction for the customer. As of December 31, 2021, we employed a dedicated team of 42 engineers to build and maintain technology tools for our Xpeers.

Our Approach to ESG and Sustainability

We have a strong commitment to advancing ESG efforts, which is reflected in four key pillars driving everything we do: (1) ESG integration in our decision-making processes to connect purpose and growth; (2) shared value co-creation through consideration of our stakeholders; (3) commitment to having a lasting, meaningful and positive impact on people's lives; and (4) having an ethical, transparent and efficient corporate governance. To oversee our ESG strategy and roadmap, we have established a stakeholders' committee. The main role and responsibility of this committee is to focus on setting bold objectives and assess the impact we have on key stakeholders: customers, employees, investors, regulators and society.

We believe that financial inclusion is critical for driving sustainable development. Democratizing access to financial services and literacy is crucial for communities to grow. As such, we believe we have built a strong reputation with regulators and are committed to ethical and transparent relationships with public officials as we work to improve how people are served by financial services companies. The result is reach and access across 100% of Brazil's municipalities. We estimate that we have provided the first credit card or bank account, as of December 31, 2021, to approximately 5.6 million people in Brazil.

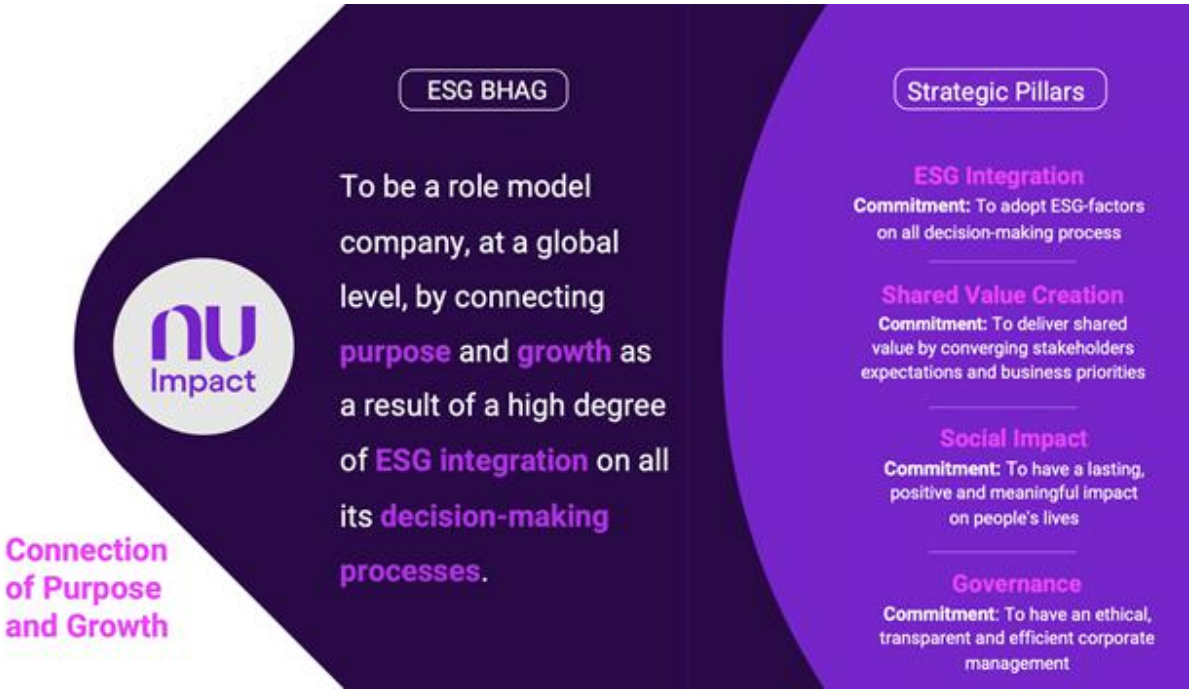
From a social impact perspective, more than 67% of our customers say they've gained more financial independence due to the use of our financial services and 80% reported they could overcome unforeseen financial issues as a result of their access to our credit products. Furthermore, 77% of our customers state we have positively impacted their financial lives. Additionally, we believe we are generating value to our SME customers by providing access to financial services, for the first time, to 46% of them.

Our commitment to having a strong social impact also involves continuously improving the financial literacy of our customers. Since 2018, more than 186 million users have consumed financial education content through our blog channel. As a company committed to connecting profit and purpose, we will continue to challenge ourselves to create as much value as possible for our stakeholders.

We believe our strong focus on impact allows us to recruit and retain the best talent and diverse teams, ensuring that we have the depth of perspectives to design the best human-centered customer experiences. Among our employees in Brazil, as of December 31, 2021, 32.9% self-identified as black or brown, 45.2% as women, 26.6% as LGBTQIA+, and 61.4% of our employees in leadership positions self-identified as from underrepresented groups.

We are also aware of the importance of addressing greenhouse gas emissions and climate change. We committed to being a carbon neutral company and we performed the 2020 greenhouse gas emissions inventory (scope 1, 2 and 3), which was audited by an independent third-party consultancy, and published in accordance with the GHG Protocol.

The way we think about stakeholder impact is illustrated by our Nu Impact (ESG) framework laid out in the chart below.



Our Approach to Risk Management

Our approach to risk management is core to our business model and has been designed to reduce friction, onboard unbanked or underbanked customers and drive credit delinquencies below the industry average. We are continuously improving our risk management functions by using data and technology to reduce the risk in our business and improve our credit underwriting engine. There are four components to our risk management approach:

- ***Enterprise Risk Management*** – We have developed a robust enterprise risk management and governance program that allows us to minimize risks while also delivering customers a frictionless experience. We do this by combining modern risk management systems employed by some of the most sophisticated financial services companies in the world with the latest in data science and machine learning models.

- ***Low-and-Grow Approach*** – We employ a low-and-grow credit strategy, in which we typically begin with customers that have no or little available credit information with a very small credit line and slowly extend this credit line over time as we learn more about their behaviors and potential credit risks. This approach allows us to quickly separate the good borrowers from the bad by tracking customer behavior over time. As we collect more data and better understand customers' financial habits, we extend the credit lines. This iterative approach has enabled us to effectively underwrite and onboard customers with little to no credit history.

- ***NuX Credit Engine*** – We use an internally developed credit engine, called NuX, which leverages proprietary and alternative data sources to underwrite and monitor our credit products more effectively and lower fraud rates. Our NuX credit engine, supported by a dedicated team, is self-learning and benefits from increasing scale as we ingest, test, monitor and enhance our credit algorithms over time to manage the risks of our credit portfolio. Our model is robust enough to allow us to underwrite to a large set of customers while maintaining a 90-day consumer finance delinquency rate of 3.5% in Brazil as of December 31, 2021, compared with an industry average 90-day delinquency rate of 5.0% as of the same date. We have successfully operated with a low-risk credit portfolio through some of the most volatile macroeconomic events, including Brazil's worst recession on record occurring between 2016 and 2018. We believe our NuX credit engine is portable to new markets by leveraging our ability to ingest, analyze and react to credit data in a specific market. For example, in Mexico we have been able to quickly iterate and launch new versions of our underwriting credit engine by collecting more data and incorporating third-party data sources. Compared to making decisions with generic credit bureau scores, the latest version of our credit engine allows us to decrease risk by 60% for a comparable approval rate. This allowed us to triple our approval rate from 17.8% in the quarter ended December 31, 2020 to 44.1% in the quarter ended December 31, 2021.

- ***Liquidity Risk Management*** – Our liquidity risk framework leverages data to capture all contractual cash flows, and over those we apply a stress scenario coherent with the credit models we use in our business, but more severe. In addition, we apply a shock designed to cover operational risk events that may impact our liquidity. The combination of both shocks produces a very severe yet plausible scenario that helps ensure resilience from a liquidity management perspective.

Our Information Security Initiatives

Our well-trained and dedicated team of cybersecurity professionals hold various global industry certifications, including SysAdmin, Audit, Network, and Security, or "SANS," National Institute of Standards and Technology, or "NIST," International Council of E-Commerce Consultants, or "EC-Council," and Information Systems Audit and Control Association, or "ISACA." This team monitors our systems and transactions around the clock and works to keep our data and environment secure, while upholding stringent security and compliance policies in line with global best practices, including the ISO27000 standards, NIST standards, MITRE ATT&CK framework, payment card industry, or "PCI," standards and Open Web Application Security Project, or "OWASP," best practices. Our security team monitors all employees and third parties who access our platforms and manage tight authentication controls and physical authorization technologies in all our operating environments. We also have adopted safe coding and development practices.

At the heart of this strategic imperative is our commitment to providing secure and protected products and services to our customers. We have invested heavily in building internal capabilities to help ensure that our control systems meet the demands of our hyper-growth plan. We leverage our unique technology stack and engineering capabilities to continuously enhance our security layers. For instance:

- ***Code to Minimize Vulnerabilities*** – We utilize a less common code language, Clojure, which allows us to operate efficiently while minimizing our exposure to common security vulnerabilities, and have developed Clojure secure code analysis tools. We also update our code frequently, resulting in a constantly evolving environment, which we believe makes our code less vulnerable to exploitation. In the year ended December 31, 2021, we pushed 120+ code deployments per day, on average.

- ***Continuous Security Testing*** – We believe in building confidence in our security through practical, continuous and independent testing. We have a public responsible disclosure program and private bug bounty program with HackerOne, an industry leader in crowdsourced security testing. We have conducted penetration tests with a variety of external security partners, and we conducted ethical hacking using our highly skilled in-house offensive security team to further secure our critical internet-facing infrastructure and mobile application.

- ***In-Depth Vendor Security and Onboarding*** – We run in-depth security due diligence and continuously assess vendors and suppliers we bring onboard to help ensure that our security standards are being met. We continuously real-time scan our suppliers to identify vulnerabilities in their public-facing infrastructure that may put us at risk, and we work with them to fix gaps.

- ***Cybersecurity Intelligence*** – We have a highly capable in-house threat intelligence team working to track and disrupt cyber criminals before they can launch attacks on us and our customers. We complement this capability with threat intelligence partners who are embedded in the hacker community to identify indicators of risk.

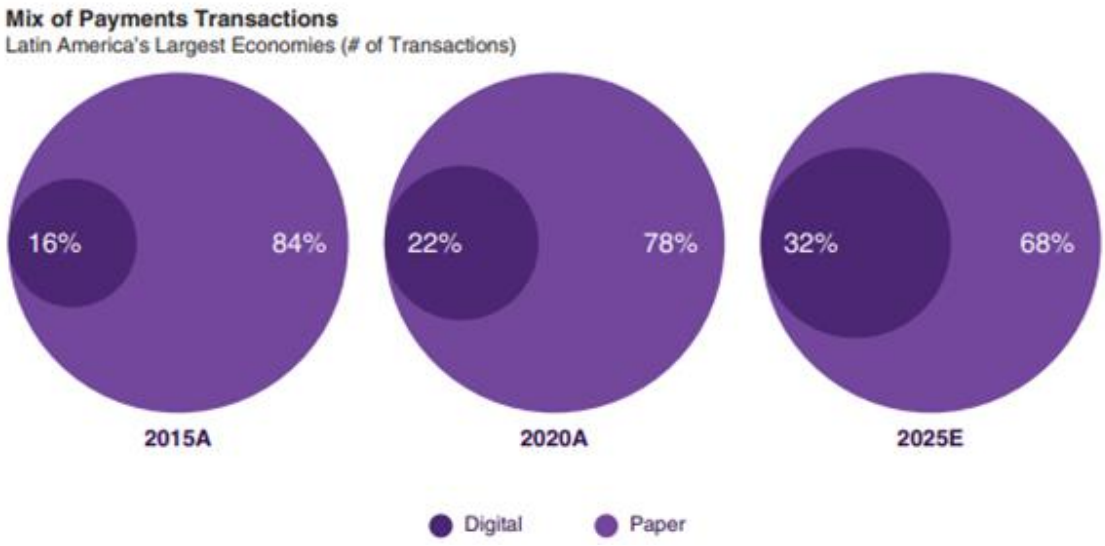
We complement our multitude of internal controls with additional intelligence from our industry-leading security partners to help ensure we maintain defense-in-depth control design. They provide us with additional support and protection on controls, operations and around-the-clock incident response and recovery.

Deep Dive on Our Industry Background and Market Opportunity

We estimate our total revenue potential opportunity in Latin America based on six key market components.

I. Payments

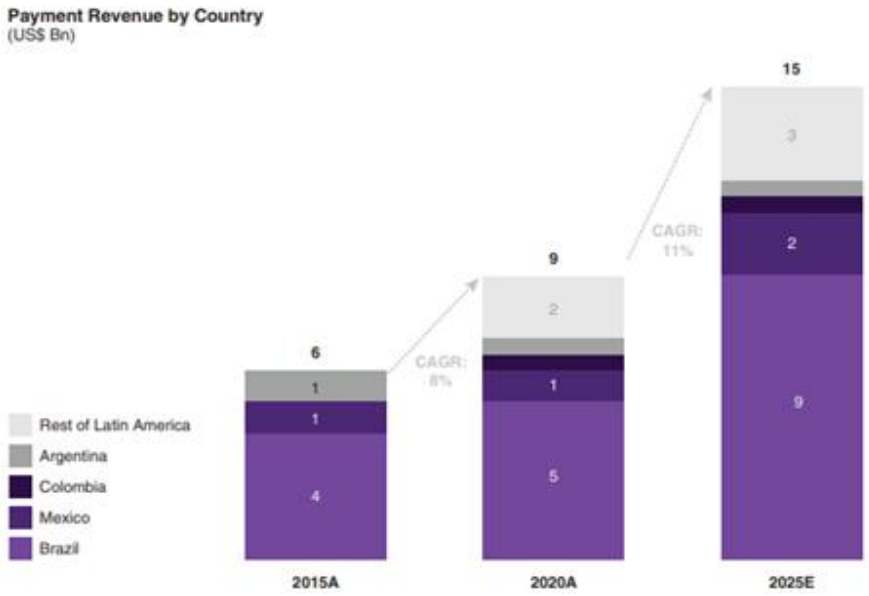
Digital payment transactions in Latin America are expected to experience strong growth, doubling their share in total transactions from 16% in 2015 to 32% in 2025, according to the Oliver Wyman Report. We believe that this structural shift from cash into digital payment methods is as a result of (i) greater adoption of credit and debit cards, which still remain fairly underpenetrated when compared to other countries, (ii) the rise of instant payment systems such as PIX in Brazil and CoDi in Mexico that have been replacing cash and legacy wire products at an accelerated pace, and (iii) the growth of e-commerce, which significantly accelerated in recent years, particularly after COVID-19 started in early 2020.



Credit and debit card (including pre-paid) purchase volume in Latin America's top six economies (Brazil, Mexico, Argentina, Colombia, Chile and Peru) is expected to accelerate in growth, going from a 5% compound annual growth rate from 2015 to 2020, to a CAGR of 12% from 2020 to 2025, according to the Oliver Wyman Report. This will result in a total purchase volume of approximately US$1.2 trillion by 2025, more than double the level in 2015.

In Brazil, our share of the payment volume market stood at 9.1% in 2021, 5.9% in 2020 and 3.6% in 2019, according to data from ABECS. We expect to continue to gain share in this area as we grow our customer base and as our existing customer cohorts mature. In addition, our debit payment volume has significant potential to grow as we become the primary bank for a greater number of our customers. In Mexico and Colombia, markets where we recently entered, our share in cards is still relatively small despite our strong early success.

Industry revenue from interchange in Latin America is expected to grow from US$9 billion in 2020 to US$15 billion in 2025, at a CAGR of 11%, according to the Oliver Wyman Report. Revenue from interchange in Brazil reached US$5 billion in 2020 and it is expected to reach US$9 billion by 2025 (considering an exchange rate of 5.16), equivalent to a CAGR of 14% during the period. In Mexico, industry revenue from interchange reached US$1 billion in 2020 and it is projected to grow at a 12% CAGR to reach US$2 billion in 2025.



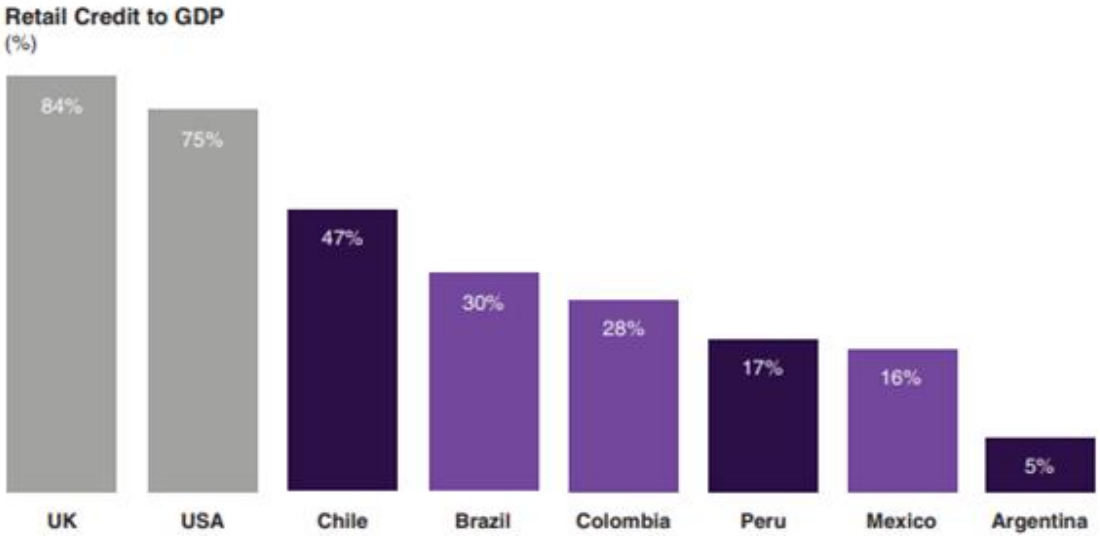
Credit cards have historically been offered to the most affluent subset of the population with perks and benefits, while penalizing the least affluent through burdensome annual fees. Our vision is fundamentally different; we want to democratize credit cards as useful tools for our clients to make payments, organize their finances and ultimately progress financially, while educating clients to carefully rely on credit card limits only in times of necessity, all under a superior and 100% digital user experience. In 2021, we again innovated by launching Ultraviolet, our premium credit and debit card for our more affluent customers with higher transaction volume and NuInvest balances, or for any customer willing to pay a fee of R$49 per month (approximately US$9.0, based on the Brazilian reais/U.S. dollars exchange rate on December 31, 2021).

Beyond credit cards, the broader payments opportunity ahead of us is significant. Brazilians have quickly added PIX to their daily lives and we have spearheaded this process, establishing ourselves as one of the largest PIX institution in Brazil, with 37.3 million users with PIX aliases as of December 31, 2021. PIX transactions between individuals must be free of charge and therefore do not generate revenues; however, PIX is fostering the inclusion of millions of unbanked Brazilians into the financial system, and our NuAccount is an entry point for them. In addition to adding customers, PIX also leads to greater customer engagement, increasing activation and allowing for future cross-selling. In Mexico, CoDi, a platform for P2P transactions without commissions, was launched in 2019 by Banxico, and is expected to have similar positive impacts on financial inclusion and digitalization in the country.

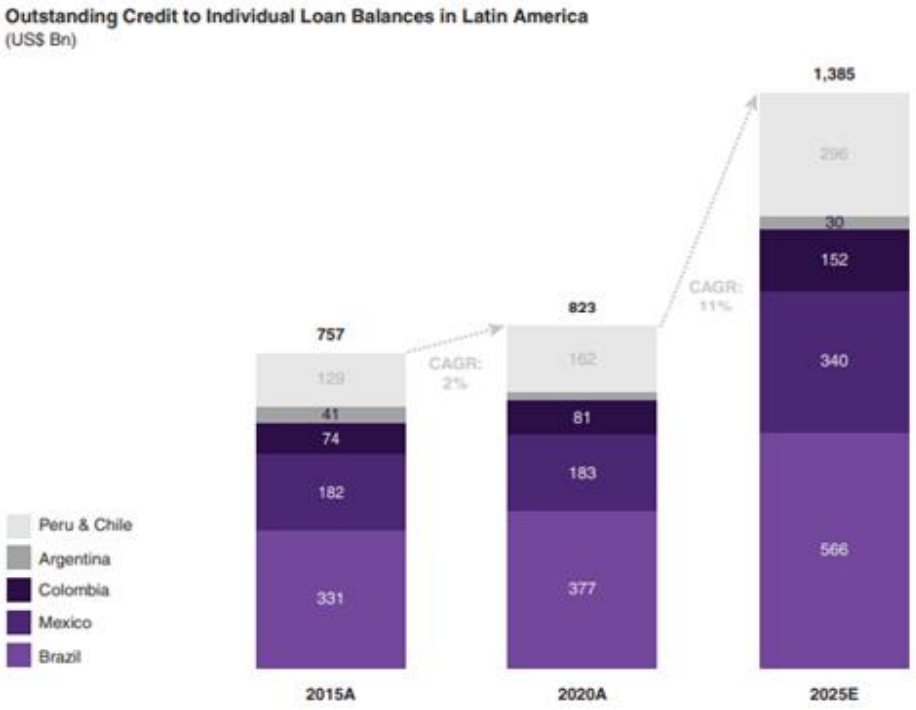
We also believe there will be an attractive opportunity to offer digital acquiring services to our SME NuAccount customers in the future as we grow our customer base.

II. Retail Credit to Individuals

Retail credit in Latin America is highly underpenetrated relative to developed economies, presenting a strong growth opportunity. According to the IMF, the average household debt to GDP ratio in the top Latin America economies stood at 24%, relative to 84% in the United Kingdom and 75% in the United States.



As a result of this low starting level, the credit portfolio balance to individuals in 2020 in Latin America's top six economies is projected to grow at an 11% CAGR in dollar terms, to reach US$1,385 billion in 2025, according to the Oliver Wyman Report.



The amount of retail credit provided to individuals in Brazil stood at US$377 billion as of December 31, 2020, with credit cards and personal loans together accounting for 19% of the total amount of retail credit loans outstanding as of December 31, 2020.

Retail credit provided to individuals is the single largest revenue opportunity within retail financial services in Latin America. According to the Oliver Wyman Report, the revenue pool, measured as interest income minus funding costs and cost of risk, for the region reached US$122 billion in 2020, and it is expected to grow at a 7% CAGR to reach US$171 billion in 2025. The projected growth in certain countries (e.g., Mexico) is driven by an expected increase in credit penetration largely supported by new access to credit by the unbanked population in the region.

In Brazil, the revenue pool estimated by Oliver Wyman reached US$74 billion in 2020, and it is projected to grow to US$85 billion by 2025. The expected growth is driven mainly by an expected expansion in credit penetration (% GDP), which is expected to grow from 20% in 2020 to 26% in 2025.

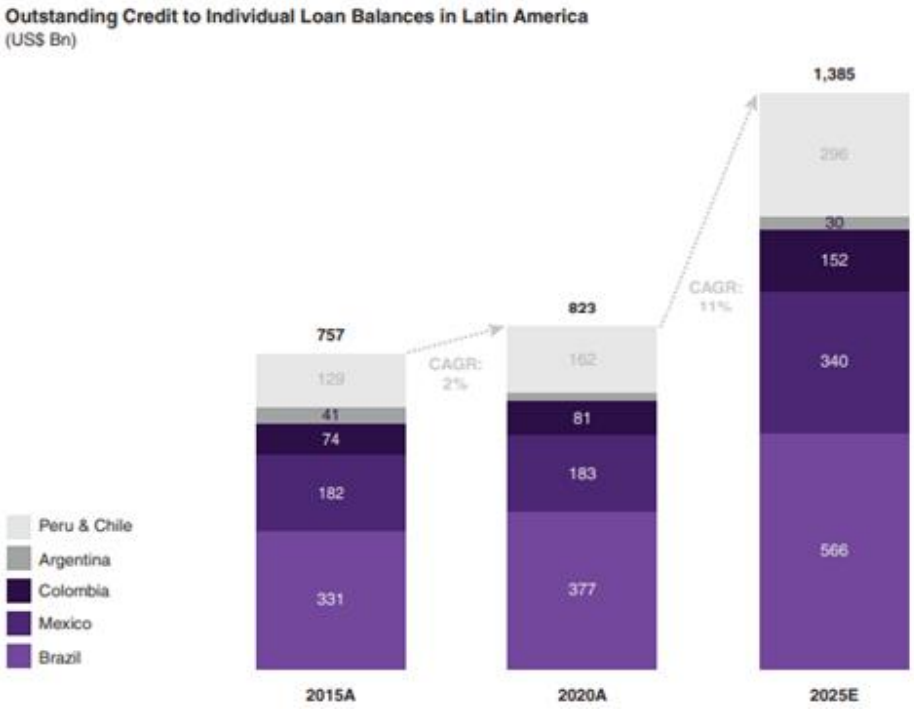
Brazil Retail Credit Revenue Pool by Product (US$ billion)[1]

	2020	2025E	CAGR 20-25E
Mortgages	5.4	2.3	(16%)
Payroll	11.6	15.3	6%
Auto	7.0	8.1	3%
Personal Loans	14.7	20.0	6%
Credit Cards (revolving + installments)	10.9	15.3	7%
Other	24.2	24.4	0%
Total	73.8	85.4	3%

1 Source: Oliver Wyman. Solely for the convenience of the reader, Brazilian reais amounts have been translated into U.S. dollars at the average selling rate for the month of July 2021 of R$5.16 to US$1.00, as reported by the Central Bank of Brazil.

According to the Oliver Wyman Report, revenue from retail credit provided to individuals in Mexico reached US$9 billion in 2020, and it is expected to grow at a 18% CAGR to reach US$21 billion by 2025. The expected growth is driven mainly by an expected expansion in credit penetration (% GDP), which is projected to grow from 22% in 2020 to 29% in 2025.

In Colombia, the industry revenue from retail credit provided to individuals reached US$7 billion in 2020, and it is expected to grow at a 10% CAGR to reach US$10 billion by 2025. The expected growth is mainly driven by an expected expansion in credit penetration (% GDP), which is projected to grow from 33% in 2020 to 38% in 2025, still significantly below the level seen in developed economies.



Incumbent banks in Latin America have typically focused on the most affluent segments of the population. Operating under a cost-to-serve that is multiple times higher than digital banks and relying on legacy underwriting models, incumbents have historically struggled to serve customers from the less affluent segments. We believe this represents a massive opportunity for us to continue to drive significant financial inclusion in the region.

When observing the distribution of retail loan balances by income brackets relative to the number of households in each bracket in Brazil, we see that the retail credit remains concentrated in high income individuals.

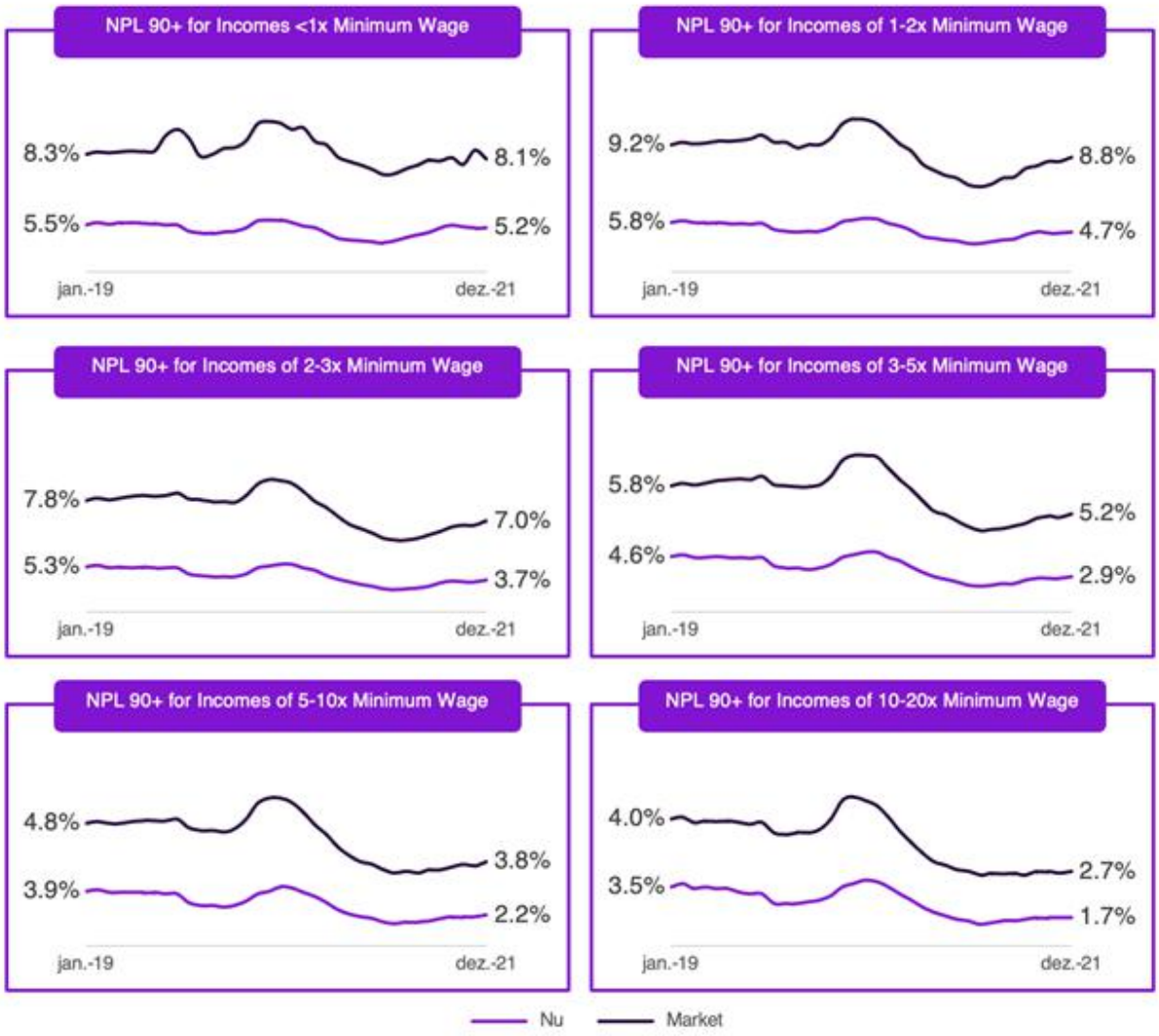
	<1x Minimum Wage	1–2x Minimum Wage	2–3x Minimum Wage	3–5x Minimum Wage	5–10x Minimum Wage	10–20x Minimum Wage	>20x Minimum Wage
Monthly Income (R$ / Month)	<1,100	1,100-2,200	2,200-3,300	3,300-5,500	5,500-11,000	11,000-22,000	>22,000
2020 Credit Balance (R$ billion)	72.9	179.5	149.1	227.4	254.2	154.7	190.1
Number of Households (millions)	21.7	29.0	7.2	7.2	3.6	2.9	0.7
Credit Balance per Domicile (R$ thousands)	3.4	6.2	20.6	31.4	70.2	53.4	262.5

Source: Central Bank of Brazil and IBGE

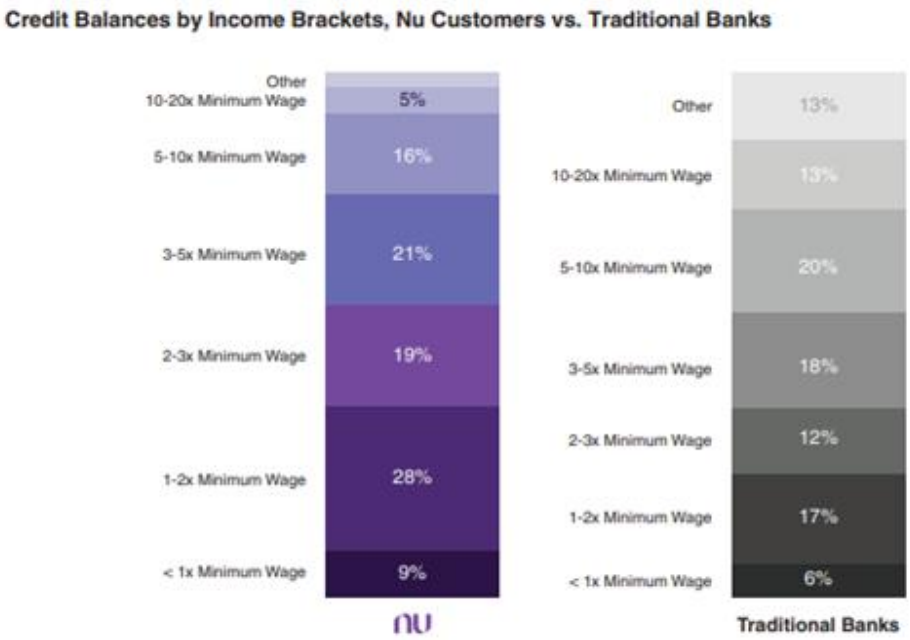
We use an internally developed credit engine, called NuX, which leverages proprietary and alternative data sources to effectively underwrite and monitor our credit products. Our NuX Credit Engine, supported by a dedicated team, is self-learning and benefits from increasing scale as we test, monitor and enhance our credit algorithms. We acquire, store and analyze an enormous amount of data that we use for our decision-making process, to reduce risk and to improve the customer experience. We typically collect more than 11,000 data points per monthly active customer, which we use to better understand their behavior, risks and financial needs, enabling us to develop curated credit strategies to offer customers the best product for their specific financial situation.

By using our unique data and advanced NuXCredit Engine, we underwrite customers and manage credit risk more effectively than incumbent banks. Our 90-day consumer finance delinquency rate, or NPL ratio, as of December 31, 2021 was 3.5%, approximately 29% lower than the Brazilian industry average, according to the Central Bank of Brazil. Our NPL ratios have been consistently lower than the industry across all income segments, but this superiority increases as we move to lower income brackets. For example, in Mexico, we were able to quickly iterate and launch new versions of our credit engine, collecting more data and incorporating third-party data sources. Compared to decision-making with generic scores of the credit department, the latest version of our credit engine allows us to reduce risk by over 60% for a comparable approval rate. This allowed us to triple our approval rate of 17.8% in the quarter ended December 31, 2020 to 44.1% in the quarter ended December 31, 2021.

NPLs by Income Bracket, Nu vs. Market



Our underwriting effectiveness in lower income bands allows us to underwrite more customers from lower income segments, helping democratize access to credit while minimizing credit risk.



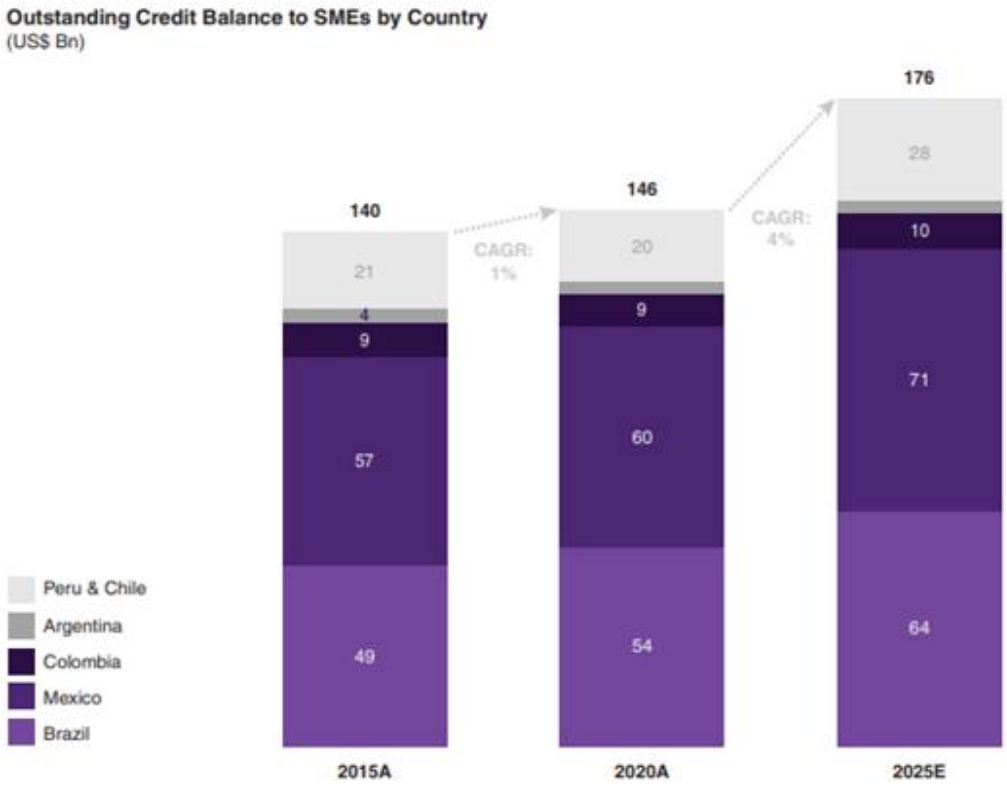
In addition to better underwriting, we also aim to capture a growing share of the retail credit opportunity by leading the industry in terms of innovation, transparency and user experience. Our personal loan product, meant to provide our customers with a more efficient source of financing compared to credit cards, dynamically updates the credit limits we offer as we learn more about our customers and provides them maximum flexibility to simulate, contract and early prepay future installments at a discount, all through our mobile app. It is also part of our strategy to complement our retail credit ecosystem by making specific credit products (provided by white label partners) available to our customers on our app, all under our brand and user experience standards.

We have a significant opportunity to continue to grow our retail credit portfolio, both by providing credit to individuals that already access credit from incumbent banks, as well as by expanding the Brazilian market to include those that still do not have access to credit. Our existing base of 52.4 million individual consumers, as of December 31, 2021, represents only a fraction of the people who have outstanding loans. Our interest-bearing portfolio of credit card and personal loans stood at US$2.0 billion as of December 31, 2021. This was equivalent to approximately 1.1% of the industry balance for credit cards and personal loans and 0.2% of the overall retail credit to individuals.

We also see an attractive opportunity in providing retail loans collateralized by homes or automobiles. We intend to tap into this opportunity by partnering with other providers to allow us to bring to our customers the best solution available in the market. These products, typically not offered by Latin American incumbent banks, enable our customers to efficiently use their assets to obtain financing on attractive terms, as done in developed countries.

III - Credit to SMEs

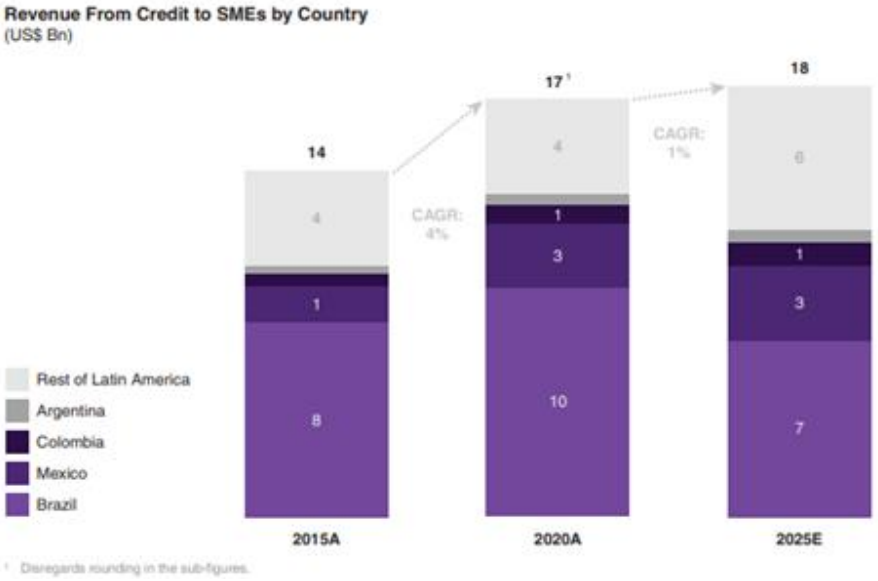
In Latin America's six largest economies, the credit portfolio of small and medium enterprises, or “SMEs,” stood at US$146 billion as of December 31, 2020 and it is expected to grow at a 4% CAGR to reach US$176 billion in 2025.



In Brazil, according to SEBRAE, the country had 16.2 million SMEs, defined as companies with less than US$78,000 in annual revenue, as of 2020. Within this total, micro enterprises (known as MEI), in which the single entrepreneur must not have more than one employee and annual revenue must not exceed US$16,000, accounted for the vast majority, with approximately 11 million. MEIs' activities are broadly diversified, but for the most part these micro entrepreneurs are active in retail commerce (i.e., apparel, food and others) and retail services (i.e., repair services and others) and therefore look for banking services that are simple, transparent and fairly priced for the day-to-day needs of their businesses.

Our SME NuAccount business account is designed specifically for our customers who run businesses. We provide a business checking account and business debit card, offer unlimited wire transfers and allow customers to issue boletos to receive payments from customers, all free of charge. As of December 31, 2021, our SME NuAccount product had almost 1.4 million SME customers, an increase of 250% from December 31, 2020.

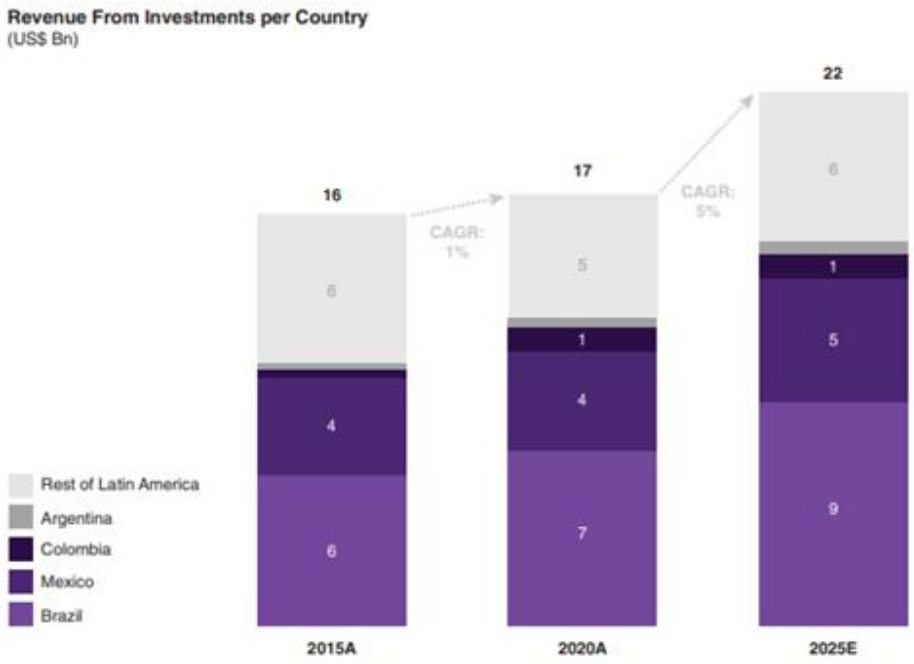
In Mexico, SMEs are generally defined as companies with fewer than 250 employees. According to the INEGI, the Mexican national institute of statistics and geography, there are over 5 million SMEs in Mexico, representing over 50% of GDP and 75% of employment sources. Credit access in Mexico for SMEs is highly limited; according to the latest National Survey on Productivity Competitiveness of Micro, Small and Medium Enterprises survey conducted by the INEGI, only 25% of SMEs had access to financing.



SMEs represent an important potential revenue opportunity given our superior underwriting capabilities and ability to reach out to customers without previous financing access. Our financial inclusion goals are highly aligned with supporting SMEs, which represent the second-largest revenue pool of our six key market components. Industry revenue from SMEs in Latin America reached US$17 billion in 2020 and it is expected to reach US$18 billion in 2025.

IV –Investments

Revenue from investments in Latin America is expected to accelerate, growing from US$17 billion in 2020 to US$22 billion in 2025, according to the Oliver Wyman Report, and the share of retail investable assets under management outside banks in Brazil has risen from 6% in 2017 to 19% in 2020.



In our view, the investments industry in Latin America has started to change. The smartphone allowed new entrants to acquire customers outside the walls of the traditional branch model. The region has also entered into an environment of lower interest rates, in which investors started to seek yields greater than what is available outside traditional fixed income products, historically with a large share of the portfolio of these investors. As a result, retail investors have been transitioning away from incumbent banks to independent investment platforms, such as NuInvest, in search for more investment options and better customer experience. Still, we believe there is significant room for further assets to shift away from banks into investment accounts when compared to other developed countries.

Brazil had 9.2 million active securities accounts in 2020, up from 5.7 million in 2017, according to the Oliver Wyman Report. Retail investable assets amounted to US$620 billion in 2020 (R$3.5 trillion), up 33% in local currency from 2017. Basic savings accounts and private pension funds each accounted for 30% of this total, followed by mutual funds and fixed income with 19% and 17%, respectively. Equities accounted for only 4% of the total.

Distribution of Traditional Investment Products for Retail Investors[1] [2]
Breakdown by asset class, in US$ billions unless otherwise stated

	2017	2020	2025E	GACR 17-20	GACR 20-25E
Private Pension (3)	140	186	270	10%	8%
Saving Account	126	186	209	14%	2%
Fixed Income	88	105	140	6%	6%
Investment Funds	102	118	192	5%	10%
Equities	9	25	52	39%	16%
Total	465	620	863	10%	7%

1 Source: Oliver Wyman. Solely for the convenience of the reader, Brazilian reais amounts have been translated into U.S. dollars at the average selling rate for the month of July 2021 of R$5.16 to US$1.00, as reported by the Central Bank of Brazil.

2 Retail only, excluding private.

3 Including only PGBL, or "Free Generating Benefit Plan," and VGBL, or "Life Free Benefit Generator," excluding closed pension funds.

Industry revenue from retail investment distribution is estimated to have reached US$7 billion in 2020 and is projected to reach US$9 billion by 2025, equivalent to a CAGR of 6% during the period, according to the Oliver Wyman Report. In our understanding, investment platforms traditionally earn rebates from mutual fund managers, brokerage fees from their end customers, financial income from their liquidity and securities portfolio and commissions from the distribution of other third-party products.

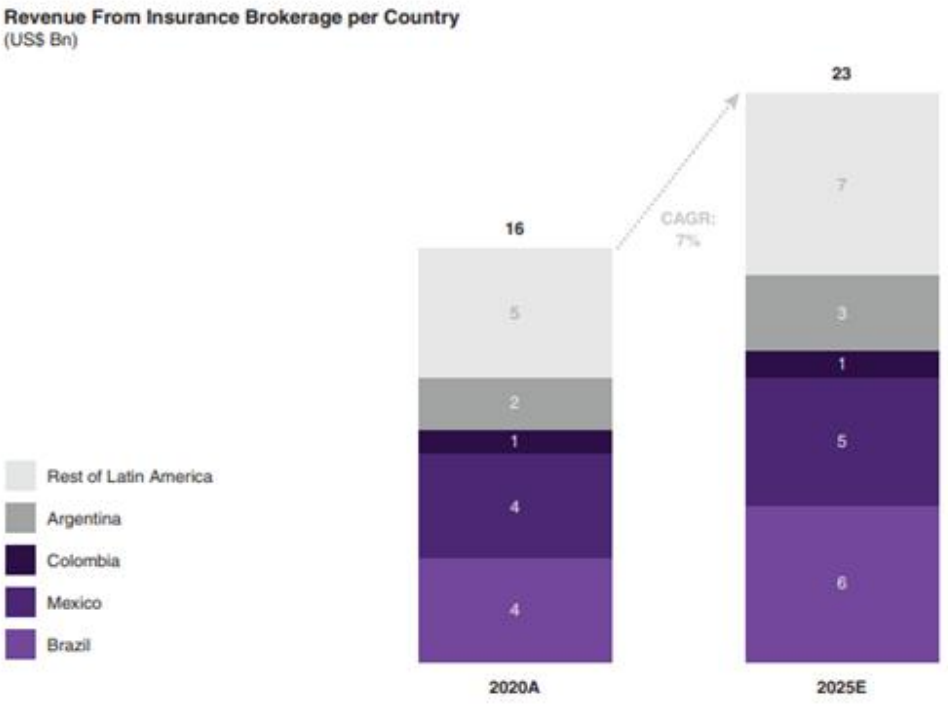
Investment platforms have traditionally focused on more affluent customers, serving them through independent financial advisors. Recent technological advances, however, have enabled a direct-to-consumer model to thrive, better suited to the millions of retail investors that cannot be served by independent financial advisors.

In June 2021, we acquired Easynvest (renamed to NuInvest), a leading digital investments platform operating exclusively under the direct to consumer model. As of December 31 2021, NuInvest had approximately 6.3 million customers and US$6 billion in assets under custody (or the fair value of the assets invested through NuInvest). Through NuInvest, we will be able to offer our 53.9 million customers a wide range of investment options beyond deposits, including equities, mutual funds and fixed income product securities and, by doing so, we are able to increase the democratization of investments to all retail investors in Brazil with ample room for growth, as incumbents still account for 81% of total retail assets under management according to total investable assets data.

V - Insurance Brokerage

According to the Oliver Wyman Report, gross written premiums, or "GWP," in Latin America are projected to grow from US$16 billion in 2020 to US$23 billion in 2025, at a 7% CAGR.

In our view, the retail insurance brokerage segment in Latin America has also been largely dominated by incumbent banks, who in many cases also own the underwriting business and consequently favor their own products. We believe that this segment is also prone for disruption and is likely to experience strong growth.



The Brazilian insurance industry had GWP of US$47 billion (R$262 billion) in 2020, according to the Oliver Wyman Report, or US$16 billion excluding health insurance. Despite its size, Brazil remains fairly underpenetrated when compared to other developing and developed economies, both in the life (excluding health) and property & casualty (P&C) insurance segments. GWP from insurance products sold directly to individuals (excluding health) amounted to US$6 billion (R$33 billion) in 2020, according to the Oliver Wyman Report, of which auto represented 64%, with the balance made of personal injuries and illness (13%), property (8%), life (6%) and others (9%). GWP from insurance products sold to commercial clients amounted to US$10 billion (R$56 billion).

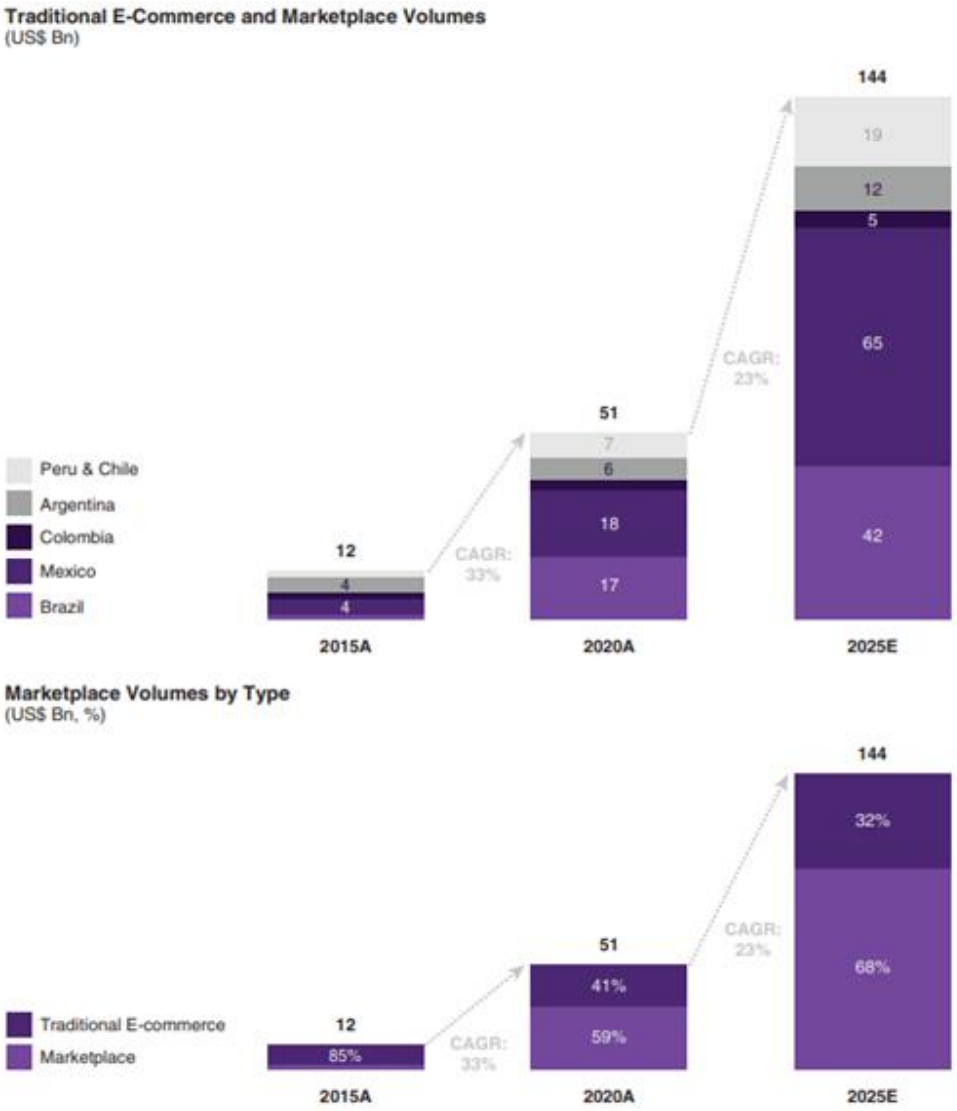
In our view, distribution of life insurance products to individuals in Brazil remains concentrated on the bancassurance channel, while distribution of P&C insurance products to individuals in Brazil, remains concentrated on the broker channel.

We believe complexity, lack of transparency and expensive premiums that result from poor underwriting still prevent Latin Americans from consuming more insurance products. Our first insurance product, NuLife, launched in August 2020 (in partnership with Chubb as underwriter), showcases the untapped demand for insurance products. NuLife offers flexible, fully customizable life insurance policies that can be contracted in five simple steps through our app. We had over 500,000 active NuLife policies as of December 31, 2021. Over time we plan to broaden our insurance offering to include other life and P&C products.

VI - E-Commerce Marketplaces

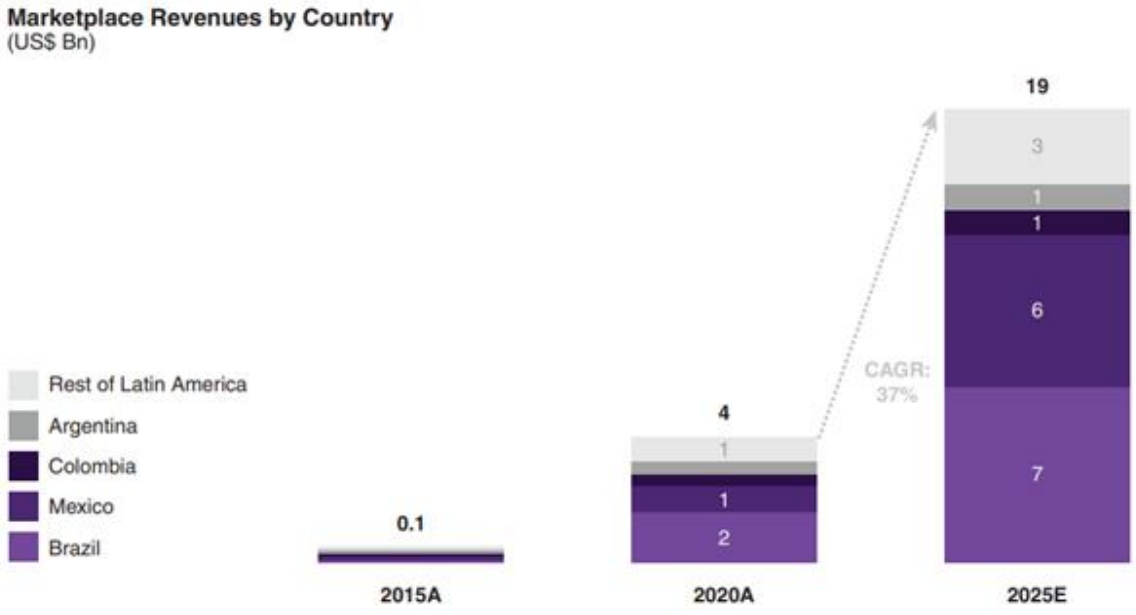
E-commerce marketplaces represents a fast growth segment in Latin America, fueled by the strong momentum of e-commerce, which has been further magnified by the impact of COVID-19. According to the Oliver Wyman Report, e-commerce gross merchandise volume, or “GMV”, from the top six economies in Latin America reached US$51 billion in 2020 and it is projected to grow at a 23% CAGR to reach US$144 billion by 2025.

In Brazil, e-commerce GMV accounted for US$17 billion in 2020 and is projected to grow at a 20% CAGR to reach US$42 billion in 2025. In Mexico, e-commerce GMV reached US$18 billion in 2020 and it is expected to grow at a 29% CAGR to reach US$65 billion in 2025. Other key countries in the region such as Argentina, Colombia, Chile and Peru are expected to benefit from the same positive trends and grow at a CAGR of 14%, 14%, 22% and 23%, respectively, between 2020 and 2025.



E-commerce includes both retailers selling online directly to consumers (1PL) as well as vendors selling online to consumers through marketplaces (3PL). According to the Oliver Wyman Report, e-commerce marketplace revenue for the Latin America region reached US$4 billion in 2020 and it is projected to grow at a 37% CAGR to reach US$19 billion in 2025.

According to the Oliver Wyman Report, e-commerce marketplace revenue in Brazil is projected to grow at a 35% CAGR to reach US$7 billion (R$39 billion) in 2025 compared to US$2 billion (R$11 billion) in 2020, supported by the expected growth in overall GMV, the rising share of marketplace volumes within total GMV and an expected increase in the average marketplace take-rate from 11.9% in 2020 to 19.6% in 2025. In addition, financial institutions' e-commerce marketplace share of total marketplace market revenue is projected to more than double between 2020 and 2025, from 2% to approximately 4%. In Mexico, e-commerce marketplace revenue is projected to grow at a 46% CAGR to reach US$6.4 billion in 2025 compared to US$1 billion in 2020, supported by the expected growth in overall GMV, the rising share of marketplace volumes within total GMV and an expected increase in the average marketplace take-rate from 12% in 2020 to 18% in 2025. In Argentina, Colombia, Chile and Peru, e-commerce marketplace revenue is projected to grow at a CAGR of 33%, 29%, 41%, and 39% respectively between 2020 and 2025 benefiting from positive trends in GMV expansion, marketplace volume shares within GMV and expanding take-rates averaging 18% for these countries.



We believe that our base of 53.9 million customers, as of December 31, 2021, makes Nu a desirable destination for retailers and service providers in Brazil who are looking to grow sales. In the near term, we expect a similar result in other geographies such as Mexico and Colombia, where our brand and customer base continues to expand every day. We plan to develop our e-commerce marketplace by carefully adding select strategic partners to our ecosystem, first and foremost as a tool to meet the specific demands of our customers and, as such, reinforce engagement and continue to improve user experience. We currently already have white label partners providing financial solutions such as insurance (Chubb), mobile phone top ups (telcos), and foreign remittances (Remessa Online), all under the Nu brand and with the same customer experience as with our proprietary products. Over time we plan to provide additional services to our customers beyond financial products, such as online shopping.

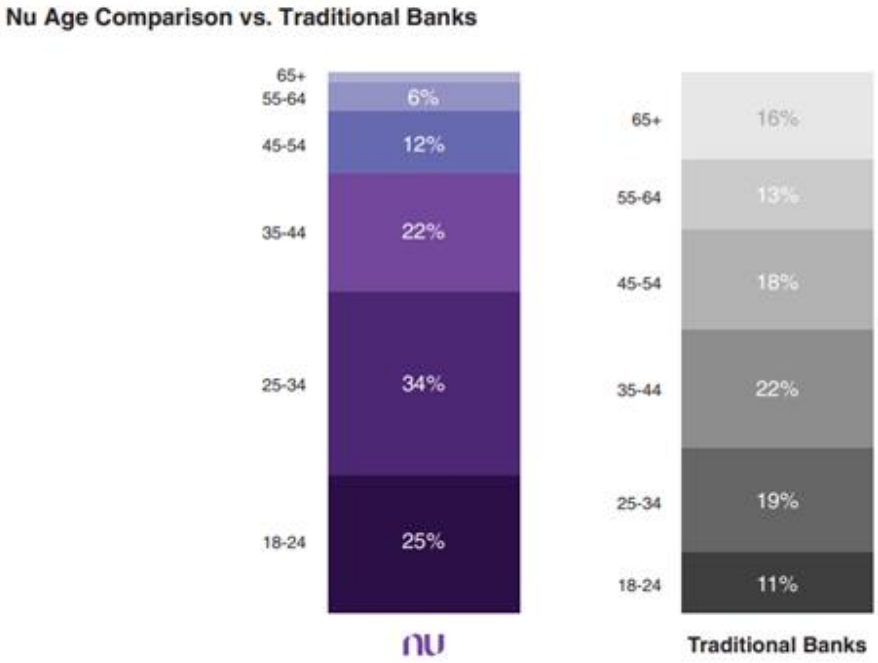
Revenue by Geography

For the year ended December 31, 2021, the majority of our revenue was derived from Brazil (US$1,285.8 million, compared to US$29.5 million and US$0.8 million in Mexico and Colombia, respectively).

Customer Demographics

We believe that our platform both supports customers across the age spectrum and particularly appeals to a younger population. Based on internal research as well as analysis by Oliver Wyman, we believe that we serve a larger proportion of younger consumers than digital banks and incumbent banks. As of December 31, 2021, 59% of our customers were under 35 years old, compared to 30% for traditional banks, as shown in the chart below. In addition, 81% of our customers were under 45 years old as of December 31, 2021, compared to 52% for incumbent banks.

Our young and growing customer base provides us with significant opportunity to grow with our customers who are in the early stages of their financial journeys. For example, our younger customers (20-24 years old) are expected to grow their real income by about 70% over the next ten years (based on a comparison of our younger customers' income to the income reported by our customers who are between 30-34 years old), and we believe we are well positioned to serve their needs as they accumulate wealth, increase spending and reach life milestones that expand their financial needs.



Our Competitive Landscape

We believe that we are changing the consumption patterns for financial products and services and growing the market, but will continue to face competition from other firms including large legacy financial institutions, large technology companies, and new, smaller financial technology entrants.

We believe that the key competitive factors in our market include:

- our culture of customer-centricity;
- product features, quality and functionality;
- operating efficiency;
- engineering, data science and product talent;

- brand recognition;
- security and trust;
- product and technology platform; and
- regulatory licenses.

We believe that our ability to innovate quickly further differentiates our platform from our competition. We believe that we compete favorably across all key competitive factors and that we have developed a business model that is difficult to replicate.

Regulatory Overview

Brazil

Our Regulatory Position

Four of our subsidiaries in Brazil, Nu Pagamentos S.A. – Instituição de Pagamento, or "Nu Pagamentos," Nu Financeira S.A. – Sociedade de Crédito, Financiamento e Investimento, or "Nu Financeira," Nu Distribuidora de Títulos e Valores Mobiliários Ltda., or "Nu DTVM," and Nu Invest Corretora de Valores S.A., or "NuInvest," perform activities that are subject to regulation in Brazil enacted by the Central Bank of Brazil, by CMN and/or by CVM, as applicable and have obtained authorizations from the Central Bank of Brazil to operate, as follows:

- Nu Pagamentos is authorized by the Central Bank of Brazil to operate as a payment institution in the capacities of (1) issuer of postpaid payment instruments (emissor de instrumento de pagamento pós-pago), (2) issuer of electronic currency (emissor de moeda eletrônica) and (3) payment initiation service provider (iniciador de transação de pagamento);
- Nu Financeira is authorized by the Central Bank of Brazil to operate as a credit, financing and investment entity (sociedade de crédito, financiamento e investimento), carrying out active, passive and ancillary transactions inherent to credit, financing and investment portfolios;
- Nu DTVM is authorized by the Central Bank of Brazil to operate as a securities distributor (distribuidora de títulos e valores mobiliários, or "DTVM"), performing the activities provided in CMN Resolution No. 1,120, of April 4, 1986, as amended, or "Resolution No. 1,120/86"; and
- NuInvest is also authorized by the Central Bank of Brazil to operate as a securities broker (corretora de títulos e valores mobiliários, or "CTVM"), performing the activities provided in CMN Resolution No. 1,655, of October 26, 1989, as amended, or "Resolution No. 1,655/89."

In addition, three of our subsidiaries, Nu Asset Management Ltda., or "Nu Asset Management," NuInvest, Easynvest Gestão de Recursos Ltda., or "Easynvest Asset Management" and Vérios Gestão de Recursos S.A., or "Verios Asset Management" are subject to regulation in Brazil enacted by the CVM and are authorized to provide securities portfolio management services.

One of our subsidiaries, Nu Corretora de Seguros Ltda., or "Easynvest Insurance Broker," performs activities that are subject to regulation enacted by SUSEP. As required by the applicable regulation, it has obtained authorization to operate from SUSEP as an insurance brokerage firm.

None of our Brazilian subsidiaries is licensed to operate as a bank.

Regulatory Environment in Brazil

Our main subsidiaries in Brazil are subject to extensive regulation, such as those applicable to payment institutions (in case of Nu Pagamentos), financial institutions (in the case of Nu Financeira, Nu DTVM and NuInvest), securities and brokers (in the case of Nu DTVM and NuInvest), securities portfolio managers (in the case of Nu Asset Management, Easynvest Asset Management and Verios Asset Management) and insurance brokers (in the case Easynvest Insurance Broker).

We offer various payment, financial and capital markets services; in particular, we conduct activities related to payments, digital accounts, brokerage services, portfolio management and insurance.

Legislation Applicable to the Brazilian Payment System

General

The activities carried out by Nu Pagamentos in Brazil, are subject to Brazilian laws and regulations applicable to payment institutions, particularly Law No. 12,865 of October 9, 2013, or the "Payments Law," which, in a nutshell, regulates payment institutions and payment schemes that are part of the Brazilian Payment System (the Sistema de Pagamentos Brasileiro, or the "SPB").

Payment Institutions

A payment institution is defined as the legal entity that participates in one or more payment schemes and is dedicated, exclusively or not, to the execution of remittance of funds, among other activities, as described in Payments Law.

Specifically, based on the Brazilian payment regulations, payment institutions are entities that can be classified into one of the following four categories:

- Issuers of electronic currency (prepaid payment instruments): these payment institutions manage prepaid payment accounts, enable the execution of payment transactions using electronic currency held in such prepaid payment accounts, and convert the funds held therein into physical or book-entry currency or vice versa.
- Issuers of post-paid payment instruments (e.g., credit cards): these payment institutions manage payment accounts that enable end-users to make payments on a post-paid basis.
- Acquirers: these payment institutions do not manage payment accounts, but (i) enable merchants to accept payment instruments issued by a payment institution or by a financial institution that participates in the same payment scheme; and (ii) participate in the settlement process of payment transactions as creditor of the issuer of the payment instrument.
- Payment initiation service providers (PISP): these payment institutions render initial payment services whereby they do not (1) manage the payment or checking account from which the payment is executed; nor (2) hold the transferred funds during the rendering of their services.

Payment institutions that operate in Brazil must comply with many legal and regulatory requirements set forth by CMN and the Central Bank of Brazil, as applicable, which may vary according to certain features of their specific business models and to thresholds defined by the regulation, such as the volume of payment transactions processed and/or the amount of funds held in prepaid payment accounts during the previous twelve months.

Therefore, certain payment institutions may not be subject to the full legal and regulatory framework applicable to the payment industry in Brazil such as the ones that only participate in limited-purpose payment schemes or provide services in the scope of programs set up by governmental authorities aimed at granting benefits to individuals due to employment relationships.

CMN and Central Bank of Brazil regulations applicable to payment institutions cover a wide variety of matters, including, but not limited to risk management, governance, anti-money laundering and combating the financing of terrorism, cybersecurity, secrecy, ombudsman, internal audit, reporting obligations and governance. In addition, payment institutions must seek approval from the Central Bank of Brazil when appointing managers (including directors, officers and members of certain statutory boards, such as fiscal councils). The regulations applicable to payment institutions also cover "payment accounts" (contas de pagamento), which are the end-user accounts, in registered (i.e., book-entry) form, which are opened with payment institutions that are card issuers of prepaid or post- paid instruments and used for carrying out each payment transaction. Current regulations classify payment accounts into two types:

- Prepaid payment accounts: where the intended payment transaction is executed when the funds have been deposited into the payment account in advance; and

- Post-paid payment accounts: where the payment transaction is intended to be performed regardless of funds having been deposited into the payment account in advance.

In order to provide protection from bankruptcy, Payments Law requires payment institutions that issue electronic currency to segregate the funds deposited in prepaid payment accounts from their own assets. In addition, with respect to prepaid electronic currency, the payment institutions must hold all the funds deposited in the prepaid payment account in certain specified instruments: either (1) in a specific account with the Central Bank of Brazil that does not pay interest; or (2) in federal government bonds registered with the SELIC.

Payment Schemes

According to the Payments Law, a payment scheme, for Brazilian regulatory purposes, is the collection of rules and procedures that governs payment services provided to the public, with direct access by its end-users (i.e., payers and receivers). In addition, such payment services must be accepted by more than one receiver in order to qualify as a payment scheme. The regulations applicable to payment schemes depend on certain features, such as the volume of users and the amount of transactions processed therein:

- Payment schemes that exceed certain thresholds are considered part of SPB and are subject to the legal and regulatory framework applicable to the payment industry in Brazil, including the requirement to obtain a license to operate by the Central Bank of Brazil.

- Payment schemes that operate below these thresholds are not considered to form part of the SPB and are therefore not subject to the legal and regulatory framework applicable to the payment industry in Brazil, including the requirement to obtain an authorization from the Central Bank of Brazil, although they are required to report certain operational information to the Central Bank of Brazil on an annual basis.

- Limited-purpose payment schemes are not considered to form part of the SPB and, therefore, are not subject to the legal and regulatory framework applicable to the payment industry in Brazil, including the requirement to obtain authorization from the Central Bank of Brazil. Limited-purpose payment schemes are, for instance, those whose payment orders are: (i) accepted only at the network of merchants that clearly display the same visual identity as that of the issuer, such as franchisees and other merchants licensed to use the issuer's brand; (ii) intended for payment of specific public utility services, such as public transport and public telecommunications; or (iii) accepted exclusively within a closed-loop payment scheme and for the payment of one type of product or service, of a restricted set of products or services related with a specific activity or market.

- Certain types of payment schemes have specific exemptions from the requirement to obtain authorization from the Central Bank of Brazil. This applies, for example, to payment schemes set up by governmental authorities, payment schemes set up by certain financial institutions, payment schemes aimed at granting benefits to natural persons due to employment relationships and payment schemes set up by an authorized payment institution.

Payment Scheme Settlor

A payment scheme is set up and operated by a payment scheme settlor, which is the entity responsible for the payment scheme's authorization and function. Payment scheme settlors, for Brazilian regulatory purposes, are the legal entities responsible for managing the rules, procedures and the use of the brand associated with a payment scheme. Central Bank of Brazil regulations require that payment scheme settlors must be (i) incorporated in Brazil, (ii) have a corporate purpose compatible with its payments activities; and (iii) have the technical, operational, organizational, administrative and financial capacity to meet their obligations. They must also have clear and effective corporate governance mechanisms that are appropriate for the needs of payment institutions and the end users of payment schemes.

Legislation Applicable to Financial Institutions and Portfolio Managers

General Rules

Law No. 4,595, of December 31, 1964, as amended, or the "Banking Law," laid out the structure of the Brazilian National Financial System, made up of the CMN, the Central Bank of Brazil, Banco do Brasil S.A., BNDES and other public or private financial institutions.

Law No. 4,728 of July 14, 1965, as amended, or "Law No. 4,728/65," regulates Brazilian capital markets through setting standards and various other mechanisms. Further, pursuant to Law No. 6,385 of December 7, 1976, as amended, or "Law No. 6,385/76," the distribution and issuance of securities in the market, trading of securities and settlement and/or clearance of securities transactions all require prior authorization by the CVM.

The financial and capital markets regulatory frameworks in Brazil are further supplemented by the regulation enacted by CMN, CVM and/or the Central Bank of Brazil, as applicable, as well as to self-regulation policies, such as those enacted by various associations, over-the-counter organized markets and securities exchanges, that govern their members and participants, (for example, B3, the Brazilian Association of Financial and Capital Markets Entities, or "ANBIMA," and the Brazilian Association of Investment Analysts, or "APIMEC").

The incorporation and operation of financial institutions and other regulated entities that intend to operate in the Brazilian financial and/or capital markets are subject to prior licensing, regulation and oversight from the Central Bank of Brazil. Other corporate events may also require prior authorization from such authorities, for example capital increases, appointment of officers, changes in corporate control, among others, as the case may be. Financial institutions in Brazil can operate under various forms—such as commercial banks, investment banks, credit, financing and investment companies, cooperative banks, leasing companies, securities brokerage companies, securities distributor companies, real estate credit companies, mortgage companies, among others—all of which are regulated by different rules issued by the CMN, the Central Bank of Brazil, and, if such financial institutions participate in capital markets activities, the CVM. In addition, like financial institutions, stock exchanges are also subject to CMN, the Central Bank of Brazil, and the CVM approval and regulation as well in accordance with Law No. 4,728/65.

Pursuant to Banking Law, CMN Resolution No. 4,122 of August 2, 2012, as amended, or “CMN Resolution No. 4,122,” financial institutions must seek approval from the Central Bank of Brazil, and, in certain cases, the CVM when appointing managers (including directors, officers and members of certain statutory boards, such as fiscal councils). CMN Resolution No. 4,122 will be replaced as of July 1, 2022 by CMN Resolution No. 4,970, of November 25, 2021, or "CMN Resolution 4,970/21", which aims to modernize and streamline the Central Bank of Brazil licensing processes. For more details on this regulation, see “Item 4. Information on the Company— Business Overview— Regulatory Overview—Brazil—Other Rules— New rules applicable to authorizations and licensing of financial institutions.”

Moreover, according to Law No. 4,728/65, for securities brokerage firms, managers are subject to further restrictions and are prohibited from working for or fulfilling any administrative, advisory, tax or decision-making positions at entities listed on the Brazilian stock exchange. In addition, managers of securities brokerage firms are prohibited from filling managerial functions in other brokerage firms authorized to carry out foreign exchange transactions pursuant to CMN Resolution No. 1,770, of November 28, 1990.

In addition, according to the Banking Law, Brazilian financial institutions have limits to grant loans or cash advances to their managers (officers, directors, and members of advisory boards, as well as their relatives). Such restrictions are set forth in CMN Resolution No. 4,693 of October 29, 2018.

Credit, Financing and Investment Institutions (Consumer Credit Companies)

Credit, financing and investment institutions (sociedades de crédito, financiamento e investimento), such as Nu Financeira (“financeiras” or “SCFI”), are financial institutions part of the national financial system and are subject to regulation by and the oversight of the CMN and the Central Bank of Brazil. They were established by the Ordinance of Ministry of Finance No. 309, on November 30, 1959 and are private financial institutions whose basic objective is to carry out financing for the acquisition of goods and services, as well as for working capital. Consumer credit companies must be organized as a corporation (sociedade por ações) and its corporate name must include the expression “Crédito, Financiamento e Investimento” (credit, financing and investment).

An SCFI is not allowed to offer deposit accounts. However, such institutions can raise funds through the acceptance and placement of time deposits with special guarantee from the Credit Guarantee Fund (FGC), known as DPGE (Depósito a Prazo com Garantia Especial do FGC), interbank deposits, bills of exchange, agribusiness bill of credit, known as LCA (Letra de Crédito do Agronegócio), financial bill of exchange, known as LF (Letra Financeira), guaranteed real estate bill, known as LIG (Letra Imobiliária Garantida) and repurchase transaction. More recently, with the enactment of CMN Resolution No. 4,812, of April 30, 2020, the Central Bank of Brazil determined that SCFIs may also raise funds through bank deposit receipts, known as RDB (Recibo de Depósito Bancário) and allowed them to also raise funds through bank deposit certificates, known as CDB (Certificado de Depósito Bancário). Both RDB and CDB are fixed income securities – the main difference between the two securities lies in the fact that the CDB can be traded before maturity, while the RDB is nontransferable and not allowed to be traded.

Many credit, financing and investment institutions operate as the financial branch of non-banking economic groups. In our case, Nu Financeira provides financing to our credit card, personal loan to our customers and issues instruments such as RDB, in order to provide funding to our operation.

Securities Brokerage and Distribution Firms

Securities trading in stock exchange markets shall be carried out exclusively by DTVMs, CTVMs (such as Nu DTVM and NuInvest) and certain other authorized institutions. Securities distributors (distribuidoras de títulos e valores mobiliários) are regulated by Resolution No. 1,120/86 and securities brokers (corretoras de títulos e valores mobiliários) are regulated by Resolution No. 1,655/89. With Central Bank of Brazil and CVM's joint decision No. 17, of March 2, 2009, which authorized distributors to operate directly in the environments and trading systems of organized stock exchange markets, the main difference between securities brokers and securities distributors was extinguished, and such institutions are today allowed to perform practically the same operations.

In this regard, both Resolution No. 1,120/86 and Resolution No. 1,655/89 allow brokerage firms to participate, among others, in the following activities: (1) trading in stock exchanges; (2) managing investment portfolios; and (3) providing custody services. More recently, on November 27, 2020, the CMN issued Resolution No. 4,871, which amended Resolution No. 1,120/86 and Resolution No. 1655/89 in order to allow DTVMs and CTVMs to issue electronic currency and, consequently, offer pre-paid payment accounts to their customers. In addition to Resolution No. 1,120/86, Resolution No. 1,655/89 and Resolution No. 4,871, brokerage firms are subject to regulations from the CVM.

As of May 2, 2022, both Resolutions No. 1,120/86 and 1,655/89 will be repealed and replaced by CMN Resolution No. 5,008, of March 24, 2022, or "CMN Resolution No. 5,008". The new rule consolidates the provisions applicable to DTVMs and CTVMs, which remain in line with the rules currently in force. In addition, specific provisions of other regulations were reflected in CMN Resolution No. 5,008, such as the minimum limits of paid-in capital and equity of CTVMs and DTVMs, originally set forth in CMN Resolution No. 2099, of August 17, 1994.

Under the rules set forth by the Central Bank of Brazil, brokerage firms (such as Nu DTVM and NuInvest) cannot execute transactions that may result in loans, facilities or cash advances to their customers, including through synthetic transactions (such as an assignment of rights), with the exception of margin transactions and other limited transactions.

Moreover, brokerage firms can neither charge commissions in connection with trades during primary distribution, nor purchase real property, except for their own use or as payment under "bad debts" (in which case, the asset must be sold within a year).

Third-Party Asset Management

Nu Asset Management, Easynvest Asset Management and Verios Asset Management are asset managers accredited to operate by, and subject to the rules and oversight of, the CVM, pursuant to Law No. 6,385/76 and CVM Resolution No. 21 of February 25, 2021, as amended, or "CVM Resolution No. 21."

CVM Resolution No. 21 defines asset/portfolio management activities as professional activities directly or indirectly related to the operation, maintenance and management of securities portfolios, including the investment of funds in the securities market on behalf of customers.

CVM Resolution No. 21 provides for two categories of asset managers: (1) trustee administrator and/or (2) portfolio manager. Nu Asset Management, Easynvest Asset Management and Verios Asset Management are registered as portfolio managers. In order to be authorized by the CVM to engage in such activity, legal entities that operate as asset managers must (1) have a registered office in Brazil; (2) have securities portfolio management as a corporate purpose and be duly incorporated and registered with the National Register of Legal Entities – CNPJ; (3) have one or more officers duly certified as asset managers as approved by CVM to take on liability for securities portfolio management, pursuant to CVM Resolution No. 21; (4) appoint an officer responsible for the portfolio management activities, a compliance officer and a risk management officer; (5) be controlled by reputable shareholders (direct and indirect), who have not been convicted of certain crimes detailed in article 3, VI of CVM Resolution No. 21; (5) who is not unable or suspended from occupying a position in financial institutions or other entities authorized to operate by the CVM, the Central Bank of Brazil, SUSEP or PREVIC, and have not been banned from asset management activities by judicial or administrative decisions; (6) put in place and maintain personnel and IT resources appropriate for the size and types of investment portfolio it manages; and (7) execute and provide the applicable forms to the CVM so as to prove its capacity to carry out such activities, pursuant to CVM Resolution No. 21.

Under CVM Resolution No. 21, asset management must, among other requirements, conduct their activities in good faith, with transparency, diligence and loyalty with respect to their customers and perform their duties with the aim of achieving their investment objectives. This same regulation requires asset managers to maintain a website, with extensive current information, including, but not limited to (1) an updated annual filing form (formulário de referência); (2) a code of ethics; (3) rules, procedures and a description of internal controls in order to comply with CVM Resolution No. 21; (4) a risk management policy; (5) a policy of purchase and sale of securities by managers, employees and the company; (6) a pricing manual for assets from the securities portfolios managed by such asset manager, even if the manual has been developed by a third party; and (7) a policy of apportionment and division of orders among the securities portfolios.

Moreover, under CVM Resolution No. 21, asset management firms are forbidden from (1) making public assurances of profitability levels based on the historical performance of portfolio and market indexes; (2) modifying the basic features of the services they provide without following the prior appropriate procedures under the asset management agreement and regulations; (3) making promises as to future results of the portfolio; (4) contracting or granting loans on behalf of their customers, subject to certain exceptions set out in regulation; (5) providing a surety, corporate guarantee, acceptance or becoming a joint obligor in any other form, with respect to the managed assets; (6) neglecting, under any circumstances, customers' rights and intentions; (7) trading the securities from the portfolios they manage with the purpose of obtaining brokerage revenue or rebates for themselves or third parties; or (8) subject to certain exceptions set out in the regulation, acting as a counterparty, directly or indirectly, to customers.

Insurance Brokerage Firms

Insurance brokerage firms, such as Easynvest Insurance Broker must obtain SUSEP registration and authorization for their operations, pursuant to the rules in force and in accordance with Law No. 4,594 of December 29, 1964, as amended, or "Law No. 4,594/64," and Decree-Law No. 73/66 (as well as regulation issued by the National Private Insurance Council (Conselho Nacional de Seguros Privados, or "CNSP") and the Brazilian Superintendence of Private Insurance (Superintendência de Seguros Privados, or "SUSEP"). The insurance broker, whether an individual or legal entity, is the intermediary legally authorized to solicit and promote insurance contracts accepted by the current legislation, between the insurance companies and individuals or public or private legal entities. Only duly qualified insurance brokers pursuant to Law No. 4,594/64 and applicable SUSEP and CNSP regulation that have executed an insurance tender shall be paid the brokerage fees related to each insurance line, based on the respective tariffs, including in case of adjustment to the issued premium.

Under the applicable regulation, insurance brokerage firms such as Easynvest Insurance Broker, are obligated to prove technical certification of all their employees and workers who directly participate in the regulation and settlement of insurance claims, customer service, and direct sales of insurance, capitalization and open supplementary pension products. Such certification shall be provided by an institution of recognized technical capacity, duly accredited by SUSEP.

Insured persons and insurance firms can pursue civil action against insurance brokers for losses incurred as a result of intentional malfeasance or negligence caused by brokerage activity. In case of non-compliance with the regulatory rules, in addition to the legal sanctions, insurance brokers and managers are subject to fines, temporary suspension from the exercise of the profession or registration cancellation.

Main Regulatory Authorities in Brazil

National Financial System

The main regulatory authorities in the Brazilian financial system are CMN, the Central Bank of Brazil and CVM. In addition, most Brazilian securities brokers, securities distributors and asset managers are associated with and subject to the self-regulatory rules issued by ANBIMA.

In addition, trading segments managed by B3 are self-regulated and supervised by BSM – Supervisão de Mercados, or "BSM," a non-profit organization that forms part of the B3 group.

We present below a summary of the main duties and powers of each regulatory agent, ANBIMA and BSM.

CMN

CMN is the main monetary and financial policy authority in Brazil, responsible for creating financial, credit, budgetary and monetary rules.

The current Brazilian banking and financial institutional system was established by Law No. 4,595 of December 31, 1964, as amended, or the "Banking Law."

According to Banking Law, the CMN's main responsibilities are to oversee the regular organization, operation and inspection of entities that are subject to the Banking Law, as well as the enforcement of applicable penalties. In addition, Law No. 4,728/65 delegates to the CMN the power to set general rules for underwriting activities for resale, distribution or intermediation in the placement of securities, including rules governing the minimum regulatory capital of the companies that contemplate the underwriting for resale and distribution of instruments in the market and conditions for registration of the companies or individual firms which contemplate intermediation activities in the distribution of instruments in the market. The CMN has the power to regulate credit transactions involving Brazilian financial institutions and Brazilian currency, supervise the foreign exchange and gold reserves of Brazil, establish saving and investment policies in Brazil and regulate the Brazilian capital markets. The CMN also oversees the activities of the Central Bank of Brazil, the CVM and SUSEP. Other CMN responsibilities include:

- coordinating monetary, credit, budget and public debt policies;
- establishing policies on foreign exchange and interest rates;

- seeking to ensure liquidity and solvency of financial institutions;
- overseeing activities related to the stock exchange markets;
- regulating the structure and operation of financial institutions;
- granting authority to the Central Bank of Brazil to issue currency and establish reserve requirement levels; and
- establishing general guidelines for the banking and financial markets.

Central Bank of Brazil

The activities of financial institutions are subject to limitations and restrictions. The Central Bank of Brazil is responsible for (1) implementing those CMN policies that are related to monetary, credit and foreign exchange control matters; (2) regulating Brazilian financial institutions in the public and private sectors; and (3) monitoring and regulating foreign investments in Brazil. The President of the Central Bank of Brazil is appointed by the President of Brazil (subject to ratification by the Senate) for an indefinite term.

The Banking Law delegated to the Central Bank of Brazil the responsibility of permanently overseeing companies that directly or indirectly interfere in the financial and capital markets, controlling such companies' operations in the foreign exchange market through operational proceedings and various modalities, and supervising the relative stability of foreign exchange rates and balance of payments. In addition, Law No. 4,728/65 states that the CMN and the Central Bank of Brazil shall exercise their duties related to the financial and capital markets with the purpose of, among other things, facilitating the public's access to information related to bonds or securities traded in the market and on the companies that issue them, protecting investors against illegal or fraudulent issuances of bonds or securities, preventing fraud and manipulation modalities intended to create artificial conditions of the demand, supply or pricing of bonds or securities distributed in the markets and ensuring the observance of equitable commercial practices by all of those professionals who participate in the intermediation of the distribution or trading of bonds or securities. The Central Bank of Brazil has authority over brokerage firms, financial institutions, companies or individual firms performing underwriting for resale and distribution of bonds or securities, and maintains a record on, and inspects the transactions of, companies or individual firms that carry out intermediation activities in the distribution of bonds or securities, or which conduct, for any purposes, the prospecting of popular savings in the capital market.

Other important responsibilities of the Central Bank of Brazil are as follows:

- controlling and approving the organization, operation, transfer of control and corporate reorganization of financial institutions and other institutions authorized to operate by the Central Bank of Brazil;
- managing the daily flow of foreign capital and derivatives;
- establishing administrative rules and regulation for the registration of foreign investments;
- monitoring remittances of foreign currency;

- controlling the repatriation of funds (in case of a serious deficit in Brazil's payment balance, the Central Bank of Brazil may limit remittances of profits and prohibit remittances of capital for a limited period);
- receiving compulsory collections and voluntary deposits in cash from financial institutions;
- executing rediscount transactions and granting loans to banking financial institutions and other institutions authorized to operate by the Central Bank of Brazil;
- intervening in the financial institutions or placing them under special administrative regimes, and determining their compulsory liquidation; and
- acting as depositary of the gold and foreign currency.

CVM

The CVM is a federal authority responsible for implementing the CMN's policies related to the Brazilian capital market and for regulating, developing, controlling and inspecting the securities market.

The main responsibilities of the CVM are the following:

- regulating the Brazilian capital markets, in accordance with Brazilian corporation law and securities law;
- setting rules governing the operation of the securities market;
- defining the types of financial institutions that may carry out activities in the securities market, as well as the kinds of transactions that they may perform and services that they may provide in such market;
- controlling and supervising the Brazilian securities market through, among others:
- the approval, suspension and delisting of publicly held companies;
- the authorization of brokerage firms to operate in the securities market and public offering of securities;
- the supervision of the activities of publicly held companies, stock exchange markets, commodities and futures markets, financial investment funds and variable income funds;
- the requirement of full disclosure of relevant events that affect the market, as well as the publication of annual and quarterly reports by publicly held companies;
- the imposition of penalties; and
- permanently supervising the activities and services of the securities market, as well as the dissemination of information related to the market and the amounts traded therein, to market participants.

The CVM has jurisdiction to regulate and supervise financial investment funds and derivatives markets, a role previously fulfilled by the Central Bank of Brazil. Pursuant to Law No. 10,198 of February 14, 2001, as amended, and Law No. 10,303 of October 31, 2001, the regulation and supervision of both financial mutual funds and variable income funds and of transactions involving derivatives were transferred to the CVM. In compliance with the Brazilian legislation, the CVM is managed by a President and four officers, all of whom are appointed by the President of the Republic (and approved by the Senate). The persons appointed to the CVM shall have strong reputations and be recognized as experts in the capital markets sector. CVM officers are appointed for a single term of office of five years, and one-fifth of the members shall be renewed on an annual basis.

Brazilian Payments System

Our activities carried out by Nu Pagamentos are subject to Brazilian laws and regulations relating to payment institutions set forth in Payments Law.

Payments Law gave the Central Bank of Brazil, in accordance with the guidelines set out by the CMN, and the CMN, authority to regulate entities involved in the payments industry. Such authority covers matters such as the operation of these entities, authorization to operate, approval of appointed managers (directors and officers), risk management structures, the opening of payment accounts, and the transfer of funds to and from payment accounts. After the enactment of Payments Law, the CMN and the Central Bank of Brazil created a regulatory framework regulating the operation of payment schemes and payment institutions, which are still evolving.

In this regard, the main responsibilities of the Central Bank of Brazil in relation to the Brazilian payment system are the following:

- regulate the setup, operation and monitoring of payment institutions and payment schemes;
- authorize the setup of payment schemes;
- to authorize the setup, operation, transfer of control, merger, spin-off and consolidation of payment institutions;
- set up the conditions and authorize the appointment of managers in payment institutions (directors and managers);
- supervise the payment institutions and payments schemes and apply sanctions when due;
- adopt preventive measures with a view to ensuring the soundness, efficiency and ongoing operation of payment schemes and of payment institutions;
- adopt measures aimed at greater competition, financial inclusion and transparency in the provision of payment services; and
- regulate the collection of fees, commissions or other consideration for payment services, including those charged among members of the same payment arrangement.

Pension and Insurance

SUSEP and CNSP

In Brazil, the regulation of insurance, co-insurance, retrocession, capitalization, supplementary pension schemes and brokerage is carried out by CNSP and SUSEP.

SUSEP is an independent agency in charge of implementing and conducting the policies established by CNSP and the supervision of the insurance, co-insurance, retrocession, capitalization, supplementary pension schemes and brokerage. SUSEP neither regulates nor supervises (1) the supplementary pension entities that are regulated by the SPC; and (2) the operators of private healthcare assistance plans, which are regulated by ANS. With the enactment of Supplementary Law No. 126 on January 15, 2007, the CNSP and SUSEP are also responsible for the regulation of the Brazilian reinsurance market.

CNSP is made up of one representative of each one of the following bodies: Ministry of Social Security, the Central Bank of Brazil, Ministry of Economy, Ministry of Justice, the CVM and the superintendent of SUSEP – Private Insurance Authority.

The supplementary insurance and pension sectors in Brazil are subject to overlapping regulations. Decree-Law No. 73 of November 21, 1966, as amended, sought to centralize the legislation and inspection activities in the sector by creating the National Private Insurance System – SNSP, composed of (1) CNSP; (2) SUSEP; (3) insurance companies duly authorized to operate in the private insurance market; (4) the reinsurance companies; and duly qualified and/or registered insurance brokers. CNSP is linked to the Ministry of Economy and its main roles include: establishing the guidelines and rules for the private insurance policy in Brazil; regulating the incorporation, organization, operations, and inspection of insurers, reinsurers, supplementary open pension funds, and capitalization companies, as well as establishing capital thresholds for such entities; establishing the general characteristics of insurance and reinsurance contracts; establishing general guidelines for insurance, reinsurance, supplementary open pension funds, and capitalization operations; establishing general accounting and statistical rules, as well as legal, technical, and investment limits for the operations of insurers, reinsurers, supplementary open pension funds, and capitalization companies; and regulating insurance and reinsurance broker activities and profession.

SUSEP's main roles include: processing application requests of incorporation, organization, operations, and inspecting insurers, reinsurers, supplementary open pension funds, and capitalization companies; issuing instructions and circular letters in connection with the regulation of insurance, reinsurance, supplementary open pension funds, and capitalization operations, in accordance with CNSP guidelines; setting forth the conditions of insurance plans to be used by the insurer market; approving limits for the operations of supervised companies; authorizing the use and release of assets and amounts given in guaranty for technical provisions and discretionary capital; inspecting and implementing the general accounting and statistical rules set forth by CNSP; inspecting the operations of supervised companies; and conducting the liquidation of supervised companies.

Self-Regulatory Entities

ANBIMA

ANBIMA is a private self-regulatory association of investment banks, asset managers, securities brokers and investment advisers, which, among other responsibilities, establishes rules as well as codes of best practices for the Brazilian capital market, including punitive measures in case of non-compliance with its rules.

BSM

BSM conducts market surveillance by monitoring transactions, orders and trades executed in B3 trading environments, supervises market participants, provides compensation for losses up to a certain threshold and, if necessary, initiates punitive administrative proceedings and enforces sanctions against those who infringe the applicable regulations.

Working in close collaboration with CVM and the Central Bank of Brazil, BSM acts to ensure that institutions and their professionals comply with market regulations, by:

- conducting market surveillance – BSM monitors all orders and trades in B3's markets in order to identify signs of irregularities;
- auditing – BSM audits all B3 participants to ensure their compliance with the regulations and to identify possible violations of market rules;
- imposing punitive processes and other enforcement actions – when violations of regulations occur, BSM adopts guidance, persuasion or disciplinary measures such as letters of recommendation, letters of censure or administrative sanctioning proceedings, in accordance with the severity of the violation that has been identified; in addition, BSM can, in connection with administrative sanctioning proceedings, apply penalties to or enter into Terms of Commitment (termo de compromisso) with the accused;
- providing compensation for loss – BSM analyzes and adjudicates complaints presented to the Investor Compensation Mechanism (MRP), which awards damages of up to R$120,000 to investors harmed by a B3 participant's inappropriate activity; and
- facilitating market development – BSM develops education initiatives, rule enhancements and institutional relationships with market participants, regulatory bodies and international organizations.

APIMEC

APIMEC is a private self-regulatory association authorized by CVM to perform the certification and self-regulation of securities analysts (both individuals and legal entities), establishing rules, procedures and best practices that must be complied with by them in the performance of their activities.

Other Rules

Corporate Capital and Limits of Exposure

Financial Institutions

Financial institutions are subject to an extensive set of rules issued by CMN and the Central Bank of Brazil related to corporate capital, exposure limits and other solvency requirements that follow principles recommended by the Basel Committee, especially in view of the systemic risks associated with the relationship and activity of financial institutions. As such, CMN and the Central Bank of Brazil sought to guarantee the solvency of the National Financial System and mitigate systemic risks.

With this aim, CMN Resolution No. 2,099 of August 17, 1994, as amended, or "CMN Resolution No. 2,099," established minimum corporate capital and net equity requirements for various types of financial institutions. For instance, the CMN set a minimum capital amount and net equity amount of R$1.5 million for a DTVM and for a CTVM, in the manner operated by Nu DTVM and NuInvest, and R$7.0 million for credit, financing and investment institutions, such as Nu Financeira.

In accordance with the Basel Committee principles, other relevant prudential rules applicable financial institutions are CMN Resolution No. 4,955 and CMN Resolution No. 4,958 both of October 21, 2021 ("CMN Resolution No. 4,955/21" and "CMN Resolution No. 4,958/21"), which consolidated the methodology for determining the reference equity, as well as minimum requirements for Tier I Capital and Core Capital and the ACP (as defined below). The CMN Resolutions No. 4,955/21 and 4,958/21 came into effect on January 3rd, 2022, repealing CMN Resolutions Nos. 4,192 and 4,193/13.

The recent rules were enacted in the context of a normative review and consolidation, as a result of the regulation brought under the Economic Freedom Act (Law No. 13,874, of September 20, 2019, and Decree No. 10,178, of December 18, 2019) and provide, among other provisions, a wording improvement, including the elimination of overdue schedules and references to obsolete concepts of required net worth (*Patrimônio Líquido Exigido*, or "PLE") and required reference equity (*Patrimônio de Referência Exigido*, or "PRE"). In addition, the new resolution also included procedural improvements, involving integrated risk management regulation, such as the appointment of a director responsible for the processes and controls relating to the calculation of the amount of risk-weighted assets (RWA), by calculating the minimum requirements and compliance with additional principal capital, and storage and public disclosure of information related to risk management.

According to CMN Resolutions Nos. 4,955/21 and 4,958/21, the capital requirement standards are expressed as ratios of the capital available stated by the Total Capital, composed by the Tier I Capital (which comprises the Common Equity and Additional Tier I Capital) and Tier II Capital, and the risk-weighted assets, or the "RWA." For purposes of calculating these minimum capital requirements, the total RWA is determined as the sum of the risk-weighted asset amounts for credit, market and operational risks.

The Total Capital, used to monitor the compliance with the operational limits imposed by the Central Bank of Brazil, is the sum of three items:

- Common Equity Tier 1: sum of social capital, reserves and retained earnings, less deductions and prudential adjustments.
- Additional Tier 1 Capital: consists of instruments of a perpetual nature that meet certain eligibility requirements. Together with Common Equity Tier I it makes up Tier I Capital.
- Tier 2 Capital: consists of subordinated debt instruments with defined maturity dates that meet certain eligibility requirements. Together with Common Equity Tier I and Additional Tier I Capital, it makes up Total Capital.

In accordance with applicable Brazilian regulations, we must maintain our Regulatory Capital, Tier 1 Capital and Common Equity Tier 1 Capital ratios above the minimum regulatory requirements established at all times. In connection with its licensing process, Nu Financeira has undertaken the commitment before the Central Bank of Brazil to operate with a Basel Committee minimum capital adequacy ratio of 14.0% until 2023, which is a higher capital ratio than the 11.0% applicable to most other financial institutions operating in Brazil.

Beyond the minimum requirement, the Central Bank of Brazil rules call for Additional Common Equity Tier I Capital, or "ACP," corresponding to the sum of the components ACP Conservation, ACP Countercyclical and ACP Systemic, which, jointly with the aforementioned requirements, increase capital requirements over time. The amount of each component and the minimum regulatory requirements is provided for in CMN Resolution 4,193.

On October 21, 2021, the CMN issued CMN Resolution No. 4,958, or "CMN Resolution No. 4,958/21," which aims to consolidate the rules that provide for the minimum requirements of reference equity, tier I and principal capital and on the ACP. CMN Resolution No. 4,958/21 entered into force on January 3, 2022, when it revoked Resolution No. 4,193/13 and other complementary regulations.

The Central Bank of Brazil divides the financial institutions into five categories of risk, with S1 being the most systemically relevant financial institutions and S5 being the least systemically relevant financial institutions. In this sense, certain of aforementioned capital components are only applicable to financial institutions framed in the S1. For instance, the ACP Systemic is not applicable to any of our subsidiaries operating as financial institutions (namely, Nu DTVM, NuInvest and Nu Financeira), given that such entities are framed in the S4 category, representing a lower systemic risk.

CMN Resolution No. 4,557 of February 23, 2017, or "CMN Resolution No. 4,557," unifies and expands Brazilian regulation on risk and capital management for financial institutions and other institutions licensed to operate by the Central Bank of Brazil. The rule is also an effort to incorporate recommendations from the Basel Committee on Banking Supervision into Brazilian regulation. The rule states that risk management must be conducted through a unified effort by the relevant entity (i.e., not only must risks be analyzed on an individual basis, but financial institutions and other institutions licensed to operate by the Central Bank of Brazil must also control and mitigate adverse effects caused by the interaction of different risks). It also strengthened the rules and requirements related to risk management governance and expanded on the competence requirements and duties of the risk management officer.

The rule sets out different structures for risk and capital management, which are applicable for different risk profiles set out in the applicable regulation. Consequently, less sophisticated financial institutions can have a simpler risk management structure, while institutions with more complexity must follow stricter protocols.

Payment Institutions

As per Central Bank of Brazil Resolution No. 80, of March 25, 2021, licensed payment institutions are required to comply with minimum paid-in capital of R$2.0 million per category in which they act (in the case of issuers of post-paid payment instruments, issuers of electronic currency and acquirers); with regard to the PISP category, the required amount is reduced to R$1.0 million. In addition, payment institutions that participate exclusively in closed payment schemes as issuers of electronic currency and issuers of post-paid payment instruments must comply with a minimum paid-in capital of R$3.0 million.

Moreover, according to Central Bank of Brazil Circular No. 3,681, of November 4, 2013, as amended, or "Circular No. 3,681/13," licensed payment institutions also have to comply with the following minimum net equity requirement: (1) for issuers of post-paid payment instruments or acquirers, 2% of the average monthly value of payment transactions carried out by the payment institution over the last 12 months; (2) for issuers of electronic currency, the higher value between 2% of the average monthly value of payment transactions carried out by the payment institution over the last 12 months or the balance of electronic currencies issued by it, as ascertained on a daily basis; and (3) for a PISP, 1% (from November 3, 2020 to December 31, 2022), 1.25% (from January 1, 2023 to December 31, 2024) and 1.5% (as of January 1, 2025) of the average monthly value of payment transactions initiated by the payment institution over the last 12 months.

In November 2020, the Central Bank of Brazil launched Public Consultation No. 78, or "Public Consultation No. 78," a set of draft regulations that seek to harmonize the prudential treatment applicable to payment transactions, whether carried out by payment institutions or by financial institutions. It also aims to harmonize the regulatory treatment of exposures arising from related activities conducted by payment institutions with that applicable to the same exposures, when carried out by financial institutions. The proposal suggests the gradual implementation of the new rules, with full adoption in January 2025. In this context, with the issue of a definitive rule by the CMN and the Central Bank of Brazil (which has not occurred as of the date of this annual report), certain prudential regulations applicable to financial institutions would also be applicable to payment institutions, and to exposures arising from payment services in general.

The current capital obligations will remain in effect until January 1, 2023, when they are expected to be replaced due to the recent publication of a new prudential framework applicable to payment institutions. This framework includes BCB Resolutions No. 197, 198, 199, 200, 201 and 202, all of March 11, 2022, which will enter into force as of January 1, 2023. The new set of rules is the result of Public Consultation No. 78 of November 2020 ("ECP 78/20"), which sought to harmonize the prudential treatment applicable to payment services.

With the new prudential framework in force, prudential conglomerates integrated by at least one institution that performs a payment service will now be classified into one of the following types:

- Type 1: prudential conglomerate led by a financial institution;
- Type 2: prudential conglomerate led by a payment institution and not integrated by a financial institution or any other institution authorized to operate by the Central Bank of Brazil subject to t Law No. 10,194/01 or the "Banking Law;" or
- Type 3: prudential conglomerate led by a payment institution and integrated by a financial institution or other institution authorized to operate by the Central Bank of Brazil subject to the Banking Law.

According to the Central Bank of Brazil, the concept of regulatory capital applicable to payment institutions was modified in order to ensure a greater capacity to absorb unexpected losses. This treatment will consist in deducting from the regulatory capital calculation the assets of the institution that, in situations of financial stress, have little or no value for maintaining the operation of the institution, in addition to considering debt instruments eligible to compose the Tier I and Tier II Reference Equity.

Furthermore, the new rules seek to adjust the minimum capital requirement according to the intrinsic risks of each type of activity (payment or financial activity) for Type 3 conglomerates (which will be the case of the conglomerate led by Nu Pagamentos), recognizing the peculiarities of payment services and their different legal status, and give specific prudential treatment to the risks arising from them. In this context, Payment Services Risk Weighted Assets (RWASP) was created, encompassing the activities of accreditation, issuance of electronic money and payment transaction initiation.

With regard to prudential segmentation, this will now also apply to Type 3 conglomerates - as will be the case for the conglomerate led by Nu Pagamentos. Based on their size and complexity, Type 3 conglomerates will be classified between S2 and S5 and will be required to comply with the prudential rules of the respective segment. As of the date of this annual report on Form 20-F, the conglomerate headed by Nu Pagamentos would fall under S3.

As for Type 2 conglomerates, because they present less complex and less risky, they will be subject to the simplified payments, simplified credit and simplified market tranches. Type 1 conglomerates, on the other hand, will also have the RWASP tranche, with the exception of S1 institutions - in any case, these conglomerates will be subject to specific rules to be issued by the CMN.

The new requirements will be enforceable according to an implementation schedule. The new rules are expected to take effect in January 2023, and full implementation is expected to occur in January 2025. The Central Bank of Brazil expects that this will ensure sufficient time for institutions to adapt their internal controls and adjust their ownership structure.

ISimultaneously to Public Consultation No. 78/2020, the Central Bank of Brazil published Public Consultation No. 80, of November 2020 ("Public Consultation 80"), with the objective of introducing recommendations from the Basel Committee for Banking Supervision (BCBS) contained in the document "Basel III: Finalizing post-crisis reforms", published in December 2017, which provides for proposals for regulatory approaches aimed at promoting and ensuring the stability and resilience of the financial system based on a more robust and granular prudential treatment of the main risk factors. As of the date of this annual report on Form 20-F, there has been no enactment of a rule arising from Public Consultation 80 but if such subject is regulated, as a result of the new prudential framework applicable to payment institutions, Type 3 conglomerates will have to comply with its provisions.

As mentioned, with the edition of the new prudential rules we will become a Type 3 conglomerate. In this context, the conglomerate led by Nu Pagamentos would have been subject to a minimum regulatory capital of US$448 million (R$ 2.5 billion) as of December 31, 2021, which would represent an increase of US$97 million (R$ 541 million) compared to the requirements applicable jointly to Nu Pagamentos and Nu Financeira under current regulations.

Changes in the Regulation of Credit Cards and Prepaid Payment Accounts

On May 19, 2021, the Central Bank of Brazil issued Resolution No. 96, or "Resolution 96," which amended and restated the rules relating to the opening of postpaid payment accounts (i.e., those used in products such as credit cards) and prepaid payment accounts, in addition to making the criteria for opening these accounts compatible with the rules applicable to the opening of deposit accounts (checking accounts). The rule came into force on March 1, 2022.

Among other measures, Resolution 96 eliminated the exhaustive list of minimum customer registration information for opening prepaid and postpaid payment accounts; each institution will have discretion in order to determine what information it will require from the customer, depending on its profile. It also provided for new procedures with the goal of facilitating requests for prepaid and postpaid payment accounts to be closed.

In addition, Resolution 96: (i) revises the items that must be included in the invoices for postpaid payment accounts (i.e., credit cards), such as the need to include the total consolidated balance of contracted future obligations, such as installment purchases, credit operations and tariffs; (ii) defined minimum provisions that must be included in the account agreements; and (iii) mandated that the institution sends or makes available to the customer, by physical or electronic means, the credit card and the corresponding invoices, according to the form and channel chosen by the customer (among the options made available by the institution). Resolution 96 will enter into force on March 1, 2022.

Interchange Fees and Public Consultation No. 89/2021

Interchange fees consist of the compensation received by a payment instrument in connection with a processed payment transaction.

In the case of domestic purchase transactions carried out with debit cards (i.e., those issued under payment schemes of deposit accounts), the interchange fee is limited by Central Bank of Brazil Circular No. 3.887/2018, which sets forth the maximum limits of (i) 0.5% for the average interchange fee, weighted by the value of the transactions; and (ii) 0.8% as the maximum amount to be applied in any transaction. Corporate cards and not-present transactions are excluded from the scope of the rule. In addition, the interchange fee for prepaid cards (i.e., those issued under payment schemes of prepaid payment accounts, such as the cards issued by Nu Pagamentos) is not subject to any regulatory limitation.

In this context, the Central Bank of Brazil issued, on October 8, 2021, Public Consultation No. 89 proposing to harmonize the rules pertaining to interchange fees applicable to debit cards and prepaid cards. Public Consultation 89/21 proposes a maximum limit of 0.5% to be applied in any domestic purchase transaction with a debit card or prepaid card. In addition, the proposed rule prohibits different maximum terms for making funds available to the receiving end-user involving these two payment instruments—today, such term can vary depending on the agreement between the card issuer and the payment scheme settlor. The limitations of this potential new rule would be applicable in the case of non-present transactions and corporate cards.

The Central Bank of Brazil highlighted that one of the objectives of the consultation is to harmonize rules, costs and procedures associated with payment instruments that are similar with respect to the functioning of the payment service. Up to the date of this annual report, no rules resulting from Public Consultation No. 89/21 have been enacted.

As a direct result of Public Consultation 89/21, on March 22, 2022, Mastercard released the public consultation AN 6229, proposing a reduction in the interchange rate on prepaid card present transactions made by individuals in Brazil to 0.80%. Interchange fees for other types of transactions for this product will remain at 1.20%. The effectiveness of such change is subject to comments by market participants, further revisions by Mastercard and the approval of the Central Bank of Brazil. For more information, see “Item 3. Key Information—D. Risk Factors—Certain ongoing legislative and regulatory initiatives under discussion by the Brazilian Congress, the Central Bank of Brazil and the broader payments industry may result in changes to the regulatory framework of the Brazilian payments and financial industries, which may have an adverse effect on our business and cause us to incur increased compliance costs.”

Compliance and Internal Controls

All Brazilian financial and payment institutions shall maintain internal guidelines and procedures to control their financial, operational and managerial information systems and shall comply with all the applicable legislation. CMN Resolution No. 4,595 of August 28, 2017, states that Brazilian financial institutions shall implement and maintain a compliance policy compatible with the nature, size, complexity, structure, risk profile and business model of the institution. Central Bank of Brazil Resolution No. 65 of January 26, 2021 sets forth similar rules for the Brazilian payment institutions.

On November 25, 2021, the CMN also issued Resolution No. 4,968, or "CMN Resolution No. 4,968/21", which repealed, as of January 1, 2022, the previous CMN Resolution No. 2,554, of September 24, 1998, or CMN Resolution No. 2,554/98".

According to CMN, CMN Resolution No. 2,554/98 was issued before the document from the Basel Committee Framework for Internal Control Systems in Banking Organizations, even though its provisions were essentially aligned with the precepts of this international document. In this context, with the enactment of CMN Resolution No. 4,968/21, the CMN deemed appropriate to update and improve certain rules concerning internal control systems, mainly in order to increase compliance with internal standards to the best internationally recognized practices. In particular, it aims to increase compliance with the “Internal Control – Integrated Framework 2013” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In addition, CMN Resolution No. 4,968/21 also sought to enhance the responsibilities attributed to the senior management of financial institutions, especially to the board of directors, as well as to detail the responsibilities of executive officers. Furthermore, CMN Resolution 4,968/21 provides that financial institutions must designate an officer responsible for internal controls matters (who may perform other duties within the institution, as long as there is no conflict of interest). The obligation to appoint this new officer, however, will only come into force on January 1, 2023.

Finally, it should be noted that CMN Resolution No. 4,968/21 expressly provides that its provisions do not apply to payment institutions. As of the date of this annual report, no equivalent rules applicable to payment institutions on this matter have been issued by the Central Bank of Brazil.

Insolvency Regimes

Brazilian financial and payment institutions authorized by the Central Bank of Brazil are subject to the resolution regimes that the Central Bank of Brazil may apply, which are set forth in: (1) Brazilian Federal Law No. 6,024/74, which provides for intervention and extrajudicial liquidation; (2) Decree-Law No. 2,321/87, which provides for the temporary special administration regime (regime de administração especial temporária, or "RAET"); and (3) Brazilian Federal Law No. 9,447/97, which provides for the joint and several liability of controlling shareholders and the freezing of their assets, as well as for the liability of independent auditors. The provisions applicable to bankruptcy, set forth in Brazilian Federal Law No. 11,101/05, apply secondarily to the extrajudicial liquidation regime.

The Central Bank of Brazil is responsible for the establishment and monitoring of resolution regimes, also acting on the administrative level in appeals filed against decisions of the board, intervenor or liquidator, or in the authorization of specific acts set forth by law. The Central Bank of Brazil is required to initiate an investigation to find the causes that resulted in the application of the special resolution regime and the liability of management, controlling shareholders, members of the fiscal council and independent auditors.

Intervention

Pursuant to Brazilian Federal Law No. 6,024/74, the Central Bank of Brazil has the power to appoint an intervener to intervene in the operations of or to liquidate any financial or payment institution other than public financial institutions controlled by the Brazilian federal government. An intervention may be ordered at the discretion of the Central Bank of Brazil if any of the following is detected:

- due to mismanagement, the institution has suffered losses leaving creditors at risk;
- the institution has consistently violated Brazilian banking laws or regulations; and
- such intervention constitutes a viable alternative to the liquidation of the institution.

Intervention may also be ordered upon the request of a financial or payment institution's management, if its respective bylaws so authorize - with an indication of the causes of the request, without prejudice to civil and criminal liability in which the same administrators incur, by the false or malicious indication.

As of the date on which it is ordered, the intervention will automatically: (1) suspend the enforceability of payable obligations; (2) suspend maturity of any previously contracted obligations; and (3) freeze deposits existing on the date on which the intervention is ordered. The intervention period should not exceed six months, which may be extended only once for up to six additional months by the Central Bank of Brazil.

The intervention ceases: (1) if interested parties undertake to continue the economic activities of the institution, by presenting the necessary guarantees, as determined by the Central Bank of Brazil, (2) when the situation of the institution is normalized, as determined by the Central Bank of Brazil, or (3) when extra-judicial liquidation or bankruptcy of the entity is ordered.

Extrajudicial Liquidation

The purpose of the extrajudicial liquidation is to withdraw the relevant institution from the Brazilian financial and payment system, primarily in case of irrecoverable insolvency. The extrajudicial liquidation may also apply in cases of severe infractions, among other events pursuant to applicable law.

Under the extrajudicial liquidation regime, the institution's activities are interrupted, and all obligations are deemed due. Lenders are then submitted to a classification process based on the order of preference set forth by Brazilian Federal Law No. 11,101/05. This regime seeks the liquidation of existing assets to pay lenders.

The liquidator appointed by the Central Bank of Brazil has ample administration and liquidation powers, especially regarding the assessment and rating of credit. The liquidator may appoint and dismiss employees, determine their compensation, grant and terminate powers-of-attorney, propose actions and represent the institution in court or out of court. Under specific circumstances set forth by law, certain acts performed by the liquidator require the authorization of the Central Bank of Brazil, including to complete pending business, pledge or sell assets and file for bankruptcy.

The extrajudicial liquidation ceases: (1) if the interested parties, presenting the required guarantees, proceed with the economic activities of the institution; (2) upon conversion into an ordinary liquidation, conducted by the institution itself, pursuant to private law, without the participation of the Central Bank of Brazil; (3) upon the approval of the final accounts of the liquidator and relevant write-off in the competent public registry; or (4) in case of adjudication of bankruptcy of the institution. Only the liquidator can file for bankruptcy, subject to the authorization of the Central Bank of Brazil. Bankruptcy may be granted if the assets of the institution are not sufficient to cover at least half of the unsecured credit, or in case of grounded evidence of bankruptcy crimes.

Temporary Special Administration Regime, or "RAET"

The RAET is a resolution regime that does not interrupt or suspend the usual activities of institutions. RAET's main effects include the removal of members of management from office and their replacement by a board or legal entity specialized in the area, with ample management powers.

The Central Bank of Brazil determines the duration of the RAET. Depending on the circumstances of each case, the RAET ceases: (1) if the Brazilian government takes over the control of the institution due to social interest; (2) in the event of conversion, merger, consolidation, spin-off or transfer of the institution's control; (3) once the institution resumes its usual activities; or (4) upon the adjudication of extrajudicial liquidation of the institution.

The foregoing list of laws and regulations to which we are subject is not exhaustive and the regulatory framework governing our operations changes continuously. Although we do not believe that compliance with future laws and regulations related to the payment processing industry and our business will have a material adverse effect on our business, financial condition or results of operations, the enactment of new laws and regulations may increasingly affect the operation of our business, directly and indirectly, which could result in substantial regulatory compliance costs, litigation expense, adverse publicity, the loss of revenue and decreased profitability.

Repayment of Creditors in a Liquidation or Bankruptcy

Pursuant to the provisions of the Brazilian Federal Law No. 11,101/05, in the event of extrajudicial liquidation or bankruptcy of a financial or payment institution, creditors are paid pursuant to a system of priorities. Pre-petition claims are paid on a pro-rata basis in the following order:

- labor claims, capped at an amount equal to 150 times the minimum wages per employee, and claims relating to labor accidents;
- secured claims up to the encumbered asset value;
- tax claims, regardless of their nature and commencement of time, except tax penalties;
- claims with special privileges;
- claims with general privileges;
- unsecured claims;
- contractual fines and pecuniary penalties for breach of administrative or criminal laws, including those of a tax nature; and
- subordinated claims.

Super-priority and post-petition claims (for example, costs related to the liquidation or bankruptcy procedure), as defined under the Brazilian Federal Law No. 11,101/05, are paid with preference over pre-petition claims.

Anti-Money Laundering

Law No. 9,613 of March 3, 1998, as amended by Law No. 12,683 of July 9, 2012, or the "Anti-Money Laundering Law," plays a major regulatory role in the oversight of banking and payment activities in Brazil. The Anti-Money Laundering Law sets forth the rules and the penalties to be imposed upon persons engaging in activities that constitute "laundering" or the concealing of property, cash or assets acquired or resulting from any kind of criminal activity. Such regulation further prohibits individuals from using the financial and payment systems for the aforementioned illicit acts.

Pursuant to the Anti-Money Laundering Law, banks, financeiras, securities brokers, securities distributors, asset managers, leasing companies, payment institutions, insurance brokers, among others, must: (1) identify and maintain up-to-date records of their customers; (2) keep up-to-date records of all transactions involving securities, bonds, credit, financial instruments, metals or any asset that if converted into cash exceed the amount set forth by the competent authorities, and which shall be in accordance with the instruction issued by these authorities; (3) adopt AML internal control policies and procedures that are compatible with the size of the company; (4) register and maintain up-to-date records with the appropriate regulatory agency; (5) comply with COAF's requests and obligations; (6) pay special attention to any transaction that, in light of the provisions set forth by competent authorities, may indicate the existence of a money laundering crime; (7) report all suspicious transactions to COAF; and (8) confirm to the applicable regulatory agency that no offending transactions have occurred.

The Brazilian AML law specifies the acts that may constitute a crime and the required measures to prevent such crimes. It also prohibits the concealment or dissimulation of the origin, location, availability, handling or ownership of assets, rights or financial resources directly or indirectly originated from crimes, and subjects the agents of these illegal practices to imprisonment, temporary disqualification from managing enterprises up to 10 years and monetary fines.

Central Bank of Brazil Circular No. 3,978, of January 23, 2020 (which came into force on October 1, 2020, or "Circular 3,978/20"), which amended and restated the provisions relating to the prevention and combat to money laundering, require financial and payment institutions to (1) identify customers; (2) record transactions; (3) monitor events and report them to the Financial Activities Control Council (Conselho de Controle de Atividades Financeiras, or "COAF"); (4) conduct business with politically exposed persons; (5) establish and maintain relationships with financial institutions and foreign correspondents; (6) train employees; and (7) appoint an officer responsible for the implementation and enforcement of these measures.

Circular 3,978/20 adopted a risk-based approach for dealing with money laundering and terrorist financing prevention. The regulated institutions have the discretion to determine which procedures will be adopted for each customer, based on the internal risk assessment concerning the committing of crimes relating to money laundering and terrorism financing latent in their business.

Along the same lines, CVM Resolution No. 50 of August 31, 2021, which came into force on October 1, 2021, establishes, among other obligations, that persons who engage in, on a permanent or occasional basis, as a main or ancillary activity, cumulatively or not, the custody, issuance, distribution, settlement, trade, intermediation, consultancy or management of bonds or securities, and independent audit within the scope of the stock exchange market must adopt rules, procedures and internal controls, also taking a risk-based approach, in accordance with previously and expressly established procedures to confirm the registration information of its customers, keep such information updated and monitor the transactions carried out thereby, so as to prevent the use of the account by third parties and identify the end beneficiaries of the transactions. These entities are also required to establish policies of anti-money laundering, terrorism financing and the financing of the proliferation of mass destruction weapons (PLD/FTP), of internal risk assessment and of internal rules, procedures and controls. Moreover, along the same lines of the provisions of the regulations of the Central Bank of Brazil, such entities shall also identify and closely monitor the business relations maintained with politically exposed persons.

The COAF was created by the Anti-Money Laundering Law and was reviewed and changed in 2020 by Federal Law No. 13,974/2020. COAF's purpose is to verify, examine, identify and apply administrative penalties to any suspicious or unlawful activities related to money laundering in Brazil, without prejudice to the jurisdiction of other bodies and entities, as well as report suspicious activities to the prosecutors and the police. COAF has a key role in the Brazilian AML and counter-terrorism financing system, and it is legally liable for the coordination of the mechanisms for international cooperation and information exchange.

Recent Developments to the Central Bank of Brazil's AML Regulation

On July 27, 2021, the Central Bank of Brazil published BCB Resolution No. 119, which provided for specific amendments to Circular No. 3978/20. This regulation came into force on September 1, 2021.

Among the main changes, it is noteworthy that obtaining information about the customer's place of residence, in the case of a natural person, or the location of the head office or branch, in the case of a legal entity, is now required in the customer qualification procedures. Thus, the need for analysis and validation of the customer's location information, provided by the customer, should be evaluated by the institution according to the customer's risk profile and the nature of the business relationship, in view of the risk-based approach.

Further, with the goal of making the regulations issued by the Central Bank of Brazil compatible with the regulations issued by the CVM on investment funds and non-resident investors, such CVM regulations were incorporated into Circular No. 3.978/20, as well as the CVM regulations regarding investment clubs, investment funds organized as closed condominiums and certain non-resident investors.

Finally, in the case of operations using cash resources carried out through a cash transport company, the transport company is now considered the holder of the resources and will be identified by registering the tax registration number and the firm or corporate name.

Recent improvements in the regulation of the Central Bank of Brazil to prevent fraud in the provision of payment services

On September 23, 2021, the Central Bank of Brazil issued Resolution BCB No. 142, which set forth measures to be adopted by institutions to prevent fraud in the provision of payment services by financial institutions, other institutions authorized to operate by the Central Bank of Brazil and payment institutions that are members of the SPB. According to the resolution, such institutions shall limit to a maximum of R$1,000 per deposit account or prepaid payment, the provision of payment services for the period from 8:00 pm to 6:00 am. Such limit may be changed at the customer's request, formalized in the channels of electronic service; however, the institution must establish a minimum period of 24 hours for the effecting the increase.

Subject to the schedule provided for in the resolution, institutions must implement: (i) procedures intended for the evaluation of the customer prior to the offer of anticipation service of the settlement of receivables on the same date as the transaction under a payment arrangement of which participate; and (ii) daily records of the occurrences of fraud or attempted fraud in the provision payment services, including the corrective measures adopted. Based on these records, institutions must prepare a monthly report consolidating the occurrences and measures preventive and corrective measures adopted. This report should be forwarded to the audit and risk committees, the internal audit, the Executive Board and the Board of Administration, if any.

Politically Exposed Persons

Pursuant to Circular 3,978/20 and CVM Resolution No. 50, payment and financial institutions and other institutions authorized to operate by the Central Bank of Brazil or the CVM are required to obtain sufficient information from their customers to identify any Politically Exposed Persons from their customer base and monitor their transactions accordingly.

In general terms, Circular 3,978/20 and CVM Resolution No. 50 define Politically Exposed Persons as any government agent who in the last five years have held or is holding, in Brazil or in foreign territories, relevant government positions, jobs or public office, as well as their representatives, family members and other closely related persons. Article 27 of Circular 3,978/20 and Article 1 of Annex A of CVM Resolution No. 50 specifically list which government agents and persons fall under the definition of Politically Exposed Persons. This list must always be considered by financial and payment institutions and other institutions authorized to operate by the Central Bank of Brazil or the CVM.

Circular 3,978/20 and CVM Resolution No. 50 establish that the internal procedures developed and implemented by the payment and financial institutions and other institutions authorized to operate by the Central Bank of Brazil or the CVM, subject to such regulation must be structured to enable the identification of Politically Exposed Persons and the origin of the funds for such customers' transactions.

Transactions with Affiliates

The Banking Law (paragraph 4, article 34), as amended by Law No. 13,506 of November 13, 2017, or "Law No. 13,506," restricts financial institutions from conducting credit transactions with related parties. Pursuant to CMN Resolution No. 4,693 of October 29, 2018, or "CMN Resolution No. 4,693," the following persons are considered related parties of a financial institution for the purpose of such restriction:

A. its controlling shareholders (individuals or legal entities), pursuant to Article 116 of Law No. 6,404/76;

B. its officers and members of statutory or contractual bodies;

C. spouses, partners and blood relatives up to the second degree of individuals specified in items A and B above;

D. its individual shareholders with stakes equal to or greater than 15% in its capital; and

E. its legal entities:

(i) with stakes equal to or greater than 15% in the financial institutions' corporate capital;

(ii) in which capital, directly or indirectly, the financial institution holds stakes equal to or greater than 15%;

(iii) in which the financial institution holds effective operational control or relevance in the deliberations, regardless of the equity interest held; and

(iv) with a common officer or board member in relation to the financial institution.

Notwithstanding the general restrictions, the following credit transactions with related parties are allowed: (1) transactions carried out under market-compatible conditions, without additional benefits or privileges when compared to transactions executed with other customers of the same profile of the respective institutions; (2) transactions performed with companies controlled by the Federal Government, in the case of federal public financial institutions; (3) credit transactions whose counterparty is a financial institution that is part of the same prudential conglomerate, provided that they contain a contractual subordination clause, subject to the provisions of item V of art. 10 of the Banking Law, in the case of banking financial institutions; (4) interbank deposits; (5) obligations assumed between related parties as a result of liability imposed on clearinghouse participants or providers of clearing and settlement services authorized by the Central Bank of Brazil or by the CVM; and (6) other cases authorized by CMN Resolution No. 4,693.

According to CMN Resolution No. 4,693, as of April 1, 2019, all financial institutions must adopt internal policies regulating transactions with related parties.

Brazilian Law No. 7,492 enacted on June 16, 1986, which regulates crimes against the Brazilian National Financial System, criminalized the extension of credit by a financial institution to related parties in the cases not allowed by the Banking Law and CMN Resolution No. 4,693.

Punitive Sanctions

Legal violations under Brazilian payments, banking and/or securities laws may lead to administrative, civil and criminal liability. Offenders may be prosecuted under all three legal theories separately, before different courts and regulatory authorities, and face different sanctions with respect to the same legal offense.

Law No. 13,506, Central Bank of Brazil Resolution No. 131 of August 20, 2021, and CVM Instruction No. 607 of June 18, 2019, regulate administrative sanctioning proceedings as well as the various penalties, consent orders, injunctive measures, fines and administrative settlements imposed by the Central Bank of Brazil and the CVM.

Law No. 13,506 is noteworthy, as it:

A. sets fines imposed by the Central Bank of Brazil of up to R$2 billion or 0.5% of the entity's revenue, arising from services and financial products provided in the year prior to the violation;

B. limits fines imposed by the CVM to the greater of the following amounts: R$50 million, twice the value of the irregular transaction, three times the amount of the economic gain improperly obtained or loss improperly avoided, or twice the damage caused by the irregular conduct. Repeat offenders may be subject to treble the amounts above;

C. provides for the suspension, disqualification and prohibition from engaging in certain activities or transactions in the banking or securities market for a period of up to 20 years;

D. temporarily bans offending individuals from serving in any managerial capacity for financial institutions;

E. imposes coercive or precautionary fines of up to R$100,000 per day, subject to a maximum period of 30 days in punitive fines;

F. defines the scope of the Central Bank of Brazil's regulatory authority;

G. prohibits the offending institutions themselves from participating in the markets;

H. provides for a penalty of "public admonition" in place of "warning", imposed by the Central Bank of Brazil;

I. empowers the Central Bank of Brazil to enter into cease-and-desist commitments;

J. empowers the Central Bank of Brazil and the CVM to enter into administrative agreements;

K. provides the CVM with the authority to ban the accused from contracting with official Brazilian financial institutions and participating in public bidding processes for a period of up to five years; and

L. redefines related party transactions.

Penalties may be aggregated, and are calculated based on the following factors:

A. gains obtained or attempted to be gained by the offender;

B. economic capability to comply;

C. severity of the offense;

D. actual losses;

E. any recurrence of the offense; and

F. the offender's cooperativeness with the investigation.

Law No. 7,492 provides a legal framework to hold controlling shareholders, officers and managers of a financial institution criminally liable. The regime under Law No. 7,492 also covers interventionists, liquidators and real estate managers, in the context of interventions, extrajudicial liquidation or bankruptcy, respectively. Those found criminally liable under Law No. 7,492 will be subject to detention and/or pecuniary fines.

Law No. 6,385 also imposes imprisonment and/or fines for banking or securities infractions.

Internal Auditing

CMN Resolution No. 4,879 of December 23, 2020 (applicable to financial institutions) and Central Bank of Brazil Resolution No. 93, of May 6, 2021 (applicable to payment institutions) provide for rules governing internal audits at financial institutions and others authorized to operate by the Central Bank of Brazil. Pursuant to such rules, financial and payment institutions must implement and maintain internal audit functions compatible with the nature, size, complexity, structure, risk profile and business model of the respective institution. Such activity must be the responsibility of a specific department in the institution or institutions that are part of its financial conglomerate, directly subordinated to the board of directors or, if one does not exist, the board of executive officers; or (ii) an independent auditor provided that such independent auditor is not in charge of auditing the institution's financial statements or any other activity that may create a conflict of interest.

Independent Auditors and Audit Committee

Pursuant to CMN Resolution No. 4,910 of May 27, 2021 as amended, (CMN Resolution No. 4,910,") all financial institutions must be audited by independent auditors. The financial institutions may only hire independent auditors registered with the CVM and certified as experts in banking analysis by the Central Bank of Brazil. After such auditors have issued opinions auditing the financial statement of a certain financial institution for up to five complete and consecutive years, the Auditor's team including managers, supervisors or any members with managerial positions, must be replaced. The Central Bank of Brazil Resolution No. 130, of August 20, 2021, which entered into force on January 1, 2022, or Resolution No. 130, applicable to payment institutions, also contains provisions in this regard.

CMN Resolution No. 4,910 and Central Bank of Brazil Resolution No. 130 respectively require financial institutions (and other institutions licensed to operate by the Central Bank of Brazil) and payment institutions to implement an individual audit committee or an unified audit committee for its conglomerate, as the case may be, if they (1) are registered as a publicly-held company; (2) are leaders of a prudential conglomerate classified in Segment 1 (S1), Segment 2 (S2) or Segment 3 (S3), according to specific regulations; or (3) meet the criteria set forth in the specific regulation to be classified as S1, S2 and S3.

In turn, Resolution No. 130 determines that an audit committee must be formed by payment institutions that: (1) are registered as publicly held companies; (2) are leaders of a prudential conglomerate that meets the criteria provided for in the specific regulations for classification in the S1, S2 or S3 prudential category; or (3) meet the criteria provided for in the specific regulation for classification in the S1, S2 or S3 prudential category.

Ombudsman

Pursuant to CMN Resolution No. 4,860 and Central Bank of Brazil Resolution No. 28, both issued on October 23, 2020, financial and payment institutions, respectively, must (i) create an ombudsman department (individually for the institution or unified for its conglomerate) compatible with the nature and complexity of the institutions' products, services, activities, processes and systems to establish an independent communication channel with their customers; and (ii) appoint individuals as an ombudsman and an ombudsman officer (who can also be the ombudsman himself).

The following are the ombudsman department's main responsibilities: (1) receiving, recording, instructing, analyzing and providing formal and adequate attention to claims from customers and users of the institution's products and services; (2) providing clarification regarding the status of a claim and information as to when a response is expected to be given; (3) sending a final answer within the applicable deadline; (4) keeping the board of directors or, if one does not exist, the board of executive officers, informed of the problems and shortcomings detected in the performance of its duties and the results of the actions taken by the institution's officers to resolve them; and (5) preparing and sending, to the internal audit department, to the audit committee (if one exists), and to the board of directors (or if one does not exist, to the board of executive officers), a semiannual quantitative and qualitative report on the ombudsman department's activities and its performance.

Whistleblowing and Hotline

Pursuant to CMN Resolution No. 4,859, of October 23, 2020, financial institutions and other institutions licensed to operate by the Central Bank of Brazil are required to have a whistleblower hotline (canal de denúncias), through which their employees, customers, contractors, users and/or suppliers may anonymously report situations involving potential illicit activities of any nature related to the institution's activities. Accordingly, financial institutions are required to appoint a responsible department for forwarding all reported events to the appropriate departments for further handling. This department is also required to prepare reports semi-annually detailing, at least, the following information relating to each reported event: (1) number of reported events and their nature; (2) the departments that handled them; and (3) the average timeframe and relevant measures adopted to solve them. Such reports must be (1) approved by the board of directors of the institution or, if one does not exist, the institution's board of executive officers; and (2) made available to the Central Bank of Brazil for at least 5 years.

Foreign Investment in Brazilian Financial Institutions

According to Decree No. 10,029, of September 26, 2019, and Central Bank of Brazil Circular No. 3,977, of January 22, 2020, the execution of direct or indirect foreign investments in voting or non-voting equity interest in Brazilian financial institutions by any individual or legal entity, regardless of the nationality, requires prior approval of the Central Bank of Brazil. Until the enactment of such rules, the execution of such investments was subject to the enactment of a specific presidential decree on a case-by-case basis.

Corporate Interest Held by Financial Institutions in Other Legal Entities

Pursuant to CMN Resolution No. 2,723, of May 31, 2000, as amended, financial institutions may only, directly or indirectly, hold equity interest in other legal entities (incorporated locally or offshore) that supplement or subsidize their activities, provided that they obtain prior authorization from the Central Bank of Brazil and that the invested entity does not hold, directly or indirectly, equity of the referred financial institution. However, this requirement does not apply to (1) equity interests typically held in the investment portfolios of investment banks, development banks, development agencies (agências de fomento) and multiservice banks with investment or development portfolios; and (2) temporary equity interests not registered as permanent assets and not subject to consolidation by the financial institution.

Change of Corporate Control and Qualified Equity Interest

Pursuant to the provisions of CMN Resolution No. 4,122 (for financial institutions, such as Nu Financeira, Nu DTVM and NuInvest) and the provisions of Central Bank of Brazil Resolution No. 81, of March 24, 2021 (for payment institutions, such as Nu Pagamentos), ("BCB Resolution 81/21") the change, transfer or modification of the control of financial or payment institutions authorized by the Central Bank of Brazil must be submitted to the prior approval of the Central Bank of Brazil in accordance with the above mentioned regulations and such change, transfer or modification shall only be effected after such approval is duly obtained.

In addition, pursuant to the above mentioned rules, if an individual or legal entity acquires, directly or indirectly, a qualified equity interest (i.e., 15% or more of the total equity interest of a financial institution, or 15% or more of the voting equity interest or 10% or more of the total equity interest of a payment institution) or expands qualified equity interest previously acquired, such acquisitions shall be notified to the Central Bank of Brazil, which has the right to request documents and information, as well as order that the acquisition be regularized or undone in case of any irregularities.

New rules applicable to the authorizations and licensing of financial institutions

On November 25, 2021, CMN Resolution No. 4,970, or CMN Resolution No. 4,970/21 was issued, with the objective of modernizing and rationalizing the authorization processes within the sphere of the Central Bank of Brazil and which will enter into force on July 1, 2022.

In general, CMN Resolution No. 4,970/21 consolidates previously scattered rules into a single rule and standardizes the requirements for authorizations in relation to all regulated species. Furthermore, the rule authorizes the Central Bank of Brazil to adopt an approach based on the complexity of each segment and each license, so that the regulator may adopt procedures that are proportional to the risks of each segment.

Among other aspects, CMN Resolution No. 4,970/21 is aligned with BCB Resolution No. 81/21 (applicable to payment institutions) with regard to the definition of "qualified equity interest". According to the rule, the holder of a qualified interest will be the individual or legal entity that, while not being the controlling shareholder, holds: (1) direct equity equivalent to 15% (fifteen percent) or more of the voting capital of the institution; (2) direct equity equivalent to 10% (ten percent) or more of the total capital of the institution, when such capital does not consist entirely of voting capital; (3) control of a legal entity holding the equity provided in items (1) or (2); or (4) equity in the capital of a controlling legal entity of the institution, in the percentage provided in items (1) or (2).

Furthermore, CMN Resolution No. 4,970/21 clarifies the concepts of "controlling shareholder" and "controlling group", including situations in which the control cannot be identified only by the minimum percentages of corporate interest (*i.e.*, majority of the voting capital of a joint stock company or 75% (seventy-five percent) of the capital stock of a limited liability company), but by the effective exercise of attributions, such as (1) the ownership of rights that ensure the majority of votes in corporate decisions and the power to elect the majority of the managers; or (2) the effective conduction of corporate business.

The situations in which the Central Bank of Brazil may shelve, without examining the merits, or reject an authorization request were also consolidated. There is also the possibility for the Central Bank of Brazil to review the authorization decision, based on the public interest, if there is a forgery or omission in the statements and documents, or circumstances prior to the decision that may affect the assessment of compliance with the applicable requirements.

Open Banking

According to CMN and Central Bank of Brazil Joint Resolution No. 1, of May 4, 2020, Open Banking is the standardized sharing of data, products and services by financial institutions, payment institutions and other institutions licensed to operate by the Central Bank of Brazil, at their customers' discretion, through the opening and integration of their systems. Therefore, Open Banking is considered by the Central Bank of Brazil as an important tool for innovation in the financial and payments markets, and is expected to make such sectors more efficient, inclusive and competitive.

Open Banking is under gradual legal, operational and technological development and implementation in Brazil, according to certain stages defined by the Central Bank of Brazil that are expected to last until September 2022. Consequently, some of the applicable requirements and standards that will need to be complied with by Open Banking participants are still under discussion and preparation by a self-regulatory body created specifically for this purpose, as well as by the Central Bank of Brazil itself.

Instant Payment System

In 2020, the Central Bank of Brazil launched Pix, a payment system that allows real-time payments and transfers.

The main goals of the Central Bank of Brazil with Pix are to foster innovation and differentiated services that meet the needs of end-users, as well as expand and simplify the payment methods available, since less personal information is needed in order to materialize a payment or transfer. In this context, the Pix is an open ecosystem that various types of payment service providers can join.

On August 12, 2020, the Central Bank of Brazil published Resolution No. 1, which sets out implementation procedures and participation criteria for the Brazilian Instant Payments System (Sistema de Pagamentos Instantâneos, or "SPI"), and the Pix. This arrangement requires that all financial and payment institutions authorized to operate by the Central Bank of Brazil and which have more than 500,000 active customer accounts (including checking, savings and payment accounts) will mandatorily participate in the SPI and in the Pix.

Law No. 14,268/21

On December 30, 2021, Law No. 14.286, or "New Foreign Exchange Law", was published and is expected to become effective one year after such publication. Such law encompasses provisions regarding Brazilian capital abroad and foreign capital in the country.

The main purpose of the New Foreign Exchange Law is to provide for the liberalization of the Brazilian FX market, which faces a lot of regulatory complexity, as well as certain inconsistencies, modernize the system and enhance innovation and competition.

According to the Central Bank of Brazil, the new legislation has a positive impact on the attraction of foreign capital, both for investment in the financial and capital markets and for direct investment, including long-term investments and investments in infrastructure projects and concessions. In addition to greater international insertion, the New Foreign Exchange Law contributes to the greater international use of the Brazilian Real, facilitating the use of the domestic currency in international financial operations, such as the permission for the entry and remittance of payment orders in Brazilian Reais from Brazilian Reais denominated accounts of foreign institutions held in banks in the country.

The new legislation also consolidates more than 40 legal provisions that began to be issued about 100 years ago, which totaled more than 400 articles (many with archaic language). The new legislation is concise, with 29 articles and updated language, which we expect to bring a higher level of legal certainty. Additionally, the New Foreign Exchange Law stimulates the reduction of operational and legal structures of the participants of the foreign exchange market, with more efficient transactions and information sharing.

Brazilian financial institutions will also be allowed, in accordance with article 15 of the New Foreign Exchange Law, to allocate, invest and use the funds they raise, in Brazil and abroad, to carry out credit and financing transactions, both in Brazil and abroad. For this purpose, the regulatory and prudential requirements established by the CMN and by the Central Bank of Brazil must be observed.

Finally, there are changes in the scope of the rules for transactions carried out by individuals, such as the permission to trade foreign currency between individuals on an occasional, non-professional basis, with a limit of up to US$ 500. Currently, this type of operation is forbidden. It was also extended to US$ 10,000, or its equivalent in other currencies, the limit at which travelers entering or leaving Brazil must declare when carrying cash.

E-Commerce, Data Protection and Taxes

In addition to regulations affecting digital payment schemes, we are also subject to laws relating to Internet activities, e-commerce and data protection, as well as tax laws and other regulations applicable to Brazilian companies generally. Internet activities in Brazil are regulated by Brazilian Federal Law No. 12,965/14, as amended, known as the Brazilian Civil Rights Framework for the Internet, which embodies a substantial set of rights of Internet users, and obligations relating to Internet service providers. This law exempts intermediary platforms from liability for user-generated content in certain cases. On the other hand, this law provides for penalties (including fines) in case of non-compliance.

The laws and regulations applicable to the Brazilian digital payments industry and to the offering of financial services are subject to ongoing interpretation and change, and our digital payments business may become subject to regulation by other authorities. For further information on the risks relating to the regulation of business, please see “Item 3. Key Information—D. Risk Factors—Risks Relating to Regulatory Matters and Litigation—We are subject to extensive regulation and regulatory and governmental oversight as a digital banking platform and as a payment institution. Compliance with or violation of present or future regulations could be costly, expose us to substantial liability and force us to change our business practices, any of which could harm our business and results of operations.”

Consumer Protection Laws

We are subject to several laws and regulations designed to protect consumer rights—most importantly, Brazilian Federal Law No. 8,078/90, as amended, (Código de Defesa do Consumidor, or the “Consumer Protection Code”), which sets forth the legal principles and requirements applicable to consumer relations in Brazil. This law regulates, among other things, commercial practices, product and service liability, strict liability of the supplier of products or services, reversal of the burden of proof to the benefit of consumers as the hypo sufficient party, the joint and several liability of all companies within the supply chain, abuse of rights in contractual clauses, advertising and information on products and services offered to the public. The Consumer Protection Code further establishes the consumers’ rights to access and modify personal information collected about them and stored in private databases. These consumer protection laws could result in substantial compliance costs.

Customer and User Relations

On October 18, 2021, the Central Bank of Brazil published Resolution BCB No. 155, or "Resolution BCB 155," which sets forth rules and procedures regarding the relationship with customers and users of products and services by payment institutions authorized to operate by the Central Bank of Brazil. The new resolution became effective on October 1, 2022.

Resolution BCB 155 establishes new rules mainly with the objective of ensuring a fair and equitable treatment at all stages of the relationship with provider institutions of financial services and payments, as well as a convergence of the providers interests with those of their consumers. The resolution is in line with existing rules for financial institutions, which were recently consolidated in CMN Resolution No. 4,949, which came into force on March 1, 2022.

Pursuant to Resolution BCB 155, payment institutions authorized to operate by the Central Bank of Brazil will also draft and implement an institutional policy for their relationship with customers. This new policy should consolidate guidelines, strategic objectives and organizational values so that its activities are guided by ethical principles, accountability, transparency and diligence. Furthermore, Resolution BCB 155 provides that payment institutions authorized to operate by the Central Bank of Brazil shall appoint to said regulator the director responsible for compliance with the obligations provided for in Resolution BCB 155.

Finally, Resolution BCB 155 sets forth other obligations on payment institutions authorized to operate by the Central Bank of Brazil, such as observing transparency and suitability rules, which are aligned with the requirements already foreseen for financial institutions.

Data Privacy and Protection

With regard to the compliance with data protection regulations, besides the Brazilian Federal Constitution, we are subject to the Brazilian Civil Rights Framework for the Internet, the Consumer Protection Code, Bank Secrecy Law and the Brazilian Federal Law No. 13.709 of August 14, 2018, called the Brazilian General Data Protection Law (Lei Geral de Proteção de Dados, or the "LGPD"). We are also subject to intellectual property rules, and to tax laws and related obligations such as the rules governing the sharing of customer information with tax and financial authorities. It is unclear whether the tax and regulatory authorities would seek to obtain information regarding our customers. Any such request could come into conflict with the data protection rules, which could create risks for our business.

The Brazilian Civil Rights Framework for the Internet establishes principles, guarantees, rights and duties for the use of the Internet in Brazil, including regulation about data privacy for Internet users.

In September 2020, the LGPD was entered into force, and its administrative sanctions provisions became effective in August 2021 under the Brazilian Federal Law No. 14,010/20. The LGPD establishes detailed rules to be observed in the maintenance and processing of personal data and provides, among other measures, rights to the data subjects, cases in which the processing of personal data is allowed, obligations and requirements relating to security incidents involving personal data and the transfer and sharing of personal data.

The LGPD further establishes penalties for non-compliance with its provisions, ranging from a warning and exclusion of personal data processed in an irregular way to fines or the prohibition from processing personal data. The LGPD also authorizes the creation of the ANPD, an authority that oversees compliance with the rules on data protection. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Intellectual Property, Privacy and Cybersecurity—Unauthorized disclosure of, improper access to, or destruction or modification of data through cybersecurity breaches, computer viruses or otherwise, or disruptions to our systems or services, could expose us to liability, protracted and costly litigation and damage our reputation.”

Any additional privacy laws or regulations enacted or approved in Brazil or in other jurisdictions in which we operate could harm our business, financial condition or results of operations.

Bank Secrecy

Brazilian financial and payment institutions are subject to bank secrecy rules, pursuant to Supplementary Law No. 105, of January 10, 2001, and CMN Resolution No. 4,282, of November 4, 2013. Such institutions are required to maintain the secrecy of their active and passive transactions and services provided, except for certain events, including, but not limited to: (1) disclosure of confidential information upon the express consent of the interested parties or when requested by judicial authorities; (2) exchange of information between financial institutions for recording purposes; (3) remittance of record information to credit protection agencies related to drawers of bad checks and borrowers in default; (4) communication of criminal or administrative offenses to competent authorities; and (5) if they are responsible for withholding and paying contributions, remittance of information to the Brazilian Federal Revenue Office required to identify taxpayers and global amounts involved in their transactions.

Cyber Security

Under CMN Resolution No. 4,893, of February 26, 2021, and Central Bank of Brazil Resolution No. 85, of April 8, 2021, financial and payment institutions, respectively, must comply with cybersecurity requirements set forth therein applicable to the engagement of data processing and storage, and cloud computing service providers in Brazil and offshore, as well as implement policies, and accident response and action plans.

Environmental Regulation

CMN Resolution No. 4,327, of April 25, 2014, or “CMN Resolution No. 4,327,” currently provides for minimum requirements for social and environmental responsibility policies to be implemented by financial institutions and other institutions authorized to operate by the Central Bank of Brazil. Thus, social and environmental risks and data on financial losses associated with social and environmental damage must be evaluated. The Central Bank of Brazil is responsible for overseeing the implementation of this regulation.

Pursuant to CMN Resolution No. 4,327, financial conglomerates are allowed to set up a single social and environmental responsibility policy for all institutions participating in such conglomerates. Furthermore, the establishment and implementation of said policy must take into account the nature of the institution and the complexity of its activities and financial services and products.

CMN Resolution No. 4,327/14 was repealed by CMN Resolution No. 4,945/21, with effectiveness from July 1, 2022 and December 1, 2022, especially to include provisions regarding the climate. See "—ESG aspects in financial institutions."

Environmental Accountability

Pursuant to article 225, paragraph 3 of the Brazilian Federal Constitution, any individual or legal entity that causes damage to the environment, directly or indirectly, such as financial institutions, will be subject to administrative and criminal sanctions, without prejudice to the obligation to repair damages caused in the civil sphere. Such provisions are regulated at the federal level by three rules: (i) Federal Law No. 6,938, of August 31, 1981, or the National Environmental Policy; (ii) the Environmental Crimes Law and (iii) Federal Decree No. 6,514, of July 22, 2008 (administrative sanctions to the environment).

The National Environmental Policy establishes the general framework and guidelines for environmental protection, as well as important concepts, such as the definitions of “pollution” and “indirect polluter” and the establishment of objective civil liability for the repair of environmental damage in the civil sphere. Financial institutions may be classified as indirect polluters and, therefore, subject to the three spheres of responsibility.

Environmental responsibility can occur in three different and independent spheres: (i) administrative; (ii) civil; and (iii) criminal. With regard to administrative liability, any action or omission that results in the violation of a rule for the preservation of the environment resulting from fault or intent, regardless of the actual occurrence of environmental damage, is considered an environmental administrative infraction. Administrative infractions are punished with: warning; simple fine in the amount of up to R$50 million; daily fine; partial or total suspension of activities; restriction of rights; and embargo among others.

In the civil sphere, environmental damages imply strict and joint liability. This means that the obligation to repair the degradation caused may affect everyone involved, directly or indirectly, regardless of the agents’ attestation of fault, just by demonstrating the causal link, and one of the agents may fully answer for the environmental damage. In this scenario, if more than one company has contributed to damage to the environment, or the damage has been committed by a service provider or supplier, the one with the greatest financial ability to do so may be required to remediate or pay compensation, with later, right of recourse against the other companies involved. There is no provision in Brazilian legislation for a cap or limitation on the amount to be set as compensation for environmental damage, which will be proportional to the damage caused. In addition, according to the consolidated position of the Brazilian Federal Supreme Court, claims for reparation or compensation for environmental damage are not subject to a statute of limitations.

Additionally, the Environmental Crimes Law provides for the possibility of disregarding the legal personality, in relation to the legal entity causing the environmental infringement, whenever this is an obstacle to the reimbursement of damages caused to the environment. As a result, when third parties are hired to carry out any intervention in the operations, there is no exemption from liability for any environmental damage caused by these third parties.

Criminal liability for environmental crimes is subjective, which means that the offender will only be penalized if he or she acts with intent or guilt. The Environmental Crimes Law provides for the accountability of all those who, in any way, participate in the practice of crimes against the environment, each being penalized to the extent of their guilt. Such law also provides for liability in the criminal sphere for both individuals and legal entities, characterized if the offense is committed: (i) by decision of its legal obligations and requirements relating to security incidents involving personal data and the transfer and sharing of personal data.

The liability of the legal entity does not exclude that of individuals, plaintiffs, co-authors or participants, which extends the liability of such acts to members of legal entities that participated in such decisions or omitted to do so, when they could avoid the damages arising therefrom.

ESG Aspects in Financial Institutions

On September 15, 2021, as a result of Public Consultation Nos. 85 and 86 of April 2021, the CMN and the Central Bank of Brazil published resolutions that aim to improve disclosure, management and governance of social, environmental and climate risks by financial institutions, in line with the "Sustainability" pillar of the "BC# Agenda".

CMN Resolution No. 4,943 amended CMN Resolution No. 4,557/17 on the risk and capital management framework and disclosure policy of institutions regulated by the Central Bank of Brazil. It did so to, among other relevant provisions, highlight and distinguish social, environmental and climate risks as requiring identification, measurement, assessment, monitoring, reporting, control and mitigation within the risk management framework of financial institutions. The new rule defines such risks, bringing new and modern concepts to the sector, such as the inclusion of the two main components of climate risks - the physical and the transition - already recognized in international standards on the subject. The emphasis given by the standard to the inclusion of mechanisms to identify and monitor social, environmental and climate risks incurred by the financial institution resulting not only from its products, services and activities, but also from the activities performed by its counterparts, controlled entities, suppliers and outsourced service providers of the institution, providing a new supply chain vision to the issues it addresses. The adoption of a governance structure and criteria for this management and its continuous monitoring are also detailed in the resolution, in line with market trends.

Similar provisions were also inserted in the simplified continuous risk management structure referring to the Simplified Reference Equity (PRS5) by the new CMN Resolution No. 4,944, which amends CMN Resolution No. 4,606.

CMN Resolution No. 4,945 replaces CMN Resolution No. 4,327/2014, on the Socio-environmental Responsibility Policy (PRSA). The new standard includes the climate aspect, to require financial institutions (segments S1, S2, S3, S4 and S5) to prepare and implement a Social, Environmental and Climate Responsibility Policy (PRSAC). Financial institutions are now expressly required to consider the impacts, strategic objectives and business opportunities related to social, environmental and climate aspects. There was also a reduction in the PRSA review period, from five to three years.

BCB Resolution No. 139 of September 15, 2021 regulates the preparation of the Report on Social, Environmental and Climate Risks and Opportunities (GRSAC Report) by financial institutions in Segments 1 (S1), 2 (S2), 3 (S3) and 4 (S4). This Resolution seeks to address the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) at the national regulatory level. The GRSAC Report must be disclosed annually with a base date of December 31, observing a maximum period of 90 days counted as of December 31 and must be made available on the financial institution's website for a period of five years.

Finally, to allow financial institutions to adapt their practices and policies to the new provisions, CMN Resolution No. 4,943/2021 and article 16 of CMN Resolution No. 4,945/2021 (which repeals CMN Resolution No. 4,327/2014) will come into force on July 1, 2022, while CMN Resolution No. 4,944/2021, the other provisions of CMN Resolution No. 4,945/2021 and BCB Resolution No. 139/2021 will come into force on December 1, 2022. BCB Resolution No. 140/2021, which deals specifically with rural credit, came into force on October 1, 2021.

Registration of BDRs with the CVM

The rules enacted by CMN, the Central Bank of Brazil and CVM require that the depositary file the relevant BDR program with the CVM and the Central Bank of Brazil for purposes of enabling remittances of funds to and from Brazil in connection with the offer and sale of BDRs in Brazil, the sale of the underlying shares offshore and the payment of dividends and other distributions to holders of the BDRs. These rules further require that any such remittances be registered with the Central Bank of Brazil by the engaged custodian on behalf of the depositary. The remittance of funds offshore in connection with the offer and sale of the BDRs in Brazil is limited to the proceeds from the sale of such BDRs in a Brazilian market regulated by the CVM, net of commissions and other related expenses.

As a general rule, the BDRs may be redeemed for the purposes of selling the underlying shares offshore. The proceeds from any such sale may not be used for other investments outside Brazil and must be repatriated within seven days from the date in which the BDRs are redeemed. Foreign investors purchasing BDRs pursuant to the provisions of CMN Resolution No. 4,373 are not subject to such a repatriation requirement, but must record any such redemption with the Central Bank of Brazil. Dividends and other distributions made to Brazilian residents in connection with the BDRs must be repatriated, but may be applied to the acquisition of additional underlying shares. Individuals domiciled in Brazil and non-financial institutions, investment funds and other investment companies incorporated in Brazil may purchase shares issued offshore by sponsors of BDR programs in Brazil for purposes of depositing such shares with the relevant custodian and request the issuance of BDRs in Brazil. The depositary is responsible for maintaining and updating the registration of the BDR program with the Central Bank of Brazil, including the flow of funds in connection with redemptions and payments of dividends and other distributions.

In connection with our registration as a publicly-held company and the listing of our BDRs in Brazil, we will have to comply with certain disclosure requirements. As a result, we are required to file with the CVM: (i) on an annual basis, a reference form (formulário de referência) in Portuguese by the fourth month of each year, which summarizes our financial, legal and operating information; (ii) quarterly financial information with 45 days after the end of each quarter; and (iii) on an ongoing basis, reports disclosing limited information on call notices and minutes of general meetings as well as material facts and notices to the market, as required by applicable rules.

Other Countries

We also have operations outside of Brazil, including in Mexico and Colombia, along with information technology and business support operations in Argentina, Germany and the United States. In particular, in Mexico, our products are offered by both a financial institution (subject to the Popular Savings and Credit Law) and a commercial entity. Similar to financial entities in Brazil, financial entities in Mexico are subject to extensive regulation and the oversight of the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria de Valores, or the “CNBV”). Mexican authorities have been reviewing the regulations applicable to financial entities (and enacted the Fintech Law in 2018) and closely supervise financial technology companies.

Furthermore, on December 10, 2020, our subsidiary Nu Tecnologia entered into a purchase agreement for the acquisition of 100% of Akala, a Mexico-based financial cooperative association engaged in fundraising and financial services, inoperative since 2018 but with a valid “SOFIPO” license. The main characteristic of a SOFIPO-type license is to enable institutions to take deposits from customers, while having fewer assets and lower capital requirements compared to banks. On December 18, 2020, we submitted a change of control request with respect to Akala to the CNBV, and in September 2021, the acquisition closed.

In Colombia, our credit card product is offered by a commercial entity that is subject to extensive regulation, including those governing consumer protection (namely Law No. 1,480 of 2011, Decree No. 1,074 of 2015 and the Sole Circular of the Industry and Trade Superintendence) and data protection (Law No. 1,581 of 2012). In addition, interest rates in Colombia are capped, as provided in the Colombian Commercial and Criminal Codes. Our activities in Colombia are subject to the supervision of the Industry and Trade Superintendence with regards to consumer relations, data protection and antitrust. Furthermore, the Colombian Financial Regulatory Unit, URF, has proposed various changes to financial regulations that may be implemented in the future and affect our Colombian operations.

In the EU, on account of our employees based in Germany, we are subject to the GDPR, as described in greater detail in "Item 3. Key Information—D. Risk Factors—Risks Relating to Regulatory Matters and Litigation—We are subject to costs and risks associated with enhanced or changing laws and regulations affecting our business, including those relating to data privacy, security and protection. Developments in these and other laws and regulations could harm our business, financial condition or results of operations."

For more information regarding the laws and regulations applicable to our business, see "Item 3. Key Information—D. Risk Factors—Risks Relating to Regulatory Matters and Litigation."

C. *Organizational Structure*

Our group is currently composed of 41 entities, including Nu Holdings Ltd. and our 40 subsidiaries, 21 of which are incorporated in Brazil, and the remainder of which are incorporated in other countries. None of our subsidiaries is licensed to operate as a bank. Our significant subsidiaries and a summary of their operations are as follows:

Nu Pagamentos S.A. – Instituição de Pagamento, or "Nu Pagamentos"

Nu Pagamentos, our 100%-owned indirect subsidiary organized in Brazil, is primarily engaged in the issuance and administration of credit cards and payment transfers through prepaid accounts. Nu Pagamentos is a regulated payment institution under Brazilian law authorized to operate in such capacity by the Central Bank of Brazil.

Nu Financeira S.A. – SCFI, or "Nu Financeira"

Nu Financeira, our 100%-owned indirect subsidiary organized in Brazil, launched in February 2019 and offers personal loans as its main product. Nu Financeira is a regulated financial institution under Brazilian law authorized to operate in such capacity by the Central Bank of Brazil.

Nu BN Servicios México, S.A. de CV, or "Nu Servicios"

Nu Servicios, our 99.9%-owned indirect subsidiary organized in Mexico, is engaged in the issuance and administration of credit cards. Nu Servicios operates as a regulated financial institution under the oversight of the CNBV.

Nu Colombia S.A., or "Nu Colombia"

Nu Colombia, our 100%-owned indirect subsidiary organized in Colombia, launched in September 2020 with operations related to credit cards. Nu Colombia is a regulated commercial entity operating subject to the supervision of the Colombian Superintendence of Industry and Commerce, or "SIC," a public authority and a technical agency attached to the Ministry of Trade, Industry and Tourism of Colombia.

Nu Invest Corretora de Valores S.A, or "Nu Invest"

Nu Invest, our 100%-owned indirect subsidiary organized in Brazil, is engaged in digital investment platform Nu Invest operates as a regulated broker dealer under the oversight of the Central Bank of Brazil.

A simplified organizational chart showing our corporate structure is set forth below.

1. Nu subsidiaries organized in Brazil consist of Nu Pagamentos S.A. – Instituição de Pagamento, Nu Financeira S.A. – SCFI, Nu Asset Management Ltda., Nu Distribuidora de Títulos e Valores Mobiliarios Ltda., Nu Produtos Ltda., the Easynvest Companies, Internet – Fundo de Investimento em Participações Multiestratégia, Nu Plataformas – Intermediação de Negocios e Serviços Ltda., Nu Crypto Ltda., Instituto Nu, Fundo de Investimento em Direitos Creditórios NU, Nu Fundo de Investimento Renda Fixa, Fundo de Investimento Ostrum Soberano Renda Fixa Referenciado DI and Nu Fundo de Investimentos em Ações,Spin Pay Serviços de Pagamentos Ltda., Olivia AI, Inc., Olivia AI do Brasil Participações Ltda. and Olivia AI do Brasil - Instituição de Pagamento Ltda.

2. Nu subsidiaries organized in Colombia consist of Nu Colombia S.A.

3. Nu subsidiaries organized in Mexico consist of Nu BN México, S.A. de C.V., Nu BN Servicios México, S.A. de C.V., Nu BN Tecnologia, S.A. de C.V and Nu México Financiera, S.A. de C.V., SOFIPO.

4. Nu subsidiaries organized in Argentina consist of Nu Argentina S.A.

5. Nu subsidiaries organized in Germany consist of Nu Finanztechnologie GmbH.

6. Nu subsidiaries organized in Uruguay consist of Nu Tecnologia S.A. and NUPLAT, S.A.

7. Nu subsidiaries organized in the United States consist of Nu 1-B, LLC, Nu 2-B, LLC, Nu 3-B, LLC, Nu 1-A, LLC, Nu 2-A, LLC, Nu 3-A, LLC, Nu Payments, LLC, Nu MX LLC and Cognitect, Inc.

8. Other Nu subsidiaries consist of Nu Cayman Ltd., organized in the Cayman Islands.

For more details about our organization structure please refer to see “Item 4. History and development of the company” and note 3 – Basis of consolidation to our consolidated financial statements.

D. Property, Plant and Equipment

Intellectual Property

We rely on a combination of trademark, domain names and trade secret laws, as well as employee and third-party nondisclosure, confidentiality and other types of contractual arrangements to establish, maintain and enforce our intellectual property rights, including with respect to our proprietary rights related to our products and services. In addition, we license technology from third parties.

As of December 31, 2021, we did not own any Brazil-issued patents or copyrights. However, we filed a patent application on May 10, 2021 for the ultraviolet card feature before the United States Patent and Trademark Office, or "USPTO," and the Patent Cooperation Treaty system, which was granted by the USPTO on January 25, 2022. Also, we own a number of trademarks including Nu, NUBANK and its variations, and other valuable trademarks and designs covering various brands, products and services, including the credit card, the account, insurance and other services provided by Nu. We also own a number of domain names registered in Brazil, including “nubank.com.br” and “nu.com.br”, and abroad such as “nu.com.mx” and “nu.com.co”.

As of December 31, 2021, our application to register the trademark “Nu” in the United States is pending approval by the relevant authority. We have already obtained registration in class 36 in the United States for the trademark “NUBANK”.

Moreover, as of the date of this annual report, we own the “Datomic” software, which was developed internally by Cognitect. “Datomic” is a database management operating system for domain-specific transactional data, which was also developed using Java and Clojure programming language, which is open source. We use “Datomic” for various purposes that range from storing registration data to storing metadata. We also own the software for the “App Nubank” mobile application, which is used by our customers to access our services, and was developed internally by us.

Properties

Our operational headquarters are located in the city of São Paulo, state of São Paulo, Brazil, which includes the majority of our product development, sales, marketing, and business operations. Our principal executive offices consist of approximately 111,912 square feet of space under a lease that expires in September 2023. We also have leased offices in several other locations, including offshore in Mexico, Colombia, Argentina, Germany and the United States, and believe our facilities are sufficient for our current needs. The table below sets forth additional information regarding our offices in each country:

Name	Location	Type	Ownership	Size(in sq. feet)
HQ1	São Paulo, Brazil	Office	Leased	111,912
HQ2	São Paulo, Brazil	Office	Leased	58,364
HQ3	São Paulo, Brazil	Warehouse	Leased	4,299
HQ5 Coworking	São Paulo, Brazil	Office	Leased	39,826
NuInvest	São Paulo, Brazil	Office	Leased	36,189
Spin Pay Campinas Coworking	Sao Paulo, Brazil	Office	Leased	582,00
Salvador	Salvador, Brazil	Office	Leased	25,407

Mexico – Main Office	CDMX, Mexico	Office	Subleased	16,211
Mexico – SPEI 1 Coworking	CDMX, Mexico	Office	Leased	258
Mexico – SPEI 2 Coworking	Querétaro, Mexico	Office	Leased	108
Spaces 80 Coworking	Bogota, Colombia	Office	Leased	1,658
HIT Coworking	Buenos Aires, Argentina	Office	Leased	539
Knotel Coworking	Berlin, Germany	Office	Leased	5,705
Cognitect	Durham, USA	Office	Leased	3,778
Tyson	Washington, D.C. USA	Coworking	Leased	538
Total				**307,340**

As of December 31, 2021, we had a services agreement with a data center service provider for the provision of data services to us from its data centers in São Paulo, Brazil, and different locations in the United States. We believe that our facilities are suitable and adequate for our business as presently conducted, however, we periodically review our facility requirements and may acquire new space to meet the needs of our business or consolidate and dispose of facilities that are no longer required.

Item 4A. Unresolved staff comments

Not applicable.

Item 5. Operating and financial review and prospects

The following discussion of our financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and the notes thereto, included elsewhere in this annual report.

The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of events may differ materially from those expressed or implied in such forward-looking statements as a result of various factors, including those set forth in “Cautionary Statement Regarding Forward-Looking Statements” and “Item 3. Key Information—D. Risk Factors.”

A. Operating Results

Selected Consolidated Financial Data

The following tables set forth, for the periods and as of the dates indicated, our selected consolidated financial data. Our historical results are not necessarily indicative of the results that may be expected in the future. The following selected consolidated financial data should be read in conjunction with "Item 5. Operating and Financial Review and Prospects" and our consolidated financial statements and related notes included elsewhere in this annual report.

The selected statements of financial position as of December 31, 2021 and 2020 and the selected statements of profit or loss for the years ended December 31, 2021, 2020 and 2019 have been derived from our audited consolidated financial statements included elsewhere in this annual report, prepared in accordance with IFRS, as issued by the IASB.

Statement of Profit or Loss Data

	For the Years Ended December 31,		
	2021	2020	2019
	(in US$ millions, except amounts per share)		
Interest income and gains (losses) on financial instruments	1,046.7	382.9	337.9
Fee and commission income	651.3	354.2	274.2
Total revenue	**1,698.0**	**737.1**	**612.1**
Interest and other financial expenses	(367.4)	(113.9)	(109.7)
Transactional expenses	(117.1)	(126.8)	(79.3)
Credit loss allowance expenses	(480.6)	(169.5)	(175.2)
Total cost of financial and transactional services provided	**(965.1)**	**(410.2)**	**(364.2)**
Gross profit	**732.9**	**326.9**	**247.9**
Operating Expenses			
Customer support and operations	(190.5)	(124.0)	(115.6)
General and administrative expenses	(628.9)	(266.0)	(199.9)
Marketing expenses	(79.6)	(19.4)	(41.8)
Other income (expenses)	(4.1)	(9.5)	(19.9)
Total operating expenses	**(903.1)**	**(418.9)**	**(377.2)**
Finance costs – results with convertible instruments	—	(101.2)	—
Loss before income taxes	**(170.2)**	**(193.2)**	**(129.3)**
Income Taxes			
Current taxes	(219.8)	(22.3)	(3.6)
Deferred taxes	224.7	44.0	40.4
Total income taxes	**4.9**	**21.7**	**36.8**
Loss for the year	**(165.3)**	**(171.5)**	**(92.5)**
Loss attributable to shareholders of the parent company	(165.0)	(171.5)	(92.5)
Loss attributable to non-controlling interest	(0.3)	—	—
Loss Per Share			
Loss per share – Basic and Diluted (US$)	(0.10)	(0.13)	(0.08)

Statement of Financial Position Data

	2021	2020
	(in US$ millions)	
Assets		
Cash and cash equivalents	2,705.7	2,343.8
Financial assets at fair value through profit or loss	918.4	4,378.2
Securities	*816.0*	*4,287.3*
Derivative financial instruments	*101.3*	*0.1*
Collateral for credit card operations	*1.1*	*90.8*
Financial assets at fair value through other comprehensive income	8,163.4	—
Securities	*8,163.4*	—
Financial assets at amortized cost	6,932.5	3,150.0
Compulsory deposits at central banks	*938.7*	*43.5*
Credit card receivables	*4,780.5*	*2,908.9*
Loans to customers	*1,194.8*	*174.7*
Interbank transactions	—	—
Other financial assets at amortized cost	*18.5*	*22.9*
Other assets	283.3	123.5
Deferred tax assets	360.8	125.1
Right-of-use assets	6.4	10.7
Property, plant and equipment	14.1	9.9
Intangible assets	72.3	12.4
Goodwill	401.9	0.8
Total assets	**19,858.8**	**10,154.4**
Liabilities		
Financial liabilities at fair value through profit or loss	102.4	90.8
Derivative financial instruments	*87.3*	*75.3*
Instruments eligible as capital	*12.1*	*15.5*
Repurchase agreements	*3.0*	—
Financial liabilities at amortized cost	14,706.7	9,421.8
Deposits	*9,667.3*	*5,584.9*
Payables to credit card network	*4,882.2*	*3,331.3*
Borrowings and financing	*147.2*	*97.5*
Securitized borrowings	*10.0*	*79.7*
Senior preferred shares	—	*328.4*
Salaries, allowances and social security contributions	97.9	25.8
Tax liabilities	241.2	30.8
Lease liabilities	7.6	12.0
Provision for lawsuits and administrative proceedings	18.1	16.5
Deferred income	30.7	26.0
Deferred tax liabilities	29.3	8.7
Other liabilities	182.3	83.9
Total liabilities	**15,416.2**	**9,716.3**
Equity		
Share capital	0.1	—
Share premium reserve	4,678.6	638.0
Accumulated gains (losses)	(128.4)	(102.4)
Other comprehensive income (loss)	(109.2)	(97.5)
Equity attributable to shareholders of the parent company	**4,441.1**	**438.1**
Equity attributable to non-controlling interest	1.5	—
Total equity	**4,442.6**	**438.1**
Total liabilities and equity	**19,858.8**	**10,154.4**

Overview

Our Mission and Vision

Our mission is to fight complexity to empower people in their daily lives.

In 2013, we chose to begin our journey by disrupting the financial services market in Latin America, the market value of which we estimate reached approximately US$1 trillion in 2021. This opportunity includes approximately 650 million people in Latin America according to the World Bank, many of whom we believe are underbanked and deeply unsatisfied with their legacy bank relationships, or completely unbanked.

We are in the early stages of technology companies revolutionizing a broad range of services by putting the customer at the center of their strategies and architecting experiences based on mobile-first and cloud-based models. We believe that new technology-driven companies can capture market share from legacy providers across all industries, expand the size of addressable opportunities and operate with superior economics. We also believe there is a significant opportunity to use the latest technologies and business practices to create new and more user-friendly experiences for individual consumers and SMEs that are simple, intuitive, convenient, low-cost, empowering and human.

As we pursue our mission of empowerment, we are building a company focused on connecting profit to purpose in order to create value for all our stakeholders and deliver a positive impact on the communities we serve.

Welcome to Nu

We believe that Nu is one of the world's largest digital banking platforms, and one of the leading technology companies in the world, with 53.9 million customers across Brazil, Mexico and Colombia as of December 31, 2021. We are building our business based on four core principles: (1) a highly curated customer-centric culture that permeates everything we do; (2) the prioritization of human-centric design across all of our mobile apps, products, services and interactions to create extraordinary customer experiences; (3) the development of advanced proprietary technologies built from the ground up by some of the best talent from around the world; and (4) the utilization and optimization of data science and powerful proprietary models that support every aspect of our business. We combine these to create a self-reinforcing business model that we believe enables us to serve our ecosystem of customers and partners more effectively as we grow, to generate significant impact to our stakeholders and sustainable competitive advantages in the marketplace.

We have developed a growing suite of essential and high engagement financial solutions designed to create superior customer experiences across the Five Financial Seasons of a consumer or SME customer's journey. These include (1) spending with our credit and debit cards, QR code-based and PIX instant payment arrangements, WhatsApp Pay and traditional wire transfers; (2) saving with our Nu personal and business accounts; (3) investing with our direct-to-consumer NuInvest digital investment platform; (4) borrowing with our transparent, easy-to-manage credit cards and personal loans with limits that grow over time as users build their credit histories with us; and (5) protecting with our insurance solutions. We have also broadened our ecosystem by adding products and services from marketplace partners to our platform, such as mobile phone top-ups, foreign remittances and secured loan products, all under the Nu brand and with the same customer experience as with our proprietary products.

As of December 31, 2021, we served a broad customer base of 52.5 million individual consumers and almost 1.4 million small and medium-sized enterprises, or "SMEs." Our customer base is well diversified across various demographic measures, such as income, age and geographical dispersion, and relatively in line with the overall adult populations of our markets, although we believe our customers are generally younger than those of incumbent financial institutions. Based on internal research as well as an analysis by Oliver Wyman, as of October, 2021, 59% of our customers were under 35 years old, compared to 30% for traditional banks. In addition, 80% of our customers were under 45 years old, compared to 52% for incumbent banks. Our young and growing customer base provides us with significant opportunities to grow with our customers who are in the early stages of their financial journeys. For example, our younger customers (ages 20-24 years old) are expected to grow their real income by about 70% over the next ten years (based on a comparison of our younger customers' income to the income reported by our customers who are between 30-34 years old), and we believe we are well positioned to serve their needs as they accumulate wealth, increase spending and reach life milestones that expand their financial needs.

In the year ended December 31, 2021, we reported total revenue of US$1.7 billion, an increase of 130.4% compared to US$737.1 million in the year ended December 31, 2020 (or an increase of 138.0% compared to US$713.3 million on an FX Neutral basis). In the year ended December 31, 2021, we reported gross profit of US$732.9 million, an increase of 124.2% compared to US$326.9 million in the year ended December 31, 2020 (or an increase of 131.6%, compared to US$316.4 million on an FX Neutral basis).

In the year ended December 31, 2020, we reported total revenue of US$737.1 million (or US$713.3 million on an FX Neutral basis), an increase of 20.4% compared to US$612.1 million in the year ended December 31, 2019 (or an increase of 59.7% compared to US$446.7 million on an FX Neutral basis). In the year ended December 31, 2020, we reported gross profit of US$326.9 million (or US$316.4 million on an FX Neutral basis), an increase of 31.9% compared to US$247.9 million in the year ended December 31, 2019 (or an increase of 74.9%, compared to US$180.9 million on an FX Neutral basis). For more information, see "—Key Business Metrics" and "—Results of Operations."

Our Self-Reinforcing Model

We have reinvented how to attract, serve and retain retail banking customers digitally. We believe in the use of data and technology to create a fundamentally different cost structure, which then enables us to offer a superior customer experience irrespective of income or social class, while at the same time benefiting from strong unit economics.

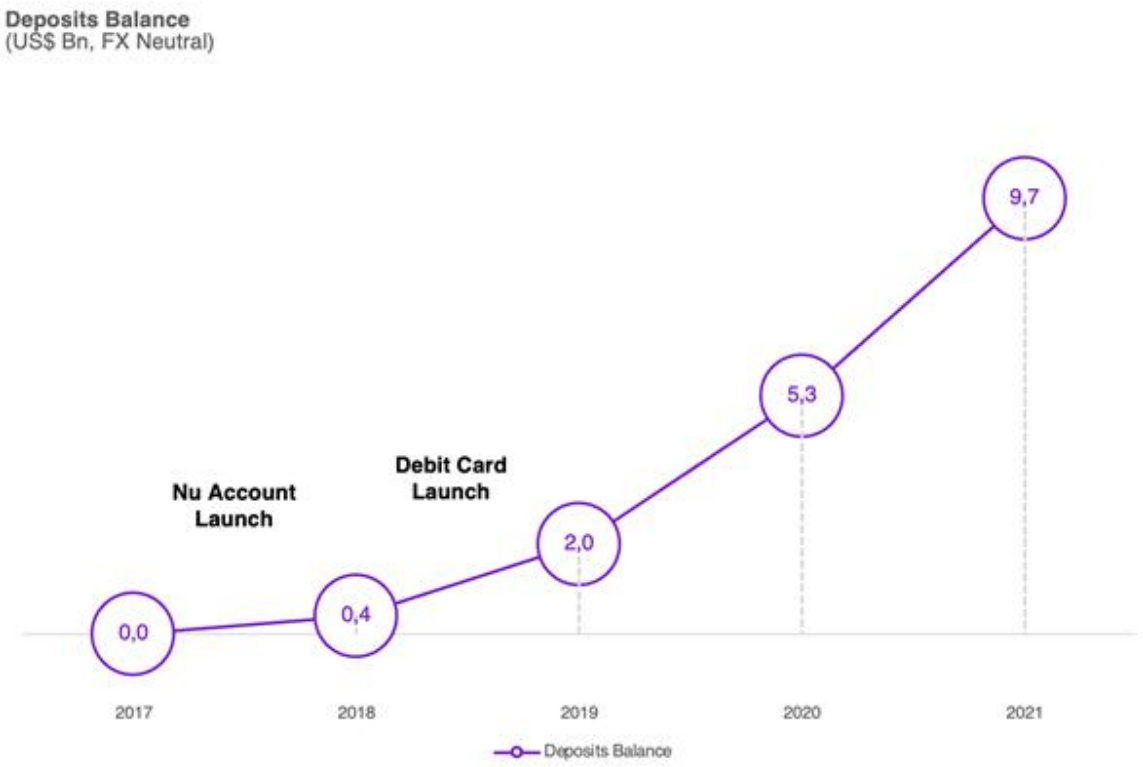
Our model benefits from low costs across four dimensions:

Low Cost to Acquire—We acquired approximately 80%-90% of our customers organically on average per year since our inception, either through word-of-mouth or a direct unpaid referral from an existing customer without incurring direct marketing expenses. As a result, our customer acquisition costs are low. Our CAC for the year ended December 31, 2021 was US$5.4 per customer (of which paid marketing accounted for approximately 23%), compared to US$3.8 per customer for the year ended December 31, 2020 (of which paid marketing accounted for approximately 20%), all on an FX Neutral basis. Based on our internal research and publicly available information, we believe our CAC is one of the lowest across consumer FinTech companies in the world. Our CAC includes: printing and shipping of a card, credit data costs (primarily consisting of credit bureau costs) and paid marketing.

Low Cost to Serve—Our all-digital, cloud-based platform is low cost, highly efficient and scalable. As a result, we estimate that our cost to serve and general and administrative expense per active customer is approximately 85% lower than those of incumbent financial institutions in Brazil, based on their publicly available financial statements. These institutions are burdened by their large physical branch networks and high employee to customer ratios. In Brazil, incumbent banks had, on average, one employee per 1,000 customers (according to publicly available data), one-twelfth of our ratio of customers per employee, which was one employee per approximately 12,000 customers as of December 31, 2020.

Low Cost of Risk—As we have scaled, we have leveraged our growing pool of proprietary data and our NuX credit engine to underwrite customers more effectively, lower fraud rates and lower our overall cost of risk. Credit limits are optimized at a consumer level using our credit underwriting engine that balances the expected marginal revenue and expected marginal loss associated with incremental limits, including the undrawn portion of credit lines, under a worsening economic scenario. In addition, we pursue a "low and grow" strategy with credit limits: we grant lower limits to new customers who we assess as higher risk and then increase those limits selectively based on a positive usage and repayment track record. As of December 31, 2021, we had a 90-day consumer finance delinquency rate of 3.5%, which is defined as the sum of outstanding credit balances with at least one payment past due for 90 days, divided by the total credit balance, excluding balances past due for 360 days, approximately 29% lower than the Brazilian industry average of 5.0%, according to a report issued by the Central Bank of Brazil. As illustrated below, in the first half of 2020, the beginning of the COVID-19 pandemic, we saw a temporary increase in our delinquency levels, in line with market trends. By the end of 2020, also in line with market trends, our levels had improved relative to our own pre-COVID-19 delinquency levels, driven primarily by COVID-19 related government assistance to consumers and increased consumer saving rates. For additional information on portfolio risk quality distribution and ECL movements, see Notes 13 and 14 to our annual consolidated financial statements.

Low Cost of Funding—As a result of the trust our customers have in us and our growing relevance in our customers' primary banking relationship we have amassed a large and growing pool of customer deposits since the introduction of our NuAccount in 2017, which has supported our funding needs and reduced our funding costs over time. As of December 31, 2021, we had US$9.7 billion of deposits, all of which were acquired directly, without the use of third-party brokers or intermediaries. For more information on our definition and measurement of primary banking relationship, see "—Factors Affecting Our Performance—Our ability to increase transactions and expand revenue from existing customers."



We earn revenue from two main sources:

Interest Income and Gains (Losses) on Financial Instruments—We earn interest income from the interest that we charge on revolving and refinanced credit card balances and personal loans, as well as the interest we earn on our cash. We invest our cash primarily in government bonds that have been highly liquid, and we recognize gains or losses related to fair value changes in these instruments. For the years ended December 31, 2021 and 2020, interest income and gains (losses) on financial instruments represented 61.6% and 51.9% of total revenue, respectively. The size of our interest bearing portfolio was US$2.0 billion as of December 31, 2021 and US$0.5 billion as of December 31, 2020, and we earned US$1.05 billion of interest income and gains (losses) of financial instruments for the year ended December 31, 2021 and US$0.38 billion for the year ended December 31, 2020.

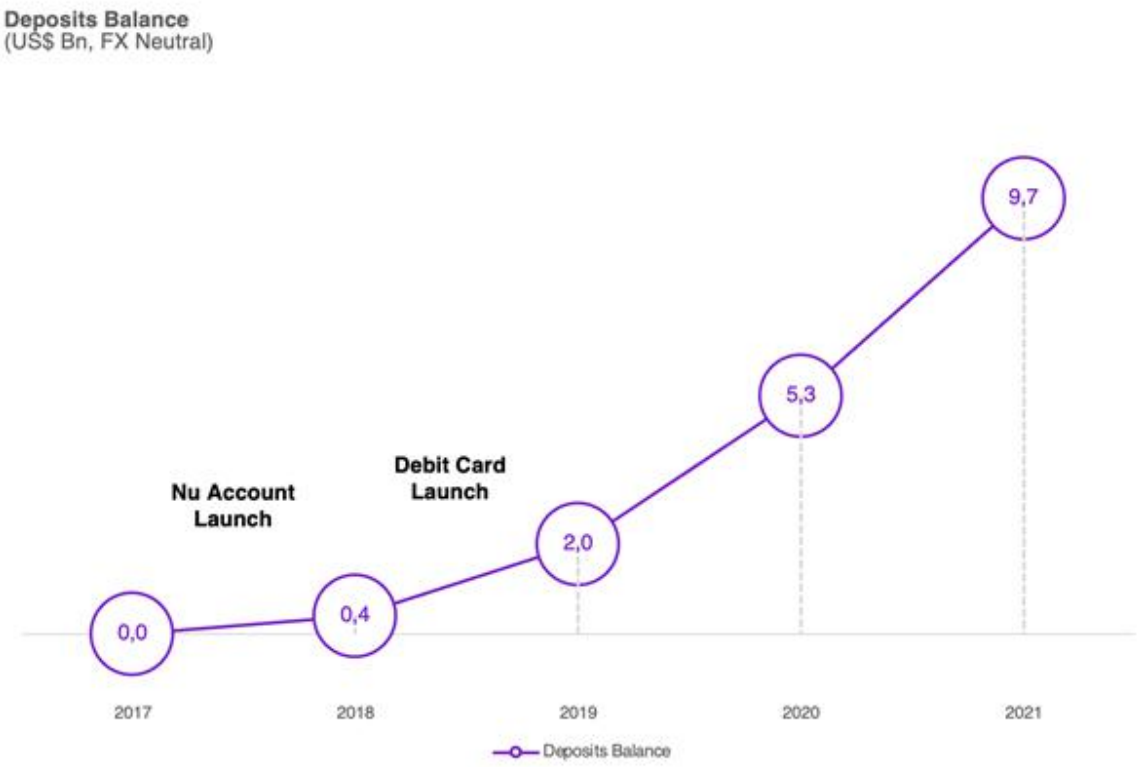
Fees and Commission Income—Our fees and commission income are closely correlated to the usage of our products. The majority of our fee-based revenue comes from interchange fees which we earn when our customers make purchases using our cards in credit or debit purchases. These fees are set by Mastercard and paid by the merchants who accept our cards. As a result, our customers do not pay these fees, and we are able to offer a core credit card with no annual fees. Fees earned on credit card purchases are higher than those earned on debit purchases and both vary across the geographies we operate in. In addition, we earn revenue from customer subscriptions to our loyalty programs, late payment fees, prepaid mobile phone top-ups, and commissions from our partners for the distribution of certain financial products and services such as investments (brokerage and asset management), insurance and international remittance. For the year ended December 31, 2021 and 2020, fee and commission income represented 38.4% and 48.1% of total revenue, respectively. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Regulatory Matters and Litigation—Certain ongoing legislative and regulatory initiatives under discussion by the Brazilian Congress, the Central Bank of Brazil and the broader payments industry may result in changes to the regulatory framework of the Brazilian payments and financial industries, which may have an adverse effect on our business and cause us to incur increased compliance costs” for a discussion of potential regulatory changes that, if enacted, could cap the interchange fees that we earn and negatively impact our revenue.

Our Advantaged Unit Economics

The self-reinforcing nature of our business model and our low operating costs have helped us generate strong unit economic performance, which we believe provides us with several competitive advantages that include: (1) increasing revenue per customer; (2) high customer engagement; and (3) low customer churn.

The chart below measures the cumulative contribution margin per customer for our customers in Brazil less the customer acquisition costs to acquire those customers across quarterly cohorts from the first quarter of 2019 to the fourth quarter of 2021. We define contribution margin as the sum of revenue from our credit card, personal lending and NuAccount products, less variable expenses (consisting of interest and other financial expenses, transactional expenses and credit loss allowance expenses) directly associated with this revenue. Our customer acquisition costs consist of printing and shipping of cards, credit data costs (primarily consisting of credit bureau costs) and paid marketing. We look at this data all on a per customer level based on the number of customers acquired in the initial quarter and use this number of customers throughout the period of analysis. To calculate the amounts included in the chart below on an FX Neutral basis, we apply the average Brazilian reais/U.S. dollar exchange rate for the year ended December 31, 2021 (R$5.396 to US$1.00) throughout, so as to present these amounts as they would have been had exchange rates remained stable over all periods presented.

Our cohorts highlight that we have been able to recover our customer acquisition costs in fewer than 12 months on average, and that we have been able to continue to expand contribution margin from our cohorts over time as our customers stay and grow with us. This ability to keep growing contribution margin from our customers leads to significant LTV and combined with our low CAC has resulted in a strong LTV/CAC ratio. We estimate our LTV/CAC ratio to be greater than 30x. We intend to continue to invest in acquiring new customers and growing our existing customer base with our advantaged unit economics.



Key Business Metrics

The following table sets forth our key business metrics as of and for the periods indicated. We review these key business metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions. In addition, these additional business metrics are presented to assist investors to better understand our business and how it operates.

	Years Ended December 31,		
	2021	2020	2019
Customers Metrics			
Number of customers (in millions)(1)	53.9	33.3	20.1
Number of customers growth(1)	62%	66%	234%
Monthly active customers (in millions)(2)	41.1	21.8	12.1
Activity rate(3)	76%	66%	61%
Customer Activity Metrics			
Purchase volume (in US$ billions)(4)	43.8	22.5	17.1
Purchase volume growth (%)(4)	95%	32%	78%
Monthly average revenue per active customer (in US$)(5)	4.5	3.6	5.9
Monthly average cost to serve per active customer (in US$)(6)	0.8	1.2	1.9
FX Neutral			
Purchase volume (in US$ billions)(4)	43.8	21.7	12.5
Purchase volume growth (%)(4)	102%	74%	99%
Monthly average revenue per active customer (in US$)(5)	4.5	3.5	4.3
Monthly average cost to serve per active customer (in US$)(6)	0.8	1.2	1.4
Customer Balances			
Deposits (in US$ billions)	9.7	5.6	2.7
Deposits growth (%)(8)	73%	107%	350%
Interest-earning portfolio (in US$ billions)(7)	2.0	0.5	0.4
Interest-earning portfolio growth (%)(7)	317%	21%	91%

FX Neutral			
Deposits (in US$ billions)(8)	9.7	5.2	1.9
Deposits growth (%)(8)	87%	174%	375%
Interest-earning portfolio (in US$ billions)(7)	2.0	0.5	0.3
Interest-earning portfolio growth (%)(7)	343%	59%	190%
Company Financial Metrics			
Revenue (in US$ millions)	1,698.0	737.1	612.1
Revenue growth (%)(11)	130%	20%	92%
Gross profit (in US$ millions)	732.9	326.9	247.9
Gross profit margin (%)	43.2%	44.3%	40.4%
Credit loss allowance expenses / credit portfolio (%)(9)	7.3%	5.1%	5.7%
Loss (in US$ millions)	(165.3)	(171.5)	(92.5)
Adjusted Net Income (Loss) (in US$ millions)(10)	6.6	(26.8)	(74.2)
FX Neutral			
Revenue (in US$ millions)(11)	1,698.0	713.3	446.7
Revenue growth (%)(11)	138%	60%	106%
Gross profit (in US$ millions)(12)	732.9	316.4	180.9
Gross profit margin (%)	43.2%	44.3%	40.5%
Loss (in US$ million)(13)	(165.3)	(166.0)	(67.5)
Adjusted Net Income (Loss) (in US$ millions)(10)	6.6	(26.0)	(54.1)

(1) Customer is defined as an individual or SME that has opened an account with us and does not include any such individuals or SMEs that have been charged-off or blocked or that voluntarily closed their account. The number of customers as of December 31, 2021 does not include the 0.6 million that were unique to the Easynvest Companies.

(2) Monthly active customers are defined as all customers that have generated revenue in the last 30 calendar days, for a given measurement date.

(3) Activity rate is defined as active customers divided by the total number of customers as of a specific date.

(4) Purchase volume is defined as the total value of transactions that are authorized through our credit and debit cards only; it does not include other payment methods that we offer such as PIX, a payment system that allows real-time payments and transfers launched by the Central Bank of Brazil, WhatsApp payments or traditional wire transfers. Purchase volume and purchase volume growth are presented on an FX Neutral basis to eliminate the effect of foreign exchange, or "FX" volatility between the comparison periods, allowing management and investors to evaluate our financial performance despite variations in foreign currency exchange rates, which may not be indicative of our core operating results and business outlook. See "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures" for additional information.

(5) Monthly average revenue per active customer, or "Monthly ARPAC" is defined as the average monthly revenue (total revenue divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured and the number of monthly active customers at the end of the period). Monthly ARPAC is also presented on an FX Neutral basis. See "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures" for additional information.

(6) Monthly average cost to serve per active customer is defined as the monthly average of the sum of transactional expenses and customer support and operations expenses (sum of these expenses in the period divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured and the number of monthly active customers at the end of the period). Monthly average cost to serve per active customer is also presented on an FX Neutral basis. See "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures" for additional information.

(7) Interest-earning portfolio consists of receivables from credit card operations on which we are accruing interest and loans to customers, in each case prior to ECL allowance, as of the period end date. Interest-earning portfolio and interest-earning portfolio growth are presented on an FX Neutral basis. See "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures" for additional information. A reconciliation of our FX Neutral Interest-earning portfolio to the IFRS measure of this metric can be found below under "—Non-IFRS Financial Measures and Reconciliations."

(8) Deposits and deposits growth are presented on an FX Neutral basis. See “Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures” for additional information. A reconciliation of our FX Neutral Deposits to the IFRS measure of this metric can be found below under “—Non-IFRS Financial Measures and Reconciliations.”

(9) Credit loss allowance expenses / credit portfolio is defined as credit loss allowance expenses, divided by the sum of receivables from credit card operations (current, installments and revolving) and loans to customers, in each case gross of ECL allowance, as of the period end date.

(10) Adjusted Net Income (Loss) is defined as profit (loss) attributable to shareholders of the parent company, adjusted for expenses related to share-based compensation, allocated tax effects on share-based compensation, expenses related to the customer program (NuSócios), allocated tax effects on customer program (NuSócios) and finance costs related to results with convertible instruments for the year. Adjusted Net Income (Loss) is also presented on an FX Neutral basis. See “Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures” for additional information. A reconciliation of our Adjusted Net Income (Loss) and our FX Neutral Adjusted Net Income (Loss) to their most directly comparable IFRS measures of income (loss) can be found below under “—Non-IFRS Financial Measures and Reconciliations.”

(11) Revenue and revenue growth are presented on an FX Neutral basis. See “Presentation of Financial and Other Information – Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures” for additional information. A reconciliation of our FX Neutral Revenue to the IFRS measure of this metric can be found below under “—Non-IFRS Financial Measures and Reconciliations.”

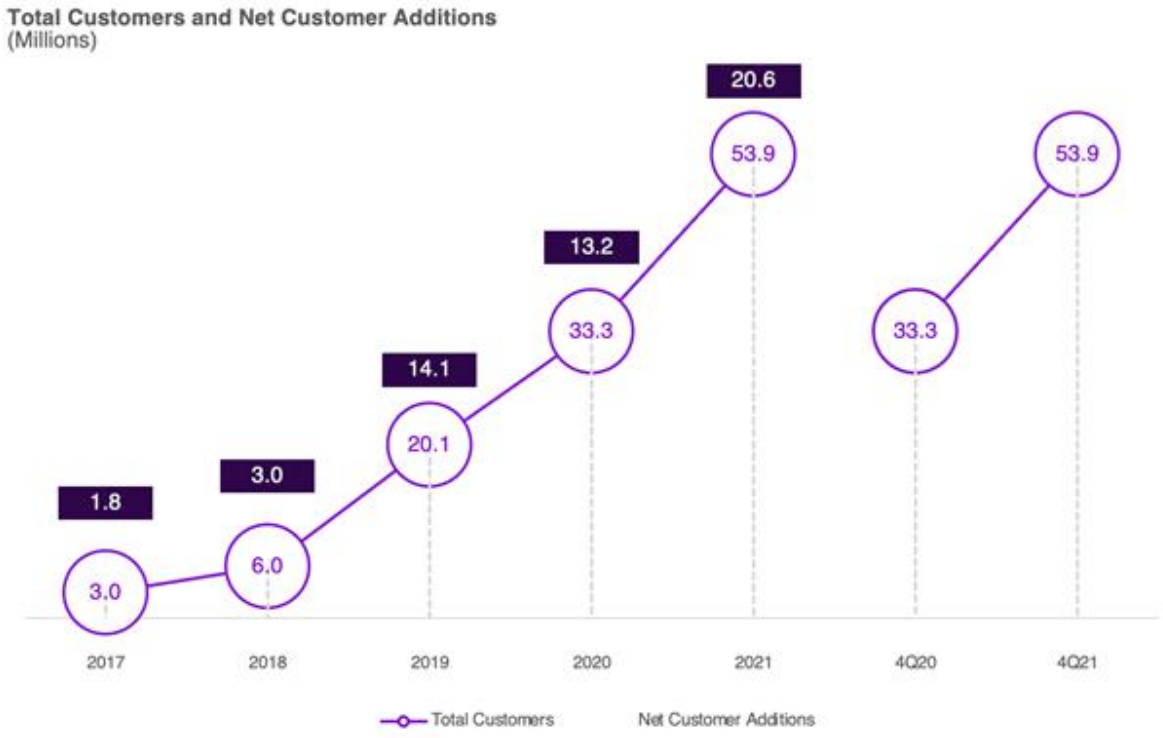
(12) Gross profit is presented on an FX Neutral basis. See “Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures” for additional information. A reconciliation of our FX Neutral gross profit to the IFRS measure of this metric can be found below under “—Non-IFRS Financial Measures and Reconciliations.”

(13) Loss is presented on an FX Neutral basis. See “Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures” for additional information. A reconciliation of our FX Neutral loss to the IFRS measure of this metric can be found below under “—Non-IFRS Financial Measures and Reconciliations.”

Customers

Our total number of customers is an important measure of the reach and adoption of our products. We define our customers as individuals and SMEs that have opened accounts with us and do not include any such individuals or SMEs that have been charged-off or blocked or voluntarily closed their account. The number of customers as of December 31, 2021 does not include the 0.6 million customers that were unique to the Easynvest Companies.

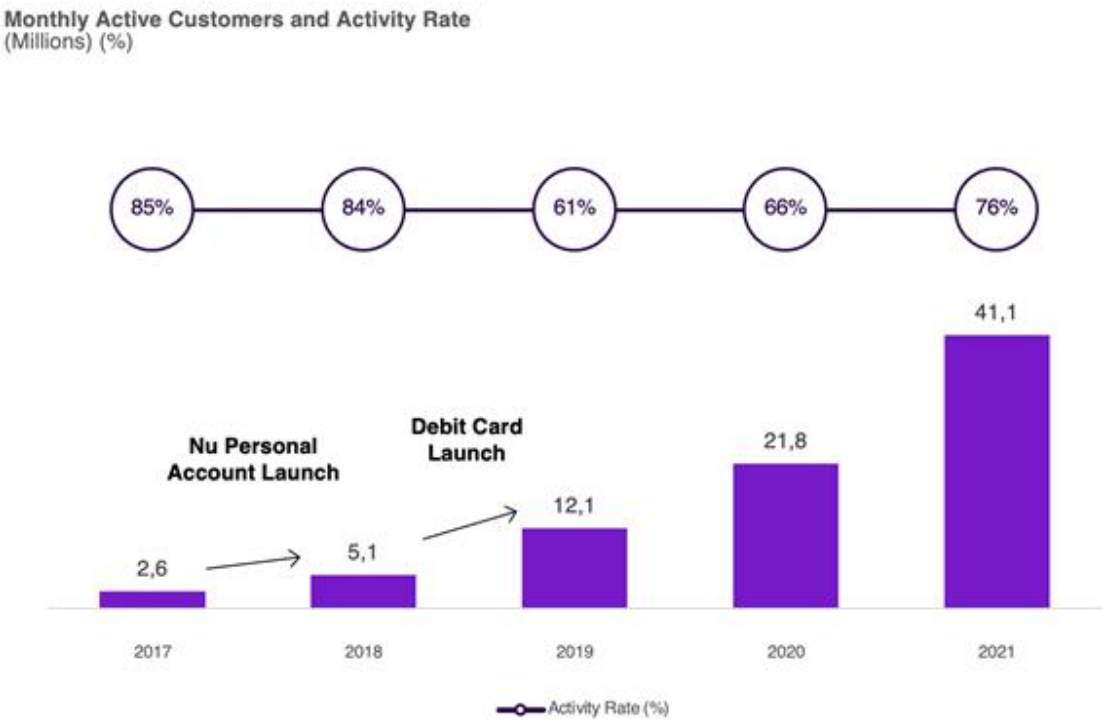
We reached 53.9 million customers as of December 31, 2021, an increase of 62% compared to 33.3 million customers as of December 31, 2020, resulting in a net addition of 20.6 million customers over the 12-month period, demonstrating the strength of our self-reinforcing model.



Monthly Active Customers and Activity Rate

We assess customer engagement and adoption by measuring our number of monthly active customers and their implied activity rate. We define a monthly active customer as any customer that has generated revenue in the last 30 calendar days of the measurement date, and we define activity rate as monthly active customers divided by the total number of customers as of a specific date. Our monthly active customers drive the vast majority of our revenue. However, customers that are non-active can and often do still use our products, though less frequently, and do contribute to our revenue. Non-active customers can also become active from period to period. For more information on our customer engagement ratio, see "—Factors Affecting Our Performance—Our ability to attract and retain monthly active customers."

We reached 41.1 million monthly active customers as of December 31, 2021, an increase of 88% compared to 33.3 million monthly active customers as of December 31, 2020. Our activity rates as of December 31, 2021 and 2020 were 76% and 66%, respectively. The growth in the activity rate was driven by the introduction of additional products and the continued increase in the adoption of digital banking in the countries where we operate. Our activity rate is also affected by the mix of customers with our credit card product versus other products such as debit cards. Our credit card customers have consistently had higher activity rates given the expansionary nature of credit card expenditures, while our debit card customers in contrast have lower activity rates. When we introduced our debit card product in late 2018, this led to faster growth in the total number of customers compared to monthly active customers in 2019, while lowering our activity rate as such customers tend to have lower activity than credit card customers. Since then, our activity rate has increased as our customers have tended to use us more frequently across multiple products.



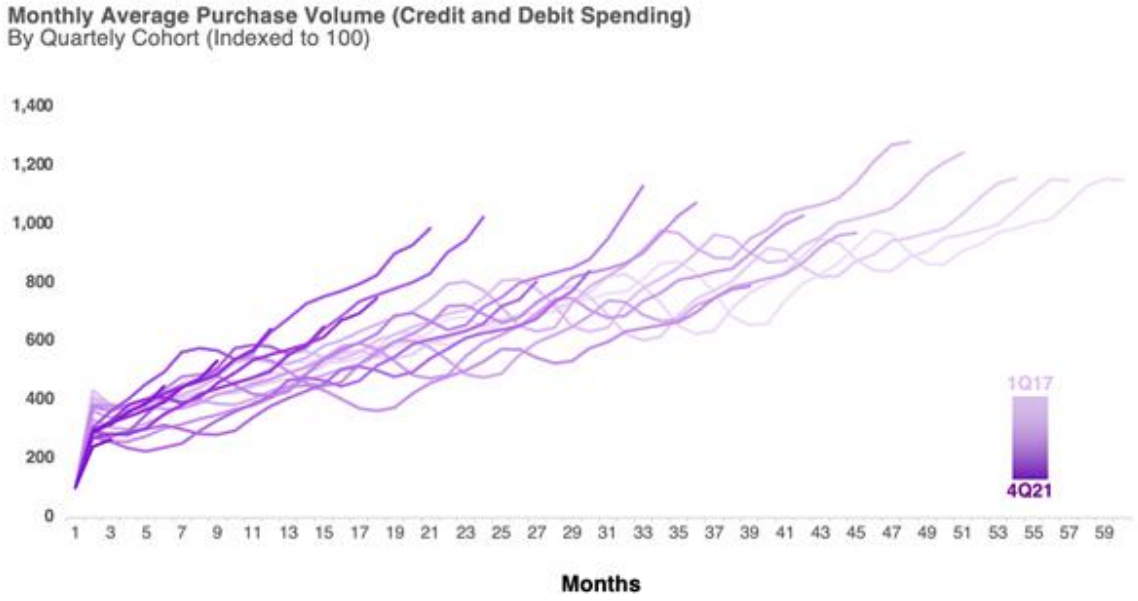
Purchase Volume, or "PV"

We measure PV to assess the volume of transactions that take place on our card-based products. We earn interchange fees on our PV, which we define as the total value of transactions that are authorized through our credit and debit cards only; it does not include other payment methods that we offer such as PIX, a payment system that allows real-time payments and transfers launched by the Central Bank of Brazil, WhatsApp payments or traditional wire transfers from which we do not earn fees.

PV reached US$43.8 billion in the year ended December 31, 2021, an increase of 95% compared to US$22.5 billion in the year ended December 31, 2020 (or increase of 102% compared to US$21.7 billion on an FX Neutral basis). For the year ended December 31, 2021, total interchange revenue was US$471.5 million, equivalent to 1.1% of PV over the year ended December 31, 2021.

PV grew faster than interchange revenue over the year ended December 31, 2021, driven primarily by a greater amount of debit card volume, which has a lower interchange rate than credit cards. Debit card volume increased more than credit card volume due to an increase in NuAccounts, an increase in debit card activations for existing NuAccounts, and an increase in our overall promotion of our debit card product.

Our cohorts have generally increased their PV over time as our customers become more familiar with our products, bring more of their spend to our products, grow their wealth and benefit from larger credit lines from us. This can be seen when looking at the monthly average PV across our cohorts. In line with market trends, nearly all cohorts showed declining PV during periods of the COVID-19 pandemic where economic activity declined and when we reduced initial credit limits for new customers due to economic uncertainty. However, as economic activity rebounded, PV across cohorts has also increased in December 2021 compared to December 2020.



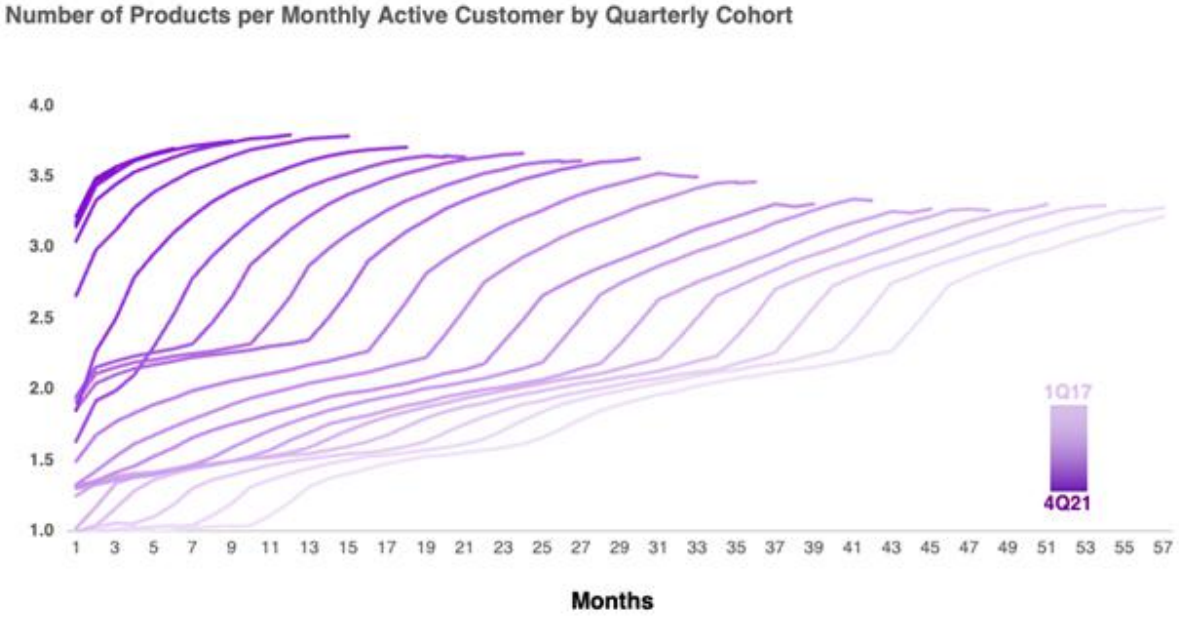
Monthly Average Revenue Per Active Customer, or "Monthly ARPAC" (in US$)

We monitor Monthly ARPAC to track the value we generate on a customer level across all our monthly active customers in a given period. We define Monthly ARPAC as the average monthly revenue (total revenue divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured and the number of monthly active customers at the end of the period).

Monthly ARPAC was US$4.5 for the year ended December 31, 2021. In comparison, Monthly ARPAC was US$3.6 for the year ended December 31, 2020. In comparison and on an FX Neutral basis, our Monthly ARPAC was US$3.5 for the year ended December 31, 2020.

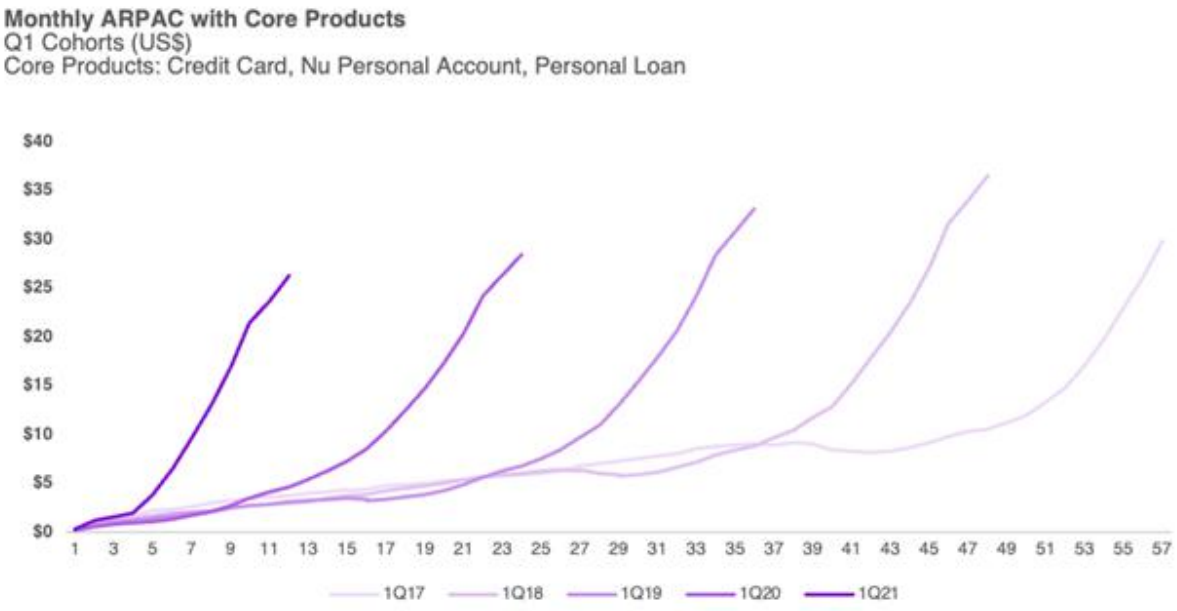
Monthly ARPAC has declined as our customer base has grown substantially in the past three years, increasing the relevance of newly added customers in our base. These new customers typically have smaller credit lines with us, lower initial purchase volumes, lower interchange fees associated with their debit card volume and therefore lower initial Monthly ARPAC. In addition, in response to COVID-19, we lowered the initial credit limits applicable to our credit card product for new customers, reducing PV per monthly active customer, and consequently reducing Monthly ARPAC. However, as economic activity rebounded, PV across cohorts has increased, which has accounted for, in part, an increase in Monthly ARPAC.

Over time, we have seen increased Monthly ARPAC from our monthly active customers across all our cohorts, as shown below. As we gather more data on our customers, we increase their credit limits based on performance, which enables us to increase our share of existing customer spending. Furthermore, our customers adopt more of our products over time, allowing us to generate more revenue from their activity.



The above chart shows Monthly ARPAC for each quarterly cohort starting in the first quarter of 2017 on an FX Neutral basis. The introduction of our NuAccount in 2017 and its corresponding debit card in 2018 were important evolutions in our product set and had a noticeable impact across our key business metrics as they allowed us to accelerate our customer growth by serving a much wider spectrum of the population, including lower-income customers who would not have started off with a consumer credit product such as our credit card. Consequently, customers who join us by acquiring only a NuAccount typically generate lower initial revenue than customers who start off with multiple products, such as a credit card and a NuAccount. To calculate the amounts included in the chart above on an FX Neutral basis, we apply the average Brazilian reais/U.S. dollar exchange rate for the year ended December 31, 2021 (R$5.396 to US$1.00) throughout, so as to present these amounts as they would have been had exchange rates remained stable over all periods presented.

Our Monthly ARPAC has reached over US$15 between the fourth and fifth years for our quarterly cohorts in their most recent months shown above. Our cohorts have generally had increasing Monthly ARPAC over time, with nearly all cohorts having declined Monthly ARPAC during periods impacted by the COVID-19 pandemic where economic activity declined and when we reduced initial credit limits for new customers due to economic uncertainty. However, Monthly ARPAC has subsequently rebounded as economic activity has increased.



The above chart displays Monthly ARPAC for first quarter customer cohorts starting in 2017, for those customers active across our Credit Card, NuAccount and Personal Loans products as of December 31, 2021. The first quarter cohorts for 2017 to 2020 have Monthly ARPAC in the US$26 to over US$39 range for the month of December 2021. Our Monthly ARPAC for customers in these cohorts has increased substantially in the last several months as we started to offer these customers access to our personal loans product in June 2020. Customers with personal loans accounted for 5.5% of our active customer base as of December 31, 2021. As we roll out our offering of consumer credit products, we expect an increasing proportion of our customers to adopt these products going forward.

Monthly Average Cost to Serve Per Active Customer (in US$)

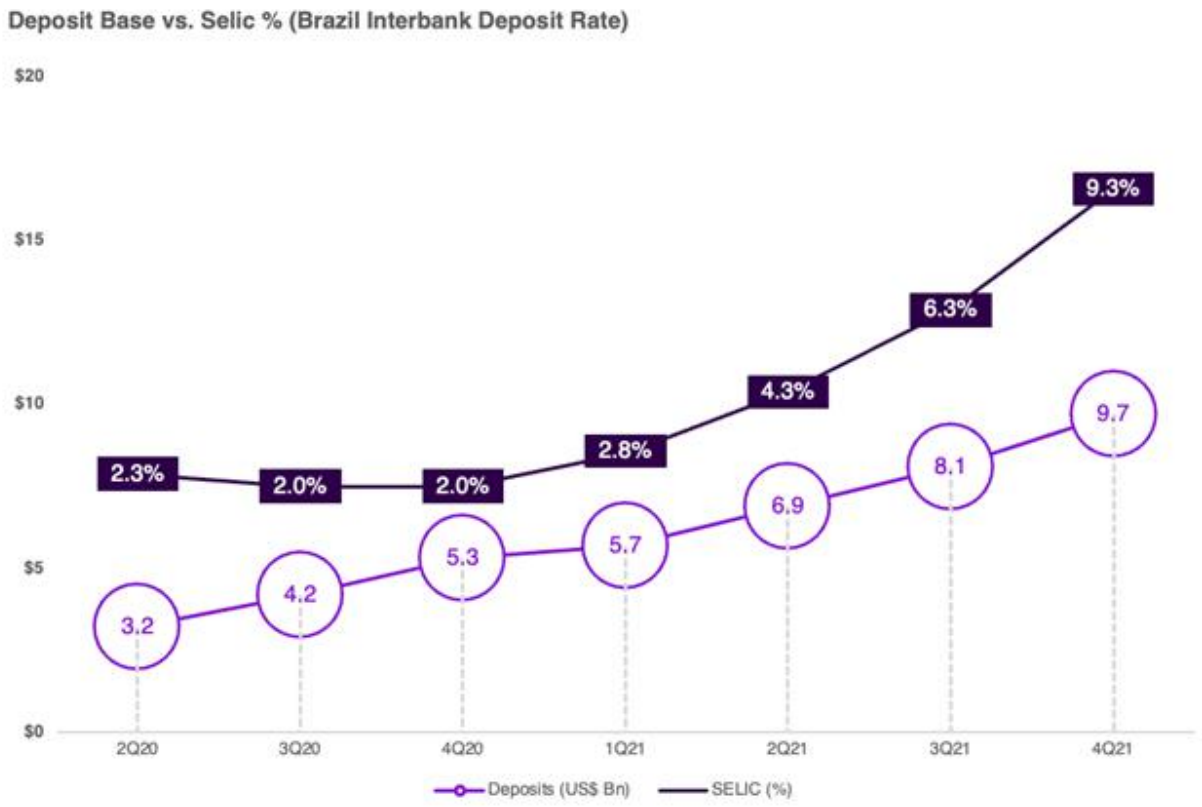
We compare our monthly average cost to serve per active customer to our Monthly ARPAC to assess our customer economics in a given period. We define monthly average cost to serve per active customer as the monthly average of the sum of transactional expenses and customer support and operations expenses (sum of these expenses in the period divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured, and the number of monthly active customers at the end of the period).

Our monthly average cost to serve per active customer on both an actual and an FX Neutral basis was US$0.8 for the year ended December 31, 2021. In comparison, our monthly average cost to serve per active customer was US$1.2 and US$1.9 for the years ended December 31, 2020 and 2019, respectively. On an FX Neutral basis, our monthly average cost to serve per active customer was US$1.2 and US$1.4 for the years ended December 31, 2020 and 2019, respectively. Our improvement in this metric was driven by continued economies of scale as we leveraged our highly scalable tech platform and continue to benefit from our investments in data and infrastructure.

Deposits

We track our deposits to assess the trust our customers place in us and because deposits are an important source of funding for our credit products. We define deposits as money held by our individual customers and our SME customers in our NuAccounts. Our deposit balance is currently from our Brazilian customer base, and as we roll more products in Mexico and Colombia we expect to capture deposits in these countries as well.

Deposits increased to US$9.7 billion as of December 31, 2021, an increase of 73.2% compared to US$5.6 billion as of December 31, 2020 (or an increase of 86.5% compared to US$5.2 billion as of December 31, 2020 on an FX Neutral basis), as we grew our customer base and existing customers concentrated more of their deposits with us. We believe our deposits are highly diversified as they come entirely from our Brazilian retail customer base. As of December 31, 2021, approximately 57% of our total customers in Brazil had deposits with us. Figures shown in the chart below are on an FX Neutral basis.



Our deposit base has also proved to be highly resilient, as shown in the graph above, growing steadily over time, independent of the interest rate environment.

Interest-Earning Portfolio

We generate interest income from our interest-earning portfolio and interest on corporate cash, which we invest primarily in government bonds. We define our interest-earning portfolio as revolving and refinanced credit card balances and personal loans. Our interest-earning portfolio consists of loans to customers and receivables from credit card operations on which we are accruing interest, gross of ECL allowance, as of the period end date.

In Brazil, consumers may elect to pay their monthly credit card balances in part (revolve) or in total, or to move their credit card balances (fully or partially) into a pre-approved installment plan. Customers may revolve for a maximum of two months, after which any revolved balances must be transferred to an installment plan. Both revolving and installment plan credit card balances are interest-earning assets for us. Current credit card balances (inside their normal billing cycle) are not interest-earning assets for us.

We are seeing a significant increase in personal loans driven by customer demand and as more customers become eligible for our personal loan product. Credit card balances are also rising, driven by an increase in PV, primarily as a result of the overall progressive recovery of PV levels as the economic effects arising from COVID-19 gradually subside and we add new customers.

As of December 31, 2021, our interest-earning portfolio (including credit card receivables and personal loans) increased to US$2,040.2 million, an increase of 317% compared to US$488.7 million as of December 31, 2020 (or an increase of 343% compared to US$455.7 million as of December 31, 2020, on an FX Neutral basis).

As of December 31, 2020, our interest-earning portfolio increased to US$488.7 million, an increase of 21% compared to US$404.7 million as of December 31, 2019 (or an increase to US$455.7 million, being an increase of 56% compared to US$292.5 million as of December 31, 2019, on an FX Neutral basis).

Factors Affecting Our Performance

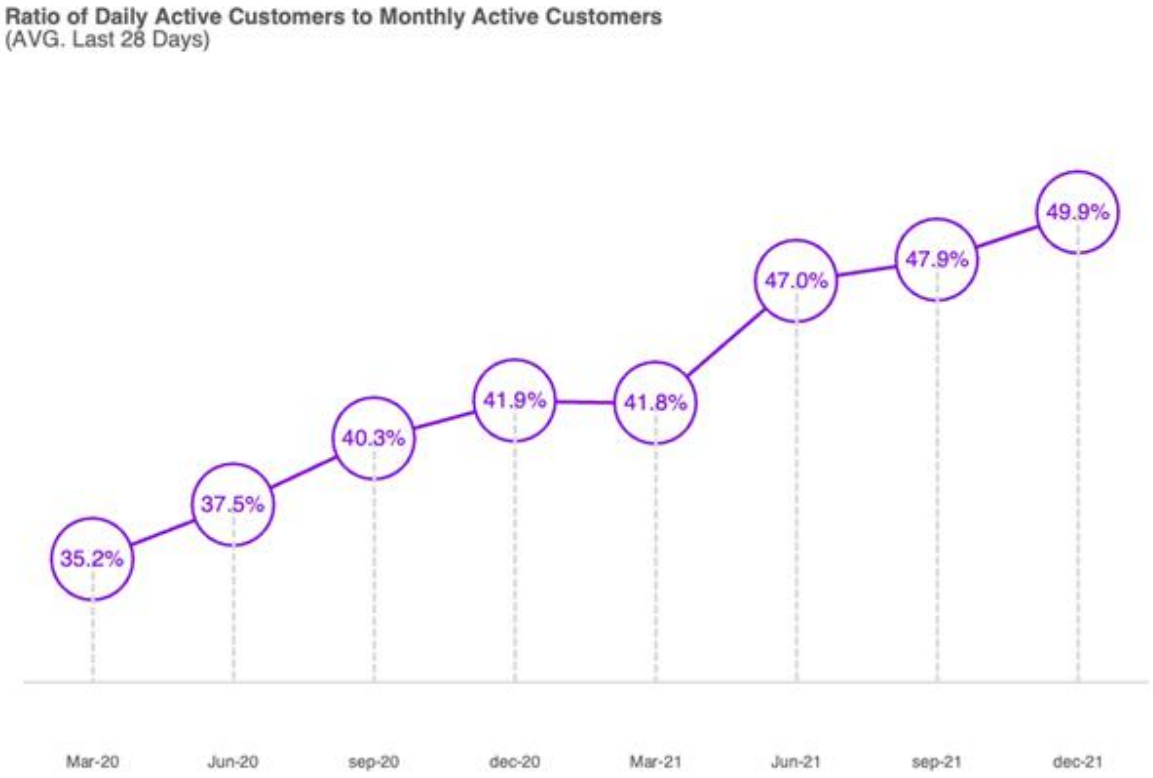
Our ability to attract and retain monthly active customers

Our customers are the foundation of our business. We are focused on growing and retaining our customer base. We expect continued growth in monthly active customers driven by the high-quality experiences that we provide when they use our products, the result of which we believe is high affinity with our brand. Our existing customers are core to our marketing as word-of-mouth virality drives a large portion of new customers to us. Approximately 80%-90% of our customers were acquired organically on average per year since our inception either through word-of-mouth or direct unpaid referrals. This has reduced the need for us to incur significant marketing expenses.

Growth in our monthly active customer base is driven by (i) new customers (individual or SME business accounts); (ii) increases in the number of products per customer to give customers more reasons to be active (see "—New products and adoption"); (iii) high-quality customer service as measured by our strong NPS; and (iv) understanding our less active customers so we can optimize our product offerings including providing them with higher credit limits.

Our net churn has remained relatively low and has decreased over time, averaging 0.1% per month in 2021. In 2020, it averaged 0.52% per month. We define net churn as the (i) sum of (a) customers who choose to cancel their accounts with us (voluntary churn) and (b) customers whose accounts are canceled proactively by us (involuntary churn) (ii) minus revivals, all divided by the number of customers as of the end of the respective period. We consider as revivals customers whose accounts were not valid in the previous month mainly due to fraud and delinquency, but to whom access was restored once the respective issue was addressed.

We believe that our recurring investments in technology and customer service combined with the compounding effects of our self-reinforcing model have resulted in high engagement rates for our active customers. We calculate customer engagement as the ratio of daily active customers (defined here as the number of Brazilian customers that within the day either opened our app or performed a card transaction) to monthly active customers (defined here as the number of Brazilian customers that within a trailing 28- day window either opened our app or performed a card transaction). In December 2021, the 28-day average of this ratio was 49.9%, an increase of 8.0 percentage points compared to 41.9% in December 2020. We believe this showcases engagement similar to leading social network platforms. This social network-like engagement combined with our FinTech monetization is one of the foundations of our powerful self-reinforcing model. The chart below shows the evolution of our customer engagement for the periods presented.

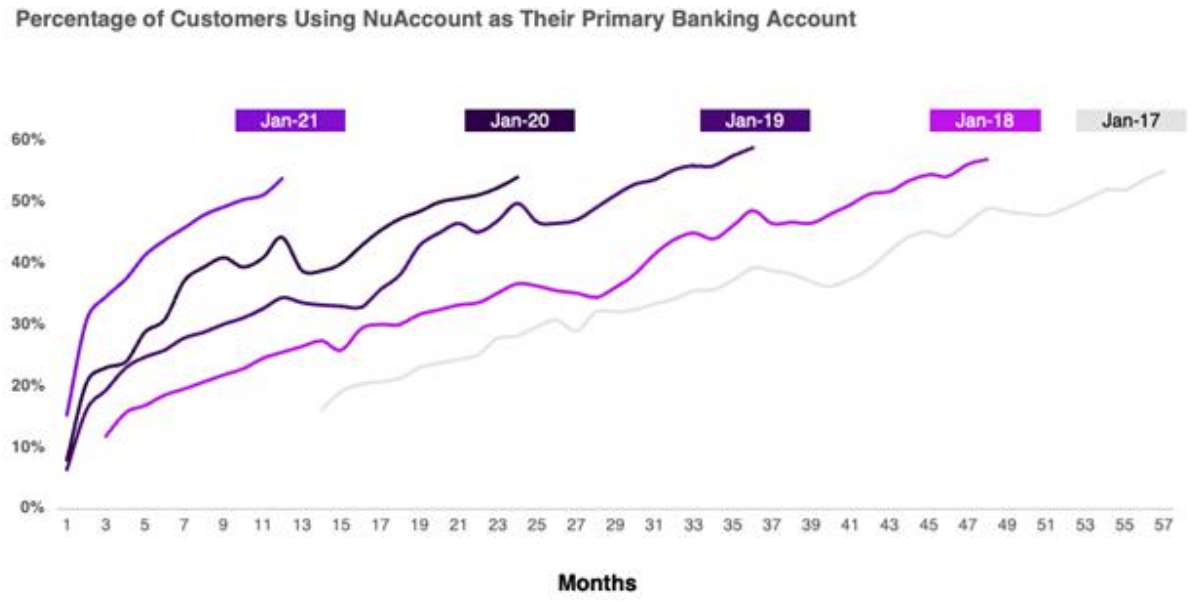


Our ability to increase transactions and expand revenue from existing customers

Our existing customers drive a significant portion of our growth, and we expect them to continue to drive more transactions and more PV as they grow their wealth, we get a greater share of their spend, we offer them higher credit lines, and as they increase adoption of our various products. Our existing customers have historically increased the number of transactions with us as evidenced by the number of transactions in a month per monthly active customer across our quarterly customer cohorts starting in the first quarter of 2017, shown in the chart below. There is a consistent increase over time, except for a reduction across our cohorts during periods impacted by the COVID-19 pandemic where economic activity declined. Our cohorts for PV and Monthly ARPAC show the same expansionary trend for both, as shown in "—Key Business Metrics."

Our goal is for Nu to become our customers' primary banking account, and our customers are increasingly choosing Nu as their primary banking relationship as they become more comfortable with our products and user experience, increasing their usage of our products. We have become the primary banking relationship for over 55% of our active customers who had been with us for more than 12 months as of December 31, 2021. We define a primary banking relationship as a relationship in which an active customer has at least 50% of their monthly post-tax income (excluding transfers to self) moved in or out of their NuAccount in any given month. We measured the percentage of primary banking relationships for cohorts released in January 2017, 2018, 2019, 2020, and 2021.

Based on our analysis, we believe that (i) within each cohort, at least 40% of active customers have a primary banking relationship with Nu and (ii) each cohort reached the 40% threshold at progressively faster rates. For example, our January 2019 cohort reached the 40% threshold in 19 months, while our January 2020 cohort reached this threshold in 9 months and our January 2021 cohort reached it in 5 months, as illustrated in the following chart.

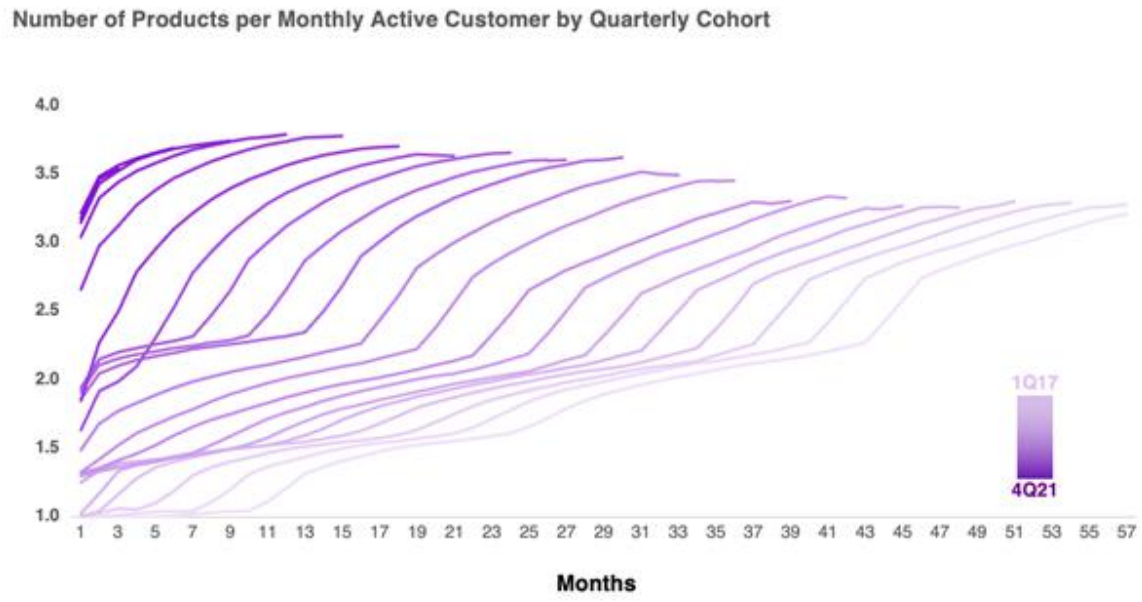


We also measure the expansion from our existing customers by observing the total revenue generated by a cohort of customers over time. The below table shows the growth in total revenue generated by a customer cohort in the last twelve months (LTM) ended December 31, 2021, compared to the revenue generated in that cohort's initial year. Each cohort represents customers who first joined Nu in a given year and revenue is indexed to the total revenue generated in that year from the cohort. For example, the 2017 cohort includes all customers who joined Nu between January 1, 2017 and December 31, 2017. This table shows that every cohort exhibits a net expansion in revenue from their initial year, with older cohorts expanding the most over multiple years. We look at this measure as a way to track the expansion, net of any churn, in our annual cohorts over time. We believe that even for our older cohorts, there are multiple expansion opportunities remaining.

Cohort Revenue as Multiple of Initial Cohort Year (LTM Revenue as of December 31, 2021)			
2017 Cohort	2018 Cohort	2019 Cohort	2020 Cohort
7.3x	**6.5x**	**6.9x**	**5.1x**

New products and adoption

We are focused on developing and launching new products and features, which could generate additional revenue streams, complement our customers' experiences, and fulfill customers' wider financial service needs. We launched several products since we started our operations in 2013, including credit and debit cards, a loyalty rewards program, payment accounts for individuals and SMEs, personal loans, PIX, and life insurance. We also added investments through the acquisition of NuInvest and new "Buy Now Pay Later" solutions that allow customers to pay overtime in up to twelve installments on their credit and debit card purchases and boletos (banking payment slips). We expect to launch further products in the future, including additional credit products, other types of insurance policies, new investment solutions and other fee-driving businesses intended to leverage our large customer base. We have seen strong adoption of our new products over the past few years as evidenced across our cohorts. We expect our new products to provide additional avenues to acquire new customers as well as cross-sell within our existing customers as we continue to expect increased adoption of new products on a per customer basis.



The above chart shows the number of products per monthly active customer for each quarterly cohort starting in the first quarter of 2017. We define products per customer as the number of products used by active Brazilian customers divided by the total number of active Brazilian customers within that month. Our earliest cohorts, despite starting out with a single product, have adopted multiple new products as these have been introduced and have approximately three products as of December 31, 2021. Our latest cohorts are also starting out with close to three products in the first few months alone.

Continuing our international expansion

We believe that we are in the early stages of our international expansion. We will continue to rely on our technology, data science, and credit and customer experience approach to continue expanding into new markets. In 2019 and 2020, we expanded internationally to Mexico and Colombia, respectively, because we identified customer needs and opportunities in these markets that were similar to those in Brazil. We followed a similar strategy and launched our operations in both countries with our flagship credit card product. As we enter new markets, and begin to attract new customers and build scale, our near-term ARPAC may decrease and our cost of risk may increase due to ECL as we acquire new customers, negatively impacting our operating margins.

Rapid growth of our consumer credit business and associated credit loss provisioning

As we continue to expand and enhance our credit offerings, we have seen PV grow significantly. Our customer-centric approach and mission to democratize access to financial services have helped us gain market share in a sector that was traditionally dominated by a handful of incumbents for decades. As a result, our market share of Brazilian credit card purchase volume PV has risen steadily each year. In 2021 we represented 10.0% of credit card purchase volume, in 2020 we represented 8.1% and in 2019, we represented 5.5% of credit card purchase volume, according to data from ABECS.

Our credit provisioning model is an expected credit loss model, consistent with the IFRS 9 standard, and front-loads credit loss recognition by provisioning for future expected credit losses, or "ECL," as soon as a credit limit is granted or loan is extended. While we make these loan loss provisions at the time of loan initiation, we expect to generate revenue and credit losses from these credit card and personal loan customers over time, which negatively impacts our gross profit and gross profit margin in any period where we are adding customers.

Economies of scale resulting from our technological platform

Cloud-based platform enables scalability and agility. Our systems are designed to accommodate an ever-growing pool of customers and a range of products. Being 100% cloud-based and having built our core platform from the ground up, our systems are highly scalable and we believe that there are opportunities to drive further efficiency. As we add each incremental product to our platform, we benefit from the existing data and infrastructure, providing a source of operating leverage, as evidenced by a decreasing trend in our monthly average cost to serve per active customer.

Risk management

Our risk management frameworks are heavily based on data and machine learning and these models are continuously enhanced over time. As we increase our customer base and collect more data on the behavior of our customers, our models become better trained to identify and stratify our customers according to their risk, improving our decision-making. In addition, we constantly test our hypotheses using A/B testing in smaller samples of our customer base. As a result, we have improved our risk metrics year after year, as evidenced by our 90-day consumer finance delinquency rate being lower than the industry average across the Brazilian credit card market.

Regulation

As a tech company focused on the financial services sector in the countries we operate, we must comply with the laws and policies set by the central banks and other governmental institutions. Regulatory change might positively or negatively impact our revenue, credit provision policies and capital and liquidity requirements, among others. There are ongoing discussions to update the current methodology to calculate risk-weighted assets in Brazil, which could positively impact our capital requirements going forward. See "Item 3. Key Information—D. Risk Factors—Risks Relating to Regulatory Matters and Litigation—We are subject to extensive regulation and regulatory and governmental oversight as a digital banking platform and as a payment institution. Compliance with or violation of present or future regulations could be costly, expose us to substantial liability and force us to change our business practices, any of which could harm our business and results of operations."

Seasonality

Our business is affected by customer behavior throughout the year and demonstrates seasonality effects. Historically, we benefit from higher PV and related revenue in the fourth quarter of the year due to the holiday season. However, our high historical growth has masked this seasonality in the past, and this may become more pronounced in the future. Adverse events that occur during those periods could have a disproportionate effect on our results of operations for the entire year. As a result of seasonality fluctuations caused by these and other factors, comparisons of our results of operations across different periods may not be accurate indicators of our future performance. As we diversify our business across product lines, we believe our seasonality may be reduced.

COVID-19 impact

By the end of 2019, the COVID-19 virus was detected in Wuhan, China, quickly spread to countries all around the world, and was subsequently recognized by the World Health Organization as a pandemic. The effects of this pandemic were felt in Latin America beginning in early 2020. To contain the spread of the virus governments enacted several policies limiting the social interaction and commercial activity of the population, including but not limited to, lockdown periods, reduced business hours, cancellation of large events and festivities, travel bans for passengers from selected countries, among others.

While countries are still advancing on the immunization of their populations, it is still too early to assess when this pandemic and its effects will end. However, we observed that our business was able to keep our strong growth momentum, especially in regards to:

- ***Growth*** – we continued to increase our number of accounts consistently, partially driven by new customers from new demographics, as well as new customers wanting to receive governmental aid through our savings accounts and avoid the need to go to physical bank branches;
- ***PV*** – we observed an aggregate debit card purchase volume increase in the period, partially due to growth in the number of accounts but also the wider adoption of cashless ways to make purchases. However, due to decreased economic activity, there was a negative impact on purchase volume per customer;
- ***Credit performance*** – while we saw initial credit deterioration during the early days of COVID-19, we saw a fast recovery, with lower 90-day delinquency rate of our portfolio as of December 31, 2021 compared to those as of June 30, 2020, the peak of the pandemic; and
- ***Deposits*** – we served as an important link between government aid and the population, which significantly increased our deposits balance.

Macroeconomic environment

Our results of operations are subject to political and economic factors and their respective effects on the availability of funding resources, disposable income, employment rates and average wages. They are also affected by levels of consumer spending, interest rates and the expansion or retraction of consumer credit in the countries we operate, each of which impacts the number and overall value of payment transactions. For instance, lower interest rates tend to lower our funding costs, and lower levels of unemployment combined with economic growth tends to increase PV. On the other hand, the depreciation in 2021 and 2020 of local currencies in Latin America has negatively impacted our results which are reported in U.S. dollars.

Within Latin America and the Caribbean, we currently serve Brazil, Mexico and Colombia, which countries accounted for over 60% of the population and 64% of the GDP in the region in 2021 according to the World Bank and the IMF (April 2021 report). These countries had populations of 213 million, 130 million and 51 million, respectively, and recorded US$1.5 trillion, US$1.2 trillion and US$300 billion, respectively, GDP in 2021 (measured in current U.S. dollars). In the past years, important industries have consolidated their presence in the region and acquired scale, the most notable being financial services, retail, manufacturing, transportation and communication, construction, agribusiness and mining. In most Latin American countries, an increasingly large proportion of the population is experiencing material gains in purchasing power and is being provided with augmented credit facilities, a trend that can be observed even with short-term episodes of economic downturn. Consumer patterns are therefore shifting towards more sophisticated products and services, a phenomenon that calls for enhanced business infrastructure, upgraded human capital and improved real estate facilities, among other requirements, to meet these demands.

Currently, the majority of our operations are located in Brazil, and we expanded our operations internationally to Mexico and Colombia in 2019 and 2020, respectively, because we believed they were very attractive markets that had some of the same characteristics and opportunities as those we had identified in Brazil.

We believe that Latin America has a large and vibrant consumer market. However, the recent economic instability in Latin America has contributed to a decline in market confidence in the economy as well as to a deteriorating political environment, and weak macroeconomic conditions are expected to continue through 2022, especially as a result of the COVID-19 pandemic.

The following table shows data for real GDP, inflation and interest rates in Brazil and the U.S. dollar/real exchange rate at the dates and for the periods indicated, as well as GDP and unemployment rates for Mexico and Colombia:

	For the Years Ended December 31,		
	2021	2020	2019
	(in percentages, except as otherwise indicated)		
Brazil			
Real growth (contraction) in gross domestic product	17.8	23.1	7.3
Inflation (IGP-M)(1)	10.1	4.5	4.3
Inflation (IPCA)(2)	4.4	2.8	5.9
CDI interest rate (average)(3)	5.581	5.197	4.031
Period-end exchange rate – R$ per US$ 1.00(4)	5.396	5.158	3.946
Average exchange rate – R$ per US$ 1.00(4)	7.4	(22.4)	(3.9)
Appreciation (depreciation) of the real vs. the U.S. dollar in the period(5)	11.1	13.9	11.0
Unemployment rate(6)			
Colombia			
Real growth (contraction) in gross domestic product	10.6	(6.8)	3.2
Unemployment rate	11.1	13.1	9.5
Mexico			
Real growth (contraction) in gross domestic product	4.8	(8.5)	(0.2)
Unemployment rate	4.0	4.4	3.3

Sources: FGV, IBGE, IPEA, Central Bank of Brazil, Bloomberg, DANE – Departamento Administrativo Nacional de Estadística, INEGI – Instituto Nacional de Estadística, Geografía e Informática and the Colombian Central Bank.

(1) Inflation (IGP-M) is the general market price index measured by FGV.

(2) Inflation (IPCA) is a broad consumer price index measured by the IBGE.

(3) The CDI Rate, which is the interest rate, is an average of interbank overnight rates (certificado de depósito interbancário) in Brazil (measured as a daily average for the period).

(4) Period-end exchange rate as of the last business day as reported by the Central Bank (PTAX). Average of the selling exchange rate of each business day of the period as reported by the Central Bank (PTAX).

(5) Comparing the U.S. dollars to reais (US$/R$) closing selling exchange rate as reported by the Central Bank of Brazil at the end of the period's last day with the day immediately prior to the first day of the period discussed.

(6) Average unemployment rate for the period as measured by the IBGE.

Interest rates

Interest rates affect our ability to generate revenue. Although higher interest rates can lead to reductions in private consumption, negatively impacting fees and commission income including the interchange fees that we earn, they can also positively correlate with interest income, positively impacting our results.

Inflation

Inflation impacts our obligations to certain suppliers, such as office leasing, as costs are indexed to inflation rates. However, a significant part of our revenue is naturally hedged against inflation, since our interchange fees also tend to fluctuate in nominal terms according to inflation, even if we continue to apply the same percentage. When merchants adjust their prices for inflation, the purchasing power of consumers may be reduced, which may adversely affect some of our revenue streams if it results in a reduction in the number and volume of transactions.

Currency fluctuations

Our operations are conducted primarily in Brazilian reais (R$), which is the local currency in Brazil, but our presentation currency is U.S. dollars (US$). We also convert other currencies related to the countries in which we operate to U.S. dollars. This generates additional volatility in our financial statements. In the last few years, the real has significantly depreciated in comparison to the U.S. dollar, which has adversely affected our results of operations in U.S. dollars terms.

Acquisitions and new lines of business and other developments

- On January 3, 2022, we completed the acquisition of Olivia's, a US-based data company with subsidiaries in Brazil specializing in applying machine learning and artificial intelligence solutions to retail banking. Olivia has a personal finance management mobile device application with over 100,000 customers as of November 2021, which we believe will further strengthen our open banking initiatives. The total contractual acquisition price corresponds to US$72.0 million consisting of cash consideration of US$12.2 million and share consideration estimated in US$59.7 million that could be issued as consideration for post-combination services, in the next 3 years, rendered to Nu by the former shareholders and employees who became employees following the closing.

- In October 2021, we acquired Spin Pay, a Brazilian payments platform that has pioneered the development of instant payments solutions for online and offline merchants via PIX. As of August 31, 2021, Spin Pay had more than 220 merchants on its platform, connected to Spin Pay through commerce-enablement platforms such as VTEX and Shopify Plus, as well as directly through the Spin Pay API. We believe that the expertise and technology of Spin Pay will be instrumental in the development of our broader payment's platform in Brazil. The total price was US$13.8 million, partially settled on the acquisition date and the remainder to be settled on the first and second anniversary of the acquisition date. In connection with Spin Pay's acquisition, we issued 830,490 Class A ordinary shares (equivalent to US$6.3 million) upon closing of the transaction in October 2021, and could issue an aggregate of up to 1,796,826 shares on the first and second anniversaries of closing, and as consideration for post-combination services rendered to Nu by the former shareholders who became employees following the closing, which is considered as compensation and not a component of the purchase consideration transferred. In addition, Nu may issue a certain number of shares equivalent to US$17.9 million upon the achievement of certain milestones and services rendered by certain employees.

- On September 10, 2020, our subsidiary Nu Financeira entered into an investment agreement for the acquisition of 100% of the Easynvest Companies investment platform, including Nu Invest Corretora de Valores S.A., or "NuInvest," a leading direct-to-consumer digital investment platform in Brazil with 1.6 million customers. We closed this transaction on June 1, 2021, when control over the entities was transferred after obtaining approval for the acquisition by the CADE on October 27, 2020 and the Central Bank of Brazil on May 4, 2021. In 1999, the Easynvest Companies pioneered the offering of online access to the stock exchange in Brazil, and in 2016 it was the first company to provide access through a mobile app to the fixed-income market. On Easynvest Companies' 100% digital platform, individual investors have access to a complete range of investments, including government bonds, private securities and investment funds, in addition to buying and selling stocks, options and futures. The company also provides financial education content through several digital channels. The aggregate purchase price was composed of US$451.5 million in cash, a portion of which was used by the former Easynvest shareholders to purchase 7.9 million of our Series F-2 preferred shares.

- On July 23, 2020, we announced the acquisition of Cognitect, Inc., or "Cognitect," the U.S.-based software consultancy firm behind the Clojure programming language and the Datomic database. The purchase price was US$10.4 million paid in cash on the acquisition date. This transaction closed on August 4, 2020. As part of the related purchase agreement, we have also agreed to a contingent cash consideration of US$4 million and contingent share consideration of Class A ordinary shares payable in equal installments over a five-year period, commencing in August 2021, contingent on Cognitect's former shareholders and employees continuing to provide services to us.

- Within the context of our initial public offering, to reward the trust and loyalty of our customers, we implemented an incentive and reward program, referred to commercially as "NuSócios" and in our registration statement on Form F-1, not incorporated by reference herein (File no. 333-260649 on SEC), as the "Customer Program," that resulted in the delivery by one of our affiliates of sufficient funds for the subscription and payment of one BDR in the Brazilian offering to each Customer allocated in the Customer Program that expressly agreed to participate in the Customer Program. Customers who participated in the Customer Program received sufficient funds for the subscription and payment of one BDR each, which was equivalent to a total of approximately R$63.2 million (US$11.2 million), which corresponds to the number of customers that opted-in to the Customer Program multiplied by the initial public offering price per BDR.

Non-IFRS Financial Measures and Reconciliations

This annual report presents our Adjusted Net Income (Loss) and certain FX Neutral measures and their respective reconciliations for the convenience of investors, which are non-IFRS financial measures. A non-IFRS financial measure is generally defined as a numerical measure of historical or future financial performance, financial position, or cash flow that purports to measure financial performance but excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. For further information on why our management chooses to use these non-IFRS financial measures and on the limits of using these non-IFRS financial measures, please see "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures." The FX Neutral measures for Adjusted Net Income (Loss) and certain key business metrics were calculated to present what such measures in preceding periods/years would have been had exchange rates remained stable from these preceding periods/years until the date of our most recent financial information, as detailed below.

The FX Neutral measures for the years ended December 31, 2020, 2019 and 2018 were calculated by multiplying the as reported amounts of Adjusted Net Income (Loss) and the key business metrics for such years by the average Brazilian *reais*/U.S. dollars exchange rates for the years ended December 31, 2020, 2019 and 2018 (R$5.240, R$3.952 and R$3.681, to US$1.00, respectively), and using such results to re-translate the corresponding amounts back to U.S. dollars by dividing them by the average Brazilian *reais*/U.S. dollars exchange rate for the year ended December 31, 2021 (R$5.415 to US$1.00), so as to present what certain of our statement of profit and loss amounts and key business metrics would have been had exchange rates remained stable from these past periods/years until the year ended December 31, 2021.

The average Brazilian reais/U.S. dollars exchange rates were calculated as the average of the month-end rates for each month in the years 2021, 2020 2019 and 2018, as reported by Bloomberg.

	As reported					FX Neutral measures				
	For the years ended December 31,			Percentage change (%)		For the years ended December 31,			Percentage change (%)	
	2021	2020	2019	2021/2020	2020/2019	2021	2020	2019	2021/2020	2020/2019
Adjusted Net Income (Loss) (in US$ millions)										
Profit (loss) attributable to shareholders of the parent company	(165.0)	(171.5)	(92.5)	(3.8)%	85.4%	(165.0)	(166.0)	(67.5)	(0.6)%	145.9%
Share-based compensation	225.4	56.3	18.5	300.4%	204.3%	225.4	54.5	13.5	313.6%	303.7%
Allocated tax effects on share-based compensation(1)	(60.0)	(12.8)	(0.2)	368.8%	n.m.	(60.0)	(12.4)	(0.1)	383.6%	n.m.
Customer program ("NuSócios")	11.2	—	—	n.m.	n.m.	11.2	—	—	n.m.	n.m.
Allocated tax effects on customer program	(5.0)	—	—	n.m.	n.m.	(5.0)	—	—	n.m.	n.m.
Finance costs - results with convertible instruments	—	101.2	—	(100)%	n.m.	—	97.9	0.0	(100)%	n.m.
Adjusted Net Income (Loss) for the year	**6.6**	**(26.8)**	**(74.2)**	**(124.6)%**	**(63.9)%**	**6.6**	**(26.0)**	**(54.1)**	**(125.4)%**	**(51.9)%**

Other Key Business Metrics										
Purchase volume (in US$ billions)	43.8	22.5	17.1	94.8%	31.5%	43.8	21.7	12.5	101.3%	74.4%
Monthly average revenue per active customer (in US$)	4.5	3.6	5.9	24.3%	(39.0)%	4.5	3.5	4.3	28.5%	(19.1)%
Monthly average cost to serve per active customer (in US$)	0.8	1.2	1.9	(33.9)%	(34.8)%	0.8	1.2	1.4	(31.7)%	(13.6)%
Revenue (in US$ millions)	1,698.0	737.1	612.1	130.4%	20.4%	1,698.0	713.3	452.2	138.0%	59.7%
Gross Profit (in US$ millions)	732.9	326.9	247.9	124.4%	31.9%	732.9	316.3	183.1	131.6%	74.9%

n.m. = not meaningful.

(1) Represents the tax effects of pre-tax items excluded from Adjusted Net Income (Loss). The tax effects of pre-tax items excluded from Adjusted Net Income (Loss) are computed using the statutory rate related to each jurisdiction that was impacted by the adjustment, after taking into account the effects of permanent and temporary tax differences.

FX Neutral measures for deposits and interest-earning portfolio presented in this document were calculated by multiplying the as reported amounts as of December 31, 2020, 2019 and 2018 by the spot Brazilian *reais*/U.S. dollars exchange rates as of these dates (R$5.199, R$4.030 and R$3.875 to US$1.00, respectively), and using such results to re-translate the corresponding amounts back to U.S. dollars by dividing them by using the spot rate as of December 31, 2021 (R$5.576 to US$1.00) so as to present what these amounts would have been had exchange rates been the same as those on December 31, 2021. The Brazilian *reais*/U.S. dollars exchange rates were calculated using rates as of such dates as reported by Bloomberg.

	As reported					FX Neutral measures				
	As of December 31,			Percentage change (%)		As of December 31,			Percentage change (%)	
	2021	2020	2019	2021/2020	2020/2019	2021	2020	2019	2021/2020	2020/2019
Deposits (in US$ billions)	9.7	5.6	2.7	73.1%	107.4%	9.7	5.2	1.9	86.5%	173.7%
Interest-earning portfolio (in US$ billions)	2.0	0.5	0.4	317.5%	20.7%	2.0	0.5	0.3	347.7%	55.8%

Description of Principal Line Items

The following is a summary of the principal line items comprising our consolidated statements of profit or loss.

Total revenue

Our total revenue consists of the sum of our interest income and gains (losses) on financial instruments and fee and commission income, as detailed below:

Interest income and gains (losses) on financial instruments

Our interest and other financial income consists of interest income on loans, credit card operations (revolving and refinanced credit card balances and personal loans); our cash and other assets at amortized cost are calculated using the effective interest method, which allocates interest, and direct and incremental fees and costs over the expected lives of the assets. For the revolving balances, interest is calculated from the due date of the credit card bill that was not fully paid.

Gains (losses) on financial instruments consists of the fair value gains and losses from financial instruments. The income arises from both the sale and purchase of financial assets and from changes in fair value caused by movements in interest, equity prices, and other market variables, as well as the interest accrual on the fixed and floating rate securities.

Fee and commission income

The majority of our fee and commission income comes from interchange fees we earn from purchases made using the credit and debit cards we issue to customers. We also earn revenue from our premium subscription product (NuRewards), late fees, recharge fees for mobile phones, insurance brokerage commission, and more.

- *Interchange fees*. Represents fees to authorize and provide settlement on credit and debit card transactions processed through the Mastercard network and are determined as a percentage of the total payment processed. Interchange fees, net of rewards revenue, are recognized and measured upon recognition of the transaction with the interchange network, when the performance obligation is considered satisfied. The interchange rates agreed with Mastercard are fixed and depend on the segment of each merchant. Interchange income is withheld from the amount to be paid to third parties.

- *NuRewards revenue*. Comprises revenue related to the NuRewards subscription fee and the related interchange fee, initially apportioned in accordance with the relative stand-alone selling prices of the performance obligation assumed. It is recorded in the statement of profit or loss when the performance obligation is satisfied, which is when the reward points are redeemed by the customers.

- *Late fees*. Comprises fees charged when credit card bills are not paid by the due date by the relevant customer.

- *Recharge fees*. Comprises the selling price of prepaid telephone credits to customers, net of acquisition costs.

- *Other fee and commission income*. Mainly consists of: (i) brokerage commission income from third-party life insurance providers for sales made through our app, (ii) commission income from the issuance of boletos (banking payment slips), which is a printable document issued by merchants that is used to make payments in Brazil, and (iii) fee income for cash withdrawals.

- Customer Program (NuSócios) represents the costs relating to the incentive and reward program for 7,557,679 customers that expressly agreed to participate in our Customer Program. The total amount of expenses of the program was US$11.2 million, based on R$8.36 price per BDR. Nu recognized the costs associated with the Customer Program arising from funding the subscription and payment of the BDRs for the customers who participated in the Customer Program as a reduction in revenue in the fourth quarter of 2021.

Fee and commission income is shown net of Brazilian federal income taxes. For more information on our revenue recognition policies, see note 4 of our audited consolidated financial statements.

Total cost of financial and transactional services provided

Total cost of financial and transactional services provided consists of the sum of our interest and other financial expenses, transactional expenses and credit loss allowance expenses, as detailed below:

Interest and other financial expenses

Interest and other financial expenses include: (i) interest expense accrued on deposits; and (ii) interest expense relating to interest on our financial instruments.

Transactional expenses

Transactional expenses include the costs related to data processing, payment scheme license fees, losses from chargeback relating to our credit and debit card transactions, expenses relating to our rewards program in order to fulfill the use of the points by customers, and other costs related to the connection to the payment systems in the countries that we operate. For further information on these costs, see note 6 to our audited consolidated financial statements. The most relevant transactional expenses are:

- Banking payment slip costs, which comprise costs of the issuance of boletos (banking payment slips) by banks;
- NuRewards expenses, which comprise the costs incurred to fulfill the redemption of rewards points by our customers;
- Credit and debit card network costs, which are costs related to our payment scheme license, i.e., a fee paid to Mastercard to enable communications between network participants, access to specific reports, expenses related to projects involving the development of new functions, operational fixed fees, fees related to chargeback restatements and royalties; and
- Other transaction expenses, which are mainly related to financial services expenses such as fees over financial transactions, expenses with clearinghouses and operational losses such as chargebacks. Losses from chargebacks consist of transactions credited back or refunded to the cardholder in the event of a billing dispute between a cardholder and the other participant in the credit transaction process is resolved in favor of the customer. Chargebacks may occur due to a variety of factors, such as a claim by the cardholder or cases of fraud. If we are unable to collect chargebacks or refunds from other participants, or if they refuse to or are unable to reimburse us for chargebacks or refunds due to closure, bankruptcy, or other circumstances, we bear the loss for the amounts paid to the cardholder.

Credit loss allowance expenses

Credit loss allowance expenses include losses associated with our credit card transactions and loans receivable from our customers. We expect our credit losses to fluctuate depending on many factors, including transaction volume and credit limits, macroeconomic conditions, the impact of regulatory changes, and the credit quality of credit card and loans receivable. Additionally, credit losses also include reversals of provisions and recoveries, where the customer pays us after the write-off of the receivable.

Gross profit

Gross profit consists of our total revenue minus total cost of financial and transactional services provided.

Operating expenses

Operating expenses are segregated into customer support and operations, general and administrative expenses, marketing expenses and other income (expenses).

Customer support and operations

Customer support and operations are represented by all the expenses incurred in our process of providing services to our customers, including :

- Infrastructure and data processing costs include technology, software, and other related costs, primarily related to the cloud infrastructure used by us and other software used in providing services to our customers. These costs associated exclusively with customers' transactions are presented as "customer support and operations." Infrastructure and data processing costs also include costs associated with credit and debit card fees paid to Mastercard on a quarterly basis based on the number of active cards;

- Credit analysis and collection costs include fees paid to the credit bureaus and costs related to collection agencies. The credit analysis costs that are not associated with the initial credit analysis of an applicant are presented as "customer support and operations;"

- Customer services costs primarily include our costs associated with customer services provided by service providers. The costs that are not exclusively related to the acquisition of new customers are presented as "customer support and operations;"

- Salaries and associated benefits expenses for customer services squads not associated with the acquisition of new customers are presented as "customer support and operations" and

- Credit and debit card issuance costs include printing, packing, shipping costs and other costs. Costs related to the first card of a customer are initially recorded as "deferred expenses" assets included in "other assets" and then amortized. The amortization related to the first card of the customer is presented as "general and administrative expenses" and the remaining costs, including the ones related to subsequent cards, are presented as "customer support and operations."

General and administrative expenses

General and administrative expenses represent the amounts that we spend on research and development, certain back-office activities, indirect relations with our customers and overhead. These amounts consist of infrastructure and data-processing costs, credit analysis and collection costs, customer services, salaries and associated benefits, and credit and debit card issuance costs as explained in the customer and support operations description above. It also includes share-based compensation, specialized services expenses and other personnel costs, as follows:

- Share-based compensation corresponds to the cost of our share-based programs and awards issued;
- Specialized services expenses comprise miscellaneous costs from service providers; and
- Other personnel costs are related to expenses related to medical assistance, meal benefit, life insurance, transportation and other benefits provided to all employees, excluding the part allocated as customer support and operations, as stated above.

In particular, the expenses to be recognized as a result of the 2020 Contingent Share Awards and 2021 Contingent Share Awards are expected to significantly increase our share-based compensation expenses for the foreseeable future. Total expenses for 2021 Contingent Share Awards was determined to be US$422.6 million and the expense will be recognized over a period of 7.5 after the time of approval, which occurred after its approval in November 22, 2021. We recognized approximately US$28.7 million of these expenses in the year ended December 31, 2021.

Marketing expenses

Marketing expenses relate to the production and distribution of our marketing and advertising campaigns on media, online advertising, the positioning of our products on internet search platforms and expenses incurred in relation to trade marketing at events. It also contains salaries and benefits to employees dedicated exclusively to these activities.

Other income (expenses)

Other income (expenses) primarily consists of other income/expenses not classified in the foregoing categories of operating expenses.

Finance costs – results with convertible instruments

Finance costs – results with convertible instruments, relate to interest expense and fair value changes in embedded derivatives relating to the issuance of senior preferred shares on June 18, 2020. In particular, the change in fair value reflects the appreciation of our shares since the issuance of the senior preferred shares. On May 20, 2021, each senior preferred share was converted into one Series F-1 preferred share. For more information, see “Senior preferred shares,” note 23 to our audited consolidated financial statements.

Income taxes

Current income taxes comprise the income tax payable on profits based on the applicable tax law in each jurisdiction and is recognized as an expense in the period in which taxable profits arise. There is no taxation in the Cayman Islands on the income earned by us, and, as such, there is no tax impact at a consolidated level.

Our subsidiaries are subject to different income tax regimes and statutory rates. The table presents the statutory income tax rates in percentages for the main countries in which we operate:

Statutory income tax rates	2021	2020	2019
Brazil(1)	45%	40%	40%
Colombia	31%	32%	33%
Mexico	30%	30%	30%

(1) Comprises Brazilian Social Contribution tax (*Contribuição Social sobre Lucro Líquido* – CSLL) and Brazilian Income Tax (*Imposto de Renda Pessoa Jurídica – IRPJ*). In March 2021, the Social Contribution tax rate in Brazil increased 5 percentage points, thus the combined income tax rate was increased from 40% to 45% and was effective from July 1 to December 31, 2021 and mainly impacted Nu Pagamentos and Nu Financeira.

Deferred income tax is the tax expected to be payable or recoverable on income tax losses available to carry forward and on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax liabilities are generally recognized for all temporary taxable differences, and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the assets may be utilized as they reverse.

We review the carrying amount of deferred tax assets at each reporting date and reduce it to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

As a consequence of the current and deferred income taxes and the value of the permanent differences compared to the loss before income taxes, the effective tax rate of our consolidated operations fluctuates over time according to the portion of our total net income that was generated in each of these entities.

Results of Operations

Year Ended December 31, 2021 Compared to the Year Ended December 31, 2020

The following table sets forth our statement of profit or loss data for the years ended December 31, 2021 and 2020:

	For the Years Ended December 31,		
	2021	2020	Variation (%)
	(in US$ millions, except percentages)		
Interest income and gains (losses) on financial instruments	1,046.7	382.9	173.4%
Fee and commission income	651.3	354.2	83.9%
Total revenue	**1,698.0**	**737.1**	**130.4%**
Interest and other financial expenses	(367.4)	(113.9)	222.6%
Transactional expenses	(117.1)	(126.8)	(7.6)%
Credit loss allowance expenses	(480.6)	(169.5)	183.5%
Total cost of financial and transactional services provided	**(965.1)**	**(410.2)**	**135.3%**
Gross profit	**732.9**	**326.9**	**124.2%**
Operating Expenses			
Customer support and operations	(190.5)	(124.0)	53.6%
General and administrative expenses	(628.9)	(266.0)	136.4%
Marketing expenses	(79.6)	(19.4)	310.3%
Other income (expenses)	(4.1)	(9.5)	(56.8)%
Total operating expenses	**(903.1)**	**(418.9)**	**115.6%**
Finance costs – result with convertible instruments	-	(101.2)	n.m.
Loss before income taxes	**(170.2)**	**(193.2)**	**(11.9)%**
Income Taxes			
Current taxes	(219.8)	(22.3)	885.7%
Deferred taxes	224.7	44.0	410.7%
Total income taxes	**4.9**	**21.7**	**(77.4)%**
Loss for the year	**(165.3)**	**(171.5)**	**(3.6)%**

n.m. = not meaningful.

Total revenue

Total revenue for the year ended December 31, 2021 was US$1,698.0 million, an increase of US$960.9 million, or 130.4%, from US$737.1 million for the year ended December 31, 2020, primarily attributable to a significant growth in 2021 in our revenue related to interchange fees, as well interest income from our lending operations and gains on financial instruments reflecting an increase in securities acquired with cash from deposits and from the IPO, as detailed below.

	For the Years Ended December 31,		Variation (%)
	2021	2020	
Interest income – credit card	375.1	217.5	72.5%
Interest income – lending	292.7	38.9	652.4%
Interest income – other assets at amortized cost	66.2	37.8	75.1%
Interest income and gains (losses) on financial instruments at fair value	312.7	88.7	252.5%
Total interest income and gains (losses) on financial instruments	**1,046.7**	**382.9**	**173.4%**
Interchange fees	471.5	254.3	85.4%
Recharge fees	48.4	15.3	216.3%
Rewards revenue	26.9	23.5	14.5%
Late fees	50.0	31.2	60.3%
Other fee and commission income	65.7	29.9	119.7%
Customer program ("NuSócios")	(11.2)	-	n.m.
Total fee and commission income	**651.3**	**354.2**	**83.9%**
Total revenue	**1,698.0**	**737.1**	**130.4%**

n.m. = not meaningful.

Total interest income and gains (losses) on financial instruments. Total interest income and gains (losses) on financial instruments for the year ended December 31, 2021 was US$1,046.7 million, an increase of US$663.8 million, or 173.4%, from US$382.9 million for the year ended December 31, 2020, primarily attributable to: (i) an increase in interest income from our loan portfolio (a US$253.8 million, or 652.4%, increase in interest income – lending) and credit card receivables (a US$157.6 million, or 72.5%, increase in interest income – credit card) reflecting the growth of our customer base of 62% in the period, reaching 53.9 million customers in 2021 compared to 33.3 million customers in 2020, and (ii) an increase in interest income – other assets at amortized costs of US$28.4 million, or an increase of 75.1% and interest income and gains (losses) on financial instruments at fair value of US$224.0 million, or an increase of 252.5% both primarily attributable to the combined increase in the CDI rate in 2021 (the CDI rate was an average of 4.5% compared to an average of 2.8% in 2020) and the increase in financial assets, including both those measured at fair value through profit or loss and those measured at fair value through other comprehensive income, in the amount of US$4.7 billion when comparing December 31, 2021 to December 31, 2020, acquired mainly with proceeds from our IPO and from the increase in deposits in 2021.

Total fee and commission income. Total fee and commission income for the year ended December 31, 2021 was US$651.3 million, an increase of US$297.1 million, or 83.9%, from US$354.2 million for the year ended December 31, 2020, primarily attributable to: (i) an increase of US$217.2 million or 85.4% in our interchange fees arising from the increased purchase volume with our credit and debit cards resulting from an increase in the number of clients previously mentioned, (ii) an increase of US$33.1 million or 216.3% in revenue resulting from recharge fees from the sale of mobile phone recharge credits also due to the growth of our customer base in 2021, (iii) an increase of US$35.8 million or 119.7% increase in other fee and commission income as a result of greater purchase volume of credit card and debit card transactions as well as new products in the period which caused (a) an increase in debit card withdrawals by our customers, (b) an increase in commissions from our insurance brokerage which reached more than 500,000 active contracts, (c) an increase in fees from bank slip and other financial processing costs. The increase was partially offset by the recognition of a US$11.2 million expense related to our customer program (NuSócios) which represents the fair value of shares (or BDRs) allocated to the 7.5 million customers that joined the program.

Total cost of financial and transactional services provided

Total cost of financial and transactional services provided for the year ended December 31, 2021 was US$965.1 million, an increase of US$554.9 million, or 135.3%, from US$410.2 million for the year ended December 31, 2020, as detailed below.

	For the Years Ended December 31,		Variation (%)
	2021	2020	
Interest expense on deposits	(317.5)	(87.3)	263.7%
Other interest and similar expenses	(49.9)	(26.6)	87.6%
Interest and other financial expenses	**(367.4)**	**(113.9)**	**222.6%**
Bank slip costs	(36.1)	(46.5)	(22.4)%
Rewards expenses	(36.9)	(29.6)	24.7%
Credit and debit card network costs	(22.7)	(25.0)	(9.2)%
Other transactional expenses	(21.4)	(25.7)	(16.7)%
Total transactional expenses	**(117.1)**	**(126.8)**	**(7.6)%**
Credit loss allowance expenses	(480.6)	(169.5)	183.5%
Total cost of financial and transactional services provided	**(965.1)**	**(410.2)**	**135.3%**

Interest and other financial expenses. Interest and other financial expenses for the year ended December 31, 2021 were US$367.4 million, an increase of US$253.5 million, or 222.6%, from US$113.9 million for the year ended December 31, 2020, primarily attributable to (i) an increase of US$230.2 million or 263.7% increase in interest expenses on deposits due to the combined increase in the CDI rate in 2021 (the CDI rate was an average of 4.5% compared to an average of 2.8% in 2020) and an increase in the volume of deposits of US$4.0 billion, or 73.1% as of December 31, 2021, and (ii) an increase of US$23.3 million or 87.6% in other interest and similar expenses mainly due the increase in discounts due to renegotiations given to our customers following the growth of our customer base and the purchase volume.

Transactional expenses. Transactional expenses for the year ended December 31, 2021 were US$117.1 million, a decrease of US$9.7 million, or 7.6%, from US$126.8 million for the year ended December 31, 2020, primarily attributable to (i) a decrease of US$10.4 million or 22.4% in bank slip costs ("boletos") which reflects the increase in the use of PIX and our own boletos process for payments of our credit card bills and other transactions; (ii) a decrease of US$2.3 million or 9.2% in our credit and debit card network costs reflecting the lower fees charged on the credit card processing due to contract renegotiations. The decrease was partially offset by an increase of US$7.3 million or 24.7% in the rewards expenses following the growth of our customer base and the purchase volume.

Credit loss allowance expenses. Credit loss allowance expenses for the year ended December 31, 2021 were US$480.6 million, an increase of US$311.1 million, or 183.5%, from US$169.5 million for the year ended December 31, 2020, and it was comprised of an increase in allowance expenses for credit card transaction of US$146.5 million or 102.7% and an increase in allowance expenses for loan to customers of US$164.6 million or 611.9%. The increase from credit card transactions reflects the growth on the purchase volume and the credit card balances to US$5.2 billion as of December 31, 2021 from US$3.1 billion as of December 31, 2020, or an increase of US$2.1 billion or 65.5% and the increase in receivables classified as high risk in levels 2 and 3 as of December 31 2021 compared to as of December 31, 2020. The increase from loan to customers reflects mainly the increase in the loan portfolio to US$1.4 billion as of December 31, 2021 from US$0.2 billion as of December 31, 2020, or an increase of US$1.2 billion. Our more restrictive credit policy implemented in 2020 due to the COVID-19 pandemic and the positive impact of the Brazilian government's economic support policies contributed to compensate for some of the potential increase in ECL allowance due to the growth of the purchase transaction and in the credit card and loan receivables. The total ECL allowance for credit cards and loans recorded in the statements of financial position were 8.0% of the total receivable balance of credit cards and loans as of December 31, 2021, compared to 5.5% as of December 31, 2020.

Gross Profit

As a result of the foregoing, our gross profit for the year ended December 31, 2021 was US$732.9 million, an increase of US$406.0 million, or 124.2%, compared to US$326.9 million for the year ended December 31, 2020. Our gross margin (gross profit divided by total revenue) remained relatively stable reaching 43.2% for the year ended December 31, 2021, compared to 44.3% for the year ended December 31, 2020.

Operating expenses

Operating expenses for the year ended December 31, 2021 were US$903.1 million, an increase of US$484.2 million, or 115.6%, from US$418.9 million for the year ended December 31, 2020. Operating expenses represented 53.2% of our total revenue in 2021, compared to 56.8% in 2020. The main changes leading to the increase in operating expenses in the period are explained below.

	For the Years Ended December 31,		
	2021	2020	Variation (%)
Customer support and operations	(190.5)	(124.0)	53.6%
General and administrative expenses	(628.9)	(266.0)	136.4%
Marketing expenses	(79.6)	(19.4)	310.3%
Other income (expenses)	(4.1)	(9.5)	(56.8)%
Total operating expenses	**(903.1)**	**(418.9)**	**115.6%**

Customer support and operations. Customer support and operations expenses for the year ended December 31, 2021 were US$190.5 million, an increase of US$66.5 million, or 53.6%, from US$124.0 million for the year ended December 31, 2020, primarily attributable to an increase of (i) US$25.2 million in infrastructure and data processing costs, (ii) US$12.3 million in credit analysis and collection costs, (iii) US$14.0 million in customer services, each of them driven by the increase of purchase volume in 2021 when compared to 2020, and (iv) US$7.6 million in credit and debit card issuance costs, as a result of the increase in the number of customers in 2021. The increase in the number of customers and the purchase volume were higher proportionally compared to the increase in these expenses because of efficiency gains in data processing and our foreign exchange hedging strategy for these expenses. Salaries and associated benefits increased US$6.0 million or 43.2% reflecting the increase in the number of employees in the period allocated to customer support and operations.

General and administrative expenses. General and administrative expenses for the year ended December 31, 2021 were US$628.9 million, an increase of US$362.9 million, or 136.4%, from US$266.0 million for the year ended December 31, 2020, primarily attributable to (i) an increase of US$90.6 million in salaries and associated benefits primarily attributed to growth in employee headcount of 107% and annual salary increase, (ii) an increase of US$169.2 million in share-based compensation attributed to growth in employee headcount and the increase in the provision for social wages expenses from share-based compensation due to the share appreciation in 2021, and the recognition of the expenses relating to the 2020 and 2021 contingent share awards, granted on August 2020 and November 2021, respectively, and (iii) an increase of US$34.7 million in infrastructure and data processing costs not related to customer transactions.

Marketing expenses. Marketing expenses for the year ended December 31, 2021 were US$79.6 million, an increase of US$60.2 million, or 310.3%, from US$19.4 million for the year ended December 31, 2020, primarily due to the marketing expenses associated with our IPO (approximately US$2.2 million) and advertising campaigns in 2021 which did not occur in 2020 due to the due decrease in general expending as a result of COVID-19 pandemic.

Other income (expenses). Other income (expenses) for the year ended December 31, 2021 were an expense of US$4.1 million, a decrease of US$5.4 million, or 56.8%, from an expense of US$9.5 million for the year ended December 31, 2020, primarily attributable to the net effect of an increase of US$10.0 million in foreign exchange losses on transactions indexed to other currencies and the gain of US$19.5 million on the revaluation of our investment in Jupiter, an emerging digital banking platform in India.

Finance costs – result with convertible instruments

Finance costs – In the year ended December 31, 2021, we did not record finance costs in connection with the results of convertible instruments due to the conversion of our senior preferred shares in May 2021. Results with convertible instruments for the year ended December 31, 2020 were US$101.2 million, which refers to the interest expense and fair value losses resulting from changes in the fair value of the embedded derivative conversion feature of our senior preferred shares. For more information, see note 23 to our audited consolidated financial statements.

Loss before income taxes

As a result of the foregoing, loss before income taxes for the year ended December 31, 2021 was US$170.2 million, a decrease of US$23.0 million, or 11.9%, from US$193.2 million for the year ended December 31, 2020.

Income taxes

Income taxes for the year ended December 31, 2021 were a tax benefit of US$4.9 million, a decrease of US$16.8 million, or 77.4%, from a tax benefit of US$21.7 million for the year ended December 31, 2020. The effective income tax rates were 2.8% and 11.2% in the years 2021 and 2020, respectively, which reflects an increase in current income tax rates due to non-deductible expenses being higher proportionally to the loss before income tax in 2021, compared to 2020, especially due to the expenses related to the senior preferred shares embedded derivative recorded in 2020.

Loss for the year

As a result of the foregoing, loss for the year ended December 31, 2021 was US$165.3 million, a decrease of US$6.2 million, or 3.6%, from US$171.5 million for the year ended December 31, 2020.

Year Ended December 31, 2020 Compared to the Year Ended December 31, 2019

The following table sets forth our statement of profit or loss data for the years ended December 31, 2020 and 2019:

	For the Years Ended December 31,		Variation (%)
	2020	2019	
	(in US$ millions, except percentages)		
Interest income and gains (losses) on financial instruments	382.9	337.9	13.3%
Fee and commission income	354.2	274.2	29.2%
Total revenue	**737.1**	**612.1**	**20.4%**
Interest and other financial expenses	(113.9)	(109.7)	3.9%
Transactional expenses	(126.8)	(79.3)	59.9%
Credit loss allowance expenses	(169.5)	(175.2)	(3.3)%
Total cost of financial and transactional services provided	(410.2)	(364.2)	12.6%
Gross profit	**326.9**	**247.9**	**31.9%**
Operating Expenses			
Customer support and operations	(124.0)	(115.6)	7.3%
General and administrative expenses	(266.0)	(199.9)	33.1%
Marketing expenses	(19.4)	(41.8)	(53.6)%
Other income (expenses)	(9.5)	(19.9)	(52.3)%
Total operating expenses	**(418.9)**	**(377.2)**	**11.1%**
Finance costs – result with convertible instruments	(101.2)	—	n.m.
Loss before income taxes	**(193.2)**	**(129.3)**	**49.4%**
Income Taxes			
Current taxes	(22.3)	(3.6)	n.m.
Deferred taxes	44.0	40.3	9.2%
Total income taxes	21.7	36.8	(41.0)%
Loss for the year	**(171.5)**	**(92.5)**	**85.4%**

n.m. = not meaningful.

Total revenue

Total revenue for the year ended December 31, 2020 was US$737.1 million, an increase of US$125.0 million, or 20.4%, from US$612.1 million for the year ended December 31, 2019, primarily attributable to significant growth in 2020 in our revenue related to interchange fees, as well as the fees from the sale of mobile phone recharge credits and gains on financial instruments reflecting an increase in securities acquired with cash from deposits, as detailed below.

	For the Years Ended December 31,		Variation (%)
	2020	2019	
Interest income – credit card	217.5	214.6	1.4%
Interest income – lending	38.9	8.6	352.3%
Interest income – other assets at amortized cost	37.8	56.8	(33.5)%
Interest income and gains (losses) on financial instruments at fair value	88.7	57.9	53.1%
Total interest income and gains (losses) on financial instruments	**382.9**	**337.9**	**13.3%**
Interchange fees	254.3	203.9	24.7%
Recharge gains	15.3	0.4	n.m.
Rewards revenue	23.5	21.0	11.9%
Late fees	31.2	27.8	12.2%
Other fee and commission income	29.9	21.1	41.7%
Total fee and commission income	**354.2**	**274.2**	**29.2%**
Total revenue	**737.1**	**612.1**	**20.4%**

n.m. = not meaningful.

Total interest income and gains (losses) on financial instruments. Total interest income and gains (losses) on financial instruments for the year ended December 31, 2020 was US$382.9 million, an increase of US$45.0 million, or 13.3%, from US$337.9 million for the year ended December 31, 2019, primarily attributable to: (i) an increase in interest income from our loan portfolio (a US$30.3 million, or 352.3%, increase in interest income – lending) and credit card receivables (a US$2.9 million, or 1.4%, increase in interest income – credit card) reflecting the growth of our customer base of 64% in the period, reaching 33.3 million customers in 2020 compared to 19.8 million customers in 2019, partially offset by a decrease of US$19.0 million in interest income from short-term investments (interest income – other assets at amortized costs); and (ii) gains on financial instruments (interest income and gains (losses) on financial instruments at fair value) for the year ended December 31, 2020 were US$88.7 million, an increase of US$30.8 million, or 53.3%, from US$57.9 million for the year ended December 31, 2019, primarily attributable to the increase of US$49.2 million from financial instruments recorded at fair value reflecting an increase in securities acquired with cash from deposits. This increase was partially offset by losses incurred mainly in derivatives transactions.

Total fee and commission income. Total fee and commission income for the year ended December 31, 2020 was US$354.2 million, an increase of US$80.0 million, or 29.2%, from US$274.2 million for the year ended December 31, 2019, primarily attributable to an increase of US$50.4 million or 24.7% in our interchange fees arising from the increased volume of transactions with our credit and debit cards, as well as an increase of US$14.9 million in revenue resulting from recharge fees from the sale of mobile phone recharge credits, in each case due to the growth of our customer base in 2020. The increase in fee and commission income for the year ended December 31, 2020 was also affected in part by an US$8.8 million increase in other fee and commission income as a result of an increase in debit card withdrawals by our customers and an increase in bank slip and other financial processing costs as a result of our growing customer base, as well as a US$2.5 million and US$3.3 million increase in rewards revenue and late fees, respectively, in each case related to the greater volume of credit and debit card transactions in the period.

Total cost of financial and transactional services provided

Total cost of financial and transactional services provided for the year ended December 31, 2020 was US$410.2 million, an increase of US$46.0 million, or 12.6%, from US$364.2 million for the year ended December 31, 2019, as detailed below.

	For the Years Ended December 31,		Variation (%)
	2020	2019	
Interest expense on deposits	(87.2)	(81.1)	7.5%
Other interest and similar expenses	(26.7)	(28.6)	(6.6)%
Interest and other financial expenses	**(113.9)**	**(109.7)**	**3.8%**
Bank slip costs	(46.5)	(31.5)	47.6%
Rewards expenses	(29.6)	(21.5)	37.7%
Credit and debit card network costs	(25.0)	(14.7)	70.1%
Other transactional expenses	(25.7)	(11.6)	121.6%
Total transactional expenses	**(126.8)**	**(79.3)**	**59.9%**
Credit loss allowance expenses	(169.5)	(175.2)	(3.3)%
Total cost of financial and transactional services provided	**(410.2)**	**(364.2)**	**12.6%**

Interest and other financial expenses. Interest and other financial expenses for the year ended December 31, 2020 were US$113.9 million, an increase of US$4.2 million, or 3.8%, from US$109.7 million for the year ended December 31, 2019, primarily attributable to a US$6.1 million or 7.5% increase in interest expenses on deposits due to an increase in the volume of deposits of US$2.8 billion, or 107.3%, when compared to December 31, 2020, which was partially offset by the decrease in the CDI Rate in the period, from 5.9% in 2019 to 2.8% in 2020, and partially offset by a decrease of US$1.9 million or 6.6% in other interest and similar expenses.

Transactional expenses. Transactional expenses for the year ended December 31, 2020 were US$126.8 million, an increase of US$47.5 million, or 59.9%, from US$79.3 million for the year ended December 31, 2019, primarily attributable to the growth of our customer base in 2020, including increases in boletos (an increase of US$15 million or 47.6%), rewards expenses (an increase of US$8.1 million or 37.7%), credit and debit card network costs (an increase of US$10.3 million or 70.1%) and other transactional expenses, including operational losses (an increase of US$14.1 million or 121.6%).

Credit loss allowance expenses. Credit loss allowance expenses for the year ended December 31, 2020 were US$169.5 million, a decrease of US$5.7 million, or 3.3%, from US$175.2 million for the year ended December 31, 2019, mainly attributable to (i) our more restrictive credit policy implemented in 2020 due to the COVID-19 pandemic and (ii) the positive impact of the Brazilian government's economic support policies, which contributed to compensate the anticipated increase in ECL allowance due to the growth in the credit card and loan receivables in 2020. The total ECL allowance for credit cards and loans recorded in the statements of financial position decreased by 0.7 percentage points, to 5.5% of the total receivable balance of credit cards and loans as of December 31, 2020, from 6.2% as of December 31, 2019.

Gross Profit

As a result of the foregoing, our gross profit for the year ended December 31, 2020 was US$326.9 million, an increase of US$79.0 million, or 31.9%, compared to US$247.9 million for the year ended December 31, 2019. Our gross margin (gross profit divided by total revenue) increased 3.8% to 44.3% for the year ended December 31, 2020, from 40.5% for the year ended December 31, 2019.

Operating expenses

Operating expenses for the year ended December 31, 2020 were US$418.9 million, an increase of US$41.7 million, or 11%, from US$377.2 million for the year ended December 31, 2019. Operating expenses represented 56% of our total revenue in 2020, compared to 60% in 2019. The main changes leading to the increase in operating expenses in the period are explained below.

	For the Years Ended December 31,		
	2020	**2019**	**Variation (%)**
Customer support and operations	(124.0)	(115.6)	7.3%
General and administrative expenses	(266.0)	(199.9)	33.1%
Marketing expenses	(19.4)	(41.8)	(53.6)%
Other income (expenses)	(9.5)	(19.9)	(52.3)%
Total operating expenses	**(418.9)**	**(377.2)**	**11.1%**

Customer support and operations. Customer support and operations expenses for the year ended December 31, 2020 were US$124.0 million, an increase of US$8.4 million, or 7.3%, from US$115.6 million for the year ended December 31, 2019, primarily attributable to an increase of (i) US$10.2 million in credit analysis and collection costs and (ii) US$13.0 million in customer services, in each case as a result of the increase in the number of customers in 2020. This increase was partially offset by a decrease in infrastructure and data-processing costs reflecting efficiency gains in data processing and our foreign exchange hedging strategy for these expenses.

General and administrative expenses. General and administrative expenses for the year ended December 31, 2020 were US$266.0 million, an increase of US$66.1 million, or 33.1%, from US$199.9 million for the year ended December 31, 2019, primarily attributable to (i) an increase of US$35.2 million in salaries and associated benefits, and (ii) an increase of US$37.8 million in share-based compensation, both primarily attributed to growth in employee headcount of 26%, in 2020 compared to the prior year, and the social wages expenses due to the share appreciation; partially offset by a US$24.1 million decrease in credit and debit card issuance costs due to decreased printing and shipping expenses and a reduction in the number of debit cards sent relative to the increase in our number of new customers.

Marketing expenses. Marketing expenses for the year ended December 31, 2020 were US$19.4 million, a decrease of US$22.4 million, or 53.6%, from US$41.8 million for the year ended December 31, 2019, primarily due to the decrease in marketing campaigns due to the COVID-19 pandemic.

Other income (expenses). Other income (expenses) for the year ended December 31, 2020 were an expense of US$9.5 million, a decrease of US$10.4 million, or 52.3%, from an expense of US$19.9 million for the year ended December 31, 2019, primarily attributable to a decrease in Brazilian social contribution deductions from revenue (Social Integration Program – PIS and Social Security Program – COFINS).

Finance costs – result with convertible instruments

Finance costs – result with convertible instruments for the year ended December 31, 2020 were US$101.2 million, which refers to the interest expense in the amount of US$28.4 million and fair value losses resulting from changes in the fair value of the embedded derivative conversion feature of our senior preferred shares in the amount of US$72.5 million, reflecting the expected valuation of our company as a result of our Series G preferred financing round in January 2021. The change in fair value reflects the appreciation of our shares since the issuance of our senior preferred shares. In the year ended December 31, 2019, we did not record finance costs in connection with the results of convertible instruments. For more information, see note 22 to our audited consolidated financial statements.

Loss before income taxes

As a result of the foregoing, loss before income taxes for the year ended December 31, 2020 was US$193.2 million, an increase of US$63.9 million, or 49.4%, from US$129.3 million for the year ended December 31, 2019.

Income taxes

Income taxes for the year ended December 31, 2020 were a tax benefit of US$21.7 million, a decrease of US$15.1 million, or 41%, from a tax benefit of US$36.8 million for the year ended December 31, 2019. The effective income tax rates were 11.2% and 28.4% in the years 2020 and 2019, respectively, which reflects an increase in current income tax rates due to non-deductible expenses being higher proportionally to the loss before income tax in 2020, compared to 2019, offset by the addition of expenses related to the senior preferred shares embedded derivative.

Loss for the year

As a result of the foregoing, loss for the year ended December 31, 2020 was US$171.5 million, an increase of US$79.0 million, or 85.4%, from US$92.5 million for the year ended December 31, 2019.

Quarterly Financial Information (Unaudited)

The following table sets forth certain of our financial information for the periods indicated:

	For the Three Months Ended					
	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020
	(in US$ millions)					
Interest income and gains (losses) on financial instruments	439.5	295.0	184.9	127.3	89.7	70.1
Fee and commission income	196.4	185.9	151.2	117.7	112.9	85.9
Total revenue	**635.9**	**480.9**	**336.1**	**245.1**	**202.6**	**156.1**
Interest and other financial expenses	(177.0)	(101.4)	(57.2)	(31.7)	(31.4)	(24.0)
Transactional expenses	(32.4)	(28.6)	(29.8)	(26.3)	(39.1)	(31.9)
Credit loss allowance expenses	(199.6)	(127.0)	(82.7)	(71.3)	(55.6)	(32.9)
Total cost of financial and transactional services provided	**(409.0)**	**(257.0)**	**(169.7)**	**(129.4)**	**(126.1)**	**(88.8)**
Gross profit	**226.9**	**223.9**	**166.4**	**115.7**	**76.5**	**67.3**
OPERATING EXPENSES						
Customer support and operations	(65.8)	(51.6)	(40.1)	(32.1)	(28.5)	(28.9)
General and administrative expenses	(224.2)	(166.5)	(122.3)	(115.8)	(81.6)	(56.8)
Marketing expenses	(34.5)	(25.6)	(14.7)	(4.9)	(7.9)	(4.1)
Other income (expenses)	9.1	(2.0)	5.0	(16.2)	16.0	(2.1)
Total operating expenses	**(315.4)**	**(245.7)**	**(172.9)**	**(169.0)**	**(102.0)**	**(91.9)**
Finance costs – results with convertible instruments	**—**	**—**	**—**	**—**	**(88.0)**	**(13.2)**
Profit (loss) before income taxes	**(88.5)**	**(21.8)**	**(6.5)**	**(53.4)**	**(113.5)**	**(37.8)**
INCOME TAXES						
Current taxes	(69.7)	(66.4)	(52.2)	(31.4)	(13.2)	(0.2)
Deferred taxes	92.0	53.8	43.6	35.4	19.9	5.5
Total income taxes	**22.3**	**(12.6)**	**(8.7)**	**3.9**	**6.7**	**5.3**
Loss for the period	**(66.2)**	**(34.4)**	**(15.2)**	**(49.5)**	**(106.8)**	**(32.6)**

Exchange Rates

While we maintain our books and records in U.S. dollars, the presentation currency for our financial statements and also our functional currency, as a holding company, our material assets are our direct and indirect equity interests in our subsidiaries, and we are therefore dependent upon the results of operations of our subsidiaries, which are denominated primarily in the local currencies of the Latin American countries in which we operate, and as such our consolidated results of operations may be affected by changes in the local exchange rates to the U.S. dollar. We have significant operations in Brazil, Mexico and Colombia. The exchange rates discussed in this section have been obtained from each country's central bank. However, in most cases, for consolidation purposes, we use a foreign currency to U.S. dollar exchange rate provided by Bloomberg that differs slightly from that reported by the aforementioned central banks. For more information, see "Item 3. Key Information—Risk Factors—Risks Relating to Our Business and Industry—Our holding company structure makes us dependent on the operations of our subsidiaries" and "Item 3. Key Information—Risk Factors—Risks Relating to the Countries in Which We Operate—Exchange rate and interest rate instability may have a material adverse effect on the economies of the

countries in which we operate and the price of our Class A ordinary shares and BDRs" and "Presentation of Financial and Other Information—Financial Statements."

Brazil

The Brazilian foreign exchange system allows the purchase and sale of foreign currency and the international transfer of reais by any person or legal entity, regardless of the amount, subject to certain regulatory procedures.

The real depreciated against the U.S. dollar from mid-2011 to early 2016, and again from early 2018 to 2020. In particular, during 2015, due to the poor economic conditions in Brazil, including as a result of political instability, the real depreciated at a rate that was much higher than in previous years, and a similar trend occurred during 2018 and 2019. Overall in 2015, the real depreciated 47.0%, reaching R$3.905 per US$1.00 on December 31, 2015. In 2016, the real fluctuated significantly, appreciating 16.5% to R$3.259 per US$1.00 on December 31, 2016. In 2017, the real depreciated 1.5% against the U.S. dollar, ending the year at an exchange rate of R$3.307 per US$1.00. In 2018, the real depreciated 17.1% against the U.S. dollar, ending the year at an exchange rate of R$3.874 per US$1.00 mainly due to lower interest rates in Brazil as well as uncertainty regarding the results of the Brazilian presidential elections, which were held in October 2018. In 2019, the real depreciated 4.0% against the U.S. dollar. The real/U.S. dollar exchange rate reported by the Central Bank of Brazil was R$5.197 per US$1.00 on December 31, 2020, which reflected a 22.4% depreciation in the real against the U.S. dollar during 2020. The real/U.S. dollar exchange rate reported by the Central Bank of Brazil was R$5.581 per US$1.00 on December 31, 2021, which reflected a 7.4% depreciation in the real against the U.S. dollar since December 31, 2020. There can be no assurance that the real will not depreciate or appreciate further against the U.S. dollar.

The Central Bank of Brazil has previously intervened in the foreign exchange market to attempt to control instability in foreign exchange rates. We cannot predict whether the Central Bank of Brazil or the Brazilian government will continue to allow the real to float freely or to what extent it will intervene in the exchange rate market by re-implementing a currency band system or otherwise. The real may depreciate or appreciate substantially against the U.S. dollar in the future. Furthermore, Brazilian law provides that, whenever there is a serious imbalance in Brazil's balance of payments or there are serious reasons to foresee a serious imbalance, temporary restrictions may be imposed on remittances of foreign capital abroad. We cannot guarantee that the Brazilian government will not place restrictions on remittances of foreign capital abroad in the future.

The following table sets forth, for the periods indicated, the high, low, average and period-end exchange rates for the purchase of U.S. dollars expressed in Brazilian reais per U.S. dollar. The average rate is calculated by using the average of reported exchange rates by the Central Bank of Brazil on each business day during a monthly period and on the last day of each month during an annual period, as applicable. As of December 31, 2021, the exchange rate for the purchase of U.S. dollars as reported by the Central Bank of Brazil was R$5.581 per US$1.00.

Year	Year-end	Average[1]	Low[2]	High[3]
2017	3.307	3.193	3.051	3.381
2018	3.875	3.656	3.139	4.188
2019	4.031	3.946	3.651	4.259
2020	5.197	5.158	4.021	5.937
2021	5.581	5.396	4.921	5.840

Source: Central Bank of Brazil.

1. Represents the average of the exchange rates on the closing of each business day during the year.
2. Represents the minimum of the exchange rates on the closing of each business day during the year.
3. Represents the maximum of the exchange rates on the closing of each business day during the year.

Month	Period-end	Average[1]	Low[2]	High[3]
October 2021	5.643	5.540	5.391	5.712
November 2021	5.620	5.557	5.417	5.669
December 2021	5.581	5.651	5.556	5.737
January 2022	5.357	5.534	5.357	5.704
February 2022	5.139	5.197	5.014	5.328
March 2022	4.738	4.968	4.738	5.135
April 2022 (through April 19, 2022)	4.666	4.686	4.618	4.751

Source: Central Bank of Brazil.

1. Represents the average of the exchange rates on the closing of each business day during the month.
2. Represents the minimum of the exchange rates on the closing of each business day during the month.
3. Represents the maximum of the exchange rates on the closing of each business day during the month.

Mexico

For the last few years, the Mexican government has maintained a policy of nonintervention in the foreign exchange markets, other than conducting periodic auctions for the purchase of U.S. dollars, and has not had in effect any exchange controls (although these controls have existed and have been in effect in the past). We cannot guarantee that the Mexican government will maintain its current policies with regard to the Mexican peso or that the Mexican peso will not further depreciate or appreciate significantly in the future.

The following table sets forth, for the periods indicated, the high, low, average and period-end free-market exchange rates for the purchase of U.S. dollars, expressed in nominal Mexican pesos per U.S. dollar, as reported by the Central Bank of Mexico in the Federal Official Gazette. All amounts are stated in Mexican pesos per U.S. dollar. The annual and interim average rates reflect the average of month-end rates, and monthly average rates reflect the average of daily rates.

Year	Year-end	Average[1]	Low[2]	High[3]
2017	19.935	18.929	17.494	21.908
2018	19.683	19.238	17.979	20.716
2019	18.845	19.262	18.772	20.125
2020	19.949	21.496	18.571	25.119
2021	20.738	20.282	19.579	21.819

Source: Central Bank of Mexico.

1. Represents the average of the exchange rates on the closing of each business day during the year.
2. Represents the minimum of the exchange rates on the closing of each business day during the year.

3. Represents the maximum of the exchange rates on the closing of each business day during the year.

Month	Period-end	Average[1]	Low[2]	High[3]
October 2021	20.530	20.463	20.184	20.802
November 2021	21.445	20.900	20.283	21.819
December 2021	20.467	20.892	20.467	21.418
January 2022	20.635	20.498	20.300	20.733
February 2022	20.426	20.450	20.244	20.733
March 2022	19.911	20.556	19.863	21.378
April 2022 (through April 19, 2022)	20.045	19.951	19.744	20.161

Source: Central Bank of Mexico.

1. Represents the average of the exchange rates on the closing of each business day during the month.
2. Represents the minimum of the exchange rates on the closing of each business day during the month.
3. Represents the maximum of the exchange rates on the closing of each business day during the month.

Colombia

The Colombian government and the Colombian Central Bank have considerable power to determine governmental policies and actions that relate to the Colombian economy and, consequently, to affect the operations and financial performance of businesses. The Colombian government and the Colombian Central Bank may seek to implement additional measures aimed at controlling further fluctuation of the Colombian peso against other currencies and fostering domestic price stability. The Colombian Central Bank and the Colombian Ministry of Finance and Public Credit (Ministerio de Hacienda y Crédito Público, or "MHCP") have in the past adopted a set of measures intended to tighten monetary policy and control the fluctuation of the Colombian peso against the U.S. dollar. Colombia has a free market for foreign exchange, and the Colombian government allows the Colombian peso to float freely against the U.S. dollar. There can be no assurance that the Colombian government will maintain its current policies with regard to the Colombian peso or that the Colombian peso will not depreciate or appreciate significantly in the future.

The Colombian Central Bank establishes the parameters that must be observed in order to calculate the Representative Market Rate (Tasa Representativa del Mercado); then, the Colombian Financial Superintendency (Superintendencia Financiera de Colombia, or "SFC") proceeds to compute and certify the Representative Market Rate based on the weighted averages of the buy/sell foreign exchange rates quoted daily by certain financial institutions for the purchase and sale of foreign currency.

The following table sets forth, for the periods indicated, the high, low, average and period-end exchange rates for the purchase of U.S. dollars expressed in Colombian pesos per U.S. dollar as certified by the SFC. The rates shown below are in nominal Colombian pesos and have not been restated in constant currency units. The average rate is calculated by using the average of reported exchange rates by the Colombian Central Bank on each business day during a monthly period and on the last day of each month during an annual period, as applicable.

Year	Year-end	Average[1]	Low[2]	High[3]
2017	2,984.00	2,951.32	2,837.90	3,092.65
2018	3,249.75	2,956.43	2,705.34	3,289.69
2019	3,277.14	3,281.09	3,072.01	3,522.48
2020	3,432.50	3,693.36	3,253.89	4,153.91
2021	3,981.16	3,743.09	3,420.78	4,023.68

Source: Colombian Central Bank.

1. Represents the average of the exchange rates on the closing of each business day during the year.
2. Represents the minimum of the exchange rates on the closing of each business day during the year.
3. Represents the maximum of the exchange rates on the closing of each business day during the year.

Month	Period-end	Average[1]	Low[2]	High[3]
October 2021	3,766.10	3,772.62	3,725.75	3,812.77
November 2021	4,010.98	3,902.90	3,778.69	4,010.98
December 2021	3,981.16	3,963.13	3,886.87	4,023.68
January 2022	3,982.60	3,999.62	3,944.04	4,084.11
February 2022	3,910.64	3,935.84	3,910.64	3,965.41
March 2022	3,748.15	3,807.17	3,746.43	3,910.28
April 2022 (through April 19, 2022)	3,721.31	3,750.55	3,706.95	3,777.41

Source: Colombian Central Bank.

1. Represents the average of the exchange rates on the closing of each business day during the month.
2. Represents the minimum of the exchange rates on the closing of each business day during the month.
3. Represents the maximum of the exchange rates on the closing of each business day during the month.

B. Liquidity and Capital Resources

Cash flows

As of December 31, 2021 and 2020, we had US$2,705.7 million and US$2,343.8 million, respectively, in cash and cash equivalents. We believe that our current available cash and cash equivalents and the projected cash flows from our operating activities will be sufficient to meet our working capital requirements and capital expenditures in the ordinary course of business for the next 12 months and beyond. The following table shows the generation and use of cash for the periods indicated:

	For the year ended December 31,		
	2021	2020	2019
	(in US$ millions)		
Cash flows (used in) / generated from operating activities	(2,924.3)	974.5	276.1
Cash flow (used in) / generated from investing activities	(154.2)	(16.3)	(4.7)
Cash flow (used in) / generated from financing activities	3,336.0	240.1	611.2
Increase (decrease) in cash and cash equivalents	257.5	1,198.4	882.7
Cash and cash equivalents – end of the year	2,705.7	2,343.8	1,246.6

Our cash and cash equivalents include reverse repurchase agreements, short-term investments, banking account balances, securities and other cash and cash equivalents. The reverse repurchase agreements substantially have one-day maturities and have an immaterial risk of change in value. Short-term investments and securities are highly liquid investments with original maturities of three months or less and with an immaterial risk of change in value. For more information, see note 11 to our audited consolidated financial statements included elsewhere in this annual report.

Year Ended December 31, 2021 Compared to the Year Ended December 31, 2020

Operating activities. Our net cash flows used in operating activities for the year ended December 31, 2021, were US$2,924.3 million, an increase in use of US$3,898.8 million from US$974.5 million net cash flows generated from operating activities in the year ended December 31, 2020. Our loss for the year ended December 31, 2021, was US$165.3 million, a decrease of US$6.2 million from US$171.5 million for the year ended December 31, 2020. The adjustments to reconcile loss for the period to cash used in operating activities for the year ended December 31, 2021 were US$293.5 million, compared to US$103.4 million for the year ended December 31, 2020, mainly as a result of (i) an increase in credit allowance provision to US$503.7 million in the year ended December 31, 2021 compared to US$187.8 million in the year ended December 31 2020, (ii) an increase in deferred income taxes to US$224.6 million in the year ended December 31, 2021 compared to US$44.0 million in the year ended December 31, 2020 (iii) the fair value gains recorded regarding warrants and Jupiter investment for the year ended December 31, 2021 in the total amount of US$39.3 million which did not occur in the year ended December 31, 2020, and (iv) an increase in share-based compensation expenses to US$157.3 million in the year ended December 31, 2021 compared to US$35.6 million in the year ended December 31, 2020. Changes in our operating assets and liabilities were principally affected by an increase in securities, credit card receivables and loans to customers compensated by higher volume of deposits and an increase in payables to a credit card network.

Investing activities. Our net cash flows used in investing activities for the year ended December 31, 2021 were US$154.2 million, an increase of US$137.9 million, from US$16.3 million for the year ended December 31, 2020, primarily due to the acquisition of Easynvest and Spin Pay, as detailed in note 1c. of our audited financial statements elsewhere in this annual report.

Financing activities. Our net cash flows generated from financing activities for the year ended December 31, 2021 were US$3,336.0 million, an increase of US$3,095.9 million from US$240.1 million for the year ended December 31, 2020. The increase in the cash generated resulted primarily from the capital increase that occurred in the year ended December 31, 2021, corresponding to the new "Series G" and “Series G-1” investment round as well as our IPO in December 2021.

As a result of the foregoing, cash and cash equivalents as of December 31, 2021 were US$2,705.7 million, an increase of US$361.9 million, from US$2,343.8 million as of December 31, 2020.

Year Ended December 31, 2020 Compared to the Year Ended December 31, 2019

Operating activities. Our net cash flows generated from operating activities for the year ended December 31, 2020 were US$974.5 million, an increase of US$698.4 million from US$276.1 million net cash flows generated from operating activities for the year ended December 31, 2019. Our loss for the year ended December 31, 2020, was US$171.5 million, an increase of US$79.0 million from a loss of US$92.5 million in the year ended December 31, 2019. The adjustments to reconcile loss for the year to cash generated from operating activities for the year ended December 31, 2020 were US$103.4 million, a decrease of US$8.1 million from US$111.5 million in 2019, primarily as a result of changes in the fair value of financial instruments increasing to US$48.4 million in 2020, from US$1.8 million in 2019. Changes in our operating assets and liabilities were principally affected by a US$782.5 million increase in deposits, which were primarily used to invest in securities (corresponding to a US$319.3 million increase in securities in 2020), with the remaining cash received from deposits being recorded as cash and cash equivalents. Our credit and debit card activities in the year ended December 31, 2020 also contributed to the changes in net cash flows used in operating activities in the period, corresponding to a US$944.3 million decrease in credit card receivables and a US$1,052.8 million increase in payables to credit card networks.

Investing activities. Our net cash flows used in investing activities for the year ended December 31, 2020 were US$16.3 million, an increase of US$11.6 million, from US$4.7 million for the year ended December 31, 2019, primarily due to the acquisition of Cognitect.

Financing activities. Our net cash flows generated from financing activities for the year ended December 31, 2020 were US$240.1 million, a decrease of US$371.1 million from US$611.2 million for the year ended December 31, 2019. The decrease in the cash generated can be explained by the lower proceeds from securitized borrowing and borrowings and financing in 2020 compared to 2019, as deposits from our customers became an important source of cash for our activities. Further, there was a decrease in proceeds from equity financing activities with our investors, which are reflected as capital increase, explained by the issuance of senior preferred shares in the year ended December 31, 2020 of US$300.0 million and the capital increase of US$400.0 million in the year ended December 31, 2019.

As a result of the foregoing, cash and cash equivalents as of December 31, 2020 were US$2,343.8 million, an increase of US$1,097.2 million, from US$1,246.5 million as of December 31, 2019.

Indebtedness

As of December 31, 2021, our indebtedness was composed of US$12.1 million in instruments eligible as capital, US$147.2 million in borrowings and financing, US$10.0 million in securitized borrowing and US$7.6 million in lease liabilities. The following is a description of our material indebtedness as of December 31, 2021:

Instruments eligible as capital

In June 2019, our subsidiary Nu Financeira issued a subordinated financial letter in the amount equivalent to US$18.8 million, which qualified as Tier 2 capital upon approval of the Central Bank of Brazil in September 2019. The subordinated financial letter bears a fixed interest rate per annum of 12.8%, is callable at the option of the issuer in June 2024, and the principal amount thereunder is payable upon maturity in June 2029. For more information, see note 17 of our audited financial statements included elsewhere in this annual report.

Borrowings and financing

Borrowings and financing are composed of borrowings denominated in reais issued by our subsidiaries in Brazil, generally indexed to the Brazilian CDI rate; and in Mexican Pesos by our Mexican subsidiary, Nu BN Servicios México, S.A. de C.V., or "Nu Servicios," generally indexed to the Mexican Interbanking Equilibrium Interest Rate, or the "Mexican TIIE." For more information, see note 20 of our audited financial statements included elsewhere in this annual report.

On July 7, 2020, our Mexican subsidiary Nu Servicios entered into a term loan credit facility with Bank of America Mexico, S.A., Institución de Banca Múltiple, with interest accruing at a rate per annum equal to the Mexican TIIE + 1.40% and maturing on July 7, 2023. This term loan credit facility is guaranteed by us and our subsidiary Nu Pagamentos. As of December 31, 2021, US$10.0 million was outstanding under this credit facility.

On November 6, 2020, our Mexican subsidiary Nu Servicios entered into a term loan credit facility with J.P. Morgan México SA, Institución de Banca Múltiple, J.P. Morgan Grupo Financiero, with interest accruing at a rate per annum equal to the Mexican TIIE + 1.45% and maturing on November 4, 2022. This term loan credit facility is guaranteed by us and our subsidiary Nu Pagamentos. As of December 31, 2021, US$10.0 million was outstanding under this credit facility.

On January 25, 2021, our Mexican subsidiary Nu Servicios entered into a term loan credit facility with Goldman Sachs International Bank, with interest accruing at a rate per annum equal to the Mexican TIIE + 1.18% and maturing on January 25, 2024. This term loan credit facility is guaranteed by us and our subsidiary Nu Pagamentos. As of December 31, 2021, US$25.0 million was outstanding under this credit facility.

On June 8, 2021, our Mexican subsidiary Nu Servicios entered into a term loan credit facility with Bank of America México, S.A., Institución de Banca Múltiple, with interest accruing at a rate per annum equal to the Mexican TIIE + 1.40% and maturing on July 7, 2023. This term loan credit facility is guaranteed by us and our subsidiary Nu Pagamentos. As of December 31, 2021, US$20.0 million was outstanding under this credit facility.

On July 23, 2021, our Mexican subsidiary Nu Servicios entered into a term loan credit facility with J.P. Morgan México SA, Institución de Banca Múltiple, J.P. Morgan Grupo Financiero, with interest accruing at a rate per annum equal to the Mexican TIIE + 1.00% and maturing on July 19, 2024. This term loan credit facility is guaranteed by us and our subsidiary Nu Pagamentos. As of December 31, 2021, US$70.0 million was outstanding under this credit facility.

On April 11, 2022, we entered into a US$650 million credit line via a syndicated credit facility with with Citigroup Global Markets Inc.. Morgan Stanley Senior Funding,Inc., Goldman Sachs International Bank and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC to support our internationalization strategy and the growth of local operations in Colombia and Mexico. The money is being raised in local currency. Nu is the guarantor and our subsidiaries Nu Mexico and Nu Colombia S.A. are the borrowers of such operation.

Securitized borrowings

Securitized borrowings correspond to senior quotas issued by FIDC Nu, which accrue interest at a rate per annum of the CDI Rate + 30% for the 1st series, CDI Rate + 4% for the 2nd series and CDI Rate + 1.1% for the 3rd series. We fully settled the notes of the 1st series in December 2020 and the notes of the 2nd series in 2021. The principal amount under the senior quotas is payable upon maturity in February 2022 for the 3rd series. Our subsidiary Nu Pagamentos is the holder of the subordinated quotas under the senior notes. The underlying assets of the FIDC correspond to credit card receivables and we expect the volume of securitized borrowings based on receivables from the Brazilian operations to decrease over the next couple years.

Lease liabilities

Lease liabilities correspond to lease agreements for certain items in our operations, primarily in connection with leasing office space under agreements that are generally indexed to reais or Mexican Pesos, as applicable.

Senior preferred shares

On June 18, 2020, we issued senior preferred shares in the amount of US$300.0 million. Our senior preferred shares are considered a financial instrument with convertible features deemed embedded derivatives. As of March 31, 2021, US$342.4 million was recorded as principal of the host debt instrument at amortized cost and US$58.4 million was recorded as a derivative. On May 20, 2021, each senior preferred share was converted into one Series F-1 preferred share, with the total issuance of 16,795,799 shares at the request of the holders. The conversion consisted of a reclassification of the amount recognized as a derivative and recognized as liability into share capital and share premium reserve in the total amount of US$0.4 million. At the date of conversion, the total fair value of the senior preferred shares, which consisted of the fair value of derivative and of the liability, were determined to be equivalent to their values as of March 31, 2021. As a result, there was no effect on the consolidated statement of profit or loss as a result of the conversion. For more information, see note 23 to our audited consolidated financial statements.

Capital Expenditures

In the years ended December 31, 2021, 2020 and 2019, we made capital expenditures (defined as cash payments to acquire property, plant and equipment or intangible assets) of US$28.4 million, US$8.0 million and US$4.7 million, respectively.

These capital expenditures mainly included expenditures related to the upgrade and development of our IT systems, software and infrastructure, facilities, machinery and equipment, furniture and fittings and leasehold improvements.

We expect to increase our capital expenditures to support the growth in our business and operations in the countries in which we operate, including Brazil, Mexico and Colombia. We expect to meet our capital expenditure needs for the foreseeable future from our operating cash flow, our existing cash and cash equivalents, and with the net proceeds of this offering. Our future capital requirements will depend on several factors, including our growth rate, the expansion of our research and development efforts, employee headcount, marketing and sales activities, the introduction of new features to our existing products and the continued market acceptance of our products.

Material Cash Commitments

As of December 31, 2021, we had loan commitments to acquire receivables, most of them related to the credit card network process, having credit risk related to the Company or to other participants of the network. The total commitment was R$1.90 billion (equivalent to US$341 million) of which only R$ 18.2 million (equivalent to US$3.3 million) had not been used at that date.

Tabular Disclosure of Contractual Obligations

The following is a summary of our contractual obligations as of December 31, 2021:

	Payments Due By Period as of December 31, 2021		
	Less than 1 year	Over 1 year	Total
	(in US$ millions)		
Instruments eligible as capital	-	44.7	44.7
Deposits(1)			
Banking deposit receipt (*Recibo de Depósito Bancário* – RDB)	7,813.9	47.6	7,861.5
Banking deposit receipt (*Recibo de Depósito Bancário Vinculado* – RDB-V)	31.6	-	31.6
Time deposits	20.4	-	20.4
Borrowings and financing	54.5	107.0	161.5
Securitized borrowings	10.1	-	10.1
Total	**7,930.5**	**199.3**	**8,129.8**

(1) Gross nominal outflows for deposits were calculated considering the exchange rate of R$5.576 to US$1.00, the commercial purchase rate for U.S. dollars as of December 31, 2021 as reported by Bloomberg and the projected Brazilian CDI Rate as reported on the B3's website, for the deposits.

The following is a summary of our contractual obligations as of December 31, 2020:

	Payments Due By Period as of December 31, 2020		
	Less than 1 year	Over 1 year	Total
	(in US$ millions)		
Instruments eligible as capital	—	15.5	15.5
Deposits(1)			
Banking deposit receipt (*Recibo de Depósito Bancário* – RDB)	4,415.9	29.8	4,445.7
Banking deposit receipt (*Recibo de Depósito Bancário Vinculado* – RDB-V)	90.4	—	90.4
Time deposits	—	19.5	19.5
Borrowings and financing	67.6	29.9	97.5
Securitized borrowings	69.0	10.7	79.7
Senior preferred shares(2)	—	910.4	910.4
Total	**4,642.9**	**1,015.8**	**5,658.7**

(1) Gross nominal outflows for deposits were calculated considering the exchange rate of R$5.197 to US$1.00, the commercial purchase rate for U.S. dollars as of December 31, 2020 as reported by Bloomberg and the projected Brazilian CDI Rate as reported on the B3's website, for the deposits.

(2) For senior preferred shares, the calculation considers the payments in December 2026 when it is either converted into equity as per holder request or becomes an instrument similar to a perpetual bond.

Off-Balance Sheet Arrangements

As of December 31, 2021, 2020 and 2019, we did not have any off-balance sheet arrangements.

C. Research and Development, Patents and Licenses, Etc.

See "Item 4. Information on the Company—D. Property, Plants and Equipment—Intellectual Property."

D. Trend Information

For a discussion of trend information, see "Item 4. Information on the Company—B. Business Overview—Overview—Our Attractive Opportunity Key—Powerful Secular Trends"; "Item 4. Information on the Company—B. Business Overview—Our Market—Industry Background—the Latin American Financial Services Industry is Broken" and "—A. Operating Results."

E. Critical Accounting Estimates

Not applicable.

Item 6. Directors, senior management and employees

A. Directors and Senior Management

We are managed by our board of directors and by our senior management, pursuant to our Memorandum and Articles of Association and the Cayman Islands Companies Act (as revised).

Board of Directors

As of December 31, 2021, our board of directors is composed of nine members. Our Memorandum and Articles of Association provide that each director holds office until the next annual general meeting following the annual general meeting at which such director was elected. None of our board members have contracts that provide for benefits upon termination of employment.

Our Memorandum and Articles of Association provide that from and after the date on which David Vélez Osorno (together with his affiliates), our founding shareholder, no longer beneficially owns more than 50% of the aggregate voting power of all of our issued shares having the right to receive notice of and vote at our annual general meetings, or the classifying date, the directors shall be divided into three classes designated Class I, Class II, and Class III. Each director shall serve for a term ended on the date of the third annual general shareholders meeting following the annual general shareholders meeting at which such director was elected, provided that directors initially designated as Class I directors will serve for a term ended on the date of the first annual general shareholders meeting following the classifying date, directors initially designated as Class II directors shall serve for a term ended on the second annual general shareholders meeting following the classifying date, and directors initially designated as Class III directors shall serve for a term ended on the date of the third annual general shareholders meeting following the classifying date. The directors nominated by our founding shareholder shall be allocated to the longest duration classes unless otherwise determined by our founding shareholder. The members of our board of directors to be in place upon consummation of this offering will hold office until our next annual general meeting.

Our directors do not have a retirement age requirement under our Memorandum and Articles of Association. The following table presents the names of the current members of our board of directors.

Name	Age	Position(s)
David Vélez Osorno	40	Founder, Chairman and Chief Executive Officer(3)
Douglas Mauro Leone	64	Director(2)*
Anita Sands	45	Director(1)*
Daniel Krepel Goldberg	46	Director(3)*
Luis Alberto Moreno Mejía	68	Director(2)(3)*
Jacqueline Dawn Reses	52	Director(1)(2)*
Larissa de Macedo Machado (Anitta)	29	Director(3)
Rogério Paulo Calderón Peres	60	Director(1)*
Muhtar Ahmet Kent	69	Director*

(1) Member of the Audit and Risk Committee.

(2) Member of the Leadership Development, Diversity and Compensation Committee.

(3) Member of the Stakeholders' Committee.

* Independent Director

The following is a brief summary of the business experience of our directors. Unless otherwise indicated, the current business address for our directors is Rua Capote Valente, 39 – Pinheiros, São Paulo, Brazil.

David Vélez Osorno is our Founder, the chairman of our board of directors and our chief executive officer. He has also been a member of our Stakeholders' Committee since July 2021. Before founding Nu in 2013, David was a partner at Sequoia Capital between January 2011 and March 2013, in charge of the firm's Latin American investments group. Before Sequoia, David worked in investment banking and growth equity at Goldman Sachs, Morgan Stanley and General Atlantic. He holds a Bachelor's of Science in Management Science and Engineering and a Master's in Business Administration, both from Stanford University.

Douglas Mauro Leone is a member of our board of directors, a position he has held since 2016. He has also been a member of our Leadership Development, Diversity and Compensation Committee since July 2021. As Managing Partner of Sequoia Capital since 1996 and Global Managing Partner since 2012, Doug has partnered with companies including RingCentral and ServiceNow. He began his career in tech at Sun Microsystems, Hewlett-Packard, and Prime Computer, before joining Sequoia Capital in 1988. He holds a Bachelor's of Science in Mechanical Engineering from Cornell University, a Master's of Science in Industrial Engineering from Columbia University, and a Master's of Science in Management from the Massachusetts Institute of Technology.

Anita Mary Sands is a member of our board of directors, a position she has held since October 2020. She has also been a member of our Audit and Risk Committee since June 2021. Dr. Sands has served on the board of directors of ServiceNow, Inc. since July 2014 and on the board of directors of SVF Investment Corp. since January 2021. From April 2012 to September 2013, Dr. Sands served as group managing director, head of change leadership and a member of the wealth management Americas executive committee of UBS Financial Services, a global financial services firm. Prior to that, from April 2010 to April 2012, Dr. Sands was group managing director and chief operating officer of UBS Wealth Management Americas at UBS Financial Services, and from October 2009 to April 2010, Dr. Sands was a transformation consultant at UBS Wealth Management Americas. Prior to joining UBS Financial Services, Dr. Sands was managing director, head of transformation management at Citigroup N.A. 's global operations and technology organization. Dr. Sands also held several leadership positions with RBC Financial Group and the Canadian Imperial Bank of Commerce (CIBC). Dr. Sands holds a Bachelor's of Science in Physics and Applied Mathematics and a Doctoral Degree in Atomic and Molecular Physics, both from The Queen's University of Belfast, Northern Ireland, and a Master's of Science in Public Policy and Management from Carnegie Mellon University. She served as the James Wei Visiting Professor in Entrepreneurship at Princeton University in 2021.

Daniel Krepel Goldberg is a member of our board of directors, a position he has held since April 2021. He has also been a member of our Stakeholders' Committee since July 2021. He is currently managing partner and CIO at Lumina Capital Management and formerly was a partner and head of Latin America at Farallon Capital Management, position he held from August 2011 to December 2021. He was the president of Morgan Stanley in Brazil from April 2010 to August 2011. Between January 2003 and December 2006, he headed the Economic Law Secretariat of the Ministry of Justice, a former body of the Brazilian antitrust and consumer protection system. He holds a Bachelor's Degree and a Doctoral Degree in Law from the University of São Paulo. In addition, he received a Master of Laws from Harvard Law School.

Luis Alberto Moreno Mejía is a member of our board of directors, a position he has held since April 2021. He has also been a member of our Leadership Development, Diversity and Compensation Committee and of our Stakeholders' Committee since July 2021. He joined us after his 15-year tenure as the President of the Inter-American Development Bank Group from October 2005 to September 2020, and has served as a Managing Director at Allen & Co. (an underwriter participating in this offering) since February 2021. He has also served as Colombia's Ambassador to the United States for seven years from October 1998 to June 2005. He had a distinguished career in business and government. As Minister of Economic Development between July 1992 and January 1994, he was head of the Instituto de Fomento Industrial, Colombia's public sector holding company. In the private sector he was the executive producer of TV Hoy. He holds a Degree in Business Administration and Economics from Florida Atlantic University and a Master's in Business Administration from the Thunderbird School of Global Management. In 1990, Harvard University awarded him a Neiman Fellowship for his achievements in the field of journalism.

Jacqueline Dawn Reses is a member of our board of directors, a position she has held since March 2021. She has also been the Chair of our Leadership Development, Diversity and Compensation Committee since July 2021 and a member of our Audit and Risk Committee since June 2021. She is the chief executive officer of Post House Capital and most recently served as executive chair of Square Financial Services LLC and capital lead at Block Inc., a publicly traded financial services company which provides services to small businesses and consumers, from October 2015 to October 2020. From February 2016 to July 2018, she also served as people lead at Block, Inc. From September 2012 to October 2015, she served as chief development officer of Yahoo! Inc. Prior to Yahoo, she led the U.S. media group as a partner at Apax Partners Worldwide LLP, which she joined in 2001. She also serves on the board of directors of Affirm, Endeavor, Taskus and Pershing Square Tontine Holdings, Ltd. Jackie is also the chairperson of the Economic Advisory Council of the Federal Reserve Bank of San Francisco. She previously served on the board of directors of Alibaba Group Holding Limited, Social Capital Hedosophia Holding Corp., Contextlogic (Executive Chair) and Social Capital Hedosophia Holding Corp III. She holds a Bachelor's of Science in Economics with honors from the Wharton School of the University of Pennsylvania.

Larissa de Macedo Machado (Anitta) is a member of our board of directors, a position she has held since June 2021. She has also been a member of our Stakeholders' Committee since July 2021. She has been a well-known contemporary pop artist since 2012 and is currently the Brazilian woman with the most followers on Instagram (over 60 million) and maintains an active social media presence, having been ranked as one of the most influential celebrities by Billboard and one of the 100 most influential and creative people in the world by VOGUE. She is a five-time winner of the Best Brazilian Act on the MTV Europe Music Awards, and was the first Brazilian artist to win the Best Latin American Act award. In 2017, she was ranked as one of the most influential celebrities in social media according to Billboard. As a businesswoman, she manages her own career and production company and gathers numerous advertising contracts and partnerships with international brands. She holds a degree in pre-college administration from Instituto Superior de Educação do Rio de Janeiro (ISERJ/FAETEC).

Rogério Paulo Calderón Peres is a member of our board of directors and also the chairman of our Audit and Risk Committee, positions he has held since June 2021 and July 2021, respectively. As a financial expert, he served in PricewaterhouseCoopers Brazil as audit partner for nearly ten years until 2003 and then served as senior executive and chief financial officer at Bunge Brasil S.A. from 2003 to 2007, Unibanco S.A., Itaú Unibanco Holdings S.A. between 2007 and 2014 and HSBC Brasil S.A. (HSBC LatAm) between 2014 and 2016. He has also served as a board member in Alupar Investimentos S.A. since December 2016 and Via Varejo S.A. (Via S.A.) since September 2019, both listed companies in Brazil. He has been the chairman of the audit committee and designated financial expert at B3 S.A. – Brasil, Bolsa, Balcão since April 2018 and a member of the compensation committee of Qualicorp Consultoria e Corretora de Seguros S.A. since 2019. He holds a Bachelor's in Business Administration from Fundação Getulio Vargas and a Bachelor's in Accounting from Fundação FAPEI, both in Brazil. He also holds a Brazilian registered accountant certification (Brazilian CPA) and has also attended several extension programs in strategy, finance, human resources and governance at Harvard University, Princeton University, University of Western Ontario, Fundação Getulio Vargas and Fundação Dom Cabral.

Muhtar Ahmet Kent is a member of our board of directors, a position he has held since October 2021. Mr. Muhtar Kent is the retired Chairman and Chief Executive Officer of The Coca-Cola Company, a multinational beverage corporation. Mr. Kent joined The Coca-Cola Company in 1978; in 2006, he became President and Chief Operating Officer and in 2008 was elevated to President and Chief Executive Officer. From 2009 to 2017, Mr. Kent also served as The Coca-Cola Company's Chairman. He retired from The Coca-Cola Company in 2019. Mr. Kent currently serves on the boards of 3M Co., a multinational conglomerate, Special Olympics International, the Cambridge China Development Trust and Emory University, and is Chairman of the Advisory Board of Cass Business School at London City University. Mr. Kent previously served as the Chairman of the International Business Council of the World Economic Forum and as a member of its Chairman's Community. Mr. Kent holds a Bachelor of Science degree in Economics from the University of Hull in England and a Master of Science degree in Administrative Sciences from Cass Business School at the City University London.

Executive Officers

Our executive officers are responsible for the management and representation of our company.

On February 8, 2022, we announced that, as per Written Resolutions of the Directors of the Company dated on January 31, 2022, Renee Grace Mauldin Atwood resigned as Officer of the Company. Vitor Guarino Olivier, our former Vice-President of Operations and Platforms, assumed the role as our new Chief People Officer.

The following table lists our current executive officers:

Name	Age	Position(s)
David Vélez Osorno	40	Founder and Chief Executive Officer(1)
Guilherme Marques do Lago	43	Chief Financial Officer
Cristina Helena Zingaretti Junqueira	39	Co-Founder & Brazil CEO(1)
Youssef Lahrech	48	Chief Operating Officer
Jagpreet Singh Duggal	48	Chief Product Officer
Henrique Camossa Saldanha Fragelli	45	Chief Risk Officer
Matt Swann	51	Chief Technology Officer
Vitor Guarino Olivier	32	Chief People Officer

(1) Member of the Stakeholders' Committee.

The following is a brief summary of the business experience of our executive officers. Unless otherwise indicated, the current business address for our executive officers is Rua Capote Valente, 39 – Pinheiros, São Paulo, Brazil.

David Vélez Osorno. See "—Board of Directors."

Guilherme Marques do Lago is our Chief Financial Officer, a position he has held since February 2021, and served as our vice president of finance from March 2019 to February 2021. From April 2006 to March 2019, he served in various positions at the Credit Suisse Group AG, including as managing director in its investment banking group. He also previously worked at McKinsey & Company from 2005 to 2006. He holds a Bachelor's of Science in Industrial Engineering from Escola Politécnica da Universidade de São Paulo and a Master's in Business Administration from the Harvard Business School.

Cristina Helena Zingaretti Junqueira is our Co-Founder & Brazil CEO, a position she has held since February 2021. She has also been the chair of our Stakeholders' Committee since July 2021. As one of our co-founders, she has already held several functions and currently has a global role leading functions like marketing, communications, ESG, legal and public policy. Cristina began her career in strategic consulting, working at BCG (Boston Consulting Group) and before founding Nu in 2013, worked for several years at Itaú Unibanco S.A. with products and marketing in consumer credit and cards. She was the first woman to be featured visibly pregnant on the cover of a Brazilian business magazine. She was also the only Brazilian to be featured on the 2020 edition of Fortune's Most Powerful Women International and on Fortune 40 under 40, which recognizes the young leaders who are transforming the world of business. She holds an Engineering Bachelor's degree and a Master's degree from Universidade de São Paulo (USP), and also an MBA from Northwestern University's Kellogg School of Management.

Youssef Lahrech is our Chief Operating Officer, a position he has held since 2020. He runs our credit card, lending, and investments businesses in Brazil, as well as our international businesses in Mexico and Colombia. In addition, he is responsible for operations, analytics, credit, and data science. Before joining us in 2020, he spent 19 years at Capital One helping build and grow businesses in Canada and the United States, serving in a number of roles involving product, analytics, risk, and technology. He holds a degree in Mathematics from the Ecole Polytechnique and a degree in Engineering from the École des Ponts ParisTech, both in France, as well as a Master's in Engineering from the Massachusetts Institute of Technology.

Jagpreet Singh Duggal is our Chief Product Officer, a position he has held since 2020. Prior to joining us, he worked at several companies, including as a director of product management at Facebook from May 2018 to January 2020, senior vice president at Quantcast Corporation from June 2011 to March 2018 and head of strategy for the Google Display business and product leader for Google Brand advertising from 2006 to 2011. He holds a Bachelor's in Mechanical Engineering from Yale University.

Henrique Camossa Saldanha Fragelli is our Chief Risk Officer, a position he has held since 2018. He is responsible for our risk analysis and compliance. He is in charge of all our risk and compliance related activities, including credit risk, market and liquidity risk, stress testing, model risk, operational and IT risk, regulatory compliance, ethics, and anti-money laundering teams. Before joining us in 2018, he was the global head of traded portfolio analytics at HSBC Bank PLC, based in London, from August 2015 to June 2018 and the head of traded risk analytics for Latin America at HSBC Brasil S.A. from July 2013 to August 2015. He also worked at WestLB as a risk director, based in London, from April 2012 to July 2013 and for LCH.Clearnet from October 2007 to April 2012. He holds a Bachelor of Arts in Economics from Universidade de São Paulo and a Master of Business Administration in Finance from the École des Hautes Études Commerciales de Paris (HEC Paris).

Matt Swann is our Chief Technology Officer, a position he has held since April 2021. From November 2018 to March 2021, he served as chief technology officer of Booking.com B.V. (Booking.com). From September 2017 to November 2018, he served as the chief technology officer of Stubhub, Inc. (Stubhub.com). From February 2015 to September 2017, he served as the chief information officer of the consumer division at Citibank N.A. From February 2006 to February 2015, he served as the vice president of global payments at Amazon.com, Inc. He currently serves on the board of directors at Payfare Inc. He holds a Bachelor's of Science in Computer and Information Sciences from Arizona State University.

Vitor Guarino Olivier is our Chief People Officer, a position he has held since January 2022. From December 2019 to January 2022, he served as our vice-president of operations and platforms. From March 2019 to March 2020, he served as our vice president of consumers. From August 2016 to March 2019, he served as the general manager of our digital account products. From April 2014 to August 2016, he led our core financial services engineering team. Prior to joining us, he held positions in wealth management, credit, and foreign exchange at Banco BTG Pactual S.A. from August 2011 to March 2014. He holds a degree in Computer Science and Economics from Duke University.

Family Relationships

There are no family relationships among any of our executive officers or directors.

Shareholder's Agreement

On November 29, 2021, we entered into a shareholder's agreement, or the "Shareholder's Agreement," with our founding shareholder.

Among other things, the Shareholder's Agreement provides our founding shareholder with the right to nominate a certain number of directors based on the aggregate voting power of the issued share capital held by our founding shareholder and his affiliates, so long as our founding shareholder and his affiliates beneficially own shares accounting for at least 5% of the voting power of our issued share capital. The Shareholder's Agreement provides that, subject to compliance with applicable law and NYSE rules, for so long as our founding shareholder and his affiliates beneficially own shares accounting for at least 40% of the voting power of our issued share capital, our founding shareholder shall be entitled to designate up to five nominees to our board of directors (or if the size of our board of directors is increased, a majority of the members of our board of directors); for so long as our founding shareholder and his affiliates beneficially own at least 25% of the voting power of our issued share capital, our founding shareholder shall be entitled to designate up to three nominees to our board of directors (or if the size of our board of directors is increased, one-third of the members of our board of directors); and for so long as our founding shareholder and his affiliates beneficially own at least 5% of the voting power of our issued share capital, our founding shareholder shall be entitled to designate one nominee to our board of directors (or if the size of our board of directors is increased, 10% of the members of our board of directors).

In addition, the Shareholder's Agreement provides that for so long as our founding shareholder and his affiliates beneficially own at least 5% of the voting power of our issued share capital, our founding shareholder will have the right to designate its pro rata share of the total number of members of the Audit and Risk Committee and the Leadership Development, Diversity and Compensation Committee of our board of directors that is equal to the proportion that the number of directors designated by our founding shareholder bears to the total number of directors on our board, except to the extent that such membership would violate applicable law or NYSE rules. The rights granted to our founding shareholder to designate directors pursuant to the Shareholder's Agreement are additive to and not intended to limit in any way the rights that our founding shareholder or any of his affiliates may have to nominate, elect or remove our directors under our Memorandum and Articles of Association or laws of the Cayman Islands.

The Shareholder's Agreement also provides that for so long as our founding shareholder and his affiliates beneficially own shares accounting for at least 10% of the voting power of our issued share capital, we will agree not to take, or permit our subsidiaries to take, certain actions without the prior written approval of David Vélez Osorno, including incurring indebtedness in excess of our net equity value on a consolidated basis, entering into transactions with our officers, directors or other affiliates (excluding our founding shareholder), making material changes to the strategic direction or scope of our business, adopting a shareholders' rights plan, paying or declaring any dividend or distribution on our shares, entering into a merger, consolidation, reorganization or other business combination or a transaction or series of transactions that would result in a change of control, any liquidation, dissolution, receivership, commencement of bankruptcy, insolvency or similar proceeding, authorizing or issuing any share capital or any security convertible, exchangeable or exercisable for any share capital (subject to specified exceptions), acquiring or disposing of assets the aggregate consideration or fair value or which exceeds 20% of our net equity value on the date of the transaction, or determining the annual compensation of any of our officers and directors (excluding our founding shareholder).

The Shareholder's Agreement also provides our founding shareholder with access to our books and records and financial and operating data with respect to our business, and affords our founding shareholder certain consultation rights with our senior management with respect to our business and financial results, so long as our founding shareholder and his affiliates beneficially own shares accounting for at least 5% of the voting power of our issued share capital.

Lock-Up and Market Standoff Agreements

We agreed that we will not (1) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to any of our ordinary shares, including in the form of BDRs, or securities convertible into or exchangeable or exercisable for any ordinary shares, including in the form of BDRs, or (2) enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any ordinary shares, including in the form of BDRs, or any such other securities (regardless of whether any of these transactions are to be settled by the delivery of ordinary shares, BDRs or such other securities, in cash or otherwise), or (3) publicly disclose the intention to take any of the actions restricted by clause (1) or (2) above, in each case without the prior written consent of Morgan Stanley & Co. LLC during the period ended on the earlier of (x) the date of our public release of earnings for the quarter ended March 31, 2022 and (y) the 181st day after the date of the prospectus of our initial public offering, other than our Class A ordinary shares, including in the form of BDRs, with certain other exceptions described in the prospectus of our initial public offering.

Our directors, our executive officers, and holders of substantially all of our share capital and securities convertible into our shares have entered into lock-up agreements with the underwriters of our initial public offering pursuant to which each of these persons or entities, with limited exceptions described in the "Underwriting" section of the prospectus for our initial public offering, during the period ended on the later of (x) the opening of trading on the second trading day immediately following our public release of earnings for the quarter ended March 31, 2022 and (y) the 181st day after the date of our initial public offering (such period, the "restricted period"), may not, without the prior written consent of us and Morgan Stanley & Co. LLC:

(i) offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any ordinary shares, including in the form of BDRs, or any securities convertible into or exercisable or exchangeable for ordinary shares, including in the form of BDRs (including, without limitation, ordinary shares, BDRs or such other securities which may be deemed to be beneficially owned by such directors, executive officers, and shareholders in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a share option or warrant);

(ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of ordinary shares, BDRs or such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Class A ordinary shares, BDRs or such other securities, in cash or otherwise;

(iii) make any demand for, or exercise any right with respect to, the registration of any ordinary shares, BDRs or such other securities; or

(iv) publicly disclose the intention to take any of the actions restricted by clause (i) or (ii) above.

In addition holders of the remainder of our share capital and securities convertible into or exchangeable for our shares have entered into market standoff agreements with us under which they have agreed that, subject to certain exceptions, during the restricted period, they will not, without the prior written consent of Morgan Stanley & Co. LLC, dispose of, or enter into any swap with respect to, any ordinary shares or any securities convertible into or exchangeable for ordinary shares, including in the form of BDRs.

Notwithstanding the foregoing,

(A) up to 15% of the outstanding Class A ordinary shares, BDRs and other securities directly or indirectly convertible into or exchangeable or exercisable for our Class A ordinary shares or BDRs (but excluding any Excluded Securities) held by each of our current employees (but excluding former employees, current executive officers and directors, our founders, and any other existing non-employee investors) (the "Employee Shareholders") may be sold during the First Release Window; provided that the last reported closing price of our Class A ordinary shares on the NYSE for each trading day beginning on the first trading day on which our Class A ordinary shares are traded on the NYSE and ending on the trading day immediately prior to the first day of the First Release Window is at least 15% greater than the initial public offering price per share; and

(B) up to 25% of the outstanding Class A ordinary shares, BDRs and other securities directly or indirectly convertible into or exchangeable or exercisable for our Class A ordinary shares or BDRs (but excluding any Excluded Securities) held by each Employee Shareholder, former employee and any other existing investor (but excluding current executive officers and directors and our founders) (the "Non-Founder/D&O Shareholders"), plus any First Release Window-eligible shares not sold during the First Release Window, may be sold during the Second Release Window; provided that each of (a) the average of the last reported closing price of our Class A ordinary shares on the NYSE for the 10-trading day period ended on and including the date on which we publicly release our earnings for the year ended December 31, 2021 and (2) the closing price of our Class A ordinary shares on the first full trading day immediately following the date of such earnings release is at least 25% greater than the initial public offering price per share.

The term "founders" means David Vélez Osorno, Cristina Helena Zingaretti Junqueira and Adam Edward Wible. Upon the expiration of the restricted period, substantially all of the securities subject to such transfer restrictions will become eligible for sale, subject to the limitations discussed above.

B. Compensation

Compensation of Directors and Officers

Under Cayman Islands law, we are not required to disclose compensation paid to our senior management on an individual basis and we have not otherwise publicly disclosed this information elsewhere.

Our executive officers, directors and management receive fixed and variable compensation. They also receive benefits in line with market practice in Brazil and the countries in which we operate. The fixed component of their compensation is set on market terms and adjusted annually.

The variable component consists primarily of awards of shares, which are awarded under our share options long-term incentive program, as discussed below. For a description of our aggregate compensation expenses and the equity incentive plans available to senior management, see "—Item 6. Directors, Senior Management and Employees—B. Compensation—Executive Compensation."

Employment Agreements

We intend to enter into, either directly or through our operating subsidiaries, services agreements with each of the executive officers listed in "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Executive Officers" above.

Directors' and Officers' Insurance

We understand that directors and officers liability insurance is a crucial component of attracting and retaining our directors and officers. We currently hold a directors and officers liability policy to cover losses and damages to third parties for acts related to the exercise of duties by our directors and officers, up to a maximum guarantee limit of R$120 million. The net premium value of the policy was R$0.6 million and the policy matures on June 1, 2022.

As a public company, we intend to obtain a new directors and officers liability insurance policy for acts carried out by our directors and executive officers in the course of their duties to us. This coverage may not be available to us in the future at a reasonable rate, may not cover all potential claims for indemnification and may not be adequate to indemnify our directors and officers for all liability that may be imposed.

C. Executive Compensation

Directors and Key Management Compensation

Other than the tax-qualified defined contribution 401(k) plan in which certain executive officers located in the United States participate, we currently do not set aside any amounts related to pension, retirement or other similar benefits. The aggregate compensation, including that paid by our controlled companies, of our directors and other key management personnel for the years ended December 31, 2021, 2020 and 2019 were US$34.4 million, US$9.0 million and US$10.5 million, respectively.

Management compensation includes the compensation of remunerated members of our Board of Directors, which increased from one person in 2020 to seven in 2021, and of Executive Officers, which increased from one person in 2020 to nine persons in 2021.

However, certain executive officers and members of our board of directors hold executive positions in companies controlled by us, and may receive a portion of their reported compensation directly from such controlled companies, in accordance with the activities they perform.

Compensation Objectives

Our executive compensation program is designed to achieve the following objectives:

- Attract and retain the most talented and dedicated executive officers whose knowledge, and skill set are critical to the successful execution of our business strategy;
- Ensure our executive officers are compensated in a manner consistent with competitive practices of other leading growth companies of a similar size and stage of development;
- Reward our executive officers for their performance and motivate them to achieve our long-term strategic goals in a manner that is aligned with the interests of our shareholders; and
- Reinforce our leadership principles and cultural values, which promote empowering and having our customers come first, pursuing the highest performance, taking responsibility for our commitments and growing efficiently.

Compensation Composition

The total compensation package for our executive officers consists of a mix of fixed compensation and share-based compensation. We believe such a structure is well-placed for maximizing shareholder value while, at the same time, attracting, motivating and retaining high-quality executive officers.

- ***Fixed Compensation***. Our executive officers receive a fixed base salary, which is paid based on the services provided, and intended to compensate each officer according to the scope of his or her duties.

- ***Share-Based Compensation***. We maintain a long-term incentive plan, which provides for awards of options and RSUs. We believe that it is important for the majority of our executive officers' compensation to be delivered in the form of share-based compensation, creating greater alignment of the interests of key employees with those of shareholders and allowing us and our subsidiaries to attract and retain key employees.

Salaries and benefits provided are established in accordance with our compensation strategy. This fixed portion of compensation seeks to recognize the value of each of the executive officer positions and contribute to the retention of our management team, which provides greater stability and quality in our activities.

In addition, we believe that our share-based compensation drives further retention of key executives and ensures alignment between their interests and those of our shareholders. Share-based compensation is also defined based on market research and on the compensation strategy adopted. For more information on the ownership of our shares by our directors and officers, see "Item 7. Major Shareholders and Related-Party Transactions—A. Major Shareholders."

In the payment of variable compensation to our executives, we consider the following: (i) individual performance; (ii) the performance of the business unit; (iii) our performance as a whole; and (iv) the importance of certain performance to our long-term goals and objectives. Our management team members are evaluated based on the achievement of our goals, consisting of specific objectives and indicators, in accordance with our current strategy.

There is currently no compensation or benefits linked to the occurrence of a particular corporate transaction.

Board of Directors

In the year ended December 31 2019, the members of our board of directors did not receive any compensation due to the director's service as director, either because they are representatives of investors, or because they exercise executive functions in companies controlled by us and, therefore, receive their compensation from the companies controlled by us.

Starting in the year 2020, we started engaging paid independent board members who receive compensation made up of a mix of cash and share-based compensation. We did not proportion compensation for our directors in any specific ratio between cash and equity, but note that all paid directors received compensation that was primarily weighted towards equity compensation as a means of creating greater alignment to our long-term goals and the interests of our shareholders.

In connection with our initial public offering, we adopted a director compensation policy, which governs compensation paid to our existing non-employee directors as follows:

- A fixed board membership annual equity retainer; and

- Each non-employee director that serves as either the chairperson or a member of one of our board committees is expected to receive an additional amount in connection with such committee participation or chair position.

Compensation Tables

For the year ended December 31, 2021, the proportion of each element in the total compensation paid by Nu Holdings Ltd. and its controlled companies was as follows:

Type of Compensation	Executive Officers(1)	Board of Directors
Fixed compensation	4%	13%
Share-based compensation	96%	87%
Total	**100%**	**100%**

(1) Our executive officers received fixed compensation from our controlled companies.

The maximum, minimum and average aggregate compensation paid us to members of our board of directors and our executive officers for the years ended December 31, 2021, 2020 and 2019 are presented below:

	Executive Officers As of and for the year ended December 31,			Board of Directors As of and for the year ended December 31,		
	2021	2020	2019	2021	2020	2019
	(in US$ million)					
Maximum	29.1	8.3	10.0	0.5	0.4	—
Minimum	29.1	8.3	10.0	0.5	0.4	—
Average	8.9	8.3	10.0	0.4	0.4	—

Note: Maximum and minimum compensation reflect members of our board of directors and our executive officers that were members for the full year. For 2021, this includes only one board of director member and one executive officer.

D. Employee Benefit and Share Plans

Bonus or Profit-Sharing Plan

We currently do not provide benefits under any bonus or profit-sharing plan.

Nu Holdings Ltd. 2020 Omnibus Incentive Plan

Our board of directors, at a meeting held on January 30, 2020, approved the Nu Holdings Ltd. Omnibus Incentive Plan, as most recently amended on August 30, 2021, which establishes the general rules and conditions for granting options and RSUs.

Purpose. The Omnibus Incentive Plan aims to increase our capacity to attract and retain employees, consultants and management, and to motivate such individuals to serve us and to expend maximum effort to improve our commercial results and earnings by providing these individuals with an opportunity to acquire and increase their equity interest in us.

Eligibility. Any of our or any of our affiliates' employees, officers, non-employee directors or consultants is eligible to receive awards under the Omnibus Incentive Plan.

Administration. Without limitation, our board of directors will have full and final authority, subject to the other terms and conditions of the Omnibus Incentive Plan, to (1) designate participants, (2) determine the type or types of awards to be made to a participant, (3) determine the number of shares to be subject to an award, (4) establish the terms and conditions of each award (including the option price, the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer or forfeiture of an award, (5) prescribe the form of each award agreement and (6) amend, modify or supplement the terms and conditions of any outstanding award, including the authority to effectuate the purposes of the Omnibus Incentive Plan, to modify awards to foreign nationals or individuals who are employed outside of Brazil or the United States or to recognize differences in local law, tax policy or custom. Our board of directors delegated to our chief executive officer all of their authority under the Omnibus Incentive Plan, including, without limitation, their authority to make awards under such plan.

Authorized Shares. The total number of shares authorized for issuance under our equity incentive plans (including the Omnibus Incentive Plan and the SOP, as defined below) is 933,760,320. As of December 31, 2021, 262,865,669 were available for issuance, and there were 215,757,100 options and 59,638,539 RSUs granted and outstanding, vested and unvested, under the Omnibus Incentive Plan and the SOP.

It is intended that the maximum number of Class A ordinary shares available for issuance pursuant to equity incentive awards granted under the Omnibus Incentive Plan and the SOP, together, will not exceed 5% of our outstanding ordinary shares, on a fully diluted basis at any given time. Our board of directors may adjust the number of Class A ordinary shares available for issuance under the Omnibus Incentive Plan and the SOP from time to time at its discretion.

Awards. The Omnibus Incentive Plan provides for the grant of options and RSUs.

Options:

- *Price*. The exercise price of each option is set by the board of directors (or our chief executive officer as applicable) and stated in each award agreement. The exercise price of each option for U.S. taxpayers (except with respect to substitute awards) will be at least the fair market value of the shares on the grant date. For non-U.S. taxpayers the exercise price will be determined by our board in its sole discretion. In no event will the exercise price of an option be less than the par value of a share.

- *Term.* The options expire after a maximum period of ten (10) years from the grant date, or on the date established in the respective award agreement.

- *Vesting.* Each option will become exercisable as the board of directors (or our chief executive officer as applicable) determines and as set forth in the applicable award agreement.

- *Exercise Method.* The options are exercised by their holders through delivery of an exercise notice to us establishing the number of options with respect to which the option is being exercised, accompanied by full payment of the option price.

- *Rights of Holders of the Options.* Except as otherwise stated in an award agreement, option holders will not have any shareholder rights (e.g., the right to receive cash payments, dividends or distributions attributable to the shares underlying the option or voting rights to shares underlying the option) until the options have been exercised and the respective shares delivered.

RSUs:

- *Restrictions.* At the time of grant, our board of directors (or our chief executive officer as applicable) may establish a period of restriction or any other additional restrictions, including the satisfaction of performance goals applicable to RSUs. RSUs cannot and may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the restricted period or before the satisfaction of any other applicable restrictions.

- *Settlement of RSUs.* The RSUs may be settled in cash or shares, as determined and specified in the award agreement.

- *Voting Rights and Dividends.* Unless otherwise specified in the award agreement, the holders of RSUs do not have rights as shareholders, including any voting rights or rights to dividends or dividend equivalents, until the RSUs have been settled and the respective shares delivered.

- *Creditor's Rights.* Holders of RSUs will have no other rights beyond those of a general creditor of ours or our affiliates.

- *Delivery of Shares.* Shares will be delivered to holders of RSUs after the end of the restricted period and after any other terms and conditions set forth in the award agreement have been satisfied.

Termination of Service. In the event of a termination of service, any RSUs that are not vested are automatically cancelled, without payment of consideration and any unvested options will be automatically forfeited.

Change in Control. In the event of a change in control, the awards shall be treated in accordance with the transaction agreement and, if not specified, the board of directors has the discretion to continue, assume, substitute, cancel, suspend exercise (in order to allow the transaction to close) or accelerate, in whole or in part, the awards.

Term. The Omnibus Incentive Plan shall be in full force and effect for a period of ten (10) years and shall automatically terminate thereafter.

Adjustments. If (1) the number of outstanding shares is increased or decreased or the shares are changed into or exchanged for a different number or kind of our shares or other securities on account of any recapitalization, reclassification, share split, reverse split, combination of shares, exchange of shares, share dividend or other distribution payable in Class A ordinary shares or other increase or decrease in such shares effected without receipt of consideration by us or (2) there occurs any spin-off, split-up, extraordinary cash dividend or other distribution of assets by us, (i) the number and kinds of shares for which grants of awards may be made, (ii) the number and kinds of shares for which outstanding awards may be exercised or settled and (iii) the performance goals relating to outstanding awards will be equitably adjusted by us; provided that any such adjustment will comply with Section 409A of the Internal Revenue Code. In addition, in the event of any such increase or decrease in the number of outstanding shares or other transaction described in clause (2) above, the number and kind of shares for which awards are outstanding and the option price per share of outstanding options will be equitably adjusted.

Company Rights. Shares acquired through the exercise of options are subject to a right of first refusal for our benefit, repurchase rights for our benefit, a tag-along right and a drag-along right. However, these rights will cease immediately before the initial public offering of the Company.

Amendment; Termination. The board of directors may, at any time and from time to time, amend, suspend or terminate the Omnibus Incentive Plan as to any awards that have not been made. An amendment to the Omnibus Incentive Plan will be contingent on shareholder approval to the extent stated by the board of directors, required by applicable law or required by applicable securities exchange listing requirements. No amendment, suspension or termination of the Omnibus Incentive Plan may materially impair the rights or obligations of a participant without the participant's consent. The repricing of awards is expressly prohibited without shareholder approval.

Nu Holdings Ltd. Share Option Plan, or "SOP"

Our SOP was originally adopted by our board of directors and shareholders in October 2016 and was most recently amended on August 30, 2021.

Purpose. The purpose of the SOP is to encourage our key executives, professionals and other persons or legal entities performing bona fide services for us or any of our direct or indirect subsidiaries to invest in us, to promote their commitment to our results and the expansion of its business in the long term, by providing such individuals with the opportunity to acquire our shares.

Administration. The SOP is administered by our board of directors, provided that our chief executive officer has authority to manage grants constituting one percent (1%) or less of our then outstanding share capital. Our board of directors (or our chief executive officer, as applicable) will have full authority to take all necessary and adequate measures for the administration of the SOP.

Authorized Shares. There are 933,760,320 shares authorized for issuance under our equity incentive plans (including the Omnibus Incentive Plan and the SOP). While there are awards outstanding under the SOP, we do not intend to make future awards under the SOP. Any outstanding awards under the SOP that expire or are canceled shall again be available for issuance under the Omnibus Incentive Plan.

Eligibility. Our key executives, professionals and other persons or legal entities performing bona fide services for us or any of our direct or indirect subsidiaries are eligible to receive awards under the SOP.

Awards. The SOP provides for the grant of options.

Options. Options allow the participant to subscribe for a certain number of our shares. Unless otherwise set forth in an award agreement, the options will have a vesting period of five (5) years with (i) 20% of the award vesting after the first anniversary of the grant date and (ii) the remaining 80% vesting in equal monthly installments over forty-eight (48) months. Options may be exercised within ten (10) years after grant. The price per share shall be the price determined by the board of directors.

Lock-Up. In connection with any underwritten public offering of our shares, a participant may not directly or indirectly, sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any awards for a maximum of 180 days following the offering without consent of the underwriter. This restriction shall terminate two years after our initial public offering.

Change in Control. In the event of a change in control, the awards shall be treated in accordance with the transaction agreement and, if not specified, the board of directors has the discretion to continue, assume, substitute, cancel, suspend exercise (in order to allow the transaction to close) or accelerate, in whole or in part, the awards.

Termination of Employment. If the participant is terminated, such participant has 180 days to exercise his or her options. If the participant is terminated due to death or disability, he or she has six (6) months and twelve (12) months to exercise the participant's options, respectively.

Amendment. Any amendment to the SOP is subject to the approval of our board of directors, who may amend the SOP Plan at any time and for any reason.

Term. The SOP shall be in force and effect for a period of twenty (20) years.

Company Rights. The options were subject to a right of first refusal for our benefit, a tag-along right and a drag-along right. However, these rights ceased immediately before our initial public offering.

E. Contingent Share Awards

2020 Contingent Share Awards

On July 5, 2021, our board of directors approved the issuance to Rua California Ltd., an entity holding more than 10% of our share capital and that is controlled by David Vélez Osorno, our founder and chief executive officer, of the following, under the previously granted 2020 contingent share awards, or the "2020 Contingent Share Awards": (i) upon the closing of a primary issuance, secondary sale or liquidation event in which the aggregate value of the consideration to be paid is at least US$100,000,000 and at least one participant is neither us nor an affiliate of Rua California Ltd. or Mr. Vélez, or an "Award Applicable Transaction," involving a pre-money valuation of us equal to or greater than US$20,000,000,000 but less than US$30,000,000,000, or the "2020 Award First Milestone," a number of Class A ordinary shares equal to 0.5% of the total number of ordinary shares in issue (on an as-converted, fully diluted basis) calculated immediately after the closing of such Award Applicable Transaction and the issuance of such shares to Rua California Ltd., and (ii) upon the closing of an Award Applicable Transaction involving a pre-money valuation of us equal to or greater than US$30,000,000,000, or the "2020 Award Second Milestone," a number of Class A ordinary shares such that the total number of Class A ordinary shares issued pursuant to clauses (i) and (ii) would equal 1% of the total number of ordinary shares in issue (on an as-converted, fully diluted basis) calculated immediately after the closing of such Award Applicable Transaction and the issuance of such shares to Rua California Ltd., provided that, for each of the 2020 Award First Milestone and the 2020 Award Second Milestone, Mr. Vélez must remain a director, officer, employee or consultant of ours through the achievement of the applicable milestone. The 2020 Award First Milestone was achieved upon the closing of our Series G preferred financing round, and the 2020 Award Second Milestone was achieved upon the closing of our Series G-1 preferred financing round. Accordingly, we issued 45,580,962 Class A ordinary shares on July 5, 2021 (after giving effect to the Share Split), as a result of the achievement of the 2020 Award First Milestone and the 2020 Award Second Milestone under the 2020 Contingent Share Awards.

2021 Contingent Share Awards

The 2021 Contingent Share Awards (as detailed and defined below) serve to align Mr. Vélez's interests with those of our shareholders by creating a strong and visible link between Mr. Vélez's incentives and our long-term performance and impact. The 2021 Contingent Share Awards agreement establishes challenging long-term milestones for Nu, and establishes that Mr. Vélez will receive no variable compensation or cash or equity bonus if these milestones are not achieved.

The 2021 Contingent Share Awards account for nearly 100% of Mr. Vélez's total compensation in the form of performance-based, long-term equity incentive awards. Our board of directors and our Leadership Development, Diversity and Compensation Committee engaged with a compensation consultant to understand the best market practices in determining the structure of Mr. Vélez's equity incentive awards in a manner that supports our overall strategy and company goals.

In determining the awards, our board of directors took into consideration Mr. Vélez's unparalleled leadership since the inception of Nu, his past and expected future contributions to us and our board of directors' desire to provide meaningful incentives to achieve our ambitious company goals. Having these ambitious goals in place is crucial to continuing to retain Mr. Vélez to lead Nu over the coming years, and will help us focus on continuing to build revolutionary products that improve the lives of millions of customers.

On November 22, 2021, we granted to Rua California Ltd., an entity holding more than 10% of our share capital and that is controlled by Mr. Vélez, the right under the 2021 contingent share awards, or the "2021 Contingent Share Awards," and together with the 2020 Contingent Share Awards, the "Contingent Share Awards" to be issued (i) upon the earlier of (x) the closing of an Award Applicable Transaction that occurs before an initial public offering of our Class A ordinary shares and involves a pre-money valuation of us of equal to or greater than US$18.69 per share but less than US$35.30 per share, or (y) following an initial public offering of our Class A ordinary shares, the first instance in which the volume-weighted average price per Class A ordinary share is equal to or greater than US$18.69 per share but less than US$35.30 per share for a period of 60 consecutive trading days on the principal stock exchange on which our Class A ordinary shares are listed or quoted, or the "2021 Award First Milestone," a number of Class A ordinary shares equal to 1% of the total number of ordinary shares in issue (on an as-converted, fully diluted basis) calculated immediately after the occurrence of the 2021 Award First Milestone and the issuance of such shares to Rua California Ltd., and (ii) upon the earlier of (x) the closing of an Award Applicable Transaction that occurs before an initial public offering of our Class A ordinary shares and involves a pre-money valuation of us of equal to or greater than US$35.30 per share, or (y) following an initial public offering of our Class A ordinary shares, the first instance in which the volume-weighted average price per Class A ordinary share is equal to or greater than US$35.30 per share for a period of 60 consecutive trading days on the principal stock exchange on which our Class A ordinary shares are listed or quoted, the "2021 Award Second Milestone," a number of Class A ordinary shares equal to 1% of the total number of ordinary shares in issue (on an as-converted, fully diluted basis) calculated immediately after the occurrence of the 2021 Award Second Milestone and the issuance of such shares to Rua California Ltd., provided that, for each of the 2021 Award First Milestone and the 2021 Award Second Milestone, Mr. Vélez must (x) remain a director, officer, employee or consultant of ours or one of our affiliates (A) through the achievement of the applicable milestone and (B) for at least five years following the date of the grant thereunder, and (y) Rua California Ltd. must remain owned and controlled by Mr. Vélez (provided that (1) the conditions in clause (x) will not apply if Mr. Vélez's relationship is terminated by us without cause or by Mr. Vélez for good reason (as such terms are defined in the 2021 Contingent Share Award) prior to such applicable milestone or such date, as applicable, (2) the condition in clause (x)(B) will be waived upon Mr. Vélez's death or disability with respect to any milestone that was achieved prior to his death or disability, and (3) the condition in clause (y) will be waived upon Mr. Vélez's death). Prior to this offering, neither the 2021 Award First Milestone nor the 2021 Award Second Milestone has been achieved.

Mr. Vélez has committed to donate all shares resulting from the 2021 Contingent Share Awards to his family's philanthropic platform that he and his wife have established to help improve the opportunities for Latin America's most vulnerable and disadvantaged children and young adults. In August 2021, Mr. Vélez and his wife signed The Giving Pledge, a program created by Bill and Melinda Gates and Warren Buffett, and entered into a public giving commitment pledging to donate the majority of their wealth to this same platform.

We will determine the fair value of the 2021 Contingent Share Awards using a Monte Carlo simulation model, which uses multiple input variables to determine the probability of satisfying the market conditions requirements. The fair value of the 2021 Contingent Share Awards is not subject to change based on future market conditions and will be recognized as share-based compensation expenses over the period between the grant date and the greater of (i) the requisite service period (five years) or (ii) when the market condition requirements are expected to be satisfied, or the "recognition period." The recognition period is not expected to be subsequently revised, and the related expenses will be recorded irrespective of whether the applicable market conditions are satisfied.

The expenses to be recognized as a result of the 2021 Contingent Share Awards are expected to increase our share-based compensation expenses in the future. The total fair value of the 2021 Contingent Share Awards was determined to be US$422.6 million and the expenses will be recognized over a period of 7.5 years since its issuance.

F. Board Practices

Committees of the Board of Directors

Our board of directors has established an Audit and Risk Committee, a Leadership Development, Diversity and Compensation Committee and a Stakeholders' Committee. The composition and responsibilities of each of the committees of our board of directors is described below. Members will serve on these committees until their resignation or until as otherwise determined by our board of directors.

Audit and Risk Committee

Our Audit and Risk Committee consists of Rogério Paulo Calderón Peres, Anita Sands and Jacqueline Dawn Reses, with Rogério Paulo Calderón Peres serving as chairperson. Our board of directors has determined that Rogério Paulo Calderón Peres, Anita Sands and Jacqueline Dawn Reses meet the requirements for independence under the listing standards of the NYSE and SEC rules and regulations. Each member of our Audit and Risk committee also meets the financial literacy and sophistication requirements of the listing standards of the NYSE. In addition, our board of directors has determined that Rogério Paulo Calderón Peres is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K under the Securities Act. The duties and responsibilities of our Audit and Risk Committee include:

- appointing and overseeing the work and compensation of any accounting firm engaged for the purposes of preparing or issuing an audit report or performing audit, review or attest services for us, including our independent registered public accounting firm;

- pre-approving the audit services and non-audit services to be provided by our independent registered public accounting firm;
- discussing the scope and results of the audit with our independent registered public accounting firm, and reviewing, with management and our independent registered public accounting firm, our interim and year-end results of operations;
- resolving any disagreements between management and our independent registered public accounting firm;
- evaluating the independence and performance of our independent registered public accounting firm;
- overseeing our internal audit function;
- reviewing and discussing with management and our independent registered public accounting firm our financial statements and public disclosures of our financial information;
- reviewing our disclosure controls and procedures and internal control over financial reporting;
- establishing procedures for complaints regarding accounting, internal controls or audit matters;
- reviewing and monitoring our risk management policies and procedures;
- advising our board of directors regarding the systematic review of our risk exposure to economic sectors, geographic areas and risk types;
- overseeing our cybersecurity risk management, and discussing with management our cybersecurity program; and
- reviewing related-party transactions.

Our Audit and Risk Committee operates under a written charter that satisfies the applicable rules and regulations of the SEC and the listing standards of the NYSE.

Leadership Development, Diversity and Compensation Committee

Our Leadership Development, Diversity and Compensation Committee consists of Jacqueline Dawn Reses, Douglas Mauro Leone and Luis Alberto Moreno Mejía, with Jacqueline Dawn Reses serving as chairperson. The duties and responsibilities of our Leadership Development, Diversity and Compensation Committee include:

- approving or making recommendations to our board of directors regarding the compensation of our executive officers and key service providers;
- reviewing and approving the compensation of the members of our board of directors;
- reviewing our management succession planning;
- reviewing and evaluating our executive compensation and benefits policies;
- reviewing and approving grants of equity compensation awards to our executive officers;

- reviewing and discussing with our executive officers and other members of management, outside counsel and compensation consultants our public disclosures regarding our compensation policies, programs and practices for executive officers;
- reviewing our programs and practices related to human capital management metrics;
- reviewing our leadership development process for senior management; and
- reviewing and assessing our workforce inclusion and diversity and the administration of compensation programs in a nondiscriminatory manner.

Our Leadership Development, Diversity and Compensation Committee operates under a written charter which satisfies the applicable rules and regulations of the SEC and the listing standards of the NYSE, subject to certain exemptions under the rules thereof for foreign private issuers and controlled companies.

Stakeholders' Committee

Our Stakeholders' Committee consists of Cristina Helena Zingaretti Junqueira, David Vélez Osorno, Daniel Krepel Goldberg, Larissa de Macedo Machado and Luis Alberto Moreno Mejía, with Cristina Helena Zingaretti Junqueira, one of our executive officers, serving as chairperson. The Stakeholders' Committee takes into consideration and monitors our key stakeholders' interests and provides insights and recommendations to our board of directors intended to create long-term value for shareholders and other key stakeholders. The Stakeholders' Committee's main duties and responsibilities are:

- overseeing our relationships and notable interactions with key stakeholders, as identified by our board of directors from time to time;
- engaging with our senior management with regard to our strategies on environmental, social and governance policies and programs and other matters of import to our key stakeholders, as determined by our board of directors from time to time;
- reviewing the initiatives and metrics we use to measure our progress towards such strategies, policies, programs and other matters of import, and evaluating our progress towards the same;
- advising our board of directors and senior management regarding matters and initiatives that may affect our key stakeholders' interests; and
- reviewing our list of key stakeholders and related strategies, policies, programs and other matters of import from time to time, and recommending any changes to our board of directors as the Stakeholders' Committee deems appropriate.

Controlled Company Exception

As of date of this annual report, David Vélez Osorno beneficially owns 86.2% of our Class B ordinary shares, representing 74.9% of the voting power of our outstanding share capital. As a result, we are a "controlled company" within the meaning of the corporate governance standards of the NYSE corporate governance rules. Under these rules, a company of which more than 50% of the voting power in the election of directors is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements.

As a “controlled company,” we may elect not to comply with certain corporate governance standards, including the requirements (1) that a majority of our board of directors consist of independent directors; and (2) that our board of directors have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities. For so long as we qualify as a controlled company, we may take advantage of these exemptions. Accordingly, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all of these corporate governance requirements. In the event that we cease to be a “controlled company” and our ordinary shares continue to be listed on the NYSE, we will be required to comply with the corporate governance standards within the applicable transition periods.

Code of Conduct and Whistleblower Policy

Our board of directors has adopted a code of conduct and a whistleblower policy that apply to all of our employees, interns and service providers, as well as our officers and directors, including our Chief Executive Officer, Chief Financial Officer, and other executive and senior financial officers. The full text of our code of conduct is currently posted on the investor relations website: www.investors.nu.

We intend to disclose any amendments to our code of conduct and our whistleblower policy, or waivers of their requirements, on our website or in public filings under the Exchange Act. The information on our website is not incorporated by reference into this annual report, and you should not consider information contained on our website to be a part of this annual report.

G. Employees

As of December 31, 2021, 2020 and 2019, we had 6,068, 2,929 and 2,452 employees, respectively. As of December 31, 2021 all of our employees were based in our offices in Brazil, Mexico, Colombia, Argentina, the United States and Germany.

The table below breaks down our full-time personnel by function as of December 31, 2021:

Function	Number of employees	% of Total
Technology	1,250	20.6%
Sales and Marketing	700	11.5%
Customer Support	2,224	36.7%
General and Administrative	1,894	31.2%
Total	6,068	100%

Our employees in Brazil are affiliated with the unions of independent sales agents and of consulting, information, research and accounting firms for the geographic area in which they render services. We believe we have a constructive relationship with these unions, as we have never experienced strikes, work stoppages or disputes leading to any form of downtime.

H. Share Ownership

The shares and any outstanding shares beneficially owned by our directors and officers and/or entities affiliated with these individuals are disclosed in “Item 7. Major Shareholders and Related-Party Transactions—A. Major Shareholders.”

Item 7. Major shareholders and related-party transactions

A. Major Shareholders

The following table and accompanying footnotes present information relating to the beneficial ownership of our Class A ordinary shares and Class B ordinary shares as of December 31, 2021 by:

- each person, or affiliated persons, known by us to own beneficially 5% or more of each class of our outstanding voting shares; and
- each of our directors and executive officers, individually.

The number of ordinary shares beneficially owned by each entity, person, executive officer or director is determined in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares over which the individual has sole or shared voting power or investment power as well as any shares that the individual has the right to acquire on or before March 1, 2022, which is 60 days after December 31, 2021, through the exercise of any option, warrant or other right. These shares are deemed to be outstanding and beneficially owned by the person holding those options, warrants or rights for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. In addition, we have included shares subject to RSUs for which the service-based vesting condition has been satisfied or would be satisfied within 60 days of December 31, 2021 in the calculation of shares to be beneficially owned by the person holding the RSUs for the purpose of computing the percentage ownership of that person. Except as otherwise indicated, and subject to applicable community property laws, we believe that each shareholder identified in the table below possesses sole voting and investment power over all the Class A ordinary shares or Class B ordinary shares shown as beneficially owned by the shareholder in the table.

The percentages of beneficial ownership in the table below are calculated on the basis of the following numbers of shares outstanding: 3,487,298,730 Class A ordinary shares and 1,150,245,114 Class B ordinary shares, which already includes 27,555,298 Class A ordinary shares issued and sold pursuant to the underwriters' exercise of the over-allotment option in connection with the IPO.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o Nu Holdings Ltd., Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, Cayman Islands.

	Shares Beneficially Owned				% of Total Voting Power[1]
	Class A		Class B		
	Shares	%	Shares	%	
Executive Officers and Directors					
David Vélez Osorno[2]	—	—	992,000,922	86.2%	74.9%
Douglas Mauro Leone[3]	—	—	—	—	—
Anita Sands	—	—	—	—	—
Daniel Krepel Goldberg	(*)	(*)	—	—	(*)
Luis Alberto Moreno Mejía	—	—	—	—	—
Jacqueline Dawn Reses	(*)	(*)	—	—	(*)

Larissa de Macedo Machado (Anitta)	(*)	(*)	—	—	(*)
Rogério Paulo Calderón Peres	—	—	—	—	—
Muhtar Kent	—	—	—	—	—
Cristina Helena Zingaretti Junqueira[4]	4,355,089	0.1%	122,491,644	10.6%	9.3%
Guilherme Marques do Lago	(*)	(*)	—	—	(*)
Youssef Lahrech	(*)	(*)	—	—	(*)
Jagpreet Singh Duggal	(*)	(*)	—	—	(*)
Henrique Camossa Saldanha Fragelli	(*)	(*)	—	—	(*)
Matt Swann	—	—	—	—	—
Vitor Guarino Olivier	(*)	(*)	—	—	(*)
5% Shareholders					
Rua California Ltd.[2]	—	—	992,000,922	86.2%	74.9%
Entities affiliated with Sequoia Capital[5]	748,540,200	21.5%	—	—	2.8%
Entities affiliated with DST[6]	415,539,300	11.9%	—	—	1.6%
Entities affiliated with Tencent7	281,732,604	8.1%	—	—	1.1%
Tiger Global Private Investment Partners IX. L.P.8	262,481,658	7.5%	—	—	1.0%

* Represents beneficial ownership of less than one percent (1%) of the outstanding shares of our ordinary shares.

(1) Percentage of total voting power represents voting power with respect to all of our Class A ordinary shares and Class B ordinary shares, as a single class. Holders of our Class B ordinary shares are entitled to 20 votes per share, whereas holders of our Class A ordinary shares are entitled to one vote per share. For more information about the voting rights of our Class A ordinary shares and Class B ordinary shares, see "Item 10—B. Memorandum and Articles of Association"

(2) Consists of 990,500,922 shares held of record by Rua California Ltd. and 1,500,000 shares held of record by Mariel Lorena Reyes Milk, the wife of Mr. Vélez. David Vélez Osorno may be deemed to have voting and dispositive power over the shares held by Rua California Ltd. and Mariel Lorena Reyes Milk.

(3) Excludes the shares listed in footnote 5 below held of record by entities affiliated with Sequoia Capital. Mr. Leone disclaims beneficial ownership of the shares held by the SCGF VI Funds and the SC USV XIV Funds in footnote 5 below. The address for Mr. Leone is 2800 Sand Hill Road, Suite 101, Menlo Park, California 94025.

(4) Consists of (i) 4,355,089 Class A ordinary shares held of record by Cristina Helena Zingaretti Junqueira, (ii) 2,301,444 Class B ordinary shares held of record by Cristina Helena Zingaretti Junqueira and (iii) 120,190,200 Class B ordinary shares held of record by CHJZ Investments Ltd. Cristina Helena Zingaretti Junqueira may be deemed to have voting and dispositive power over the shares held by CHJZ Investments Ltd.

(5) Consists of (i) 140,061,192 Class A ordinary shares held of record by SC USG VI DE Investments, L.L.C., or "USG VI" and (ii) 415,384,896 Class A ordinary shares held of record by SC USV XIV DE Investments, L.L.C., or "USV XIV;" (iii) 193,094,112 Class A ordinary shares held of record by Sequoia Grove II, LLC. SC US (TTGP), Ltd. is (i) the general partner of SC U.S. Growth VI Management, L.P., which is the general partner of each of Sequoia Capital U.S. Growth Fund VI, L.P. and Sequoia Capital U.S. Growth VI Principals Fund, L.P., collectively, the "SCGF VI Funds," which together own 100% of the membership interests in USG VI; and (ii) the general partner of SC U.S. Venture XIV Management, L.P., which is the general partner of each of Sequoia Capital U.S. Venture Fund XIV, L.P., Sequoia Capital U.S. Venture Partners Fund XIV, L.P. and Sequoia Capital U.S. Venture Partners Fund XIV (Q), L.P., collectively, the "SC USV XIV Funds," which together own 100% of the outstanding ordinary shares of Sequoia Capital USV XIV Holdco, Ltd., which is the sole member of USV XIV. As a result, SC US (TTGP), Ltd. may be deemed to share voting and dispositive power with respect to the shares held by USG VI and USV XIV. The directors and stockholders of SC US (TTGP), Ltd. who exercise voting and investment discretion with respect to the SCGF VI Funds and the SC USV XIV Funds include Douglas Mauro Leone, one of our directors. Sequoia Grove Manager, LLC is the manager of Sequoia Grove II, LLC. The directors and stockholders of Sequoia Grove Manager, LLC who exercise voting and investment discretion with respect to Sequoia Grove II, LLC include Douglas Mauro Leone, one of our directors. Mr. Leone disclaims beneficial ownership of the shares held USG VI and USV XIV. The address for each of the Sequoia Capital entities identified in this footnote is 2800 Sand Hill Road, Suite 101, Menlo Park, California 94025.

(6) Consists of (i) 329,494,500 Class A ordinary shares held of record by DST-NB Investments Limited., or "DST-NB;" (ii) 34,958,700 Class A ordinary shares held of record by DST Investments XVIII, L.P., or "DST XVIII;" (iii) 33,104,550 Class A ordinary shares held of record by DST-NB Investment VI Limited or "DST VI;" and (iv) 17,981,550 Class A ordinary shares held of record by DST Co-Invest-NB Investment Limited, or "DST Co-Invest," and collectively with DST- NB, DST XVIII and DST VI, the "DST Global Limited Partnerships." The DST Global Limited Partnerships are each controlled by their respective general partner, DST Managers V Limited or DST Managers VI Limited, or collectively, the "DST Global General Partners." The DST Global General Partners, as applicable, hold ultimate voting and investment power over the shares held by the DST Global Limited Partnerships. Despoina Zinonos is the President of each of the DST Global General Partners. The address for each of the DST Global Limited Partnerships is c/o Trident Trust Company (Cayman) Limited, One Capital Place, PO Box 847, Grand Cayman, KY1-1103, Cayman Islands.

(7) Consists of (i) 272,913,684 Class A ordinary shares held of record by Tencent Cloud Europe B.V., or "Tencent Cloud"; and (ii) 8,818,920 Class A ordinary shares held of record by Silver Alternative Holding Limited., or "Silver." Tencent Holdings Limited may be deemed to have beneficial ownership over 272,913,684 Class A Ordinary Shares held of record by Tencent Cloud Europe B.V., a company incorporated in the Netherlands beneficially owned and controlled by Tencent Holdings Limited through Aceville Pte. Ltd., a company incorporated in Singapore wholly owned by TCH Delta Limited. TCH Delta Limited is a company incorporated in the British Virgin Islands wholly owned by Tencent Holdings Limited. Tencent Holdings Limited may also be deemed to have beneficial ownership over 8,818,920 Class A Ordinary Shares held of record by Silver Alternative Holding Limited, a company incorporated in the Cayman Islands controlled by Tencent Holdings Limited. The registered address for Tencent Cloud is Gustav Mahlerplein 2, 1082MA Amsterdam, the Netherlands and the registered address for Silver is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

(8) Consists of 250,481,658 Class A ordinary shares held of record by Tiger Global Private Investment Partners IX, L.P., an affiliate of Tiger Global Management, LLC., and 12,000,000 Class A ordinary shares held of record by Tiger Global Management, LLC. Tiger Global Private Investment Partners IX, L.P. is controlled by Chase Coleman and Scott Shleifer. The business address for each person and entity named in this footnote is c/o Tiger Global Management, LLC., 9 West 57th Street, 35th Floor, New York, New York 10019.

The holders of our Class A ordinary shares and Class B ordinary shares have identical rights, except that (1) holders of Class B ordinary shares are entitled to 20 votes per share, whereas holders of our Class A ordinary shares are entitled to one vote per share; (2) holders of Class B ordinary shares have certain conversion rights; (3) holders of Class B ordinary shares are entitled to preemptive rights in the event that there is an increase in our share capital or additional ordinary shares are issued in order to maintain their proportional ownership interest; and (4) holders of Class B ordinary shares have certain consent rights. For more information see "Item 10—B. Memorandum and Articles of Association."

B. Related-Party Transactions

Equity Financings

Series G-1 Preferred Share Financing

On June 11, 2021, we sold an aggregate of 60,016,854 Series G-1 preferred shares (giving effect to the Share Split) at a purchase price of US$6.6648 per share, for an aggregate purchase price of US$400,000,008.54. The following table summarizes purchases of our Series G-1 preferred shares by related parties:

Shareholder	Shares of Series G-1 Preferred Shares (5)	Total Purchase Price (US$)
Sands Point Consulting LLC(1)	40,014	266,685.10
Luis Alberto Moreno Mejía(2)	40,008	266,645.11
Post House Capital LLC(3)	200,058	1,333,345.50
Alejandro Moreno Mejía(4)	40,008	266,645.11

(1) Sands Point Consulting, LLC is controlled by Anita Sands, a member of our board of directors.

(2) Luis Alberto Moreno Mejía is a member of our board of directors.

(3) Post House Capital LLC is controlled by Jacqueline Dawn Reses, a member of our board of directors.

(4) Alejandro Moreno Mejía is a family member of Luis Alberto Moreno Mejía, a member of our board of directors.

(5) Reflects the Share Split.

Series G Preferred Share Financing

On January 27, 2021, we sold an aggregate of 70,552,224 Series G preferred shares at a purchase price of US$5.6696 per share, for an aggregate purchase price of US$399,999,973. Of these Series G preferred shares, 6,134,976 were purchased by SCGE Fund, LP, a related party, for a total purchase price of US$34,782,859.93.

Series F Preferred Share Financing

On July 31, 2019, we sold an aggregate of 161,240,100 shares of our Series F preferred shares (giving effect to the Share Split and the 25-for-1 forward share split that occurred on December 30, 2019) at a purchase price of US$2.4808 per share, for an aggregate purchase price of US$400,001,107.79. The following table summarizes purchases of our Series F preferred shares by related parties:

Shareholder	Shares of Series F Preferred Shares (1)	Total Purchase Price (US$)
SC USV XIV DE Investments, L.L.C.	402,900	999,505.99
SC USG VI DE Investments, LLC	1,209,300	3,000,006.45
DST-NB Investments VI Limited	12,093,000	30,000,064.48

(1) Reflects the Share Split and the 25-for-1 forward share split that occurred on December 30, 2019.

Series E Preferred Share Financing

On February 15, 2018, we sold an aggregate of 258,704,250 shares of our Series E preferred shares (giving effect to the Share Split and the 25-for-1 forward share split that occurred on December 30, 2019) at a purchase price of US$0.5839 per share, for an aggregate purchase price of US$151,065,517.64. The following table summarizes purchases of our Series E preferred shares by related parties:

Shareholder	Shares of Series E Preferred Shares (1)	Total Purchase Price (US$)
DST-NB Investments Limited	77,876,550	45,474,557.68
DST-NB Investments XVIII, L.P.	32,386,350	18,911,404.54
DST Co-Invest-NB Investment Limited	16,658,400	9,727,361.72

(1) Reflects the Share Split and the 25-for-1 forward share split that occurred on December 30, 2019.

Marketing Agreement with Rodamoinho Produtora de Eventos Ltda.

Rodamoinho Produtora de Eventos Ltda., or “Rodamoinho,” is controlled by one of our directors, Larissa de Macedo Machado (Anitta). On June 30, 2021, we entered into a marketing agreement with Rodamoinho for a term of five years, pursuant to which we agreed to pay a total of R$35,950,617 in exchange for Rodamoinho providing us certain marketing and publicity services. We will satisfy a portion of this payment by the issuance of RSUs.

Investors' Rights Agreement

We are party to a registration rights agreement, dated as of November 18, 2021, which provides, among other things, that certain holders of our share capital have the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. See "Item 10—B. Memorandum and Articles of Association —Registration Rights" for additional information regarding the registration rights.

Contingent Share Awards

See "Item 6. Directors, Senior Management and Employees—B. Compensation—Contingent Share Awards" for more information.

Limitation of Liability and Indemnification of Officers and Directors

Our Memorandum and Articles of Association contain provisions that limit the liability of our directors, agents and officers for monetary damages for any liability incurred by them as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur (i) arising from their own fraud, willful default or dishonesty, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which such person derived any improper benefit.

Any repeal or modification of the foregoing provisions of our Memorandum and Articles of Association by our shareholders will not adversely affect any right or protection of any of our directors, agents or officers existing at the time of, or increase the liability of any such director, agent or officer with respect to any acts or omissions of such director, agent or officer occurring prior to, such repeal or modification.

In addition, our Memorandum and Articles of Association contain provisions that indemnify each of our directors, agents or officers out of our assets against any liability incurred by them as a result of any act or failure to act in carrying out their functions other than such liability (if any) that they may incur (i) arising from their own fraud, willful default or dishonesty, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, or (iii) for any transaction from which such person derived any improper benefit.

Further, we have entered into or will enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The limitation of liability and indemnification provisions that are included or are expected to be included in our Memorandum and Articles of Association and in indemnification agreements that we have entered into or will enter into with our directors and executive officers may discourage shareholders from bringing a lawsuit against our directors and executive officers for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against our directors and executive officers, even though an action, if successful, might benefit us and other shareholders. Further, a shareholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and executive officers as required by these indemnification provisions. At present, we are not aware of any pending litigation or proceeding involving any person who is or was one of our directors, officers, employees or other agents or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

We obtained insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these directors and executive officers pursuant to our indemnification obligations or otherwise as a matter of law.

Certain of our non-employee directors may, through their relationships with their employers, be insured or indemnified against certain liabilities incurred in their capacity as members of our board of directors.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Related-Party Transactions Policy

In October 2021, we entered into a related party transaction policy, which requires certain related party transactions to be approved by our board of directors or a designated committee thereof, including our Audit and Risk Committee.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial information

A. Consolidated Statements and Other Financial Information

Financial Statements

See “Item 18. Financial Statements,” which contains our audited financial statements prepared in accordance with IFRS.

Dividend and Dividend Policy

We have never declared or paid any cash dividends on our share capital. Nu has not adopted a dividend policy with respect to future declarations and payment of dividends. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions, and other factors that our board of directors may deem relevant. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future.

Certain Legal Requirements Related to Dividends

Under the Companies Act and our Memorandum and Articles of Association, a Cayman Islands company may pay a dividend out of either its distributable reserves (retained and current profit) or share premium account, but a dividend may not be paid if the company is, or the dividend would result in the company being, unable to pay its debts as they fall due in the ordinary course of business. According to our Memorandum and Articles of Association, dividends can be declared and paid out of funds lawfully available to us, which includes share premium. Dividends, if any, would be paid in proportion to the number of ordinary shares a shareholder holds. For further information, see “Item 10. Additional Information—E. Taxation—Cayman Islands Tax Considerations.”

Additionally, please refer to “Item 3. Key Information—Risk Factors—Risks Relating to Our Business and Industry—Our holding company structure makes us dependent on the operations of our subsidiaries.” Our ability to pay dividends is directly related to positive and distributable net results from our subsidiaries. We depend on dividend distributions by our subsidiaries, and we may be adversely affected if the performance of our subsidiaries is not positive. If, for any legal reasons due to new laws or bilateral agreements between countries, they are unable to pay dividends to Cayman Islands companies, or if a Cayman Islands company becomes incapable of receiving them, we may not be able to make any dividend payments in the future.

Our Brazilian subsidiaries that are incorporated as a Brazilian corporation (sociedade anônima) are required under Federal Law No. 6,404 dated December 15, 1976, as amended, to distribute a mandatory minimum dividend to shareholders each year, which cannot be lower than a given percentage established in the relevant corporation's bylaws of its profit for the prior year, which percentage will be considered to be 25% in case nothing is said in the bylaws, after 5% of the profits are directed to a legal reserve, unless such distribution is suspended by a decision of such subsidiary's shareholders at its annual shareholders' meeting based on a report by its board of directors that such distribution would be incompatible with its financial condition at that time. Our Brazilian subsidiaries that are incorporated as a Brazilian limited liability company (sociedade limitada) may also have specific mandatory dividend payment rules pursuant to their bylaws. In addition, if for any legal reasons due to new laws or bilateral agreements between countries, our Brazilian subsidiaries are unable to pay dividends to Cayman Islands companies, or if a Cayman Islands company becomes incapable of receiving them, we may not be able to make any dividend payments in the future.

Our Colombian and Mexican subsidiaries may also face restrictions on their ability to pay dividends under applicable local laws.

Legal Proceedings

We are, and may be, from time to time, involved in disputes that arise in the ordinary course of our business. Any claims against us, whether meritorious or not, can be time-consuming, result in costly litigation, require significant management time and result in the diversion of significant operational resources.

We are subject to a number of judicial and administrative proceedings, including civil, labor and tax law and social security claims and other proceedings, which we believe are common and incidental to business operations in general. We recognize provisions for legal proceedings in our financial statements, when we are advised by independent outside counsel that (1) it is probable that an outflow of resources will be required to settle the obligation; and (2) a reliable estimate can be made of the amount of the obligation. The assessment of the likelihood of loss includes analysis by outside counsel of available evidence, the hierarchy of laws, available case law, recent court rulings and their relevance in the legal system. Our provisions for probable losses arising from these matters are estimated and periodically adjusted by management. In making these adjustments our management relies on the opinions of our external legal advisors.

On October 14, 2021, Getnet Adquirência e Serviços para Meios de Pagamento S.A., or "Getnet," filed a lawsuit against our Brazilian subsidiary Nu Pagamentos and Mastercard Brasil Soluções de Pagamento Ltda., or "Mastercard Brasil," seeking a reduction of the interchange fees charged on the value of sale and purchase transactions carried out on Getnet point of sale devices using Nu Pagamentos debit cards, to a maximum fee of either 0.5% or 0.8%. Getnet's claim alleges that as a result of its economic dependence on Mastercard as a payment scheme settlor, it does not have the ability to freely cease from contracting with Nu Pagamentos. In addition, Getnet's claim alleges damages estimated at R$64 million resulting from the higher interchange fees that currently apply as compared to the reduced fees sought by it. As of the date of this annual report, we have not been served with notice of the suit. On October 18, 2021, the trial court judge dismissed Getnet's relief request for a preliminary injunction, ruling that the matter required further evidentiary support and an opportunity for the defendants to present a defense. We estimate the likelihood of loss in this proceeding as remote.

As of December 31, 2021, we have provisions recorded in our consolidated financial statements in connection with legal proceedings for which we believe a loss is probable in accordance with accounting rules, in an aggregate amount of US$18.1 million, and have made judicial deposits in an aggregate amount of US$17.5 million. However, legal proceedings are inherently unpredictable and subject to significant uncertainties. If one or more cases were to result in a judgment against us in any reporting period for amounts that exceeded our management's expectations, the impact on our results of operations or financial condition for that reporting period could be material. See "Item 3. Key Information—Risk Factors—Risks Relating to Regulatory Matters and Litigation—Litigation, proceedings or similar matters, or adverse facts and developments related thereto, could materially affect our business, financial condition and results of operations."

For further information, see note 21 to our audited consolidated financial statements included elsewhere in this annual report.

B. Significant Changes

None.

Item 9. The offer and listing

A. Offering and Listing Details

Not applicable.

B. Plan of Distribution

Not applicable.

C. Markets

On January 6, 2022, we completed our global offering. Our Class A ordinary shares have been listed on the New York Stock Exchange under the symbol “NU” and our BDRs on the São Paulo Stock Exchange (B3 S.A. - Brasil, Bolsa, Balcão) under the symbol “NUBR33”.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

Our shareholders adopted the Memorandum and Articles of Association included as Exhibit 3.1 to this annual report.

Share Capital

Our Memorandum and Articles of Association authorize two classes of ordinary shares: Class A ordinary shares, which are entitled to one vote per share, and Class B ordinary shares, which are entitled to 20 votes per share and to maintain a proportional ownership interest in the event that additional Class A ordinary shares are issued. Any holder of Class B ordinary shares may convert his or her shares at any time into Class A ordinary shares on a share-for-share basis. The rights of the two classes of ordinary shares are otherwise identical, except as described below. See "—Anti-Takeover Provisions in our Memorandum and Articles of Association—Two Classes of Ordinary Shares."

As of the date of this annual report, our authorized share capital is US$324,022.94, consisting of 48,603,441,210 shares of par value US$0.000006666666667 each, and we have 3,459,743,432 Class A ordinary shares (including Class A ordinary shares underlying the BDRs), and 1,150,245,114 Class B ordinary shares issued and outstanding. The remaining authorized but unissued shares are presently undesignated and may be issued by our board of directors as ordinary shares of any class or as shares with preferred, deferred or other special rights or restrictions.

Treasury Shares

At the date of this annual report, we have no shares in treasury.

Issuance of Shares

Except as expressly provided in our Memorandum and Articles of Association, our board of directors has general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any unissued shares in the company's capital without the approval of our shareholders (whether forming part of the original or any increased share capital), either at a premium or at par, with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, on such terms and conditions, and at such times as the directors may decide, but so that no share shall be issued at a discount, except in accordance with the provisions of the Companies Act.

Our Memorandum and Articles of Association provide that at any time that there are Class A ordinary shares in issue, additional Class B ordinary shares may only be issued pursuant to (1) a share split, subdivision of shares or similar transaction or where a dividend or other distribution is paid by the issue of shares or rights to acquire shares or following capitalization of profits; (2) a merger, consolidation, or other business combination involving the issuance of Class B ordinary shares as full or partial consideration; or (3) an issuance of Class A ordinary shares, whereby holders of the Class B ordinary shares are entitled to purchase a number of Class B ordinary shares that would allow them to maintain their proportional ownership interest in the company (following an offer by us to each holder of Class B ordinary shares to issue to such holder, upon the same economic terms, such number of Class B ordinary shares as would allow such holder to maintain its proportional ownership interest in the company pursuant to our Memorandum and Articles of Association). In light of: (a) the above provisions; and (b) the 20-to-1 voting ratio between our Class B ordinary shares and Class A ordinary shares, holders of our Class B ordinary shares will in many situations continue to maintain control of all matters requiring shareholder approval. This concentration of ownership and voting power will limit or preclude your ability to influence corporate matters for the foreseeable future. For more information see "—Ordinary Shares—Preemptive or Similar Rights."

Ordinary Shares

Dividend Rights

Subject to preferences that may apply to any preferred shares outstanding at the time, the holders of our ordinary shares are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts legally available therefor that our board of directors may determine. See "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information. Dividend and Dividend Policy" for additional information.

Voting Rights

The holder of a Class B ordinary share is entitled, in respect of such share, to 20 votes per share, whereas the holder of a Class A ordinary share is entitled, in respect of such share, to one vote per share. The holders of Class A ordinary shares and Class B ordinary shares vote together as a single class on all matters (including the election of directors) submitted to a vote of shareholders, except as provided below and as otherwise required by law.

Our Memorandum and Articles of Association provide as follows regarding the respective rights of holders of Class A ordinary shares and Class B ordinary shares:

(1) class consents from the holders of Class A ordinary shares and Class B ordinary shares, as applicable, shall be required for any variation to the rights attached to their respective class of shares, however, the directors may treat the two classes of shares as forming one class if they consider that both such classes would be affected in the same way by the proposal;

(2) the rights conferred on holders of Class A ordinary shares shall not be deemed to be varied by the creation or issue of further Class B ordinary shares and vice versa; and

(3) the rights attaching to the Class A ordinary shares and the Class B ordinary shares shall not be deemed to be varied by the creation or issue of shares with preferred or other rights, including, without limitation, shares with enhanced or weighted voting rights.

As set forth in our Memorandum and Articles of Association, the holders of Class A ordinary shares and Class B ordinary shares, respectively, do not have the right to vote separately if the number of authorized shares of such class is increased or decreased. Rather, the number of authorized Class A ordinary shares and Class B ordinary shares may be increased or decreased (but not below the number of shares of such class then outstanding) by both classes voting together by way of an "ordinary resolution," which is defined in our Memorandum and Articles of Association as being a resolution (1) of a duly constituted general meeting passed by a simple majority of the votes cast by, or on behalf of, the shareholders entitled to vote present in person or by proxy and voting at the meeting; or (2) approved in writing by all of the shareholders entitled to vote at a general meeting in one or more instruments each signed by one or more of the shareholders and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed.

We have not provided for cumulative voting for the election of directors in our Memorandum and Articles of Association.

Conversion Rights

Each outstanding Class B ordinary share is convertible at any time at the option of the holder into one Class A ordinary share, and each Class B ordinary share will convert automatically into one Class A ordinary share at the election of the holder(s) of a majority of the Class B ordinary shares. In addition, each Class B ordinary share will convert automatically into one Class A ordinary share upon any transfer, whether or not for value, except for certain transfers described in our Memorandum and Articles of Association, including transfers to affiliates of a holder, one or more trustees of a trust established for the benefit of a holder or their affiliates, partnerships, corporations and other entities owned or controlled by a holder or their affiliates, and an organization that is exempt from taxation under Section 501(3)(c) of the Code or to an organization that is exempt from taxation in Brazil under Sections 184, 377 or 378 of the 2018 Internal Tax Regulations and that is controlled, directly or indirectly through one or more intermediaries, by a holder. Furthermore, each Class B ordinary share will convert automatically into one Class A ordinary share and no Class B ordinary shares will be issued thereafter if, on the record date for any shareholders meeting, the aggregate voting power of Class B ordinary shares then outstanding is less than 10% of the aggregate voting power of Class A ordinary shares and Class B ordinary shares outstanding.

Preemptive or Similar Rights

Our Class A ordinary shares are not entitled to preemptive rights, and are not subject to conversion, redemption or sinking fund provisions.

The Class B ordinary shares are entitled to maintain a proportional ownership interest in the event that additional Class A ordinary shares are issued. As such, except for certain exceptions, including the issuance of Class A ordinary shares in furtherance of this offering, if we issue Class A ordinary shares, we must first make an offer to each holder of Class B ordinary shares to issue to such holder on the same economic terms such number of Class B ordinary shares as would allow such holder to maintain its proportional ownership interest in the company. This right to maintain a proportional ownership interest may be waived by the holders of a majority of the Class B ordinary shares.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our shareholders would be distributable ratably among the holders of our ordinary shares and any participating preferred shares outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred shares.

Preferred Shares

Pursuant to our Memorandum and Articles of Association, our board of directors has the authority, subject to limitations prescribed by Cayman Islands law, to issue preferred shares in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further vote or action by our shareholders. Our board of directors can also increase or decrease the number of shares of any series of preferred shares, but not below the number of shares of that series then outstanding, without any further vote or action by our shareholders. Our board of directors may authorize the issuance of preferred shares with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our Class A ordinary shares. The issuance of preferred shares, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control of our company and might adversely affect the market price of our Class A ordinary shares and the voting and other rights of the holders of our Class A ordinary shares. We have no current plan to issue any preferred shares and had no preferred shares outstanding since our initial public offering.

Equal Status

Except as expressly provided in our Memorandum and Articles of Association, Class A ordinary shares and Class B ordinary shares have the same rights and privileges and rank equally, share proportionally and are identical in all respects as to all matters. In the event of any statutory amalgamation, merger, consolidation, arrangement or other reorganization involving us and requiring the approval of our shareholders entitled to vote thereon, as well as a short- form merger or consolidation that does not require a resolution of our shareholders, the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B ordinary shares, and the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B ordinary shares, in each case solely with respect to economic rights. In the event of any (1) tender or exchange offer to acquire any Class A ordinary shares or Class B ordinary shares by any third party pursuant to an agreement to which we are a party, or (2) tender or exchange offer by us to acquire any Class A ordinary shares or Class B ordinary shares, the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B ordinary shares, and the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B ordinary shares, in each case solely with respect to economic rights.

Options

As of December 31, 2021, we had outstanding options to purchase an aggregate of 143,889,439 Class A ordinary shares, with a weighted-average exercise price of approximately US$0.50 per share, under our equity compensation plans.

Contingent Shares

As of December 31, 2021, we also had certain contingent shares issuable as Class A ordinary shares as described in “Item 6. Directors, Senior Management and Employees—B. Compensation—Executive Compensation—Contingent Share Awards.”

RSUs

As of December 31, 2021, we had outstanding 80,924,937 Class A ordinary shares subject to RSUs under our Omnibus Incentive Plan. Our outstanding RSUs will generally vest upon the satisfaction of a time-based condition. For the majority of our outstanding RSUs under our Omnibus Incentive Plan, the time-based condition will be satisfied upon completion of three years from the vesting commencement date, and the balance will vest in 12 successive equal quarterly installments, subject to continued service through each such vesting date. Grants issued to new employees have a cliff period of one year, which requires them to stay at least for one year if they want to exercise any options.

Registration Rights

Certain holders of our management shares, preferred shares and ordinary shares who are parties to our registration rights agreement are entitled to certain rights under such agreement with respect to the registration of their shares under the Securities Act. In connection with our initial public offering, each shareholder that has registration rights agreed not to sell or otherwise dispose of any securities without the prior written consent of us and the underwriters for a period ended on the later of the 181st day after the date of the prospectus of such public offering and the opening of trading on the second trading day following our public release of earnings for the quarter ended March 31, 2022, subject to certain terms and conditions. See "Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Lock-Up and Market Standoff Agreements" for additional information regarding such restrictions.

The registration rights set forth in the registration rights agreement will expire on the earlier of (i) five years following the completion of our initial public offering, (ii) with respect to any particular shareholder, when such shareholder holds 1% or less of our outstanding ordinary shares and is able to sell all of its registrable securities pursuant to Rule 144 of the Securities Act during any 90-day period and (iii) immediately prior to our change of control, liquidation, dissolution or winding up. We will pay the registration expenses (other than underwriting discounts and commissions) of the holders of the shares registered pursuant to the registrations described below.

Demand Registration Rights

Based on the number of our shares outstanding as of December 31, 2021, the holders of up to 4,122,940,042 Class A ordinary shares will be entitled to certain demand registration rights. At any time beginning six months after the effective date of our initial public offering (i.e. December 8, 2021), the holders of at least a majority of these shares then outstanding can request that we register the offer and sale of their shares. Such request for registration must cover securities, the anticipated aggregate public offering price of which is at least US$50,000,000. In an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. We are obligated to effect only two such registrations. If we determine that it would be seriously detrimental to us and our shareholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 90 days.

Piggyback Registration Rights

If we propose to register the offer and sale of Class A ordinary shares under the Securities Act, in connection with the public offering of such Class A ordinary shares the holders of up 3,093,003,286 to Class A ordinary shares will be entitled to certain "piggyback" registration rights allowing the holders to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (i) a registration in which the only Class A ordinary shares being registered are Class A ordinary shares issuable upon conversion of debt securities that are also being registered; (ii) a registration related to any employee benefit plan or a corporate reorganization or other transaction covered by Rule 145 promulgated under the Securities Act; or (iii) a registration on any registration form which does not include substantially the same information as would be required to be included in a registration statement covering the public offering of our Class A ordinary shares, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

F-3 Registration Rights

Based on the number of our shares outstanding as of December 31, 2021, the holders of up to 4,122,940,042 of the Class A ordinary shares will be entitled to certain Form F-3 registration rights. The holders of at least a majority of these shares then outstanding may make a written request that we register the offer and sale of their shares on a registration statement on Form F-3 if we are eligible to file a registration statement on Form F-3 so long as the request covers securities the anticipated aggregate public offering price of which, before payment of underwriting discounts and commissions, is at least US$5,000,000. These shareholders may make an unlimited number of requests for registration on Form F-3; however, we will not be required to effect a registration on Form F-3 if we have effected one such registration within the 12-month period preceding the date of the request. Additionally, if we determine that it would be seriously detrimental to us and our shareholders to effect such a registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 90 days.

Record Dates

For the purpose of determining shareholders entitled to notice of, or to vote at any general meeting of shareholders or any adjournment thereof, or shareholders entitled to receive dividend or other distribution payments, or in order to make a determination of shareholders for any other purpose, our board of directors may set a record date which shall not exceed forty (40) clear days prior to the date where the determination will be made.

General Meetings of Shareholders

As a condition of admission to a shareholders' meeting, a shareholder must be duly registered as such at the applicable record date for that meeting and, in order to vote, all calls or installments then payable by such shareholder to us in respect of the shares that such shareholder holds must have been paid.

Subject to any special rights or restrictions as to voting then attached to any shares, at any general meeting every shareholder who is present in person or by proxy (or, in the case of a shareholder being a corporation, by its duly authorized representative not being himself or herself a shareholder entitled to vote) shall have one vote per Class A ordinary share and 20 votes per Class B ordinary share.

As a Cayman Islands exempted company, we are not obliged by the Companies Act to call annual general meetings; however, our Memorandum and Articles of Association provide that in each year the company will hold an annual general meeting of shareholders. For the annual general meeting of shareholders the agenda will include, among other things, the presentation of the annual accounts and the report of the directors (if any). In addition, the agenda for an annual general meeting of shareholders will only include such items as have been included therein by the board of directors.

Also, we may, but are not required to (unless required by the laws of the Cayman Islands), hold other extraordinary general meetings during the year. Extraordinary general meetings of shareholders may be held where the directors so decide.

The Companies Act provides shareholders a limited right to request a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting in default of a company's memorandum and articles of association. However, these rights may be provided in a company's memorandum and articles of association. Our Memorandum and Articles of Association provide that for so long as our founding shareholder controls a majority of the voting power of the shares of the Company, a general meeting of shareholders may be convened on the requisition of the holders of a majority of the voting power of our shares. However, if our founding shareholder controls less than a majority of the voting power of our shares, no shareholder shall have the power to requisition a meeting of shareholders. Our Memorandum and Articles of Association provide no other right to put any proposals before annual general meetings or extraordinary general meetings.

Subject to regulatory requirements, the annual general meeting must be called by at least 21 days' (and not less than 15 clear business days') notice and any extraordinary general meeting by at least 14 days' (and not less than 10 clear business days') notice prior to the relevant shareholders meeting and convened by a notice discussed below. Alternatively, upon the prior consent of all holders entitled to receive notice, with regard to the annual general meeting, and the holders of 75% in par value of the shares entitled to attend and vote at an extraordinary general meeting, that meeting may be convened by a shorter notice and in a manner deemed appropriate by those holders.

We will give notice of each general meeting of shareholders by publication on our website and in any other manner that may be required in order to comply with Cayman Islands law, NYSE and SEC requirements. The holders of registered shares may be given notice of a shareholders' meeting by means of letters sent to the addresses of those shareholders as registered in our shareholders' register, or, subject to certain statutory requirements, by electronic means.

> **Holders whose shares are registered in the name of DTC or its nominee, which we expect will be the case for all holders of Class A ordinary shares, will not be a shareholder or member of the company and must rely on the procedures of DTC regarding notice of shareholders' meetings and the exercise of rights of a holder of the Class A ordinary shares.**

A quorum for a general meeting consists of any one or more persons holding or representing by proxy not less than a majority of the aggregate shares in issue and entitled to vote upon the business to be transacted. If a quorum is not present within half an hour from the time appointed for the meeting to commence or if during such a meeting a quorum ceases to be present, a second meeting may be called as the Directors may determine, and if at the second meeting a quorum is not present within half an hour from the time appointed for the meeting to commence, the shareholders present shall be a quorum.

A resolution put to a vote at a general meeting shall be decided on a poll. Generally speaking, an ordinary resolution to be passed by the shareholders at a general meeting requires the affirmative vote of a simple majority of the votes cast by, or on behalf of, the shareholders entitled to vote, present in person or by proxy and voting at the meeting and a special resolution requires the affirmative vote on a poll of no less than two-thirds of the votes cast by the shareholders entitled to vote who are present in person or by proxy at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all of our shareholders, as permitted by the Companies Act and our Memorandum and Articles of Association.

Pursuant to our Memorandum and Articles of Association, general meetings of shareholders are to be chaired by the chairman of our board of directors or in his absence the vice-chairman of the board of directors. If the chairman or vice-chairman of our board of directors is absent, the directors present at the meeting shall appoint one of them to be chairman of the general meeting. If neither the chairman nor another director is present at the general meeting within 30 minutes after the time appointed for holding the meeting, then such meeting shall be adjourned for a one-week period and shall be held in the following week on the same day at the same time and place. If at the adjournment of the meeting the chairman or in his absence the vice-chairman (if any) or in their absence a director is not willing to act as chairman, or if no director is present within thirty (30) minutes after the time appointed for holding the meeting, then such meeting shall be canceled. The order of business at each meeting shall be determined by the chairman of the meeting, and he or she shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting, including, without limitation, the establishment of procedures for the maintenance of order and safety, limitations on the time allotted to questions or comments on our affairs, restrictions on entry to such meeting after the time prescribed for the commencement thereof, and the opening and closing of the polls.

Changes to Capital

Pursuant to our Memorandum and Articles of Association, we may from time to time by ordinary resolution:

- increase our share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than its existing shares;
- convert all or any of our paid-up shares into stock and reconvert that stock into paid-up shares of any denomination;
- subdivide our existing shares or any of them into shares of a smaller amount, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Our shareholders may by special resolution, subject to confirmation by the Grand Court of the Cayman Islands on an application by us for an order confirming such reduction, reduce its share capital or any capital redemption reserve in any manner permitted by law.

In addition, subject to the provisions of the Companies Act and our Memorandum and Articles of Association and the Shareholder's Agreement, we may:

- issue shares on terms that they are to be redeemed or are liable to be redeemed;
- purchase its own shares (including any redeemable shares); and

- make a payment in respect of the redemption or purchase of its own shares in any manner authorized by the
- Companies Act, including out of our own capital.

Transfer of Shares

Subject to any applicable restrictions set forth in the Memorandum and Articles of Association and the Shareholder's Agreement, any shareholder of Nu may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or in the form prescribed by the NYSE or any other form approved by our board of directors.

Our Class A ordinary shares are traded on the NYSE in book-entry form and may be transferred in accordance with our Memorandum and Articles of Association and the NYSE's rules and regulations.

However, our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is either not fully paid up to a person of whom it does not approve or is issued under any share incentive scheme for employees which contains a transfer restriction that is still applicable to such ordinary share. The board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate (if any) for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required;
- the ordinary shares transferred are free of any lien in favor of us; and
- in the case of a transfer to joint holders, the transfer is not to more than four joint holders.

If the directors refuse to register a transfer they are required, within two months after the date on which the instrument of transfer was lodged, to send to the transferee notice of such refusal.

Share Repurchase

The Companies Act and our Memorandum and Articles of Association permit us to purchase our own shares, subject to certain restrictions. Our board of directors may only exercise this power on behalf of Nu, subject to the Companies Act and our Memorandum and Articles of Association, the Shareholder's Agreement and any applicable requirements imposed from time to time by SEC, the NYSE or by any recognized stock exchange on which our shares are listed.

Dividends and Capitalization of Profits

We have not adopted a dividend policy with respect to payments of any future dividends. Subject to the Companies Act and general principles of Cayman Islands law, our shareholders may, by ordinary resolution, declare dividends (including interim dividends) to be paid to shareholders but no dividend shall be declared in excess of the amount recommended by the board of directors. The board of directors may also declare dividends. Dividends may be declared and paid out of funds lawfully available to us. Except as otherwise provided by the rights attached to shares and our Memorandum and Articles of Association, all dividends shall be paid in proportion to the number of Class A ordinary shares or Class B ordinary shares a shareholder holds at the date the dividend is declared (or such other date as may be set as a record date); but, (1) if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly and (2) where we have shares in issue which are not fully paid up (as to par value), we may pay dividends in proportion to the amounts paid up on each share.

The holders of Class A ordinary shares and Class B ordinary shares shall be entitled to share equally in any dividends that may be declared in respect of our ordinary shares from time to time. In the event that a dividend is paid in the form of Class A ordinary shares or Class B ordinary shares, or rights to acquire Class A ordinary shares or Class B ordinary shares, (1) the holders of Class A ordinary shares shall receive Class A ordinary shares, or rights to acquire Class A ordinary shares, as the case may be and (2) the holders of Class B ordinary shares shall receive Class B ordinary shares, or rights to acquire Class B ordinary shares, as the case may be.

Appointment, Disqualification and Removal of Directors

We are managed by our board of directors. Our Memorandum and Articles of Association provide that the board of directors will be composed of such a number of directors as a majority of directors in office may determine, being up to nine directors on the date of adoption of our Memorandum and Articles of Association. There are no provisions relating to retirement of directors upon reaching any age limit.

Our Memorandum and Articles of Association provide that directors shall be elected by an ordinary resolution of our shareholders, which requires the affirmative vote of a simple majority of the votes cast on the resolution by the shareholders entitled to vote who are present, in person or by proxy, at a quorate general meeting of the Company. Notwithstanding the foregoing, for so long as our founding shareholder owns at least 5% of the voting power of our outstanding share capital, our founding shareholder shall be entitled to nominate a certain number of designees to the board for a specific term, as set out in our Memorandum and Articles of Association. In particular, our Memorandum and Articles of Association provide that, subject to compliance with applicable law and NYSE rules, for so long as our founding shareholder and his affiliates beneficially own shares constituting at least 40% of the voting power of our outstanding share capital, the founding shareholder shall be entitled to designate up to five nominees to our board of directors (or if the size of the board of directors is increased, a majority of the members of the board of directors); for so long as our founding shareholder and its affiliates beneficially own at least 25% of the voting power of our outstanding share capital, the founding shareholder shall be entitled to designate up to three nominees to our board of directors (or if the size of the board of directors is increased, one-third of the members of the board of directors); and for so long as our founding shareholder and its affiliates beneficially own at least 5% of the voting power of our outstanding share capital, our founding shareholder shall be entitled to designate one nominee to our board of directors (or if the size of the board of directors is increased, 10% of the members of the board of directors). The founding shareholder may in like manner remove such director(s) appointed by him and appoint replacement director(s).

Each director shall be appointed for a one-year term, unless they resign or their office is vacated earlier, provided, however, that such term shall be extended beyond one year in the event that no successor has been appointed (in which case such term shall be extended to the date on which such successor has been appointed).

Our Memorandum and Articles of Association provide that from and after the date on which the founding shareholder (together with his affiliates) no longer beneficially owns more than 50% of our outstanding voting power, or the classifying date, the directors shall be divided into three classes designated as Class I, Class II and Class III. Each director shall serve for a term ending on the date of the third annual general shareholders meeting following the annual general shareholders meeting at which such director was elected as subject to the provisions of our Memorandum and Articles of Association. The founding directors shall be allocated to the longest duration classes unless otherwise determined by the founding shareholder.

Grounds for Removing a Director

A director may be removed with or without cause by ordinary resolution, and a director nominated by our founding shareholder may be removed by our founding shareholder at any time with or without cause by notice to us. The notice of the general meeting must contain a statement of the intention to remove the director and must be served on the director not less than ten calendar days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

The office of a director will be vacated automatically if he or she (1) becomes prohibited by law from being a director; (2) becomes bankrupt or makes an arrangement or composition with his creditors; (3) dies or is in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director; (4) resigns his office by notice to us; or (5) has for more than six months been absent without permission of the directors from meetings of the board of directors held during that period, and the remaining directors resolve that his or her office be vacated.

Proceedings of the Board of Directors

Our Memorandum and Articles of Association provide that our business is to be managed and conducted by the board of directors. The quorum necessary for the board meeting shall be a simple majority of the directors then in office, and business at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a casting vote.

Subject to the provisions of our Memorandum and Articles of Association, the members of the board of directors may regulate its proceedings as they determine is appropriate. Board meetings shall be held at least once every calendar quarter and shall take place at such place as the directors may determine.

Subject to the provisions of our Memorandum and Articles of Association, to any directions given by ordinary resolution of the shareholders and the listing rules of the NYSE, the board of directors may from time to time at its discretion exercise all powers of Nu, including, subject to the Companies Act, the power to issue debentures, bonds and other securities of the company, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Inspection of Books and Records

Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or corporate records. However, the board of directors may determine from time to time whether and to what extent our accounting records and books shall be open to inspection by shareholders who are not members of the board of directors. Notwithstanding the above, our Memorandum and Articles of Association provide shareholders with the right to receive annual financial statements. Such right to receive annual financial statements may be satisfied by publishing the same on the company's website or filing such annual reports as we are required to file with the SEC.

Register of Shareholders

Our Class A ordinary shares offered are held through DTC, and DTC or Cede & Co., as nominee for DTC, will be recorded in the shareholders' register as the holder of our Class A ordinary shares. Under Cayman Islands law, we must keep a register of shareholders that includes:

- the names and addresses of the shareholders, a statement of the shares held by each member, and of the amount paid or agreed to be considered as paid, on the shares of each member;
- the date on which the name of any person was entered on the register as a member; and
- the date on which any person ceased to be a member.

Under Cayman Islands law, our register of shareholders is prima facie evidence of the matters set out therein (i.e., the register of shareholders will raise a presumption of fact on the matters referred to above unless rebutted) and a shareholder registered in the register of shareholders is deemed as a matter of Cayman Islands law to have prima facie legal title to the shares as set against his or her name in the register of shareholders. The shareholders recorded in the register of shareholders should be deemed to have legal title to the shares set against their name.

If the name of any person is incorrectly entered in or omitted from the register of shareholders, or if there is any default or unnecessary delay in entering on the register the fact of any person having ceased to be a shareholder of Nu, the person or member aggrieved (or any shareholder of ours, or Nu itself) may apply to the Cayman Islands Grand Court for an order that the register be rectified, and the Court may either refuse such application or it may, if satisfied of the justice of the case, make an order for the rectification of the register.

Anti-Takeover Provisions in Our Memorandum and Articles of Association

Some provisions of our Memorandum and Articles of Association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable. In particular, our capital structure concentrates ownership of voting rights in the hands of our founding shareholder, as our controlling shareholder. These provisions, which are summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of our company to first negotiate with the board of directors. However, these provisions could also have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of the Class A ordinary shares that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that shareholders may otherwise deem to be in their best interests.

Two Classes of Ordinary Shares

Our Class B ordinary shares are entitled to 20 votes per share, while the Class A ordinary shares are entitled to one vote per share. Since our co-founders own all of the Class B ordinary shares, our co-founders currently have the ability to elect a majority of the directors and to determine the outcome of most matters submitted for a vote of shareholders, with our founding shareholder as the controlling shareholder. This concentrated voting control could discourage others from initiating any potential merger, takeover, or other change of control transaction that other shareholders may view as beneficial.

So long as our co-founders have the ability to determine the outcome of most matters submitted to a vote of shareholders as well as the overall management and direction of Nu, third parties may be deterred in their willingness to make an unsolicited merger, takeover, or other change of control proposal, or to engage in a proxy contest for the election of directors. As a result, the fact that we have two classes of ordinary shares may have the effect of depriving you as a holder of Class A ordinary shares of an opportunity to sell your Class A ordinary shares at a premium over prevailing market prices and make it more difficult to replace our directors and management.

Preferred Shares

Our Memorandum and Articles of Association provide our board of directors with wide powers to issue additional shares, and one or more classes or series of preferred shares, with or without preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as the board of directors may determine, to the extent authorized but unissued. The issuance of additional shares may be used as an anti-takeover device without further action on the part of our shareholders. Such issuance may further dilute the voting power of existing holders of Class A ordinary shares.

Despite the anti-takeover provisions described above, under Cayman Islands law, our board of directors may only exercise the rights and powers granted to them under our Memorandum and Articles of Association, for what they believe in good faith to be in our best interests.

Requisitioning General Meetings

Our Memorandum and Articles of Association provide that, for so long as our founding shareholder controls a majority of the voting power of our shares, a general meeting of shareholders may be convened on the requisition of the holders of a majority of the voting power of our shares. However, if our founding shareholder controls less than a majority of the voting power of our shares, no shareholder shall have the power to requisition a meeting of shareholders. Accordingly, our shareholders will have limited rights to requisition and convene general meetings of shareholders.

Consent over a Change of Control

Our Memorandum and Articles of Association provide that for so long as David Vélez Osorno and his affiliates beneficially own shares accounting for at least 10% of the voting power of our issued share capital, we will not take, or permit our subsidiaries to take, certain actions without the prior written approval of a majority of the Class B ordinary shares in issue, including entering into a merger, consolidation, reorganization or other business combination or a transaction or series of transactions that would result in a change of control.

Staggered Board

Our Memorandum and Articles of Association provide that, from and after the date that David Vélez Osorno and his affiliates no longer beneficially own more than 50% of the voting power of our issued share capital, we shall cause our board of directors to be divided into three classes serving staggered three-year terms. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of shareholders will be necessary for shareholders to effect a change in a majority of the members of the board of directors.

Exclusive Forum

Under our Memorandum and Articles of Association, unless we consent to a different forum, (i) any derivative action or proceeding brought on our behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or any other person, (iii) any action or proceeding arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the Companies Act, our Memorandum and Articles of Association, or any other provision of applicable law, (iv) any action or proceeding seeking to interpret, apply, enforce or determine the validity of our Memorandum and Articles of Association or (v) any action or proceeding as to which the Companies Act confers jurisdiction on the Grand Court of the Cayman Islands may only be brought before the Grand Court of the Cayman Islands, in all cases subject to the court having jurisdiction over indispensable parties named as defendants. In addition, any complaint asserting a cause of action arising under the Securities Act may only be brought before the federal district courts of the United States. Nothing in our Memorandum and Articles of Association will preclude shareholders that assert claims under the Exchange Act from bringing such claims in any court, subject to applicable law.

Any person or entity purchasing or otherwise acquiring or holding any interest in our securities shall be deemed to have notice of and consented to these exclusive forum provisions. However, shareholders will not be deemed to have waived our compliance with U.S. federal securities laws and the rules and regulations thereunder. The enforceability of similar choice of forum provisions in other companies' organizational documents has been challenged in legal proceedings, and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find the exclusive forum provision contained in our Memorandum and Articles of Association to be inapplicable or unenforceable.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our Memorandum and Articles of Association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our Memorandum and Articles of Association governing the ownership threshold above which shareholder ownership must be disclosed.

Transfer Agent and Registrar

The transfer agent and registrar for our Class A ordinary shares is Computershare Trust Company, N.A.. The transfer agent and registrar's address is 250 Royall Street, Canton, MA 02021-1011.

C. Material Contracts

We are party to certain material license agreements with Mastercard in connection with our activities as an issuer of Mastercard credit products.

Our License Agreement, dated as of January 29, 2014, between Mastercard International Incorporated, or "Mastercard," and EO2 Soluções de Pagamento S.A., sets forth the general terms and conditions under which Mastercard has granted to us a non-exclusive license to use certain trade names, trademarks, service marks and logotypes in Brazil in connection with our issuance of credit products, subject to Mastercard's standard terms (as amended from time to time). No consideration is due to Mastercard under this agreement.

Our License Agreement, dated as of January 3, 2019, between Mastercard and Nu Bn Mexico Sociedad Anonima de Capital Variable, or "Nu Servicios," sets forth the general terms and conditions under which Mastercard has granted to us a nonexclusive license to use certain trade names, trademarks, service marks and logotypes in Mexico in connection with our issuance of credit products, subject to Mastercard's standard terms (as amended from time to time). No consideration is due to Mastercard under this agreement.

Our License Agreement, dated as of August 19, 2019, between Mastercard and Nu Argentina S.A. sets forth the general terms and conditions under which Mastercard has granted to us a nonexclusive license to use certain trade names, trademarks, service marks and logotypes in Argentina in connection with our issuance of credit products, subject to Mastercard's standard terms (as amended from time to time). No consideration is due to Mastercard under this agreement.

Our License Agreement, dated as of April 24, 2020 and as amended from time to time, between Mastercard and Nu Pagamentos, sets forth the general terms and conditions under which Mastercard has granted to us a nonexclusive license to use certain trade names, trademarks, service marks and logotypes in Colombia in connection with our issuance of credit products, subject to Mastercard's standard terms (as amended from time to time). No consideration is due to Mastercard under this agreement.

In addition, see "Item 7. Major Shareholders and Related-Party Transactions—B. Related-Party Transactions."

Except as otherwise disclosed in this annual report on Form 20-F (including the Exhibits), we are not currently, and have not been in the last two years, party to any material contract, other than contracts entered into in the ordinary course of business.

D. Exchange Controls

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

E. Taxation

The following summary contains a description of certain Cayman Islands, U.S. and Brazilian federal income tax consequences of the acquisition, ownership and disposition of our Class A ordinary shares or BDRs. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Class A ordinary shares or BDRs, is not applicable to all categories of investors, some of which may be subject to special rules, and does not address all of the Cayman Islands, U.S. and Brazilian federal income tax considerations applicable to any particular holder. The summary is based upon the tax laws of the Cayman Islands and regulations thereunder, upon the tax laws of the United States and regulations thereunder and upon the tax laws of Brazil and regulations thereunder as of the date hereof, which are subject to change.

Prospective purchasers of our Class A ordinary shares or BDRs should consult their own tax advisors about the particular Cayman Islands, U.S. and Brazilian federal, state, local and other tax consequences to them of the acquisition, ownership and disposition of our Class A ordinary shares.

Cayman Islands Tax Considerations

The Cayman Islands laws currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty or withholding tax applicable to us or to any holder of Class A ordinary shares. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or after execution brought within the jurisdiction of the Cayman Islands. No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands. The Cayman Islands is not party to any double tax treaties which are applicable to any payments made by or to our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

As a Cayman Islands exempted company with limited liability, we are entitled, upon application, to receive an undertaking as to tax concessions pursuant to Section 6 of the Tax Concessions Act (as revised). On September 9, 2019, we received this undertaking which provides that, for a period of 20 years from the date of issue of the undertaking, no law thereafter enacted in the Cayman Islands imposing any taxes to be levied on profits, income, gains or appreciation will apply to us or our operations.

Payments of dividends and capital in respect of our Class A ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required under Cayman Islands law on the payment of a dividend or capital to any holder of our Class A ordinary shares, nor will gains derived from the disposal of our Class A ordinary shares be subject to Cayman Islands income or corporation tax.

There is no income tax treaty or convention currently in effect between the United States and the Cayman Islands.

U.S. Federal Income Tax Considerations

The following summary describes the material U.S. federal income tax considerations to U.S. Holders (as defined below) of owning and disposing of Class A ordinary shares or BDRs, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to hold our Class A ordinary shares or BDRs. This discussion applies only to a U.S. Holder that holds Class A ordinary shares or BDRs as capital assets for U.S. federal income tax purposes. In addition, it does not describe all of the tax considerations that may be relevant in light of a U.S. Holder's particular circumstances, including alternative minimum tax considerations, the potential application of the provisions of the Internal Revenue Code of 1986, as amended, the "Code," known as the Medicare contribution tax and tax considerations applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- real estate investment trusts or regulated investment companies;
- dealers or traders in securities that use a mark-to-market method of tax accounting;
- persons holding Class A ordinary shares or BDRs as part of a straddle, wash sale, hedging transaction, conversion transaction or other integrated transaction or entering into a constructive sale with respect to Class A ordinary shares or BDRs;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- persons that are subject to the "applicable financial statement" rules under Section 451(b) of the Code;

- tax-exempt entities, including an "individual retirement account," or Roth IRA;
- persons holding Class A ordinary shares or BDRs that own or are deemed to own 10% or more of our shares (by vote or value);
- persons owning Class A ordinary shares or BDRs in connection with a trade or business conducted outside of the United States; or
- entities or arrangements classified as partnerships for U.S. federal income tax purposes.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our Class A ordinary shares or BDRs, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Class A ordinary shares or BDRs and partners in such partnerships should consult their tax advisors as to the particular U.S. federal income tax considerations of owning and disposing of the Class A ordinary shares or BDRs.

This discussion is based on the Code, administrative pronouncements, judicial decisions, and final, temporary and proposed U.S. Treasury regulations, all as of the date hereof, any of which is subject to change or differing interpretations, possibly with retroactive effect.

A "U.S. Holder" is a beneficial owner of Class A ordinary shares or BDRs that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

In general, a U.S. Holder that owns BDRs will be treated as the owner of the underlying Class A ordinary shares represented by those BDRs for U.S. federal income tax purposes. Accordingly, no gain or loss will be recognized if a U.S. Holder exchanges BDRs for the underlying Class A ordinary shares represented by those BDRs.

U.S. Holders should consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of our Class A ordinary shares or BDRs in their particular circumstances.

Except where otherwise indicated, this discussion assumes that we are not, and will not become, a passive foreign investment company, or "PFIC," as described below.

Taxation of Distributions

Any distributions paid on our Class A ordinary shares or BDRs, other than certain pro rata distributions of our Class A ordinary shares or BDRs, will be treated as dividends for U.S. federal income tax purposes to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, we expect that distributions will generally be reported to U.S. Holders as dividends. Subject to applicable limitations and the discussion in "—Passive Foreign Investment Company Rules" below, dividends paid by qualified foreign corporations to certain noncorporate U.S. Holders are taxable at rates applicable to long-term capital gains. A foreign corporation is treated as a qualified foreign corporation with respect to dividends paid on stock that is readily tradable on an established securities market in the United States. The NYSE, on which the Class A ordinary shares are listed, is an established securities market in the United States and we anticipate that our Class A ordinary shares should qualify as readily tradable, although there can be no assurances in this regard. Because the BDRs are not listed on a United States stock exchange, it is not entirely clear whether distributions on BDRs will be treated as "qualified dividend income" and therefore taxable to certain noncorporate U.S. holders at favorable rates applicable to long-term capital gains. Accordingly, noncorporate U.S. holders should consult their own tax advisers regarding the taxation of dividends paid on our BDRs.

U.S. Holders should consult their tax advisors regarding the availability of the reduced tax rate on dividends in their particular circumstances. The amount of any dividend will generally be treated as foreign-source dividend income to U.S. Holders and will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's or, in the case of BDRs, the depositary's receipt of the dividend.

Sale or Other Disposition of Class A Ordinary Shares or BDRs

Subject to the discussion below under "—Passive Foreign Investment Company Rules," for U.S. federal income tax purposes, gain or loss realized on the sale or other disposition of Class A ordinary shares or BDRs will be capital gain or loss, and will be long-term capital gain or loss if a U.S. Holder has held the Class A ordinary shares or BDRs for more than one year. Long-term capital gains of individuals and other noncorporate U.S. Holders are eligible for reduced rates of taxation. The amount of the gain or loss will equal the difference between a U.S. Holder's tax basis in the Class A ordinary shares or BDRs disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. If a Brazilian tax is withheld on the sale or other disposition of BDRs, a U.S. Holder's amount realized will include the gross amount of proceeds of the sale or disposition before the deduction of the Brazilian tax. See "—Brazilian Tax Considerations" for a description of when a disposition may be subject to taxation by Brazil. Such gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to various limitations.

Foreign Tax Credits

Because a U.S. Holder's gains from the sale or exchange of BDRs will generally be treated as U.S.-source income, certain generally applicable limitations may preclude a U.S. Holder from claiming a credit for all or a portion of the foreign taxes imposed on any such gains. In addition, recently issued Treasury regulations, which apply to foreign taxes paid or accrued in taxable years beginning on or after December 28, 2021, generally will preclude U.S. Holders from claiming a foreign tax credit with respect to any tax imposed on gains from the disposition of shares by a jurisdiction, such as Brazil, that does not have an applicable income tax treaty with the United States, although such taxes may be applied to reduce the amount realized by the U.S. Holder on the disposition.

Subject to generally applicable limitations under U.S. law, a U.S. Holder may, at its election, deduct otherwise creditable taxes in computing taxable income in lieu of claiming a credit. An election to deduct creditable foreign taxes instead of claiming foreign tax credits applies to all such foreign taxes paid or accrued in the taxable year.

The rules governing foreign tax credits are complex and, therefore, U.S. Holders are urged to consult their tax advisers regarding the creditability or deductibility of any Brazilian tax in their particular circumstances (including any applicable limitations).

Passive Foreign Investment Company Rules

Under the Code, we will be a PFIC for any taxable year in which, after applying certain look-through rules, either (i) 75% or more of our gross income consists of "passive income," or (ii) 50% or more of the average value of our assets (generally determined on a quarterly basis) consists of assets that produce, or are held for the production of, "passive income." We will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation where we own, directly or indirectly, more than 25% (by value) of the corporation's stock. Passive income generally includes dividends, interest, rents, certain non-active royalties, and capital gains.

The application of the PFIC rules to banks is unclear under present U.S. federal income tax law. Banks generally derive a substantial part of their income from assets that are interest bearing or that otherwise could be considered passive under the PFIC rules. The IRS recently issued the 2021 Proposed Regulations, and previously issued a notice in 1989 (Notice 89-81, or the "Notice") and the 1995 Proposed Regulations, that exclude from passive income any income derived in the active conduct of a banking business by a qualifying foreign bank (the "active bank exception"). The 2021 Proposed Regulations are proposed to be effective for taxable years of shareholders beginning on or after the date such regulations are finalized (but can electively be applied earlier), while the 1995 Proposed Regulations are proposed to be effective for taxable years beginning after December 31, 1994 and provide that taxpayers may apply the 1995 Proposed Regulations to a taxable year beginning after December 31, 1986, provided the 1995 Proposed Regulations are consistently applied to that taxable year and all subsequent taxable years.

The 2021 Proposed Regulations, the Notice, and the 1995 Proposed Regulations each have different requirements for qualifying as a foreign bank, and for determining the banking income that may be excluded from passive income under the active bank exception, but the preamble to the 2021 Proposed Regulations authorizes taxpayers to rely upon the Notice or the 1995 Proposed Regulations to determine whether income of a foreign bank may be treated as non-passive. Under both the 2021 Proposed Regulations and the 1995 Proposed Regulations, a qualifying foreign bank must be licensed in the country of its incorporation to do business as a bank and must also carry on one or more specified activities, including regularly receiving bank deposits from unrelated customers in the course of its banking business. While the 2021 Proposed Regulations are silent on this matter, under both the Notice and 1995 Proposed Regulations, loans made in the ordinary course of a banking business are not treated as passive assets.

Based on the 1995 Proposed Regulations, including those which are proposed to be effective for taxable years beginning after December 31, 1994 and our current operations, income, assets and certain estimates and projections (such as the relative values of our assets, including goodwill), we do not believe that we were a PFIC for our 2021 taxable year. However, there can be no assurance that the IRS will agree with our conclusion. Among other reasons, whether we were a PFIC in 2021 or will be a PFIC in any future taxable year is uncertain because: (i) the 1995 Proposed Regulations may not be finalized in their current form, (ii) PFIC status is determined on an annual basis at the end of each taxable year, and (iii) the composition of our income and assets and the market value of our assets (which may be determined, in part, by reference to the market price of our Class A ordinary shares and BDRs, which could be volatile) may vary from time to time. The application of the 2021 Proposed Regulations is not entirely clear and, if we can no longer rely on the 1995 Proposed Regulations, and the 2021 Proposed Regulations are adopted in their current form, there can be no assurances that we will not be considered a PFIC for any taxable year. If we are a PFIC for any year during which a U.S. Holder holds Class A ordinary shares or BDRs, we would generally continue to be treated as a PFIC with respect to such holder for all succeeding years during which such holder holds Class A ordinary shares or BDRs, even if we ceased to meet the threshold requirements for PFIC status.

If we were a PFIC for any taxable year and any of our subsidiaries or other companies in which we owned or were treated as owning equity interests were also a PFIC (any such entity, a “Lower-tier PFIC”), a U.S. Holder would be deemed to own a proportionate amount (by value) of the shares of each Lower-tier PFIC and would be subject to U.S. federal income tax according to the rules described in the subsequent paragraph on (i) certain distributions to us by a Lower-tier PFIC and (ii) our disposition of shares of Lower-tier PFICs, in each case as if such holder held such shares directly, even though such holder may not have received the proceeds of those distributions or dispositions.

If we were a PFIC for any taxable year during which a U.S. Holder held Class A ordinary shares or BDRs, absent making certain elections (as described below), such holder would generally be subject to adverse tax consequences. Generally, gain recognized upon a disposition (including, under certain circumstances, a pledge) of the Class A ordinary shares or BDRs by such U.S. Holder would be allocated ratably over such U.S. Holder’s holding period for the Class A ordinary shares or BDRs. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as applicable, and an interest charge would be imposed on the resulting tax liability. Further, to the extent any distribution in respect of our Class A ordinary shares or BDRs exceeded 125% of the average of the annual distributions on Class A ordinary shares or BDRs received by the U.S. Holder during the preceding three years or its holding period, whichever was shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above.

Alternatively, if we were a PFIC and if the Class A ordinary shares or BDRs were "regularly traded" on a "qualified exchange," a U.S. Holder would be eligible to make a mark-to-market election that would result in tax treatment different from the general tax treatment for PFICs described above. The Class A ordinary shares and BDRs would be treated as "regularly traded" if more than a de minimis quantity of the Class A ordinary shares or BDRs, as applicable, were traded on a qualified exchange (i) for the 2021 taxable year, on at least 1/6 of the days remaining in the quarter in which the initial public offering occurred, and (ii) for any other calendar year on at least 15 days during each calendar quarter. The NYSE, on which the Class A ordinary shares are listed, is a qualified exchange for this purpose. A non-U.S. exchange is a "qualified exchange" if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met. The Internal Revenue Service has not identified specific non-U.S. exchanges that are "qualified" for this purpose. Although we expect that the B3, on which our BDRs are listed, would constitute a qualified exchange, there can be no assurance in this regard or as to whether the mark-to-market election would otherwise be available with respect to the BDRs. Once made, the election cannot be revoked without the consent of the IRS unless the Class A ordinary shares or BDRs, if applicable, cease to be marketable.

If a U.S. Holder makes the mark-to-market election (assuming such election is available with respect to the BDRs), such holder will generally recognize as ordinary income any excess of the fair market value of such holder's Class A ordinary shares or BDRs at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Class A ordinary shares or BDRs over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, such holder's tax basis in their Class A ordinary shares or BDRs will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of Class A ordinary shares or BDRs in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). This election will not apply to any of our non-U.S. subsidiaries. Accordingly, a U.S. Holder may continue to be subject to tax under the PFIC excess distribution regime with respect to any Lower-tier PFICs notwithstanding a mark-to-market election for the Class A ordinary shares or BDRs.

We do not intend to prepare or provide the information necessary for a U.S. Holder to make a qualified electing fund election.

In addition, if we were a PFIC for the taxable year in which we paid a dividend or for the prior taxable year, the favorable tax rates applicable to long-term capital gains discussed above with respect to dividends paid to non-corporate U.S. Holders would not apply.

If a U.S. Holder owns Class A ordinary shares or BDRs during any year in which we are a PFIC, such holder must generally file annual reports containing such information as the U.S. Treasury may require on IRS Form 8621 (or any successor form) with respect to us, generally with such holder's federal income tax return for that year. A failure to file one or more of these forms as required may toll the running of the statute of limitations in respect of each of the U.S. Holder's taxable years for which such form is required to be filed. As a result, the taxable years with respect to which the U.S. Holder fails to file the form may remain open to assessment by the IRS indefinitely, until the form is filed.

U.S. Holders should consult their tax advisors regarding the potential application of the PFIC rules, including whether the elections discussed above would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that the U.S. Holder is not subject to backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to the U.S. Holder will be allowed as a refund or credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Information with Respect to Foreign Financial Assets

Certain U.S. Holders who are individuals (and certain entities) may be required to report information on their U.S. federal income tax returns relating to an interest in our Class A ordinary shares or BDRs, subject to certain exceptions (including an exception for Class A ordinary shares or BDRs held in accounts maintained by certain U.S. financial institutions). U.S. Holders should consult their tax advisors regarding the effect, if any, of this requirement on their ownership and disposition of the Class A ordinary shares or BDRs.

Brazilian Tax Considerations

The following summary contains a description of certain Brazilian tax considerations relating to the acquisition, ownership and disposition of BDRs and our shares by an investor that is not domiciled or resident in Brazil for Brazilian tax purposes, each a Non-Resident Holder.

The following is a general discussion and, therefore, it does not specifically address all of the tax considerations that may be relevant to a Non-Resident Holder's decision to acquire BDRs and our shares and it is not applicable to all categories of Non-Resident Holders, some of which may be subject to special tax rules not specifically addressed herein. This summary also does not address any tax consequences under the tax laws of any state or municipality of Brazil. The present description is based upon the tax laws of Brazil, in effect as of the date of this offering memorandum, which are subject to change, possibly with retroactive effect and to differing interpretations. Any change in the applicable Brazilian laws and regulations may impact the consequences described below.

The tax consequences described below do not take into account tax treaties entered into by Brazil and other countries. Prospective purchasers of BDRs and our shares are advised to consult their own tax advisors with respect to an investment in BDRs and our shares in light of their particular circumstances.

Low or Nil Tax Jurisdictions

According to Law No 9,430, dated December 27, 1996, as amended, a Low or Nil Tax Jurisdiction is a country or location that (i) does not impose taxation on income, (ii) imposes income tax at a rate lower than 20%, or (iii) imposes restrictions on the disclosure of shareholding composition or investment ownership.

Additionally, on June 24, 2008, Law No. 11,727 introduced the concept of a "privileged tax regime," in connection with transactions subject to Brazilian transfer pricing rules and also applicable to thin capitalization/cross-border interest deductibility rules, which is broader than the concept of a Low or Nil Tax Jurisdiction. Pursuant to Law 11,727, a jurisdiction will be considered a Privileged Tax Regime if it (i) does not tax income or taxes it at a maximum rate lower than 20% or 17.0% provided that the requirements set forth in Normative Ruling No. 1,530 dated December 19, 2014 and Ordinance No. 488 are met; (ii) grants tax benefits to non-resident entities or individuals (a) without the requirement that they carry out substantial economic activity in the country or dependency or (b) contingent on the non-exercise of substantial economic activity in the country or dependency; (iii) does not tax or that taxes income generated abroad at a maximum rate lower than 20% or 17.0% provided that the requirements set forth in Normative Ruling No. 1,530 and Ordinance No. 488 are met; or (iv) does not provide access to information related to shareholding composition, ownership of assets and rights or economic transactions carried out.

On November 28, 2014, the Brazilian tax authorities issued Ordinance No. 488, which decreased these minimum thresholds from 20% to 17% for specific cases. Under Ordinance No. 488, the 17% threshold applies only to countries and regimes aligned with international standards of fiscal transparency, in accordance with rules to be established by the Brazilian tax authorities. The Ordinance No. 488 has lowered the threshold rate, Normative Ruling No. 1,037, which identifies the countries considered to be Low or Nil Tax Jurisdictions and the locations considered as Privileged Tax Regimes, has not been amended to reflect the 17% threshold.

In addition, on June 4, 2010, the Brazilian Tax Authorities enacted Normative Ruling No. 1,037, as amended, listing (i) the countries and jurisdictions considered as Low or Nil Tax Jurisdictions and (ii) the locations considered Privileged Tax Regimes. Normative Ruling No. 1,037 has not been amended thus far to reflect the threshold changes previously mentioned.

Although, we believe that the best interpretation of Law No. 11,727/08 to be that the new concept of "privileged tax regime" would be applicable solely for purposes of transfer pricing and thin capitalization rules. However, we are unable to ascertain whether or not the privileged tax regime concept will be extended to the concept of Low or Nil Tax Jurisdiction, though the Brazilian tax authorities appear to agree with our position, in view of the provisions introduced by Normative Ruling No. 1,037, dated as of June 4, 2010, as amended, which presents two different lists (Low or Nil Tax Jurisdictions-taking into account the non-transparency rules-and privileged tax regimes).

Notwithstanding the above, we recommend that you consult your own tax advisors regarding the consequences of the implementation of Law No. 11,727, Normative Ruling No. 1,037 and of any related Brazilian tax law or regulation concerning Low or Nil Tax Jurisdictions or "privileged tax regimes."

Income Tax

Dividends

Dividends arising from BDRs and our shares and paid by us should not be subject to taxation in Brazil when paid in favor of a Non-Resident Holder.

There is an ongoing public political discussion in Brazil in relation to reform in its tax system regarding income tax that may have implications for the levy of Brazilian withholding or other tax on the payment of dividends. The implementation of such tax reform, however, will require modifications in law through a bill of law voted by the Brazilian National Congress. Nevertheless, we are aware that there are certain bills of law that seek to revoke the income tax exemption on dividends – these bills of law are still pending analysis and approval from specific committees of the National Congress before being put to vote. Thus, there can be no assurance that the current tax exemption on dividends distributed by Brazilian companies will continue in the future. In any case, any potential taxation being imposed upon dividends would become effective only in the year following the enactment of the relevant law.

Interest on Shareholders' Equity

Law No. 9,249, dated December 26, 1995, as amended, allows a Brazilian corporation, such as us, to make distributions to shareholders of interest on shareholders' equity as an alternative to carrying out dividends distributions and to treat those payments as a deductible expense for purposes of calculating Brazilian corporate income tax and social contribution on net profits provided that the limits described below are observed.

For tax purposes, this interest is limited to the daily pro rata variation of the Brazilian long-term interest rate, or "TJLP," as determined by the Central Bank of Brazil from time to time, and the amount of the deduction may not exceed the greater of:

- 50% of net profits (after deduction of social contribution on net profits before taking into account the provision for corporate income tax and the amounts attributable to shareholders as interest on net equity) for the period in respect to which the payment is made; or
- 50% of the sum of retained profits and profit reserves as of the year date of the beginning of the period in respect of which the payment is made.

Payments of interest on net equity to a Non-Resident Holder are subject to WHT at the rate of 15%, or 25% if the Non-Resident Holder is domiciled in a Low or Nil Tax Jurisdiction, as detailed below.

Payments of interest on equity to a Non-Resident Holder may be included, at their net value, as part of any minimum mandatory dividend. In accordance with applicable law, to the extent payments of interest on shareholders' equity are so included, the corporation is required to distribute to shareholders an amount sufficient to ensure that the net amount received by them, in respect to interest on shareholders' equity, after payment of the applicable Brazilian WHT plus the amount of declared dividends is at least equal to the amount of the minimum mandatory dividend.

Distributions of interest on shareholders' equity to Non-Resident Holders may be converted into U.S. dollars and remitted outside Brazil, subject to applicable exchange controls, to the extent that the investment is registered with the Central Bank of Brazil.

We cannot guarantee that the Brazilian federal government will not increase the WHT on interest on shareholders' equity in the future or eliminate the interest on shareholders' equity altogether.

Assurance cannot be given that our board of directors will not recommend that future distributions of income should be made by means of interest on equity instead of dividends.

Capital Gains

According to Law No. 10,833, dated December 29, 2003, or "Law No. 10,833/03," gains realized on the sale or other disposition of assets located in Brazil are generally subject to income tax in Brazil, regardless of whether the sale or disposition is made by the Non-Resident Holder to a resident or person domiciled in Brazil or to another non-resident.

BDRs are assets registered in Brazil, and may fall within the definition of assets located in Brazil for purposes of Law No. 10,833/03, although there may be different interpretations of the matter. Given the lack of precedent on the matter and in light of the general and unclear scope of regulations dealing with the subject, we cannot predict which position will ultimately prevail in the courts of Brazil. Our shares should not be treated as assets located in Brazil and therefore, their disposal should not generate income tax in Brazil.

For purposes of Brazilian taxation, the income tax rules on gains related to disposition of assets located in Brazil, such as BDRs, vary depending on the domicile of the Non-Resident Holder, the form by which such Non-Resident Holder holds its investment and/or how the disposition is carried out, as described below.

As a general rule, capital gains realized on the disposition of assets located in Brazil are equal to the difference between the amount in reais realized on the sale or exchange of the assets and their acquisition cost, without any correction for inflation. In this sense, note that there is an ongoing discussion on whether the capital gains should be calculated in reais or in the foreign currency at which the investment was originally carried out Capital gains realized by a Non-Resident Holder on a sale or disposition of BDRs carried out on the Brazilian stock exchange, which includes transactions carried out on the organized over-the-counter, or "OTC market," are:

- exempt from income tax when the Non-Resident Holder (1) has performed its investment in Brazil pursuant to the rules of CMN Resolution No. 4,373/14 of the Brazilian National Monetary Council, or a "4,373 Holder;" and (2) is not resident or domiciled in a Low or Nil Tax Jurisdiction;

- subject to income tax at a rate of 15% in the case of gains realized by (A) a Non-Resident Holder that (1) is not a 4,373 Holder and (2) is not resident or domiciled in a Low or Nil Tax Jurisdiction; or (B) a Non-Resident Holder that (1) is a 4,373 Holder and (2) is resident or domiciled in a Low or Nil Tax Jurisdiction; or

- subject to income tax at a rate of up to 25% in the case of gains realized by a Non-Resident Holder that (1) is not a 4,373 Holder, and (2) is resident or domiciled in a Low or Nil Tax Jurisdiction.

As of January 1, 2017 capital gains arising on disposals of BDRs carried out outside a Brazilian stock exchange may be subject to progressive rates varying from 15% up to 22.5% (or 25% if the Non-Resident Holder is located in a Low or Nil Tax Jurisdiction). While such potential increase is not applicable to transactions carried out within the Brazilian stock exchange, there could be different interpretations on whether or not such rules would be applicable to a Non-Resident Holder in non-organized OTC market transactions.

Therefore, capital gains assessed on a sale or disposition of BDRs that is not carried out on the Brazilian stock exchange or the organized OTC market are, subject to the discussion in the prior paragraph, currently subject to: (1) income tax at a rate of 15% up to 22.5% when realized by any Non-Resident Holder that is not resident or domiciled in a Low or Nil Tax Jurisdiction; and (2) income tax at a rate of 25% when realized by a Non-Resident

Holder resident or domiciled in a Low or Nil Tax Jurisdiction. If these gains are related to transactions conducted on the Brazilian non-organized OTC market with an intermediary, a withholding income tax of 0.005% on the sale value will also apply and can be used to offset the income tax due on the capital gain.

In the case of a redemption of shares by us, as well as on the withdrawal of BDRs in exchange for our shares, the positive difference between the amount received (or the market price of our shares received) by the Non-Resident Holder and the acquisition cost of the corresponding BDRs disposed of will be treated as capital gain derived from a transaction of BDRs carried out outside a Brazilian stock exchange and is therefore subject to income tax at a rate of 15% or up to 25%, as described above.

Tax on Foreign Exchange Transactions, or "IOF/FX"

The conversion of reais into foreign currency and the conversion of foreign currency into reais may be subject to the IOF/FX. The rate of IOF/FX applicable to inflow and outflow transactions for the investment/divestment in BDRs is currently zero. The Brazilian government is permitted to increase the rate of the IOF/FX at any time, up to 25% of the amount of the foreign exchange transaction. However, any increase in rates may only apply to transactions carried out after the date of the increase in rate and not retroactively.

Tax on Transactions Involving Bonds and Securities, or "IOF/Bonds"

Brazilian law imposes a tax on transactions involving bonds and securities IOF/Bonds, including those carried out on a Brazilian stock exchange. The rate of IOF/Bonds applicable to transactions involving us is currently zero. The Brazilian government is permitted to increase such rate at any time up to 1.5% per day, but only in respect of future transactions.

Other Brazilian Taxes

There are no Brazilian inheritance, gift or succession taxes applicable to the ownership, transfer or disposition of BDRs by a Non-Resident Holder, except for gift and inheritance taxes levied by certain states of Brazil on gifts or bequests by non-resident individuals or entities to individuals or entities domiciled or residing within such states. There are no Brazilian stamp, issue, registration or similar taxes or duties payable by holders of BDRs.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the Exchange Act. Accordingly, we are required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. You may inspect and copy the reports and other information to be filed with the SEC at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Copies of the materials may be obtained from the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549 at prescribed rates. The public may obtain information on the operation of the SEC's Public Reference Room by calling the SEC in the United States at 1-800-SEC-0330. In addition, the SEC maintains an internet website at http://www.sec.gov, from which you can electronically access this annual report and the registration statement of which it forms a part and its materials.

I. Subsidiary Information

Not applicable.

Item 11. Quantitative and qualitative disclosures about market risk

We are exposed to different risks arising from our activities. Our risk monitoring adapts as new risks and threats emerge. Our main market risk factors are interest rate risk and exchange rate risk of our activities in Brazil, where our main operations are located.

We define market risk as the risk of losses arising from movements in market prices, including the risks related to interest rates, equities, foreign exchange rates and commodities. Interest Rate Risk in the Banking Book, or IRRBB, refers to the current or prospective risk to our capital and earnings arising from adverse movements in interest rates that can affect our banking book positions.

We have a market risk and IRRBB control and management structure, independent from the business units, which is responsible for the processes and tools to measure, monitor, control and report the market risk and IRRBB, and which continuously verifies adherence with approved policies and limits.

Management of market risk and IRRBB is based on metrics that are reported to our Assets and Liabilities Management, or "ALM," technical forum and to our risk committee. Our management team is authorized to use financial instruments as outlined in our internal policies to hedge market risk and IRRBB exposures.

Interest Rate Risk

Interest rate risk arises from our daily activities: credit card, personal loans, cash management and sources of funding. This risk is mitigated with our use of derivative instruments (interest rate risk swaps and futures). There is no material interest rate risk in currencies other than Brazilian *reais*.

The tables below show the sensitivities in the fair values of the financial instruments (assets, liabilities and derivatives), in two different scenarios: a standardized one, with a 1 bp (0.01% p.y.) shock, another with a 465 bps (4.65% p.y.) shock in the Brazilian risk-free interest curve and 304 bps (3.04% p.y.) shock in the IPCA cupon curve. These shocks were calculated using the 90% percentile of the distribution of annual returns of the one year tenor of the curves, considering a five year window. Such shocks are applied throughout the interest rate term structure (parallel shocks in all vertices of the interest curve).

Financial instruments have their fair values calculated under current conditions and also in each one of the two scenarios described. The sensitivity value is the difference between the fair value in each scenario and the fair value under normal market conditions. Positive values represent gains and negative values represent losses at fair values. For credit cards, fair value is calculated considering assets (receivables) and liabilities (payables), discounting expected cash flows (contractual cash flows minus expected defaults) to present values by applicable interest rates.

The sensitivity analyses as of December 31, 2021 are set forth below:

Sensitivities to 1 bp (0.01%) Shocks - Brazilian risk-free interest curve

Tenor	Credit Card	Lending	Sov. Bonds	Derivatives	Debt Instruments	Instruments eligible to capital	Corporate Bonds	Total
	(in US$ thousands)							
0 to 6 Months	(1)	(15)	—	15	—	—	—	(1)
7 Months to 12 Months	(1)	(23)	—	25	—	—	—	1
1 year to 2 years	—	(21)	—	24	—	—	—	3
2 years to 3 years	—	—	(3)	—	—	4	—	1
3 years to 4 years	—	—	(25)	25	—	—	—	—
4 years to 5 years	—	—	—	—	—	—	—	—
More than 5 Years	—	—	—	—	—	—	—	—
Total	**(2)**	**(59)**	**(28)**	**89**	**—**	**4**	**—**	**4**

Sensitivities to 465 bps (4.65%) shocks - Brazilian risk-free interest curve

Tenor	Credit Card	Lending	Sov. Bonds	Derivatives	Debt Instruments	Instruments eligible to capital	Corporate Bonds	Total
	(in US$ thousands)							
0 to 6 Months	(468)	(6,972)	(39)	7,076	58	—	1	(344)
7 Months to 12 Months	(562)	(10,239)	—	11,219	—	—	(39)	379
1 year to 2 years	(59)	(9,116)	(1)	10,751	—	—	(14)	1,561
2 years to 3 years	(2)	(215)	(1,345)	265	—	1,614	—	317
3 years to 4 years	—	(50)	(10,465)	10,609	—	—	(5)	89
4 years to 5 years	—	(1)	(3)	66	—	—	(61)	1
More than 5 Years	—	—	(41)	(227)	—	—	(8)	(276)
Total	**(1,091)**	**(26,593)**	**(11,894)**	**39,759**	**58**	**1,614**	**(126)**	**1,727**

Sensitivities to 1 bp (0.01%) Shocks - IPCA coupon curve

Tenor	Credit Card	Lending	Sov. Bonds	Derivatives	Debt Instruments	Instruments eligible to capital	Corporate Bonds	Total
	(in US$ thousands)							
0 to 6 Months	—	—	—	—	—	—	—	—
7 Months to 12 Months	—	—	—	—	—	—	—	—
1 year to 2 years	—	—	—	—	—	—	—	—
2 years to 3 years	—	—	—	—	—	—	—	—
3 years to 4 years	—	—	—	—	—	—	—	—
4 years to 5 years	—	—	—	—	—	—	—	—
More than 5 Years	—	—	—	—	—	—	(2)	(2)
Total	**—**	**—**	**—**	**—**	**—**	**—**	**(2)**	**(2)**

Sensitivities to 304 bp (3.04%) Shocks - IPCA coupon curve

Tenor	Credit Card	Lending	Sov. Bonds	Derivatives	Debt Instruments	Instruments eligible to capital	Corporate Bonds	Total
	(in US$ thousands)							
0 to 6 Months	—	—	—	—	—	—	—	—
7 Months to 12 Months	—	—	—	—	—	—	(11)	(11)
1 year to 2 years	—	—	—	—	—	—	(19)	(19)
2 years to 3 years	—	—	—	—	—	—	(10)	(10)
3 years to 4 years	—	—	—	—	—	—	(27)	(27)
4 years to 5 years	—	—	—	—	—	—	(89)	(89)
More than 5 Years	—	—	—	—	—	—	(375)	(375)
Total	**—**	**—**	**—**	**—**	**—**	**—**	**(531)**	**(531)**

Foreign Exchange Rate Risk

Our functional currency is the U.S. dollar. The functional currency of our subsidiaries is generally the currency of the country in which they are located. As of December 31, 2021 none of the entities in our corporate structure had significant financial instruments in a currency other than their respective functional currencies.

We decided not to hedge our foreign exchange exposure originated by our investments in Brazil, Colombia and México. As a result, our financial statements may present significant gains or losses in other comprehensive income due to translation of the financial statements of the subsidiaries due to the relevance of these operations compared to our own operations.

The table below shows possible impacts on the value of these investments. It considers a shock of 33.6% in the U.S. dollar/Brazilian *reais* exchange rate. This shock was calculated using the 90th percentile of the distribution of annual returns, considering a five year window. For other exchange rates, a 10% standardized shock was used. The 10% shock was used as a standardized shock.

		Net Equity		
Subsidiary	Country	As of December 31, 2021	Shock	Increase / (decrease)
		(in US$ thousands)	(in percentage)	(in US$ thousands)
Nu Servicios	Mexico	20,153	10.0	2,015
Nu BN Mexico, S.A. de C.V. (1)	Mexico	5	10.0	1
Nu Tecnologia	Mexico	2,236	10.0	224
Akala	Mexico	4,481	10.0	448
Nu Finaztechnologie	Germany	(1,857)	10.0	(186)
Nu Colombia	Colombia	43,694	10.0	4,369
Nu Argentina	Argentina	(2,558)	10.0	(256)
Nu Tecnologia	Uruguay	(60)	10.0	(6)
Nuplat	Uruguay	(10)	10.0	(1)
FIP – Brazil	Brazil	756,653	33.6	254,236
Total		**822,737**		**260,844**

(1) Formerly Nu BN México, S.A. de C.V., SOFOM. Name change effective August 26, 2021.

The major foreign exchange exposure is originated by our investments in the Brazilian subsidiaries, presented above as FIP – Brazil. Our Brazilian subsidiaries have operating costs in Brazilian reais, U.S. dollars and in Euros. The costs incurred in reais are not hedged by the subsidiaries nor by Nu Holdings. However, certain costs in other currencies, e.g. U.S. dollars and Euros, or intercompany loans in U.S. dollars are hedged by our Brazilian subsidiaries with futures contracts, traded on the B3 exchange, at the beginning of each fiscal year, based on the then-existing projections of these costs, or when there is new exposure. Hedge transactions are unwound as costs and loans are paid, and recalibrated when our internal cost projections change. As a result, the financial statements of the subsidiaries have minor exposures to foreign exchange rates compared to their functional currencies after taking effect of the hedge transactions.

Credit Risk

We define credit risk mainly, as:

- Counterparty risk: the possibility of failure to meet contractual obligations related to the settlement of transactions with financial assets, which also includes derivative financial instruments;
- The possibility of losses associated with the failure of a signatory to loan operations to meet the financial obligations under the contractually agreed terms;
- The possibility of depreciation or reduction in financial instruments expected earnings due to observed credit quality deterioration of a signatory to loan operations; and
- The possibility of incurring any recovery cost related to the credit quality deterioration of a loan signatory or counterparty, such as disbursement to honor warranties, co-obligations and credit commitments or any forbearance cost of a financial instrument.

Our credit management structure is independent from the business units and provides processes and tools to measure, monitor, control and report the credit risk from all products, continuously verifying their adherence to the approved policies and risk appetite structure. Our credit risk management also assesses and monitors the impacts of potential changes in the economic environment in our credit portfolio to ensure that it is resilient to economic downturns.

We believe that our credit decision-making complies with our governance standards, as decisions are taken and approved according to their size and credit risk profile. Credit decisions approvals take place in committees, technical forums, and the designated decision forums, with the involvement of the first and second lines of defense. For the decision-making process, information arising from historical performance is presented and discussed using predictive models that analyze and score existing and potential customers based on their profitability and credit risk profile.

We use customers' internal information, statistical models, external data, and other quantitative analyses to determine the risk profile of each customer in the portfolio. The information collected is used to manage the portfolio credit risk and to measure expected credit losses with periodical assessment of changes in the provision amounts. For more information on our methodology to measure credit allowances, see note 4 to our audited consolidated financial statements.

Regarding past due customers, their payment behavior is continuously tracked and monitored in order to improve policies and approaches to collect debt. Our collection strategies and policies depend on customer profiles and model scores and they aim to maximize the recovery amounts.

We also have limits for exposure to counterparty credit risk in cash or cash equivalents assets, aligned with our risk appetite statement. These limits are based on ratings from external rating agencies. Only part of the cash can be invested in assets with credit risk exposures. Exposures to issuers rated worse than AA+ on a local scale are not allowed.

Liquidity Risk

We define liquidity risk as the possibility that we will not be able to meet our current and future financial obligations when they fall due. There is a liquidity risk management and control structure in place, independent from the business units, which is responsible for the processes, assessments, monitoring, controlling, and reporting of liquidity risk, continuously verifying the adherence with the approved policies and limits structure.

Liquidity risk is monitored to ensure that we have sufficient high-quality liquid assets to withstand severe stress scenarios and also an adequate funding profile in terms of tenor, type, and counterparties.

The Contingency Funding Plan describes possible management actions that should be taken in the case of a deterioration of the liquidity indicators.

Operational Risk

We define operational risk as the possibility of losses resulting from external events or failure, weakness or inadequacy of internal processes, people, or systems. It includes legal risk associated with the lack or deficiency in contracts, our failure to comply with applicable legal provisions and indemnities for damages to third parties arising from our activities.

We have an operational risk and internal controls structure, which is responsible for the identification and assessment of operational risks, as well as the evaluation of the design and effectiveness of our internal controls structure. This structure is also responsible for the preparation and periodic testing of our business continuity plan and for coordinating the risk assessment in new product launches and significant changes in existing processes.

As part of our first line of defense and within our risk management process, each business area has mechanisms for identifying, measuring, evaluating, monitoring, and reporting operational risk events, as well as disseminating the control culture to other collaborators internally. Material risk assessments are presented to our operational risk and internal controls technical forum, as well as to our risk committee. Applicable improvement recommendations are expected to become action plans including deadlines and responsibilities. Our first line of defense teams have the main responsibility for the development and implementation of controls to mitigate operational risks.

Information Technology Risk

We define information technology, or “IT,” risk as the undesirable effects arising from a range of potential threats to our information technology infrastructure, including cybersecurity (occurrence of information security incidents), incidents management (ineffective incidents/problem management process, impact on service levels, costs and customer dissatisfaction), data management (lack of compliance with data privacy laws or gaps in data management governance or data leakage issues), among others.

As we operate in a challenging cyber threat environment, we continuously invest in controls and technologies to defend against these threats. IT risks, including cybersecurity risks, are one of our priorities. Thus, we have a dedicated IT risk structure, which is part of the second line of defense. This team is independent from IT-related areas, including engineering, IT Operations, and information security.

Our IT risk team is responsible for identifying, assessing, measuring, monitoring, controlling, and reporting IT risks based on risk appetite levels approved by our board of directors. We assess our risk exposure to threats and their potential impacts on our business and our customers on an ongoing basis. We strive to improve our IT and cybersecurity features and controls, as well as, ensuring that our employees and third-party contributors remain aware of prevention measures and also know how to report incidents, given that people are a key component of our security strategy.

The results of our IT risk and controls assessments are regularly discussed at our IT risk technical forum, as well as presented to our risk committee. Applicable improvement recommendations are expected to become action plans including deadlines and responsibilities.

Capital Management

The purpose of capital management is to estimate and monitor our capital requirements based on our growth projections, risk exposure and tolerance levels, market movements and other relevant information, considering both regulatory requirements and our capital risk tolerance levels. Also, our capital management structure is responsible for identifying sources of capital, designing and submitting for approval our capital plans, as well as tracking the regulatory capital ratios across our regulated entities.

At the executive level, our ALM, or "Asset Liability Management," technical forum is responsible for approving risk assessment and capital calculation methodologies, as well as reviewing, monitoring, and recommending capital- related action plans to our risk committee.

Regulatory Capital

Nu Pagamentos and Nu Financeira, our 100%-owned indirect subsidiaries organized in Brazil, are regulated and authorized to operate by the Central Bank of Brazil.

Nu Pagamentos

As a regulated payment institution, Nu Pagamentos is required to comply with the capital requirements set forth in Central Bank Circular No. 3,681/13. The minimum capital required from payment institutions is equivalent to 2.0% of the higher of (i) the average monthly payment volume over the last 12 months and (ii) the balance of electronic currencies. As of December 31, 2021, the adjusted shareholders' equity of Nu Pagamentos of US$570 million (R$3.2 billion) was equivalent to 22.9% of the average monthly payment volume from the preceding 12 months (which was higher than the balance of electronic currencies) and significantly higher than the regulatory minimum of 2.0%.

Nu Financeira Financial Conglomerate

As a regulated financial institution, Nu Financeira, together with its consolidated subsidiaries, or collectively the "Nu Financeira Financial Conglomerate," are required to comply with the capital requirements set by CMN Resolution No. 4,193/13, as amended. The minimum capital adequacy ratio required from financial institutions in Brazil (total capital ratio, or "TCR") is typically equivalent to up to 10.5% of their total risk-weighted assets, or "RWAs." However, as part of its response to the effects of the COVID-19 pandemic, the Central Bank of Brazil temporarily reduced the TCR: as of December 31, 2021, the minimum capital adequacy ratio was 10%. However, it is expected to return to 10.5% in the first half of 2022.

Notwithstanding the minimum capital adequacy ratio provided under CMN Resolution No. 4,193/13, upon being granted its financial institution license in 2018, Nu Financeira undertook a commitment to operate with a higher Basel Committee minimum capital adequacy ratio of 14.0% during its first five years of operations (i.e., until 2023). As of December 31, 2021, the capital position of the Nu Financeira Financial Conglomerate was US$485 million (R$2.7 billion), equivalent to a TCR of 22.6%, significantly higher than its commitment of 14.0%.

Managerial Capital Ratios

In addition to complying with the minimum capital requirements of the different jurisdictions in which we operate, we also aim to maintain a significant balance of cash at Nu Holdings, a balance that we may potentially use to capitalize any of our subsidiaries, if and when needed. As such, for managerial purposes, we consider the cash that we have at Nu Holdings as part of our managerial regulatory capital.

The combined minimum capital requirement for Nu Pagamentos and the Nu Financeira Financial Conglomerate was equivalent to approximately US$351 million (R$2.0 billion) as of December 31, 2021. Our managerial regulatory capital, including (i) the capital position we had at the level of our regulated entities of approximately plus our cash position at Nu Holdings amounted to a capital position of approximately US$3.6 billion (R$20 billion) as of December 31, 2021. This managerial capital base was equivalent to approximately 10x of our minimum required capital.

If both Nu Pagamentos and the Nu Financeira Financial Conglomerate were subject to the capital requirements set by CMN Resolution No. 4,193/13, as amended, our managerial capital adequacy ratio would have been 51.4% as of December 31, 2021 after taking into account the managerial capital base, which includes the capital positions of the regulated entities in Brazil and our cash position at Nu Holdings Ltd.

For additional information regarding the capital requirements to which we are subject under Central Bank Circular No. 3,681/13 and CMN Resolution No. 4,193/13, as amended, see “Item 4. Information on the Company— B. Business Overview — Regulatory Overview—Brazil—Other Rules—Corporate Capital and Limits of Exposure.”

Item 12. Description of securities other than equity securities

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Description of Brazilian Depositary Receipts

The rights of holders of BDRs are set forth in a deposit agreement between us and Banco Bradesco S.A., as depositary of the BDR Program.

There are differences between holding BDRs and holding Class A ordinary shares.

General

Each BDR represents 1/6th of a Class A ordinary share issued by us, maintained in custody by the custodian in the offices of Bank of New York Mellon at One Wall Street, New York, New York 10286. The BDR Depositary's office at which the BDRs are managed is located at Cidade de Deus, Yellow Building, 2nd Floor, Vila Yara, Osasco, Brazil, Zip Code 06029-900.

A BDR holder will not be treated as one of our Class A ordinary shareholders and, as a result may not have any Class A ordinary shareholder rights.

The rights of our Class A ordinary shareholders are governed by the laws of the Cayman Islands and the provisions of our Memorandum and Articles of Association. See "Item 10—B. Memorandum and Articles of Association." The rights of holders of BDRs are governed by the laws and regulations of Brazil, as well as the provisions of the deposit agreement.

The following is a summary of the material provisions of the deposit agreement. Because it is a summary, it does not contain all the information that may be important to you. For more complete information, you should read:

- the rules and regulations applicable to BDRs, particularly CMN Resolution No. 3,568/08, CVM Instructions No. 332 and 480, as amended, and the Central Bank of Brazil Circular No. 3,691/13, as amended; and
- the deposit agreement, copies of which are available for review upon request.

Deposit Agreement

Scope

The Deposit Agreement governs the relationship between us and the BDR Depositary with respect to the issuance, cancellation and registration, in Brazil, of the BDRs representing Class A ordinary shares issued by us and held by the custodian. The Deposit Agreement also governs the actions of the BDR Depositary with respect to the management of the BDR program and the services to be performed by the BDR Depositary for holders of BDRs.

BDR Registry Book; Ownership and Trading of BDRs

Pursuant to the deposit agreement, the BDRs may be issued and canceled, as the case may be, by means of entries in the BDR registry book, which will be kept by the BDR Depositary. The BDR registry book will record the total number of BDRs issued in the name of the Central Depositary of the B3, the fiduciary holder of the BDRs. The BDRs will be held and blocked in a custody account with the Central Depositary of the B3 and held for trading on the B3.

Therefore, neither over-the-counter transfers of the BDRs, nor transfers of the BDRs conducted in any private transaction market other than the B3, nor in a clearinghouse other than the Central Depositary of the B3, are admitted. Any transfer of BDRs (including transfers made by U.S. persons) will be conducted through broker-dealers or institutions authorized to operate on the B3.

Ownership of the BDRs is determined by entry of the beneficial holder's name in the records of the Central Depositary of the B3, and evidenced by the custodial account statement issued by the Central Depositary of the B3. The Central Depositary of the B3 will inform the names of the BDRs holders to the BDR Depositary.

The BDR Depositary has advised us that holders of BDRs are not generally entitled to inspect the BDR Depositary's transfer books or list of holders of BDRs, due to certain secrecy obligations under Brazilian law.

Issuance and Cancellation of BDRs

The BDR Depositary will issue the BDRs in Brazil after confirmation by the custodian that a corresponding number of our Class A ordinary shares were deposited with the custodian, and after confirmation that all fees and taxes due in connection with this service were duly paid, as set forth in the deposit agreement.

As a result, an investor may at any time give instructions to a broker-dealer to purchase Class A ordinary shares on the NYSE, to be further deposited with the custodian in order to allow the BDR Depositary to issue BDRs.

In order to effect the financial settlement of the acquisition of our Class A ordinary shares on the NYSE with the intention of adhering to the BDR program, an investor must execute a foreign exchange agreement in conformity with the BDR program certificate registered with the Central Bank of Brazil and the broker certificate evidencing the purchase of our Class A ordinary shares abroad.

Holders of BDRs may at any time request the cancellation of all or a portion of their BDRs by (a) instructing a broker-dealer operating in Brazil to cancel the BDRs with the BDR Depositary and (b) delivering evidence that all fees and taxes due in connection with this service were duly paid, as set forth in the deposit agreement. Brazilian investors will be required to send the proceeds of any cancellation of BDRs back to Brazil within seven days of the cancellation date. Non-Brazilian investors that are registered in Brazil as portfolio investors under CMN Resolution No. 4,373 do not need to send the proceeds of any sale of Class A ordinary shares into Brazil. In any event, the transaction must be recorded in the Central Bank of Brazil system.

For a brief description of the rules and regulations of the Central Bank of Brazil regarding such matters, see "Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Registration of BDRs with the CVM."

Issuance of BDRs without Underlying Class A ordinary shares

In no event may the BDR Depositary issue BDRs without confirmation by the custodian that a corresponding number of Class A ordinary shares were deposited with the custodian.

Restrictions on BDRs

Holders of BDRs may only exercise their rights indirectly through the BDR Depositary. Holders of BDRs may also face other difficulties in exercising their rights, as voting rights granted to shares and, indirectly, to BDRs, must be exercised by holders of BDRs through the BDR Depositary, which will instruct the Custodian accordingly. Although the mechanisms related to notices of shareholders' meetings and voting instructions provided in the Deposit Agreement are intended to provide sufficient time for the exercise of these rights, there can be no assurance that these mechanisms will allow holders of BDRs to effectively exercise voting rights, particularly in the event that notice of a shareholders' meeting or voting instruction does not timely reach BDR holders for reasons that are beyond our control and beyond the control of the BDR Depositary. Holders of BDRs are not entitled to physically attend our shareholders' meetings.

Dividends and Other Cash Distributions

It is our present intention to retain any earnings for use in our business operations and, accordingly, we do not anticipate the board of directors declaring any dividends in the foreseeable future. However, in the event of any future dividend, the BDR Depositary will distribute any dividends or other cash distributions paid by us to our shareholders, including the holders of BDRs. Such dividends will be paid to the BDR Depositary, which will convert this dividend or distribution into Brazilian reais by means of a foreign exchange transaction entered into with an authorized exchange agent, and distribute the net amount received to the holders of BDRs entitled to it, in proportion to the number of BDRs held by them; provided, however, that in the event that we or the BDR Depositary are required to withhold a portion of the dividend or other cash distribution on account of taxes, the amount distributed to holders of BDRs will be reduced accordingly. The BDR Depositary will distribute only the amount that may be distributed without allocating to any BDR holder a fraction of a centavo by rounding to the next lower whole centavo. No interest or other remuneration will be payable by us or any other remuneration for the period between the date on which the dividends and other cash distributions are paid abroad and the date on which the funds are credited to BDR holders in Brazil.

Subject to our corporate acts, in the event that any assignment of any Class A ordinary shares to a BDR holder occurs, the BDR Depositary will convert automatically, and to the extent permitted by applicable law, into BDRs subject to the terms and conditions of the Deposit Agreement, registering them in the name of the right holder in proportion to the number of BDRs held by the respective right holder.

However, subject to our Memorandum and Articles of Association, in case of attribution of a fraction of BDRs to one or more holders of BDRs, the BDR Depositary will sell the amount of Class A ordinary shares received representing the sum of the fractional shares allotted, and distribute the net amount received.

Whenever the BDR Depositary receives distributions other than those previously provided for, it shall distribute them to the holders of eligible BDRs in proportion to the number of BDRs respectively held by them, in accordance with applicable law. If, in the opinion of the BDR Depositary, such distribution cannot be executed proportionately, the BDR Depositary may choose any method it deems equitable and feasible for the purpose of executing such distribution.

No interest or other remuneration shall be payable by us for the period between the date on which dividends and other cash distributions are paid abroad and the date on which the funds are credited to the holders of BDRs in Brazil. Before making a distribution, any withholding taxes that must be paid under applicable law will be deducted.

Share Distributions

In the event of distributions of our Class A ordinary shares or a share split or reverse share split, the BDR Depositary will issue new BDRs corresponding to such new Class A ordinary shares deposited with the custodian and will credit them to the account of the Central Depositary of the B3. The Central Depositary of the B3, in turn, will credit new BDRs to the beneficiary holders recorded in its books. The BDR Depositary will distribute only whole BDRs. If any fractions of BDRs result and are insufficient to purchase a whole BDR, the BDR Depositary will use its best efforts to add such fractions and sell them in an auction on the B3, and the proceeds of the sale will be credited to BDR holders, proportionally with its holdings recorded in the books of the Central Depositary of the B3.

Other Distributions

The BDR Depositary will use its best efforts to distribute to BDR holders any other distribution paid in connection with Class A ordinary shares and deposited with the custodian.

The BDR Depositary is not required to make available to any BDR holder any distribution that it determines is unlawful or impractical. We have no obligation to register BDRs, Class A ordinary shares, rights or other securities under Brazilian law. We also have no obligation to take any other action to permit the distribution of BDRs, Class A ordinary shares, rights or other securities to BDR holders. This means that you may not receive distributions we make on our Class A ordinary shares or any value for them if it is illegal or impractical for us to make them available to you.

Pre-Emptive Rights

If we offer holders of our Class A ordinary shares any rights to subscribe for additional shares or any other rights, the same rights will be offered to BDR holders through the BDR Depositary, which will exercise these rights directly or indirectly, in the name of the BDR holders that have instructed the BDR Depositary to do so. The BDR holder is free to exercise or negotiate such rights, subject to applicable law.

Changes Affecting Deposited Class A Ordinary Shares

If we do any of the following:	**Then the following will apply:**
Effect a split of Class A ordinary shares.	Each BDR will automatically reflect its equal value of the new deposited Class A ordinary shares.
Effect a reverse split of Class A ordinary shares.	The BDR Depositary will effect an immediate cancellation of the BDRs required to reflect the new amount of our Class A ordinary shares deposited with the custodian.
Recapitalize, amalgamate, reorganize, merge, consolidate, sell all or substantially all of our assets or take any similar action.	The BDR Depositary will effect an immediate cancellation of the BDRs required to reflect the new amount of our Class A ordinary shares deposited with the custodian.

Voting Rights of BDRs

A BDR holder has the right to instruct the BDR Depositary to vote the amount of our Class A ordinary shares represented by such BDRs. See “Item 10—B. Memorandum and Articles of Association.” However, a BDR holder may not know about a meeting sufficiently in advance to instruct the BDR Depositary to exercise its voting rights with respect to our Class A ordinary shares held by the custodian. After receiving such call notice, the BDR Depositary shall, within a short period of time, send a communication to the holders of BDRs, at the addresses they maintain with the BDR Depositary and/ or registered with B3 and the respective brokers or custody agents, which shall contain (a) the information contained in the notice received by the BDR Depositary, and (b) a statement that the holders of BDRs shall be entitled to send their voting instruction to the BDR Depositary until 5 (five) business days before the date of the meetings, by filling out a voting instruction according to the model to be forwarded together with the communication mentioned above. The voting instruction may be delivered via facsimile, mail or in person, at an address to be indicated by the BDR Depositary in the respective notice, within the period mentioned above.

The BDR Depositary, upon receiving such instructions in due time, will tabulate and forward the information to the custodian. The custodian, upon receipt of the information, will vote or appoint a proxy to vote at the shareholders meeting, in accordance with the voting instructions received from the BDR Depositary.

For instructions to be valid, the BDR Depositary must receive them on or before the date specified in the notice to you. The BDR Depositary will, to the extent practical and subject to Cayman Islands law and the provisions of our Memorandum and Articles of Association, vote the underlying Class A ordinary shares or other deposited securities as you instruct. If the BDR Depositary does not receive voting instructions from all BDR holders by the stipulated date, the BDR Depositary will exercise the voting right considering only the instructions received by BDR holders that have manifested themselves within the stipulated period.

The BDR Depositary will use its best efforts to vote or attempt to vote our Class A ordinary shares held by the custodian only if you have sent voting instructions and your instructions have been timely received. If we timely request the BDR Depositary to solicit your voting instructions but the BDR Depositary does not receive voting instructions from you by the specified date, it will not exercise the voting rights related to the Class A ordinary shares that it holds on your behalf.

We cannot ensure that you will receive voting materials in time to allow you to timely deliver your voting instructions to the BDR Depositary. In addition, the BDR Depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to vote and you may not have any recourse if your Class A ordinary shares are not voted as you requested. In addition, your ability to bring an action against us may be limited.

The voting rights of BDR holders will be different from the voting rights of holders of our Class A ordinary shares, as BDRs will be composed of fractions of shares. Thus, the voting right associated with a BDR will be proportional to the fraction of shares underlying each BDR.

Cancellation of Registration before the CVM

We may cancel registration with the CVM for the trading of BDRs on the B3. If we elect to do so, we must immediately inform the BDR Depositary of this request and follow the procedures to discontinue the BDR program as set forth in the Issuer's Manual of the B3.

Depositary Fees

The BDR Depositary has advised that holders of BDRs will be subject to the following fees: (a) for issuance or cancellation of BDRs, a fee of R$0.10 per BDR issued or cancelled will be paid to the BDR Depositary, (b) in respect of any dividend declared and paid by us, no fees will be paid to the BDR Depositary, (c) in respect of other cash distribution made by us, no fees will be paid to the BDR Depositary, and (d) in respect of a transfer of ownership of BDRs out of the stock exchange (by over-the-counter transfer process, causa mortis, court permit, donation and others), a fixed fee of R$50.00 will be paid to the BDR Depositary. The BDR Depositary has further advised us that the foregoing fees relating to issuance or cancellation of BDRs will be payable by the investor through a brokerage house, and that the dividends and distributions will be discounted by the amount of the fee at the time that such dividend or distribution is paid.

Reports and Other Communications

The BDR Depositary will make available to you for inspection any reports and communications from us or made available by us at its principal executive office. The BDR Depositary will also, upon our written request, send to registered holders of BDRs copies of such reports and communications furnished by us under the deposit agreement.

Any such reports or communications furnished by us to the BDR Depositary will be furnished in Portuguese when so required under any Brazilian legislation.

Amendment and Termination of the Deposit Agreement

Pursuant to Brazilian law, we may agree with the BDR Depositary to amend the deposit agreement and the rights granted by the BDRs for any reason and without a BDR holder's consent. If such an amendment prejudices an important right of BDR holders, it will become effective only after 30 days from the time that the BDR Depositary notifies the BDR holder in writing of such amendment. At the time an amendment becomes effective, the BDR holder is considered, by continuing to hold its BDRs, to agree to the amendment and to be bound by the new terms of the deposit agreement and the rights granted by the BDRs.

The Deposit Agreement is signed for an indefinite period, and it is certain that, until the 18th month counted from the date of its respective signature, the Deposit Agreement cannot be terminated by any of the parties. After this minimum term has elapsed, the contract signed with the BDR Depositary will be valid for an indefinite period, and can be terminated at any time, by either party, without right to compensation or indemnity, upon notification from the interested party to the other party, with at least 180 days in advance, counted from the receipt of the communication by the other party.

Liability of Owner for Taxes

You will be responsible for any taxes or other governmental charges payable on your BDRs or on our Class A ordinary shares deposited with the custodian. See "Item 10. Additional Information—E. Taxation—Brazilian Tax Considerations."

Limitations on Obligations and Liability to Holders of BDRs

The deposit agreement expressly limits our obligations and the obligations of the BDR Depositary, as well as our liability and the liability of the BDR Depositary. We and the BDR Depositary:

- are obligated only to take the actions specifically set forth in the deposit agreement without negligence or bad faith;
- are not liable if either of us is prevented or delayed by law or by circumstances beyond our control from performing our obligations under the deposit agreement;
- are not liable if either of us exercises discretion permitted under the deposit agreement; and
- may rely upon any documents we believe in good faith to be genuine and to have been signed or presented by the proper party.

Neither we nor the BDR Depositary will be liable for any failure to carry out any instructions to vote any of our Class A ordinary shares deposited with the custodian, or for the manner any vote is cast or the effect of any such vote, provided that any action or non-action is in good faith. The BDR Depositary has no obligation to become involved in a lawsuit or other proceeding related to the BDRs or the deposit agreement on your behalf or on behalf of any other person.

In the deposit agreement, we and the BDR Depositary agree to indemnify each other under certain circumstances.

Requirements for Depositary Services

Before the BDR Depositary delivers or registers transfers of BDRs, makes a distribution on BDRs or permits withdrawal of our Class A ordinary shares, the BDR Depositary may require:

- payment of share transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any Class A ordinary shares or other deposited securities;
- production of satisfactory proof of citizenship or residence, exchange control approval or other information it deems necessary or proper; and
- compliance with regulations it may establish, from time to time, consistent with the agreement, including presentation of transfer documents.

The BDR Depositary may refuse to deliver, transfer or register transfers of BDRs generally when the books of the BDR Depositary are closed or at any time if the BDR Depositary believes it advisable to do so.

General

We agree to: (a) fulfill all obligations imposed by CVM Instruction No. 332/00, CVM Instruction No. 480/09 and other applicable regulations; (b) disclose, in Brazil, any information required by the CVM regulation applicable to non-Brazilian issuers; and (c) cooperate with the BDR Depositary to simultaneously disclose, in Brazil, information we provide in our country of organization and in the jurisdictions in which our securities are traded.

Except as otherwise provided in the applicable rules and regulations, including the rules and regulations of the CVM regarding registration of a BDR program (see “Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Registration of BDRs with the CVM”), neither we nor the BDR Depositary will have any liability or responsibility whatsoever or otherwise for any action or failure to act by any owner or holder of BDRs relating to the owner’s or holder’s obligations under any applicable Brazilian law or regulation relating to foreign investment in Brazil in respect of a withdrawal or sale of Class A ordinary shares deposited with the custodian, including, without limitation, (i) any failure to comply with a requirement to register the investment pursuant to the terms of any applicable Brazilian law or regulation prior to such withdrawal, or (ii) any failure to report foreign exchange transactions to the Central Bank of Brazil, as the case may be. Each owner or holder of BDRs will be responsible for the report of any false information relating to foreign exchange transactions to the BDR Depositary, the CVM or the Central Bank of Brazil in connection with deposits or withdrawals of Class A ordinary shares deposited with the custodian.

Service Requests to the BDR Depositary

Any request for services provided for in the deposit agreement to be performed by the BDR Depositary may be made to any of the BDR Depositary’s branches, or by telephone at +55 11-3684-4522.

D. American Depositary Shares

Not applicable.

PART II

Item 13. Defaults, dividend arrearages and delinquencies

A. Defaults

No matters to report.

B. Arrears and Delinquencies

No matters to report.

Item 14. Material modifications to the rights of security holders and use of proceeds

A. Material Modifications to Instruments

Not applicable.

B. Material Modifications to Rights

Not applicable.

C. Withdrawal or Substitution of Assets

Not applicable.

D. Change in Trustees or Paying Agents

Not applicable.

E. Use of Proceeds

The following “Use of Proceeds” information relates to our registration statement on Form F-1, as amended (File No. 333-260649) declared effective by the SEC on December 8, 2021, for our initial public offering, pursuant to which we offered a total of 289,150,555 Class A ordinary shares, including in the form of Brazilian Depositary Receipts, or “BDRs,” each representing 1/6th of a Class A ordinary share, in a global offering consisting of (1) an international offering and (2) a concurrent Brazilian offering. The initial public offering price per Class A ordinary share was US$9.00, which is equivalent to R$8.36 per BDR considering that each BDR represents 1/6th of a Class A ordinary share, based on the December 8, 2021 exchange rate of R$5.5779 to US$1.00 published by the Central Bank of Brazil. Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and Citigroup Global Markets Inc. acted as the representatives of the underwriters in our initial public offering.

In connection with the international offering, we have granted a 30-day option to purchase up to an additional 28,571,429 Class A ordinary shares at the initial public offering price, less underwriting discounts and commissions.

The offering began on November 30, 2021 and was completed on January 6, 2022.

We sold 316,705,853 Class A ordinary shares, including in the form of 48,526,380 BDRs, including 27,555,298 Class A ordinary shares as a result of the partial exercise of the underwriters’ option to purchase additional shares, for an aggregate price of approximately US$2,839 million.

The total expenses incurred in connection with our initial public offering were approximately US$61.7 million, including underwriting discounts and commissions of approximately US$47.5 million and other expenses of approximately US$14.2 million. None of the fees and expenses were directly or indirectly paid to the directors, officers of our company or their associates, persons owning 10% or more of our ordinary shares, or our affiliates.

After deducting the total expenses, we received net proceeds of approximately US$2.6 billion from our initial public offering.. We still intend to use the remaining proceeds from our initial public offering in the manner disclosed in our registration statement on Form F-1, as amended (File No. 333-260649).

Item 15. Controls and procedures

A. Disclosure Controls and Procedures

We have evaluated, with the participation of our chief executive officer and chief financial officer, the effectiveness of our disclosure controls and procedures as of December 31, 2021. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are not effective as of December 31, 2021, due to the material weaknesses disclosed in Item 3.D of this annual report on Form 20-F under the caption “We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2021 and, if we fail to remediate such deficiencies (or identify and remediate other material weaknesses) and maintain effective internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.”

Additionally, management has been continuously improving its internal control environment as described in Item 15.D of this annual report on Form 20-F.

B. Management's Annual Report on Internal Control Over Financial Reporting

This annual report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the company's registered public accounting firm due to a transition period established by rules of the Securities and Exchange Commission for newly public companies.

C. Attestation Report of the Registered Public Accounting Firm

This annual report does not include a report of auditor's regarding internal control over financial reporting or an attestation report of the company's registered public accounting firm due to a transition period established by rules of the Securities and Exchange Commission for newly public companies.

D. Changes in Internal Control Over Financial Reporting

As reported in the prospectus of our initial public offering, in connection with the audit of our consolidated financial statements for the year ended December 31, 2020, our management identified three material weaknesses in our internal control over financial reporting related to (i) IT systems change management processes, (ii) IT user identity and access management processes and (iii) financial reporting closing processes. We have taken certain remediation steps to address the material weaknesses and improve our internal control over financial reporting. Our management and our board of directors take the control and integrity of our financial statements seriously and believe that the remediation steps already taken, as described below, are essential to maintaining a strong internal controls environment.

As part of our changes in internal control over financial reporting, as of the date of this annual report for the year ended December 31, 2021, we have implemented a remediation plan with respect to the material weaknesses indicated in item (iii) financial reporting closing processes through enhancements in our internal controls and implementation of formal controls with evidencing the review in accordance with our established governance, which include: the implementation of new processes and procedures, including additional levels of review to improve our internal controls procedures, implementation of new software solutions, training our staff and enhanced our documentation.

These measures in connection with the material weaknesses indicated in item (iii) were implemented and evaluated by management during 2021 and as of December 31, 2021, management has completed the remediation activities for the financial reporting closing processes and has performed testing to evaluate the design and operating effectiveness of the controls. As a result, we concluded that we have remediated the previously reported material weakness related to the financial reporting closing process.

The other two material weaknesses, as described in items (i) and (ii) above, remain as of December 31, 2021. We have determined a remediation plan in connection with such material weaknesses, which we expect to be implemented within 2022 and includes hiring additional experienced key personnel in our financial reporting and technology functions, implementation of new processes and procedures, improvement of our internal controls to provide additional levels of review, enhancement our documentation practices, implementation of new software solutions and increase of our personnel training. These measures are under implementation and their effectiveness will be evaluated by management during 2022.

We cannot guarantee that the measures we have taken to date and actions we may take in the future will be sufficient to remediate the control deficiencies that led to our material weaknesses or that they will prevent or avoid potential future material weaknesses. For additional information, see “Item 3. Key Information—Risk Factors—Certain Risks Relating to our Business—We have identified material weaknesses in our internal control over financial reporting for the year ended December 31, 2021 and, if we fail to remediate such deficiencies (or identify and remediate other material weaknesses) and maintain effective internal controls over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.”

Item 16. [Reserved.]

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Rogério Paulo Calderón Peres is an audit committee financial expert, as that term is defined by the SEC, and he meets the requirements for independence under the listing standards of the NYSE and SEC rules and regulations.

Item 16B. Code of Ethics

We have adopted a Code of Conduct and a Whistleblower Policy that apply to all of our employees, interns and service providers, as well as our officers and directors, including our Chief Executive Officer, Chief Financial Officer, and other executive and senior financial officers. The full text of our Code of Conduct is currently posted on the investor relations website (www.investors.nu).

Our Code of Conduct is designed to prevent misconduct and to promote: (i) honest and ethical conduct, including addressing real or perceived conflicts of interest between personal and professional relationships; (ii) transparent and fair experience and results for our clients and the markets in which we operate; (iii) complete, fair, accurate, timely and understandable disclosure in reports and documents that we file or submit to government authorities and regulatory bodies (including, but not limited to, the Central Bank and the CVM) and in other public communications that we make; (iv) compliance with applicable government laws, rules and regulations; and (v) responsibility for adhering to the Code of Conduct.

Our Global Whistleblower Policy was developed as a complement to the Code of Conduct in order to (i) provide guidelines regarding the whistleblower channel, under the Ethics Program; (ii) encourage the prompt reporting of any suspected violation; (iii) undertake to investigate any good faith report of violations; and (iv) inform our employees, directors, independent directors, apprentices, interns, officers and interested parties about their right to report.

Also, we have adopted a Disclosure Policy, Corporate Governance Policy, Insider Trading Policy and ESG Policy that apply to all of our employees, officers and directors and posted the full text of such policies on the governance section of our website, www.investidores.nu/en/.

We intend to disclose future amendments to our policies on our website or in public filings. The information on our website is not incorporated by reference into this annual report on Form 20-F, and you should not consider information contained on our website to be a part of this annual report on Form 20-F.

Item 16C. Principal Accountant Fees and Services

The following table sets forth the fees billed to us by our independent registered public accounting firm during the years ended December 31, 2021 and 2020. Our independent registered public accounting firm was KPMG Auditores Independentes Ltda. ("KPMG") for the years ended December 31, 2021 and 2020.

	2021	2020
	(US$)	
Audit fees	663,089	271,511
Audit-related fees	322,264	2,234
Tax fees	5,911	10,113
All other fees	15,119	15,049
Total	**1,036,383**	**298,907**

Audit Fees

Audit fees are fees billed for professional services rendered by the principal accountant for the audit of the registrant's annual combined financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years. It includes the audit of our financial statements, interim reviews and other services that generally only the independent accountant reasonably can provide, such as comfort letters, statutory audits, consents and assistance with and review of documents filed with the SEC.

Audit-Related Fees

Audit-related fees are fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements and not reported under the previous category. These services would include, among others: accounting consultations and audits in connection with acquisitions, internal control reviews, attest services that are not required by statute or regulation and consultation concerning financial accounting and reporting standards.

Tax Fees

Tax fees are fees billed for professional services for tax compliance, tax advice and tax planning.

All Other Fees

There were no other fees in 2021 or 2020.

Audit Committee Pre-Approval Policies and Procedures

In accordance with the requirements of the U.S. Sarbanes-Oxley Act of 2002 and rules issued by the SEC, we introduced a procedure for the review and pre-approval of any services performed by our independent registered public accounting firm, including audit services, audit-related services, tax services and other services. The procedure requires that all proposed engagements of our independent registered public accounting firm for audit and permitted non-audit services are submitted for pre-approval of the Audit and Risk Committee.

Our Audit and Risk Committee Pre-Approval Policies and Procedures for Audit and Non-Audit Services is posted on the governance section of our website, www.investidores.nu/en/. We intend to disclose future amendments to our policy, on our website or in public filings. The information on our website is not incorporated by reference into this annual report on Form 20-F, and you should not consider information contained on our website to be a part of this annual report on Form 20-F.

Item 16D. Exemptions from the Listing Standards for Audit Committees

See “Item 16G. Corporate Governance—Foreign Private Issuer Status.”

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant’s Certifying Accountant

None.

Item 16G. Corporate Governance

Foreign Private Issuer Status

NYSE listing rules include certain accommodations in the corporate governance requirements that allow foreign private issuers, such as us, to follow “home country” corporate governance practices in lieu of the otherwise applicable corporate governance standards of the NYSE, except that we are required (a) to have an audit committee or audit board that meets certain requirements, pursuant to an exemption available to foreign private issuers; (b) to provide prompt certification by our chief executive officer of any material noncompliance with any corporate governance rules; and (c) to provide a brief description of the significant differences between our corporate governance practices and the NYSE corporate governance practices required to be followed by U.S. listed companies.

We currently follow Cayman Islands corporate governance practices in lieu of the corporate governance requirements of the NYSE in respect of the following:

- the majority independent director requirement under Section 303A.01 of the NYSE listing rules;

- the requirement under Section 303A.05 of the NYSE listing rules that a compensation committee composed solely of independent directors governed by a compensation committee charter oversee executive compensation;
- the requirement under Section 303A.04 of the NYSE listing rules that director nominees be selected or recommended for selection by either a majority of the independent directors or a nominations committee composed solely of independent directors;
- the requirement under Section 303A.08 of the NYSE listing rules that a listed issuer obtain shareholder approval when it establishes or materially amends a share option or purchase plan or other arrangement pursuant to which shares may be acquired by officers, directors, employees or consultants;
- the requirement under Section 312.03 of the NYSE listing rules that a listed issuer obtain shareholder approval prior to issuing or selling securities (or securities convertible into or exercisable for common or ordinary shares) that equal 20% or more of the issuer's outstanding common or ordinary shares or voting power prior to such issuance or sale; and
- the requirement under Section 303A.03 of the NYSE listing rules that the independent directors have regularly scheduled meetings with only the independent directors present.

Cayman Islands law does not impose a requirement that the board consist of a majority of independent directors or that such independent directors meet regularly without other members present. Nor does Cayman Islands law impose specific requirements on the establishment of a compensation committee or nominating committee or nominating process.

Principal Differences between Cayman Islands and U.S. Corporate Law

The Companies Act was modeled originally on similar laws in England and Wales but does not follow subsequent statutory enactments in England and Wales. In addition, the Companies Act differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

Cayman Islands Company Law

We are a Cayman Islands exempted company incorporated with limited liability. We were incorporated as Nu Holdings Ltd. on February 26, 2016, subject to the Cayman Companies Act. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Act and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

Protection of Non-controlling Shareholders and Shareholders' Suits

The Grand Court of the Cayman Islands may, on the application of shareholders holding not less than one fifth of our shares in issue, appoint an inspector to examine our affairs and report thereon in a manner as the Grand Court shall direct.

Subject to the provisions of the Cayman Companies Act, any shareholder may petition the Grand Court which may make a winding-up order, if the court is of the opinion that this winding up is just and equitable.

Notwithstanding the U.S. securities laws and regulations that are applicable to us, general corporate claims against us by our shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by our Memorandum and Articles of Association.

The Cayman Islands courts ordinarily would be expected to follow English case law precedents, which permit a minority shareholder to commence a representative action against us, or derivative actions in our name, to challenge (1) an act which is ultra vires or illegal, (2) an act which constitutes a fraud against the minority and the wrongdoers themselves control us, and (3) an irregularity in the passing of a resolution that requires a qualified (or special) majority.

Exempted Company

We are an exempted company with limited liability under the Cayman Companies Act. The Cayman Companies Act distinguishes between ordinary resident companies and exempted companies. Where the proposed activities of a company are to be carried out mainly outside of the Cayman Islands, the registrant can apply for registration as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- an exempted company does not have to file an annual return of its shareholders with the Registrar of Companies;
- an exempted company's register of shareholders is not open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company;
- an exempted company may register as a segregated portfolio company; and
- an exempted company may register as a special economic zone company.

We are subject to reporting and other informational requirements of the Exchange Act, as applicable to foreign private issuers.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

Company Operations

An exempted company such as us must conduct its operations mainly outside the Cayman Islands. An exempted company is also required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorized share capital.

Share Capital

Under Cayman Companies Act, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the share premium account. At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

- paying distributions or dividends to members;
- paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- any manner provided in section 37 of the Cayman Companies Act;
- writing off the preliminary expenses of the company; and
- writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

Subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorized to do so by its articles of association, by special resolution reduce its share capital in any way.

Financial Assistance to Purchase Shares of a Company or its Holding Company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company, when proposing to grant such financial assistance, discharge their duties of care and act in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

Purchase of Shares and Warrants by a Company and its Subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares; an ordinary resolution of the company approving the manner and terms of the purchase will be required if the articles of association do not authorize the manner and terms of such purchase. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless, immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as canceled but shall be classified as treasury shares if held in compliance with the requirements of Section 37A(1) of the Cayman Companies Act. Any such shares shall continue to be classified as treasury shares until such shares are either canceled or transferred pursuant to the Cayman Companies Act.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy, sell and deal in personal property of all kinds.

A subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

Dividends and Distributions

Subject to a cash-flow solvency test, as prescribed in the Cayman Companies Act, and the provisions, if any, of the company's memorandum and articles of association, a company may pay dividends and distributions out of its share premium account. In addition, based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid out of profits.

For so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made, in respect of a treasury share.

Disposal of Assets

There are no specific restrictions on the power of directors to dispose of assets of a company, however, the directors are expected to exercise certain duties of care, diligence and skill to the standard that a reasonably prudent person would exercise in comparable circumstances, in addition to fiduciary duties to act in good faith, for proper purpose and in the best interests of the company under English common law (which the Cayman Islands courts will ordinarily follow).

Accounting and Auditing Requirements

A company must cause proper records of accounts to be kept with respect to: (i) all sums of money received and expended by it; (ii) all sales and purchases of goods by it; and (iii) its assets and liabilities.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If a company keeps its books of account at any place other than at its registered office or any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (Revised) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

Exchange Control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

Inspection of Corporate Records

The members of a company have no general right to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

Register of Members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. There is no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (As Revised) of the Cayman Islands.

Register of Directors and Officers

Pursuant to the Cayman Companies Act, a company is required to maintain at its registered office a register of directors, alternate directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers, including a change of the name of such directors or officers.

Winding Up

A Cayman Islands company may be wound up by: (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company (other than a limited duration company, for which specific rules apply) occurs where the company resolves by special resolution that it be wound up voluntarily or where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due. In the case of a voluntary winding up, the company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators are appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company disposed of, and call a general meeting of the company for the purposes of laying before it the account and giving an explanation of that account.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, one or more persons may be appointed to be called an official liquidator(s). The court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one person is appointed to such office, the court shall declare whether any act required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his or her appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

Reconstructions

Reconstructions and amalgamations may be approved by a majority in number representing 75% in value of the members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. While a dissenting member has the right to express to the court his or her view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management, and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (that is, the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

The Cayman Islands Economic Substance Law

The Cayman Islands enacted the International Tax Co-operation (Economic Substance) Act (As Revised), or the "Cayman Economic Substance Act" together with related Guidance Notes and Regulations. We are required to comply with the economic substance requirements and file annual reports in the Cayman Islands as to whether or not they are carrying out such relevant activities and if they are, they must satisfy an economic substance test.

Takeovers

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may, at any time within two months after the expiration of that four-month period, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the Cayman Islands courts within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

Mergers and Similar Arrangements

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies.

For these purposes, (a) ”merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (b) a “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies in the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company; and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The plan must be approved by the directors of each constituent company and filed with the Registrar of Companies together with a declaration: (1) as to the solvency of the consolidated or surviving company; (2) that the merger or consolidation is bona fide and not intended to defraud unsecured creditors of the constituent companies; (3) that no petition or other similar proceeding has been filed and remains outstanding and no order or resolution to wind up the company in any jurisdiction; (4) that no receiver, trustee, administrator or similar person has been appointed in any jurisdiction and is acting in respect of the constituent company, its affairs or property; (5) that no scheme, order, compromise or similar arrangement has been entered into or made in any jurisdiction with creditors; (6) that a list of the assets and liabilities of each constituent company; (7) that the non-surviving constituent company has retired from any fiduciary office held or will do so; (8) that the constituent company has complied with any requirements under the regulatory laws, where relevant; and (9) that an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and published in the Cayman Islands Gazette.

Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, may be determined by the Cayman Islands’ court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement in question is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting or meetings convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder would have the right to express to the court the view that the transaction should not be approved, the court can be expected to approve the arrangement if it satisfies itself that:

- the company is not proposing to act illegally or ultra vires and the statutory provisions as to majority vote have been complied with;
- the shareholders have been fairly represented at the meeting in question;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act or that would amount to a "fraud on the minority."

When a takeover offer is made and accepted by holders of 90.0% in value of the shares affected within four months, the offeror may, within a two-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection may be made to the Grand Court of the Cayman Islands but is unlikely to succeed unless there is evidence of fraud, bad faith or collusion.

If the arrangement and reconstruction are thus approved, any dissenting shareholders would have no rights comparable to appraisal rights, which might otherwise ordinarily be available to dissenting shareholders of U.S. corporations and allow such dissenting shareholders to receive payment in cash for the judicially determined value of their shares.

Shareholders' Suits

Class actions are not recognized in the Cayman Islands, but groups of shareholders with identical interests may bring representative proceedings, which are similar. However, a class action suit could nonetheless be brought in a U.S. court pursuant to an alleged violation of U.S. securities laws and regulations.

In principle, we would normally be the proper plaintiff and as a general rule, while a derivative action may be initiated by a minority shareholder on behalf of our company in a Cayman Islands court, such shareholder will not be able to continue those proceedings without the permission of a Grand Court judge, who will only allow the action to continue if the shareholder can demonstrate that we have a good case against the defendant, and that it is proper for the shareholder to continue the action rather than our board of directors. Examples of circumstances in which derivative actions would be permitted to continue are where:

- a company is acting or proposing to act illegally or beyond the scope of its authority;
- the act complained of, although not beyond the scope of its authority, could be effected duly if authorized by more than a simple majority vote that has not been obtained; and
- those who control the company are perpetrating a "fraud on the minority."

Corporate Governance

Cayman Islands law restricts transactions between a company and its directors unless there are provisions in the articles of association which provide a mechanism to alleviate possible conflicts of interest. Additionally, Cayman Islands law imposes on directors' duties of care and skill and fiduciary duties to the companies which they serve. Under our Memorandum and Articles of Association, a director must disclose the nature and extent of his interest in any contract or arrangement, and, subject to certain exceptions, a director may not vote or be counted in the quorum on any resolution of the board in respect of any contract or arrangement or proposal in which he or she or any of his or her close associates have a material interest. Following such disclosure, and subject to the foregoing sentence and subject to any separate requirement under applicable law or the listing rules of the NYSE, and unless disqualified by the chairman of the relevant meeting, the interested director may vote in respect of any transaction or arrangement in which he or she is interested. The interested director shall be counted in the quorum at such meeting and the resolution may be passed by a majority of the directors present at the meeting.

Subject to the foregoing and our Memorandum and Articles of Association, our directors may exercise all the powers of Nu to vote compensation to themselves or any member of their body in the absence of an independent quorum.

As a foreign private issuer, we are permitted to follow home country practice in lieu of certain NYSE corporate governance rules, subject to certain requirements. We currently rely, and will continue to rely, on the foreign private issuer exemption with respect to the following rules:

- Section 303A.04, which requires that a company have a nominations committee composed solely of "independent directors" as defined by NYSE. As allowed by the laws of the Cayman Islands, we do not have a nominations committee nor do we have any current intention to establish one.

- Section 303A.05, which requires that compensation for our executive officers and selection of our director nominees be determined by a majority of independent directors. As allowed by the laws of the Cayman Islands, we do not have a nomination and corporate governance committee nor do we have any current intention to establish one.

- Section 312.03, which requires an issuer to obtain shareholder approval prior to an issuance of securities (in certain circumstances) in connection with certain events, including: (i) the acquisition of the stock or assets of another company; (ii) equity-based compensation of officers, directors, employees or consultants; (iii) a change of control; and (iv) private placements. Cayman Islands law does not require shareholder approval prior to an issuance of securities to the extent the securities are authorized.

Borrowing Powers

Our directors may exercise all the powers of Nu to borrow money and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof and to issue debentures, debenture shares, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of Nu or any third party. Such powers may be varied by a special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting).

Indemnification of Directors and Executive Officers and Limitation of Liability

The Companies Act does not limit the extent to which a company's articles of association may provide for indemnification of directors and officers, except to the extent that it may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association provide that we shall indemnify and hold harmless our directors and officers against all actions, proceedings, costs, charges, expenses, losses, damages, liabilities, judgments, fines, settlements and other amounts incurred or sustained by such directors or officers, other than by reason of such person's dishonesty, willful default or fraud, in or about the conduct of our company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such director or officer in defending (whether successfully or otherwise) any civil, criminal or other proceedings concerning us or our affairs in any court whether in the Cayman Islands or elsewhere. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that, in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Directors' Fiduciary Duties

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company. Accordingly, directors owe fiduciary duties to their companies to act bona fide in what they consider to be the best interests of the company, to exercise their powers for the purposes for which they are conferred and not to place themselves in a position where there is a conflict between their personal interests and their duty to the company. Accordingly, a director owes a company a duty not to make a profit based on his or her position as director (unless the company permits him or her to do so) and a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interests or his or her duty to a third party.

However, this obligation may be varied by the company's articles of association, which may permit a director to vote on a matter in which he has a personal interests provided that he has disclosed the nature of his interest to the board of directors. Our Memorandum and Articles of Association provide that a director must disclose the nature and extent of his or her interest in any contract or arrangement, and, subject to certain exceptions, a director may not vote or be counted in the quorum on any resolution of the board in respect of any contract or arrangement or proposal in which he or she or any of his or her close associates have a material interest. Following such disclosure, and subject to the foregoing sentence and subject to any separate requirement under applicable law or the listing rules of the NYSE, and unless disqualified by the chairman of the relevant meeting, such director may vote in respect of any transaction or arrangement in which he or she is interested and may be counted in the quorum at the meeting.

A director of a Cayman Islands company also owes to the company duties to exercise independent judgment in carrying out his functions and to exercise reasonable skill, care and diligence, which has both objective and subjective elements. Recent Cayman Islands case law confirmed that directors must exercise the care, skill and diligence that would be exercised by a reasonably diligent person having the general knowledge, skill and experience reasonably to be expected of a person acting as a director. Additionally, a director must exercise the knowledge, skill and experience which he or she actually possesses.

A general notice may be given to the board of directors to the effect that (1) the director is a member or officer of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or (2) he or she is to be regarded as interested in any contract or arrangement which may after the date of the notice to the board of directors be made with a specified person who is connected with him or her, which will be deemed sufficient declaration of interest. This notice shall specify the nature of the interest in question. Following the disclosure being made pursuant to our Memorandum and Articles of Association and subject to any separate requirement under applicable law or the listing rules of the NYSE, and unless disqualified by the chairman of the relevant meeting, a director may vote in respect of any transaction or arrangement in which he or she is interested and may be counted in the quorum at the meeting.

In comparison, under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself or herself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interests possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. The Delaware General Corporation Law does not provide shareholders an express right to put any proposal before the annual meeting of shareholders, but Delaware corporations generally afford shareholders an opportunity to make proposals and nominations provided that they comply with the notice provisions in the certificate of incorporation or bylaws. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Memorandum and Articles of Association provide that, for so long as our founding shareholder controls a majority of the voting power of our shares, a general meeting of shareholders may be convened on the requisition of the holders of a majority of the voting power of our shares and, upon such requisition, the board will convene an extraordinary general meeting and put the resolutions so requisitioned to a vote at such meeting. However, if our founding shareholder controls less than a majority of the voting power of our shares, no shareholder shall have the power to requisition a meeting of shareholders. Our Memorandum and Articles of Association provide no other right to put any proposals before annual general meetings or extraordinary general meetings.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. As permitted under Cayman Islands law, our Memorandum and Articles of Association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors

The office of a director shall be vacated automatically if, among other things, he or she (1) becomes prohibited by law from being a director; (2) becomes bankrupt or makes an arrangement or composition with his creditors; (3) dies or is in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director; (4) resigns his office by notice to us; or (5) has for more than six months been absent without permission of the directors from meetings of the board of directors held during that period, and the remaining directors resolve that his/her office be vacated.

Transaction with Interested Shareholders

The Delaware General Corporation Law provides that; unless the corporation has specifically elected not to be governed by this statute, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that this person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting shares or who or which is an affiliate or associate of the corporation and owned 15% or more of the corporation's outstanding voting shares within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which the shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that the board of directors owe duties to ensure that these transactions are entered into bona fide in the best interests of the company and for a proper corporate purpose and, as noted above, a transaction may be subject to challenge if it has the effect of constituting a fraud on the minority shareholders.

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. If the dissolution is initiated by the board of directors it may be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company resolves by ordinary resolution that it be wound up because it is unable to pay its debts as they fall due. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Under the Companies Act, we may be dissolved, liquidated or wound up by a special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting). Our Memorandum and Articles of Association also give our board of directors authority to petition the Cayman Islands Court to wind up Nu.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of that class, unless the certificate of incorporation provides otherwise. Under our Memorandum and Articles of Association, if the share capital is divided into more than one class of shares, the rights attached to any class may only be varied with the written consent of the holders of two-thirds of the shares of that class or the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Also, except with respect to share capital (as described above), alterations to our Memorandum and Articles of Association may only be made by special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting).

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's certificate of incorporation may be amended only if adopted and declared advisable by the board of directors and approved by a majority of the outstanding shares entitled to vote, and the bylaws may be amended with the approval of a majority of the outstanding shares entitled to vote and may, if so provided in the certificate of incorporation, also be amended by the board of directors. Under Cayman Islands law, our Memorandum and Articles of Association generally (and save for certain amendments to share capital described in this section) may only be amended by special resolution of shareholders (requiring a two-thirds majority vote of those shareholders attending and voting at a quorate meeting).

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 17. Financial statements

We have responded to Item 18 in lieu of this item.

Item 18. Financial statements

Financial Statements are filed as part of this annual report. See pages F-1 to F-105 to this annual report.

Item 19. Exhibits

The following documents are filed as part of this annual report:

Exhibit No.	Exhibit
2.1*	Description of Securities registered under Section 12 of the Exchange Act.

3.1*	Memorandum and Articles of Association of Nu
4.1**	Deposit Agreement among the registrant, the depositary and holders of the BDRs (incorporated herein by reference to Exhibit 4.1 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
4.2**	Registration Rights Agreement by and among the registrant and certain holders of its shares (incorporated herein by reference to Exhibit 4.2 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
4.3**	Shareholder's Agreement by and among the registrant, David Vélez Osorno and Rua California Ltd. (incorporated herein by reference to Exhibit 4.3 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.1**	Form of Indemnification Agreement between the registrant and each of its directors and executive officers (incorporated herein by reference to Exhibit 10.1 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.2**	Nu Holdings Ltd. 2021 Employee Share Purchase Plan and related form agreements (incorporated herein by reference to Exhibit 10.2 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.3**	Nu Holdings Ltd. 2020 Omnibus Incentive Plan (as amended) and related form agreements (incorporated herein by reference to Exhibit 10.3 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.4**	Nu Holdings Ltd. 2016 Share Option Plan (as amended) and related form agreements (incorporated herein by reference to Exhibit 10.4 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.5**	License Agreement, dated as of January 29, 2014, between Mastercard International Incorporated and EO2 Soluções de Pagamento S.A., including the Acceptance Letter, dated as of January 29, 2014; the Summary of Licenses Granted, dated as of January 29, 2014; and the Supplement to the Mastercard License Agreement, dated as of January 29, 2014 (incorporated herein by reference to Exhibit 10.5 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.6**	License Agreement, dated as of April 24, 2020, between Mastercard International Incorporated and Nu Pagamentos S.A., including the First Amendment to the License Agreement, dated as of April 24, 2020; the Summary of Licenses Granted, dated as of April 24, 2020; and the Supplement to the Mastercard License Agreement, dated as of April 24, 2020 (incorporated herein by reference to Exhibit 10.6 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.7**	License Agreement, dated as of January 3, 2019, between Mastercard International Incorporated and Nu Bn Mexico S.A. de C.V., including the Acceptance Letter, dated as of January 3, 2019; the Summary of Licenses Granted, dated as of January 3, 2019; and the Supplement to the Mastercard License Agreement, dated as of January 3, 2019 (incorporated herein by reference to Exhibit 10.7 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).
10.8**	Investment Agreement, dated as of September 10, 2020, between Nu Holdings Ltd., Nu Financeira S.A., Nu Pagamentos S.A., Easynvest Holding Financeira S.A., Easynvest Título Corretora de Valores S.A., Easynvest Participações S.A., Easynvest Corretora de Seguros Ltda., Easynvest Gestão de Recursos Ltda. and the shareholders named therein (incorporated herein by reference to Exhibit 10.8 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021).

12.1*	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer.
12.2*	Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Financial Officer.
13.1*	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, of the Chief Executive Officer.
13.2*	Certification pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, of the Chief Financial Officer.
21.1*	List of subsidiaries.
23.1*	Consent of KPMG Auditores Independentes Ltda.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith.

** Previously filed.

GLOSSARY OF TERMS

The following is a glossary of certain industry and other defined terms used in this annual report:

“activity rate” is defined as monthly active customers divided by the total number of customers as of a specific date.

“ANBIMA” means the Brazilian Association of Financial and Capital Markets Entities (Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais).

“Boleto” (banking payment slips) means a printable document issued by merchants and used to make payments in Brazil.

“Brazil” means the Federative Republic of Brazil.

“Brazilian government” means the federal government of Brazil.

“B3” means B3 S.A. – Brasil, Bolsa, Balcão, the Brazilian Stock Exchange.

“CAC” means customer acquisition costs and consists of the following expenses: printing and shipping of a card, credit data costs (primarily consisting of credit bureau costs) and paid marketing.

“CAGR” means the compound annual growth rate, measured as the annualized average rate of growth between given dates, assuming growth takes place at an exponentially compounded rate.

“CDI Rate” means the Brazilian interbank deposit (certificado de deposito interbancário) rate, which is an average of interbank overnight deposit interest rates in Brazil.

“Central Bank of Brazil” means the Brazilian Central Bank (Banco Central do Brasil).

“Colombian pesos” or “COL$” means Colombian pesos, the official currency of the Republic of Colombia.

“CMN” means the Brazilian National Monetary Council (Conselho Monetário Nacional).

“CNBV” means the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria de Valores).

"consumer finance" is the combination of Credicard Card and Lending Businesses

“contribution margin” means the sum of revenue from our credit card, personal lending and NuAccount products, less variable expenses (consisting of interest and other financial expenses, transactional expenses and credit loss allowance expenses) directly associated with this revenue.

“COPOM” means the Brazilian Monetary Policy Committee (Comitê de Política Monetária do Banco Central).

“cost of risk” is defined as the sum of change in loan loss provisions, credit losses and gross recoveries divided by total receivables.

“credit loss allowance expenses / credit portfolio” is defined as credit loss allowance expenses, divided by the sum of receivables from credit card operations (current, installments and revolving) and loans to customers, in each case gross of ECL allowance, as of the period end date.

"customer" is defined as an individual or SME that has opened an account with us and does not include any such individuals or SMEs that have been charged off or blocked or voluntarily closed their account. The number of customers as of December 31, 2021 does not include the 0.6 million that were unique to the Easynvest Companies.

"CVM" means the Brazilian Securities Commission (Comissão de Valores Mobiliários).

"debit card" means a payment card that allows the cardholder to immediately access funds electronically from the cardholder's account when making a purchase.

"ECL" or "ECL Allowance" means the expected credit losses on our credit operations, including loans and credit cards.

"ESG" means Environmental, Social and Governance.

"EUR" or "€" means the Euro, the official currency of the European Union.

"first payment default" means when the first scheduled payment by a customer remains unpaid as of the 10th day after it becomes due.

"founding shareholder" refers to our founding shareholder and chief executive officer, David Vélez Osorno.

"FX Neutral" measures refer to certain measures prepared and presented in this annual report to eliminate the effect of foreign exchange, or "FX," volatility between the comparison periods, allowing management and investors to evaluate our financial performance despite variations in foreign currency exchange rates, which may not be indicative of our core operating results and business outlook. For additional information, see "Presentation of Financial and Other Information—Special Note Regarding Non-IFRS Financial Measures—FX Neutral Measures."

"IASB" means the International Accounting Standards Board.

"IFRS" means the International Financial Reporting Standards, as issued by the IASB.

"interest-earning portfolio" consists of receivables from credit card operations on which we are accruing interest and loans to customers, in each case gross of ECL allowance, as of the period end date.

"Lifetime value" or "LTV" is the estimated lifetime value of our customers. This is based on the present value of estimated contribution margin generated by a customer during the lifetime of a customer's relationship with our business. We calculate LTV based on the following key assumptions: (1) 12% per annum as the discount rate applied to the projected stream of contribution margin generated by a customer; (2) estimated lifetime capped at 10 years; and (3) growth and churn estimates based on historical analysis across our cohorts and estimated inflation rates.

"LTV/CAC" means the ratio of lifetime value to customer acquisition costs and is calculated as the lifetime value divided by our customer acquisition costs. We use this metric to assess return on marketing spend and other costs to onboard new customers.

"Mexican pesos" or "MEX$" means Mexican pesos, the official currency of the United Mexican States.

"monthly active customers" is defined as all customers that have generated revenue in the last 30 calendar days, for a given measurement period.

“monthly average cost to serve per active customer” is defined as the monthly average of the sum of transactional expenses and customer support and operations expenses (sum of these expenses in the period divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured, and the number of monthly active customers at the end of the period).

“monthly average revenue per active customer” or “Monthly ARPAC” is defined as the average monthly revenue (total revenue divided by the number of months in the period) divided by the average number of individual active customers during the period (average number of individual active customers is defined as the average of the number of monthly active customers at the beginning of the period measured, and the number of monthly active customers at the end of the period).

“Net promoter score,” or “NPS,” measures the willingness of customers to recommend our products and services. See

“Presentation of Financial and Other Information—Calculation of Net Promoter Score.”

“NuAccount” means the Nu bank account we offer to our individual and SME customers; “Personal NuAccount” means the Nu personal bank account we offer to our individual customers; and “SME NuAccount” means the Nu business bank account we offer to our SME customers.

“organic customer growth” is calculated as new customers acquired without incurring direct paid marketing expenses. An organic customer is one who comes to our website or app without clicking on an advertisement link. This includes both customers who directly come to our website or app, or who were referred to us by an existing customer. An inorganic customer is one who comes to our website or app through a paid channel or campaign (e.g., by clicking on an online advertisement).

“PIX” means the instant payment system launched by the Central Bank of Brazil in 2020 that allows real-time payments and transfers.

“primary bank” or “primary banking relationship” refers to our relationship with those of our customers who had at least 50% of their post-tax monthly income move in or out of their NuAccount in any given month. We calculate the percent of customers with a primary banking relationship as active customers with a primary banking relationship as a percentage of total active customers that have been with us for more than 12 months.

“Purchase volume,” or “PV,” is defined as the total value of transactions that are authorized through our credit and debit cards only; it does not include other payment methods that we offer such as PIX, WhatsApp payments or traditional wire transfers.

“real,” “reais” or “R$” means the Brazilian real, the official currency of Brazil.

“SELIC” means the Brazilian Special Clearance and Custody System (Sistema Especial de Liquidação e Custódia).

“SELIC rate” means the Brazilian interest rate established by the SELIC.

“Shareholder’s Agreement” means the shareholder’s agreement entered into and among David Vélez Osorno, Rua California Ltd., and Nu.

“SIC” means the Colombian Superintendence of Industry and Commerce, a public authority and technical agency attached to the Ministry of Trade, Industry and Tourism of Colombia.

“SMEs” means small and medium enterprises.

“squads” is the term used to refer to Nu teams that work within the same scope of operations, e.g., Controllership Squad, FP&A Squad.

“SUSEP” means the Brazilian Superintendence of Private Insurance (Superintendência de Seguros Privados).

“U.S. dollar,” “U.S. dollars” or “US$” means U.S. dollars, the official currency of the United States.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Nu Holding Ltd.	
April 20, 2022	
By:	/s/ David Vélez Osorno
Name:	David Vélez Osorno
Title:	Chairman and Chief Executive Officer

By:	/s/ Guilherme Marques do Lago
Name:	Guilherme Marques do Lago
Title:	Chief Financial Officer

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Nu Holdings Ltd.

Consolidated Financial Statements as of December 31, 2021 and 2020 and for the Years Ended December 31, 2021, 2020 and 2019

Contents

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Nu Holdings Ltd.
Cayman Islands

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Nu Holdings and subsidiaries (“ Company”) as of December 31, 2021 and 2020, the related consolidated statements of income, comprehensive income, stockholders’ equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for expected credit losses

As discussed in notes 4, 5, 13 and 14 to the consolidated financial statements, the Company has an allowance for expected credit losses (ECL) related to amounts receivable from credit cards and loans to customers of US$ 588,215 thousand as of December 31, 2021. The Company recognizes a lifetime ECL for those contracts that have experienced a significant increase in credit risk (SICR) subsequent to recognition or are credit impaired (stage 2 and stage 3, respectively), and a twelve-month ECL for all other contracts (stage 1). To calculate ECL the Company segregates the portfolio of amounts receivable from credit cards and loans to customers on the basis of shared credit risk characteristics determined by internal scoring models and uses estimates of the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD), as well as consideration of the current macroeconomic environment and the impact of changes in future macroeconomic scenarios, including market expectations of Gross Domestic Product (GDP) over the future two-year period.

We have identified the assessment of the allowance for ECL related to amounts receivable from credit cards and loans to customers as a critical audit matter. Complex auditor judgment was required to evaluate the ECL estimate as it involved significant measurement uncertainties, as a result of the complexity of the models and the subjectivity of the assumptions, specifically: (i) the overall ECL methodology, including the methods and models used to estimate the PDs, EADs and LGDs and their related assumptions as well as the selection of the GDP assumption incorporated into the calculation; and (ii) the identification of a SICR (stage 2) and exposures that are credit impaired (stage 3).

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of certain internal controls related to the Company's ECL process, including controls related to the models, assumptions and methodology noted above. We involved credit risk professionals with specialized skills and knowledge, who assisted in:

● evaluating the overall ECL methodology

● assessing the models and modelling techniques by inspecting the model documentation to determine whether the models are suitable for their intended use

● recalculating the Company's estimates of PD, EAD and LGD using the Company's historical data and forward-looking information

● evaluating the reasonableness of the GDP assumption through regression analysis and historical correlation

● testing the accuracy of the allocation to stages in accordance with the Company's criteria for a selection of amounts receivable from credit cards and loans to customers through independent reperformance of the allocation.

Valuation of identifiable intangible assets

As described in notes 1(c) and 4(c) to the consolidated financial statements the Company acquired certain companies that were part of the Easynvest investment platform (Easynvest) on June 1, 2021. The accounting for business combinations requires assets acquired and liabilities assumed to be recognized at fair value. In allocating the purchase price, the Company recognized technology and customer relationship intangible assets of US$ 7,900 thousand and US$ 34,600 thousand, respectively.

We identified the assessment of the fair value measurement of the technology and customer relationship intangible assets acquired in the Easynvest acquisition as a critical audit matter. Specifically, subjective auditor judgment was required to evaluate the methodology selected by the Company and significant assumptions used in the valuation models, including the discount rate and future growth. Future growth assumptions included the projected growth rate and the expectation of long-term inflation. Changes in these assumptions could have had a significant impact on the fair value of the technology and customer relationship intangible assets.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design of certain internal controls related to the Company's acquisition accounting process, including a control related to methodology selection and the significant assumptions noted above. We involved valuation professionals with specialized skills and knowledge, who assisted in:

● evaluating the methodology used to estimate the fair values, by comparing it to generally accepted valuation practices

● evaluating the Company's discount rate by comparing it against a discount rate that was independently developed using publicly-available market data for comparable entities

● assessing the Company's projected growth rate by comparing it for consistency with management's documented strategy for the Easynvest operations as well as internally-prepared budgets

● evaluating the Company's inflation projection by comparing it to market information.

/s/ KPMG Auditores Independentes Ltda.

KPMG Auditores Independentes Ltda.

We have served as the Company's auditor since 2018.

São Paulo, Brazil
April 20, 2022

Consolidated Statements of Profit or Loss
For the years ended December 31, 2021, 2020 and 2019
(In thousands of U.S. Dollars, except earnings per share)

	Note	2021	2020	2019
Interest income and gains (losses) on financial instruments	**6**	1,046,746	382,922	337,851
Fee and commission income	**6**	651,277	354,211	274,258
Total revenue		**1,698,023**	**737,133**	**612,109**
Interest and other financial expenses	**6**	(367,344)	(113,924)	(109,697)
Transactional expenses	**6**	(117,119)	(126,815)	(79,316)
Credit loss allowance expenses	**7**	(480,643)	(169,485)	(175,178)
Total cost of financial and transactional services provided		**(965,106)**	**(410,224)**	**(364,191)**
Gross profit		**732,917**	**326,909**	**247,918**
Operating expenses				
Customer support and operations	**8**	(190,509)	(123,950)	(115,567)
General and administrative expenses	**8**	(628,901)	(266,024)	(199,919)
Marketing expenses	**8**	(79,574)	(19,426)	(41,817)
Other income (expenses)	**8**	(4,097)	(9,535)	(19,914)
Total operating expenses		**(903,081)**	**(418,935)**	**(377,217)**
Results with convertible instruments		-	(101,152)	-
Loss before income taxes		**(170,164)**	**(193,178)**	**(129,299)**
Income taxes				
Current taxes	**26**	(219,824)	(22,338)	(3,572)
Deferred taxes	**26**	224,654	44,025	40,340
Total income taxes		**4,830**	**21,687**	**36,768**
Loss for the year		**(165,334)**	**(171,491)**	**(92,531)**
Loss attributable to shareholders of the parent company		*(164,993)*	*(171,491)*	*(92,531)*
Loss attributable to non-controlling interests		*(341)*	-	-
Loss per share – Basic and Diluted	**9**	**(0.1030)**	**(0.1304)**	**(0.0813)**
Weighted average number of outstanding shares – Basic and Diluted (in thousands of shares)	**9**	**1,602,126**	**1,315,578**	**1,137,931**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income or Loss
For the years ended December 31, 2021, 2020 and 2019
(In thousands of U.S. Dollars)

	Note	2021	2020	2019
Loss for the year		**(165,334)**	**(171,491)**	**(92,531)**
Other comprehensive income or loss:				
Effective portion of changes in fair value		2,705	8,302	1,491
Changes in fair value reclassified to profit or loss		(242)	(8,223)	(1,489)
Deferred income taxes		(1,025)	(31)	(1)
Cash flow hedge	**16**	**1,438**	**48**	**1**
Changes in fair value		3,046	-	-
Deferred income taxes		(1,305)	-	-
Financial assets at fair value through other comprehensive income		**1,741**	**-**	**-**
Currency translation on foreign entities		**(13,855)**	**(50,100)**	**(12,271)**
Total other comprehensive income or loss that may be reclassified to profit or loss subsequently		**(10,676)**	**(50,052)**	**(12,270)**
Changes in fair value - own credit adjustment		(1,051)	(219)	(249)
Total other comprehensive income or loss that will not be reclassified to profit or loss subsequently	**17**	**(1,051)**	**(219)**	**(249)**
Total other comprehensive loss, net of tax		**(11,727)**	**(50,271)**	**(12,519)**
Total comprehensive loss for the year		**(177,061)**	**(221,762)**	**(105,050)**
Total comprehensive loss attributable to shareholders of the parent company		*(176,720)*	*(221,762)*	*(105,050)*
Total comprehensive loss attributable to non-controlling interests		*(341)*	-	-

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Financial Position
As of December 31, 2021 and 2020
(In thousands of U.S. Dollars)

	Note	2021	2020
Assets			
Cash and cash equivalents	**11**	2,705,675	2,343,780
Financial assets at fair value through profit or loss		918,332	4,378,118
Securities	**12**	*815,962*	4,287,277
Derivative financial instruments	**16**	*101,318*	80
Collateral for credit card operations	**19**	*1,052*	90,761
Financial assets at fair value through other comprehensive income		8,163,428	-
Securities	***12***	*8,163,428*	-
Financial assets at amortized cost		6,932,486	3,150,013
Compulsory and other deposits at central banks		*938,659*	43,542
Credit card receivables	**13**	*4,780,520*	2,908,907
Loans to customers	**14**	*1,194,814*	174,694
Other financial assets at amortized cost		*18,493*	22,870
Other assets	**15**	283,264	123,495
Deferred tax assets	**26**	360,752	125,131
Right-of-use assets		6,426	10,660
Property, plant and equipment		14,109	9,850
Intangible assets	**1**	72,337	12,372
Goodwill	**1**	401,872	831
Total assets		**19,858,681**	**10,154,250**

Consolidated Statements of Financial Position
As of December 31, 2021 and 2020
(In thousands of U.S. Dollars)

	Note	2021	2020
Liabilities			
Financial liabilities at fair value through profit or loss		102,380	90,796
Derivative financial instruments	**16**	*87,278*	*75,304*
Instruments eligible as capital	**17**	*12,056*	*15,492*
Repurchase agreements		*3,046*	-
Financial liabilities at amortized cost		14,706,713	9,421,710
Deposits	**18**	*9,667,300*	*5,584,862*
Payables to credit card network	**19**	*4,882,159*	*3,331,258*
Borrowings and financing	**20**	*147,243*	*97,454*
Securitized borrowings	**20**	*10,011*	*79,742*
Senior preferred shares	**23**	-	*328,394*
Salaries, allowances and social security contributions		97,909	25,848
Tax liabilities		241,197	30,782
Lease liabilities		7,621	12,014
Provision for lawsuits and administrative proceedings	**21**	18,082	16,469
Deferred income	**22**	30,657	25,965
Deferred tax liabilities	**26**	29,334	8,741
Other liabilities		182,247	83,814
Total liabilities		**15,416,140**	**9,716,139**
Equity			
Share capital	**27**	83	45
Share premium reserve	**27**	4,678,585	638,007
Accumulated gain (losses)	**27**	(128,409)	(102,441)
Other comprehensive income (loss)	**27**	(109,227)	(97,500)
Equity attributable to shareholders of the parent company		**4,441,032**	**438,111**
Equity attributable to non-controlling interests		1,509	-
Total equity		**4,442,541**	**438,111**
Total liabilities and equity		**19,858,681**	**10,154,250**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Equity
For the years ended December 31, 2021, 2020 and 2019
(In thousands of U.S. Dollars)

				Other comprehensive income (loss)			
	Share capital	**Share premium reserve**	**Accumulated gains (losses)**	**Translation reserve**	**Cash flow hedge reserve**	**Own credit revaluation reserve**	**Total equity**
Balances as of December 31, 2018	**42**	**389,394**	**(57,994)**	**(34,710)**	**-**	**-**	**296,732**
Loss for the year	-	-	(92,531)	-	-	-	(92,531)
Absorption of accumulated losses by share premium reserve	-	(160,203)	160,203	-	-	-	-
Share-based payments granted	-	-	18,511	-	-	-	18,511
Stock options exercised	-	5,831	-	-	-	-	5,831
Shares repurchased	-	(3,774)	-	-	-	-	(3,774)
Capital increase (Series F)	3	399,998		-	-	-	400,001
Other comprehensive income or loss, net of tax							
Cash flow hedge	-	-	-	-	*1*	-	*1*
Currency translation on foreign entities	-	-	-	*(12,271)*	-	-	*(12,271)*
Own credit adjustment	-	-	-	-	-	*(249)*	*(249)*
Balances as of December 31, 2019	**45**	**631,246**	**28,189**	**(46,981)**	**1**	**(249)**	**612,251**

				Other comprehensive income (loss)			
	Share capital	Share premium reserve	Accumulated gains (losses)	Translation reserve	Cash flow hedge reserve	Own credit revaluation reserve	Total equity
Balances as of December 31, 2019	**45**	**631,246**	**28,189**	**(46,981)**	**1**	**(249)**	**612,251**
Loss for the year	-	-	(171,491)	-	-	-	(171,491)
Share-based compensation granted, net of shares withheld for employee taxes	-	-	40,861	-	-	-	40,861
Stock options exercised	-	6,776	-	-	-	-	6,776
Shares repurchased	-	(15)	-	-	-	-	(15)
Other comprehensive income or loss, net of tax							
Cash flow hedge	-	-	-	-	*48*	-	*48*
Currency translation on foreign entities	-	-	-	*(50,100)*	-	-	*(50,100)*
Own credit adjustment	-	-	-	-	-	*(219)*	*(219)*
Balances as of December 31, 2020	**45**	**638,007**	**(102,441)**	**(97,081)**	**49**	**(468)**	**438,111**

	Attributable to shareholders of the parent company									
				Other comprehensive income (loss)						
	Share capital	Share premium reserve	Accumulated gains (losses)	Translation reserve	Cash flow hedge reserve	Financial Assets at FVTOCI	Own credit revaluation reserve	Total	Total non-controlling interests	Total equity
Balances as of December 31, 2020	**45**	**638,007**	**(102,441)**	**(97,081)**	**49**	**-**	**(468)**	**438,111**	**-**	**438,111**
Loss for the year	-	-	(164,993)	-	-	-	-	(164,993)	(341)	(165,334)
Share-based compensation granted, net of shares withheld for employee taxes (note 10)	-	-	139,025	-	-	-	-	139,025	-	139,025
Stock options exercised	-	12,252	-	-	-	-	-	12,252	-	12,252
Shares issued on business acquisition (note 1 (c))	-	277,575	-	-	-	-	-	277,575	-	277,575
Issuance of preferred shares - Series F-1 (note 27)	5	400,910	-	-	-	-	-	400,915	-	400,915
Issuance of preferred shares - Series G (note 27)	3	399,997	-	-	-	-	-	400,000	-	400,000
Issuance of preferred shares - Series G-1 (note 27)	28	399,972	-	-	-	-	-	400,000	-	400,000
Issuance of shares under the customer program and IPO (note 1(a))	2	2,602,024	-	-	-	-	-	2,602,026	-	2,602,026
Transactions costs from IPO (note 1(a))	-	(47,545)	-	-	-	-	-	(47,545)	-	(47,545)
Shares repurchased (note 27)	-	(4,607)	-	-	-	-	-	(4,607)	-	(4,607)
Increase in non-controlling interests	-	-	-	-	-	-	-	-	1,850	1,850
Other comprehensive income or loss, net of tax (note 27)										
Cash flow hedge	-	-	-	-	*1,438*	-	-	*1,438*	-	*1,438*
Fair value changes - financial assets at FVTOCI	-	-	-	-	-	*1,741*	-	*1,741*	-	*1,741*
Currency translation on foreign entities	-	-	-	*(13,855)*	-	-	-	*(13,855)*	-	*(13,855)*
Own credit adjustment	-	-	-	-	-	-	*(1,051)*	*(1,051)*	-	*(1,051)*
Balances as of December 31, 2021	**83**	**4,678,585**	**(128,409)**	**(110,936)**	**1,487**	**1,741**	**(1,519)**	**4,441,032**	**1,509**	**4,442,541**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows
For the years ended December 31, 2021, 2020 and 2019
(In thousands of U.S. Dollars)

	Note	2021	2020	2019
Cash flows from operating activities				
Reconciliation of profit (loss) to net cash flows from operating activities:				
Loss for the year		**(165,334)**	**(171,491)**	**(92,531)**
Adjustments:				
Depreciation and amortization	**8**	17,339	7,428	5,073
Credit loss allowance expenses	**7**	503,679	187,790	193,967
Deferred income taxes	**26**	(224,654)	(44,025)	(40,340)
Customer Program	**1 (a)**	11,180	-	-
Provision for lawsuits and administrative proceedings	**21**	2,818	227	7,386
Losses (gains) on other investments	**16/12**	(39,280)	-	-
Losses (gains) on financial instruments		19,338	48,433	1,799
Interest accrued		11,077	39,521	17,681
Share-based payments granted		157,324	35,569	18,511
		293,487	**103,452**	**111,546**
Changes in operating assets and liabilities:				
Securities		(4,666,792)	(2,008,861)	(1,689,547)
Compulsory deposits and others at central banks		(924,889)	(43,841)	-
Credit card receivables		(2,568,423)	(470,227)	(1,414,489)
Loans to customers		(1,522,217)	(178,686)	(63,009)
Interbank transactions		-	93	(91)
Other assets		(64,072)	78,319	(166,173)
Deposits		4,001,856	2,871,246	2,088,793
Payables to credit card network		1,602,485	312,607	1,365,476
Deferred income		4,848	3,621	10,325
Other liabilities		417,225	57,841	52,366
Interest paid		(9,062)	(6,199)	(15,603)
Income tax paid		(52,314)	(7,880)	(3,457)
Interest received		563,550	263,035	-
Cash flows (used in) generated from operating activities		**(2,924,318)**	**974,520**	**276,137**

	Note	2021	2020	2019
Cash flows from investing activities				
Acquisition of fixed assets		(6,025)	(3,084)	(2,377)
Acquisition of intangible assets		(22,473)	(4,902)	(2,302)
Acquisition of subsidiary, net of cash acquired	**1 (c)**	(114,486)	(8,284)	-
Equity instrument		(11,211)	-	-
Cash flow (used in) generated from investing activities		**(154,195)**	**(16,270)**	**(4,679)**
Cash flows from financing activities				
Proceeds from senior preferred shares	**23**	-	300,000	400,001
Proceeds from securitized borrowings		-	-	126,768
Issuance of preferred shares	**27**	800,000	-	-
Issuance of shares under IPO	**1 (a)**	2,590,846	-	
Transactions costs from IPO	**1 (a)**	(47,545)		
Payments of securitized borrowings	**20**	(66,403)	(52,172)	(16,835)
Proceeds from borrowings and financing	**20**	116,349	17,974	160,577
Payments of borrowings and financing	**20**	(60,523)	(27,893)	(78,185)
Proceeds from debt instruments eligible as capital		-	-	18,824
Lease payments		(4,387)	(4,568)	(2,014)
Exercise of stock options	**27**	12,252	6,776	5,831
Shares repurchased	**27**	(4,607)	(15)	(3,774)
Cash flows (used in) generated from financing activities		**3,335,982**	**240,102**	**611,193**
Increase (decrease) in cash and cash equivalents		**257,469**	**1,198,352**	**882,651**
Cash and cash equivalents				
Cash and cash equivalents - beginning of the year	**11**	2,343,780	1,246,566	379,207
Foreign exchange rate changes on cash and cash equivalents		104,426	(101,138)	(15,292)
Cash and cash equivalents - end of the year	**11**	2,705,675	2,343,780	1,246,566
Increase (decrease) in cash and cash equivalents		**257,469**	**1,198,352**	**882,651**

The accompanying notes are an integral part of these consolidated financial statements.

1. Operations

Nu Holdings Ltd. ("Company" or "Nu Holdings") was incorporated as an exempted Company under the Companies Law of the Cayman Islands on February 26, 2016. The address of the Company's registered office is Willow House, 4th floor, Cricket Square, Grand Cayman - Cayman Islands. Nu Holdings has no operating activities.

The Company's shares are publicly traded on the New York Stock Exchange ("NYSE") under the symbol "NU" and its Brazilian Depositary Receipts ("BDRs") are traded on B3 - Brasil, Bolsa, Balcão ("B3"), the Brazilian stock exchange, under the symbol "NUBR33". The Company holds investments in several operating entities and, as of December 31, 2021, its significant subsidiaries are:

- Nu Pagamentos S.A - Instituição de Pagamento ("Nu Pagamentos") is an indirect subsidiary domiciled in Brazil. Nu Pagamentos is engaged in the issuance and administration of credit cards and payment transfers through a prepaid account, as well as participation in other companies as partner or shareholder. Nu Pagamentos has as its primary products (i) a Mastercard international credit card (issued in Brazil where it allows payments for purchases to be made in monthly installments), fully managed through a smartphone app, and (ii) "NuConta", a 100% digital smartphone app, maintenance-free prepaid account, which also includes features of a traditional bank account such as: electronic and peer-to-peer transfers, bill payments, withdrawals through the "24 Hours" ATM network, instant payments, prepaid credit for mobile top ups and prepaid cards similar in functionality to debit cards.

- Nu Financeira S.A. – SCFI ("Nu Financeira") is an indirect subsidiary also domiciled in Brazil, with personal loans and retail deposits as its main products. Nu Financeira offers customers in Brazil the possibility to obtain loans that can be customized in relation to amounts, terms and conditions, number of installments, and transparent disclosure of any charges involved in the transaction, fully managed through the above-mentioned smartphone app. Loan issuance, repayment, and prepayments are available 24/7 through the "NuConta" account, directly in the app. Nu Financeira also grants credit to Nu Pagamentos credit card holders, due to overdue invoices, bill installments and revolving credit, among others.

- Nu BN Servicios México, S.A. de CV ("Nu Servicios") is an indirect subsidiary domiciled in Mexico. Nu Servicios is engaged in the issuance and administration of credit cards. It commenced operations in the Mexican market in August 2019 and officially launched in March 2020. The credit card has similar characteristics to that of the Brazilian operation: an international credit card, with no annual fee, under the Mastercard banner, 100% managed by a digital app on a smartphone.

- Nu Colombia S.A. ("Nu Colombia") is an indirect subsidiary domiciled in Colombia, with operations related to credit cards, which was launched in September 2020.

- Nu Invest Corretora de Valores S.A. ("Nu Invest") is an indirect subsidiary acquired in June 2021, domiciled in Brazil, and is an independent digital investment broker dealer.

The Company and its consolidated subsidiaries are referred to in these consolidated financial statements as the "Group" or "Nu".

The business plan of Nu provides for the continued growth of its Brazilian, Mexican, and Colombian operations, not only related to existing businesses, such as credit cards, personal loans, investments, and insurance, but also complemented by the launch of new products. Accordingly, these consolidated financial statements were prepared based on the assumption of the Group continuing as a going concern, considering that recent losses are principally due to the expenses incurred to deliver upon the Group's rapid growth, in accordance with its business plan.

The Company's Board authorized the issuance of these consolidated financial statements on April 20, 2022.

a) Initial Public Offering ("IPO")

On December 9, 2021, Nu Holdings completed its IPO, offering 289,150,555 of newly issued class A ordinary shares, including in the form of Brazilian Depositary Receipts or "BDRs", each representing one-sixth of a class A ordinary share ("Brazilian offering"). The initial offering consisted of (1) an international offering listed on the New York Stock Exchange ("NYSE") under the symbol "NU" and (2) a Brazilian offering on São Paulo Stock Exchange ("B3 - Brasil, Bolsa, Balcão") under the symbol "NUBR33". The initial offering price per class A common share was US$9.00, which was equivalent to R$8.36 per BDR after taking into consideration the class A ordinary share to BDR ratio.

Within the context of the Brazilian offering, Nu implemented an incentive and reward program, referred to commercially as "NuSócios" or "Customer Program", through which the subsidiary Nu Pagamentos provided sufficient funds to cover the subscription and payment of one BDR in the Brazilian offering to each customer that participated in the Customer Program. A total of 7,557,679 BDRs were allocated to this program, equivalent to 1,259,613 ordinary class A shares. The total amount for this program was US$11,180, based on R$8.36 price per BDR. Nu recognized the costs associated with the Customer Program arising from funding the subscription and payment of the BDRs for the customers who participate in the Customer Program as a reduction in revenue in the fourth quarter of 2021.

As a result, Nu Holdings had gross proceeds from the IPO of US$2,602,026. Additionally, the Company incurred US$61,717 in offering expenses, of which US$47,545 were recognized in equity as transaction costs.

b) Acquisition activities pending completion

i) Olivia

On November 2, 2021, Nu Holdings signed a stock purchase agreement (SPA) to purchase all the shares of Olivia AI do Brasil Participações Ltda. ("Olivia Participações"), Olivia AI do Brasil Instituição de Pagamento Ltda. ("Olivia Pagamentos") and Olivia AI Inc. ("Olivia Inc") - together referred to as "Olivia" in these consolidated financial statements. In 2016 Olivia launched an artificial intelligence ("AI") solution that helps individuals manage their money. The AI works ~~by~~ integrating the user's various bank accounts and applying data analysis of both the expenses and income of its users, in order to indicate suggestions for financial planning. Nu believes that Olivia's AI will further strengthen the Group's open banking initiatives. The transaction qualifies as a business combination and will be accounted for using the acquisition method of accounting. On December 31, 2021, certain closing conditions of the acquisition were still pending, such as the liquidation, and, therefore, there are no impacts on these consolidated financial statements. Additional information is disclosed in note 32, subsequent events.

c) Acquisition activities completed during the year - 2021

i) Easynvest's acquisition

On June 1, 2021, the acquisition of 100 percent of the shares of the companies that are part of the Easynvest investment platform (together referred to in these consolidated financial statements as "Easynvest") was concluded, and the control over the entities was transferred to the acquirer, the indirect subsidiary Nu Distribuidora de Titulos e Valores Mobiliarios Ltda. ("Nu DTVM"). Easynvest is an independent digital investment broker, and the acquisition marked the Group's entry into the investment platforms market. The transaction qualifies as a business combination and has been accounted for using the acquisition method of accounting. The companies acquired were:

- Nu Participações Financeiras S.A ("Nu Participações Financeiras") - formerly "Easynvest Holding Financeira";
- Nu Invest Corretora de Valores S.A ("Nu Invest") formerly "Easynvest TCV";
- Nu Participações S.A. ("Nu Participações") - formerly "Easynvest Participações";
- Nu Corretora de Seguros Ltda. ("Nu Corretora de Seguros") - formerly "Easynvest Corretora";
- Easynvest Gestão de Recursos Ltda. ("Easynvest Gestão"); and
- Vérios Gestão de Recursos S.A. ("Vérios").

On December 31, 2021, Nu Participações Financeiras was merged into Nu Invest.

Purchase consideration at acquisition date

The total consideration of US$451,546 was transferred to the selling shareholders. The difference between the amount paid and the net assets acquired, and liabilities assumed at fair value resulted in the recognition of goodwill, as shown below.

Net identifiable assets acquired, and liabilities assumed

The Company has concluded the identification of the assets acquired and liabilities assumed and the allocation of the purchase price to these assets and liabilities, as well as the measurement of goodwill. The purchase price allocation, including the allocation to the intangible assets and goodwill is shown below.

Identifiable intangible assets will be amortized for a period of 4 months to 11.7 years, according to their useful life defined based on the expected future economic benefits generated by the asset. The goodwill does not have defined useful life and will have its recoverability tested at least annually.

The goodwill from Easynvest's acquisition relates to future benefits expected to be realized through a number of strategies such as (a) diversification and increase in revenues by offering other products to customers, such as investment funds and equity and debt investment alternatives, as well as broker accounts; (b) the ability to bring forward the offering of these products as compared to developing the platform In house, and (c) the absorption of skilled workforce. These benefits have not been recognized separately from goodwill because they do not meet the definition of identifiable intangible assets. The total amount of goodwill that was expected to be deductible for tax purposes in Brazil was US$220,490 as of the acquisition date.

	Fair value recognized on acquisition
Net Identifiable assets and liabilities	
Cash and cash equivalents	71,324
Securities	168,100
Intangible assets	45,061
Other assets	14,119
Liabilities	(240,047)
Total identifiable net assets at fair value	**58,557**
Goodwill arising on acquisition	392,989
Purchased consideration transferred	**451,546**
Equity consideration	271,229
Cash consideration	180,317

The additional intangible assets recognized, and the allocation of the purchase price were technology (US$7,900), brand (US$794) and customer relationship (US$34,600), at the acquisition date.

The following were the main assumptions used in the determination of the fair value of the identifiable assets acquired and liabilities assumed: (i) discount rate of 14.1% and (ii) perpetuity calculated by the terminal cash flow plus the growth in perpetuity of 3.2%, equivalent to the expectation of long-term inflation released by the Brazilian Central Bank.

In addition to the 7,859,445 preferred shares issued as part of the business combination, certain Easynvest's employees may receive up to 159,981 Nu Holdings' shares which are being accounted as equity-settled based compensation due to vesting and forfeiture clauses.

Net cash outflow on acquisition

Consideration paid in cash	180,317
(-) Cash and cash equivalent balances acquired	(71,324)
Net cash outflow	**108,993**

Impact of the acquisition on the results of the Group

Easynvest contributed US$17,700 in revenues and a US$10,593 loss for the seven-month period between the date of acquisition and the reporting date. If the acquisition had been completed on January 1, 2021, the Group's total revenue would have been approximately US$1,710,650 and loss of approximately US$171,560 for the year ended December 31, 2021.

ii) Akala

In December 2020, the subsidiary Nu BN Tecnologia, S.A de CV (“Nu Tecnologia”) announced the acquisition of 100 percent of the shares of AKALA, S.A. DE C.V. (“Akala”), a Mexican Financial Cooperative Association ("SOFIPO") engaged in fundraising and financial services. Akala has been renamed and operates as Nu México Financiera, S.A. de C.V., S.F.P. ("Nu Financiera"). The purpose of the transaction was to increase Nu's financial products offered in Mexico. As of the date the acquisition was announced, Akala owned a license which would allow Nu to provide certain financial services in Mexico, and it did not have any significant operations; hence, the acquisition was not considered a material business combination. The acquisition was approved by the Mexican National Banking and Stock Commission (“CNBV”) on September 14, 2021. The total consideration paid was MXN59,415 (equivalent to US$3,000), and generated a goodwill of US$2,680. Consequently, Akala was consolidated in these consolidated financial statements.

iii) Spin Pay

On August 29, 2021, Nu announced the acquisition of all the shares of Spin Pay Serviços de Pagamentos Ltda. ("Spin Pay"), a Brazilian payment platform that pioneered the development of instant payments solutions for online and offline merchants via the Brazilian Instant Payment System ("PIX"). As of August 31, 2021, Spin Pay had more than 220 merchants on its platform, connected to Spin Pay through commerce-enablement platforms, as well as directly through the Spin Pay API. On October 13, 2021, the acquisition was closed upon the completion of all conditions established in the share purchase agreement and the monetary consideration was paid. As a result, from that date, Spin Pay was consolidated by the Company in these consolidated financial statements.

Purchase consideration at acquisition date

The total purchase price was US$13,755, US$13,212 settled on the acquisition date and the remainder is to be settled on the first and second anniversary of the acquisition date. In connection with Spin Pay's acquisition, Nu Holdings issued 830,490 class A ordinary shares (equivalent to US$6,346) upon closing of the transaction in October 2021, and expects to issue an aggregate of up to 1,796,826 class A ordinary shares on the first and second anniversaries of closing, and as consideration for post-combination services rendered to Nu by the former shareholders who became employees following the closing, which were then considered as compensation and not a component of the purchase consideration transferred. In addition, Nu may issue a certain number of shares equivalent to US$17,900 upon the achievement of certain milestones and services rendered by certain employees.

One member of Nu Holdings Board of Directors, before the acquisition, had a 1.24% interest in Spin Pay.

Net identifiable assets acquired, and liabilities assumed

Control over the entity was transferred to Nu in October 2021. The Company has concluded the identification of the assets acquired and liabilities assumed and the allocation of the purchase price to these assets and liabilities except for the measurement of the fair value of the intangible assets and, therefore, the measurement of goodwill. The purchase price allocation, including the preliminary allocation to the intangible assets and goodwill is shown below.

Identifiable intangible assets will be amortized for a period of 2 to 5 years, according to their useful life defined based on the expected future economic benefits generated by the asset. The goodwill does not have a defined useful life and will have its recoverability tested at least annually.

The goodwill from Spin Pay’s acquisition relates to future benefits expected to be realized through a number of strategies, such as diversification and increase in revenues due to PIX-related payment services such as

transaction financing, promotional platform and checkout solutions and the absorption of skilled workforce. These benefits have not been recognized separately from goodwill because they do not meet the definition of identifiable intangible assets. The total amount of goodwill that is expected to be deductible for tax purposes in Brazil is US$2,149 as of the acquisition date.

	Fair value recognized on acquisition
Net Identifiable assets and liabilities	
Cash and cash equivalents	1,373
Intangible assets	8,048
Other assets	63
Liabilities	(1,101)
Total identifiable net assets at fair value	**8,383**
Goodwill arising on acquisition	5,372
Purchased consideration transferred	**13,755**
Equity consideration	6,889
Cash consideration	6,866

The additional intangible assets recognized and the allocation of the purchase price were intellectual property (US$7,304), and customer relationship (US$638), at the acquisition date.

The following were the main assumptions used in the determination of the fair value of the net assets acquired and liabilities assumed: (i) discount rate of 18.2% and (ii) the residual value was calculated based on the projected cash flow for the last year (perpetuity).

Net cash outflow on acquisition

Consideration paid in cash	6,866
(-) Cash and cash equivalent balances acquired	(1,373)
Net cash outflow	**5,493**

Impact of the acquisition on the results of the Group

Spin Pay contributed US$112 in revenues and a US$483 loss for the period between the date of acquisition and the reporting date. If the acquisition had been completed on January 1, 2021, the Group would have reported total revenue of approximately US$1,698,659 and a loss of approximately US$167,160 for the year ended December 31,2021.

The aggregate of the Easynvest and Spin Pay acquisitions contributed to approximately US$17,812 of revenue and US$11,076 of loss in the period between the acquisition's dates and the reporting date. Considering if the acquisitions had been completed on January 1, 2021, the Group would have reported total revenue of approximately US$1,715,835 and a loss of approximately US$176,410 for the year ended December 31, 2021.

d) Acquisition activities completed during the year - 2020

i) Acquisition of Cognitect, Inc

On August 4, 2020, Nu Holdings acquired 100% of the issued and outstanding capital stock of Cognitect, Inc. ("Cognitect"), a Delaware corporation. Cognitect is a software engineering company responsible for developing Clojure, an open-source functional programming language, and Datomic, a database product,

both of which were already used by Nu. Cognitect licenses Datomic for customers and provides consulting services related to Datomic and Clojure. Nu's intention was to add the knowledge of Cognitect developers to its team to foster technology and efficiency.

Purchase consideration at acquisition date

The operation was consummated by means of a cash consideration of US$10,432.

As part of the purchase agreement, a contingent cash and a contingent share consideration has been agreed to be paid over 5 years in equal installments, dependent upon the former Cognitect's shareholders' and employees continuing to provide services to the Company, which were then considered as compensation for post-combination services and not a component of the purchase consideration transferred. The value attributable to each of the 537 thousand shares is USD10.71 and corresponds to the estimated fair value of the ordinary share at the date of the acquisition. The fair value of the shares was calculated using methodologies similar to the share-based payment. Further, there is also an escrow deposit which will be released on the 5th anniversary of the acquisition.

The difference between the amount paid and the net assets acquired at fair value resulted in the recognition of goodwill.

Net identifiable assets acquired, and liabilities assumed

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

	Fair value recognized on acquisition
Identifiable assets and liabilities	
Cash and cash equivalents	2,148
Software	5,173
Customer relationship	2,689
Other assets (liabilities)	(409)
Total identifiable net assets at fair value	**9,601**
Goodwill arising on acquisition	831
Total consideration	**10,432**
Purchase consideration transferred	**10,432**

Contingent liabilities have not been recorded due to the acquisition.

Identifiable intangible assets are amortized for a period of 2.25 to 5 years, according to the useful life defined based on the expected future economic benefits generated by the asset. The goodwill does not have defined useful life and will have its recoverability tested at least annually.

If the business combination had taken place at the beginning of the year of 2020, the Group's revenue and loss for the year would not have been materially impacted.

e) Reconciliation of intangible assets and goodwill shown in the consolidated statements of financial position

Intangible assets from Easynvest's acquisition	45,061
Intangible assets from Spin Pay's acquisition	8,048
Other intangible assets	19,228
Total intangible assets	**72,337**

Goodwill from Easynvest's acquisition	392,989
Goodwill from Cognitect's acquisition	831
Goodwill from Spin Pay's acquisition	5,372
Goodwill from Akala's acquisition	2,680
Total goodwill	**401,872**

f) COVID-19

In response to the COVID-19 pandemic, many governments worldwide have taken measures related to social distancing, quarantine and travel restrictions affecting the population of these countries, including those where Nu operates. While countries are still advancing on the immunization of their populations, it is still not possible to assess when this pandemic and its effects will end. However, the Group observed:

- Growth – Nu continued to increase the number of accounts, partially driven by new customers, including new customers wanting to receive the governmental aid through Nu's savings accounts;
- Credit performance – while Nu saw initial credit deterioration during the early days of COVID-19, this trend reversed in the subsequent months and the credit risk converged to levels equal to or below those observed before the pandemic crisis; and
- Deposits – Nu served as a link between the government aid and the population, which was a factor behind the increase in the deposits balance.

As a result of the above-mentioned factors which continue to remain in flux, Nu continues to analyze the effects of the pandemic on its operations, estimates and judgements, as well as on the application of accounting policies related to allowance for credit losses. Details of the impacts of the pandemic on the credit loss allowance are described in notes 13 and 14, as well as in note 28.

In addition, since the beginning of the pandemic and to protect the health and safety of Nu’s employees, all the Group’s employees have been working remotely. Despite this challenging situation, Nu continued to grow the business and increased its headcount.

2. Statement of compliance

The Company's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

a) Functional currency and foreign currency translation

i) Nu Holding's functional and presentation currency

Nu Holdings does not have any direct customers and its main direct activities are (i) investing in the operating entities in Brazil, Mexico, Colombia, as well as in other countries, (ii) financing, either equity or debt; and (iii) the payment of certain general and administrative expenses. As a result, these are considered its primary and secondary activities and all of them are substantially based on US Dollars (“US$”), which was selected as the functional and presentation currency of Nu Holdings.

ii) Subsidiary's functional currency

For each subsidiary of the Group, the Company determines the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (“functional currency”). Items included in the financial statements of each subsidiary are measured using that functional currency. The functional currency of the Brazilian operating entities is the Brazilian Real, the Mexican entities is the Mexican Peso, and the Colombian entity is the Colombian Pesos.

iii) Translation of transactions and balances

Foreign currency transactions and balances are translated in two consecutive stages:

- Foreign currency transactions are translated to the subsidiaries’ functional currency at the exchange rates at the date of the transactions; and the exchange differences arising on the translation of foreign currency balances to the functional currency are recognized under “Other income (expenses)” in the consolidated statements of profit or loss. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Revenues and expenses are translated using a monthly average exchange rate. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

- The financial statements of the subsidiaries held in functional currencies that are not US$ (foreign subsidiaries) are translated into US$, and the exchange differences arising from the translation to US$ of the financial statements denominated in functional currencies other than the US$ is recognized in the consolidated statements of comprehensive income or loss ("OCI") as an item that may be reclassified to profit or loss within “currency translation on foreign entities”.

The main criteria applied to the translation of financial statements of foreign subsidiaries to US$ are as follows:

- assets and liabilities are converted into US$ at the exchange rate at the reporting date;

- equity is translated into US$ at historical cost;

- revenues and expenses are translated using a monthly average exchange rate. When applying this criterion, the Group considers whether there have been significant changes in the exchange rates in the reporting period which, in view of their materiality with respect to the consolidated financial statements taken as a whole, would make it necessary to use the exchange rates at the transaction date rather than the aforementioned average exchange rates; and

- statements of cash flow items are translated into US$ using the monthly average exchange rate unless significant variances occur, when the rate of the transaction date is used instead.

b) New or revised accounting pronouncements

Adopted in 2021

The following new or revised standards have been issued by IASB and were effective for the year covered by these consolidated financial statements. They had no impact on these consolidated financial statements.

- Covid-19-Related Rent Concessions (Amendment to IFRS 16)
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- New issuance: IAS 32 Financial Instruments: Presentation – Accounting for Warrants that are Initially Classified as Liabilities
- Proposed amendments to IAS 21: Lack of Exchangeability

c) Other new standards and interpretations not yet effective

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Classification of Liabilities as Current or Non-Current (Amendments to IAS1)
- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 3 - Definition of a Business
- Amendments to IAS 1 and IAS 8 – Definition of Material
- Amendments to IAS 37 - Onerous Contracts — Cost of Fulfilling a Contract
- Amendments to IAS 16 - Property, Plant and Equipment — Proceeds before Intended Use

Management does not expect the adoption of the standards and interpretations described above to have a significant impact on the consolidated financial statements.

3. Basis of consolidation

These consolidated financial statements include the accounting balances of Nu Holdings and all those subsidiaries over which the Company exercises control, direct or indirectly. Control is achieved where the Company has (i) power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and (iii) can use its power to affect its profits.

The Company re-assesses whether it maintains control of an investee if facts and circumstances indicate that there are changes to one or more of the three above mentioned elements of control. The consolidation of a subsidiary begins when the Company obtains control over it and ceases when the Company loses control over it. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the reporting

period are included in the consolidated statements of profit or loss from the date the Company gains control until the date the Company ceases to control the subsidiary.

The financial information of the subsidiaries was prepared in the same period as the Company and applied consistent accounting policies.

The financial statements of the subsidiaries are fully consolidated with those of the Company. Accordingly, all balances, transactions and any unrealized income and expenses arising between consolidated entities are eliminated on the consolidation, except for foreign-currency gain and losses on translation of intercompany loans. Profit or loss and each component of other comprehensive income or loss are attributed to the shareholders of the parent company and to the non-controlling interest.

These consolidated financial statements include the subsidiaries listed below:

					December 31		
Entity	**Control**	**Principal activities**	**Functional currency**	**Country**	**2021**	**2020**	**2019**
Nu 1-B, LLC (“Nu 1-B”)	Direct	Holding Company	US$	USA	100%	100%	100%
Nu 2-B, LLC (“Nu 2-B”)	Direct	Holding Company	US$	USA	100%	100%	100%
Nu 3-B, LLC (“Nu 3-B”)	Direct	Holding Company	US$	USA	100%	100%	100%
Nu 1-A, LLC (“Nu 1-A”)	Indirect	Holding Company	US$	USA	100%	100%	100%
Nu 2-A, LLC (“Nu 2-A”)	Indirect	Holding Company	US$	USA	100%	100%	100%
Nu 3-A, LLC (“Nu 3-A”)	Indirect	Holding Company	US$	USA	100%	100%	100%
Nu Payments, LLC (“Nu Payments”)	Indirect	Holding Company	US$	USA	100%	100%	100%
Nu MX LLC (“Nu MX”)	Direct	Holding Company	US$	USA	100%	100%	100%
Nu Cayman Ltd (“Nu Cayman”)	Direct	Investment company	US$	Cayman	100%	100%	-
Nu Finanztechnologie GmbH (“Nu Finanz”)	Direct	Technology E-Hub	EUR	Germany	100%	100%	100%
Nu BN México, S.A. de CV (“Nu Mexico”)	Indirect	Multiple purpose financial company	MXN	Mexico	100%	100%	100%
Nu BN Servicios México, S.A. de CV (“Nu Servicios")	Indirect	Credit card operations	MXN	Mexico	100%	100%	100%
Nu BN Tecnologia, S.A de CV (“Nu Tecnologia”)	Indirect	Computer consulting service	MXN	Mexico	100%	100%	-
Nu Colombia S.A. (“Nu Colombia”)	Indirect	Credit card operations	COP	Colombia	100%	100%	-
Nu Argentina S.A. (“Nu Argentina”)	Indirect	Talent E-Hub	ARS	Argentina	100%	100%	-
Cognitect, Inc. ("Cognitect")	Direct	Technology E-Hub	US$	USA	100%	100%	-
Internet – Fundo de Investimento em Participações Multiestratégia (“Internet FIP”)	Indirect	Investment company	BRL	Brazil	100%	100%	100%
Nu Pagamentos S.A. - Instituição de Pagamentos (“Nu Pagamentos”)	Indirect	Credit card and prepaid account operations	BRL	Brazil	100%	100%	100%
Nu Financeira S.A. – SCFI (“Nu Financeira”)	Indirect	Loan operations	BRL	Brazil	100%	100%	100%
Nu Asset Management Ltda. (“Nu Asset”) - former "Nu Investimentos"	Indirect	Fund manager	BRL	Brazil	100%	100%	100%
Nu Distribuidora de Titulos e Valores Mobiliarios Ltda. ("Nu DTVM")	Indirect	Securities distribution	BRL	Brazil	100%	100%	-
Nu Produtos Ltda. ("Nu Produtos")	Indirect	Insurance commission	BRL	Brazil	100%	100%	-
Nu Invest Corretora de Valores S.A ("Nu Invest") - former “Easynvest TCV"	Indirect	Investment platform	BRL	Brazil	100%	-	-
Nu Participações S.A. ("Nu Participações") - former “Easynvest Participações"	Indirect	Holding Company	BRL	Brazil	100%	-	-

Nu Corretora de Seguros Ltda. ("Nu Corretora de Seguros") - former “Easynvest Corretora"	Indirect	Insurance commission	BRL	Brazil	100%	-	-
Easynvest Gestão de Recursos Ltda. (“Easynvest Gestão")	Indirect	Fund manager	BRL	Brazil	100%	-	-
Vérios Gestão de Recursos S.A. (“Vérios”)	Indirect	Fund manager	BRL	Brazil	100%	-	-
Nu Plataformas - Intermediação de Negocios e Serviços Ltda ("Nu Plataforma")	Indirect	Services platform	BRL	Brazil	100%	-	-
Nu Tecnologia S.A ("Nu Tecnologia")	Direct	Talent E-Hub	UYU	Uruguay	100%	-	-
Nu México Financiera, S.A. de C.V., S.F.P. ("Nu Financiera") - former “Akala”	Indirect	Multiple purpose financial company	MXN	Mexico	100%	-	-
Nuplat S.A. ("Nuplat")	Direct	Talent E-Hub	UYU	Uruguay	100%	-	-
Spin Pay Serviços de Pagamentos Ltda. ("Spin Pay")	Indirect	Payment hub	BRL	Brazil	100%	-	-

In addition, for the years ended December 31, 2021, 2020 and 2019, the Company consolidated the following entities in which the Group’s companies hold a substantial interest or the entirety of the interests and are therefore exposed to, or have rights, to variable returns and have the ability to affect those returns through power over the entity:

Name of the entity	**Country**
Fundo de Investimento em Direitos Creditórios NU (“FIDC Nu”)	Brazil
Fundo de Investimento Ostrum Soberano Renda Fixa Referenciado DI (“Fundo Ostrum”)	Brazil
Nu Fundo de Investimentos em Ações (“Nu FIA”)	Brazil
Nu Fundo de Investimento Renda Fixa ("NuFundo") - consolidated only in 2020 and 2019	Brazil

The interest owned by other investors in these entities are presented as non-controlling interests in these consolidated financial statements.

Nu Pagamentos, Nu Financeira, Nu DTVM and Nu Invest, Brazilian subsidiaries, are regulated by the Brazilian Central Bank (“BACEN”) and Nu Mexico Financiera, a Mexican subsidiary, is regulated by both the Mexican Central Bank ("BANXICO") and Mexican National Baking and Stock Commission (“CNBV”), and as such, there are some regulatory requirements that restrict the ability of the Group to access and transfer assets freely to or from these entities within the Group and to settle liabilities of the Group. FIDC Nu also have specific restrictions, as described on note 20.

4. Significant accounting policies

The accounting policies described below have been applied consistently through the years presented in these consolidated financial statements.

a) Financial instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognized when the Group becomes a party to the contractual terms of the instrument. The Group determines the classification of its financial assets and liabilities at initial recognition and measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss ("FVTPL"), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss ("ECL") allowance is

recognized for financial assets measured at amortized cost and investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI"), if any.

There were no defaults or breaches in any financial liability during 2021, 2020 and 2019.

Classification and subsequent measurement

Financial assets and financial liabilities are classified as FVTPL where there is a requirement to do so or where they are otherwise designated at FVTPL on initial recognition. Financial assets and financial liabilities which are required to be held at FVTPL include:

- Financial assets and financial liabilities held for trading;
- Debt instruments that do not have solely payments of principal and interest ("SPPI") characteristics. Otherwise, such instruments must be measured at amortized cost or FVTOCI; and
- Equity instruments that have not been designated as held at FVTOCI.

Financial assets and financial liabilities are classified as held for trading if they are derivatives or if they are acquired or incurred mainly for the purpose of selling or being repurchased in the near-term, or form part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit-taking.

In certain circumstances, other financial assets and financial liabilities are designated at FVTPL where this results in the more relevant information. This may arise because it significantly reduces a measurement inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on a different basis, where the assets and liabilities are managed and their performance evaluated on a fair value basis or, in the case of financial liabilities, where it contains one or more embedded derivatives which are not closely related to the host contract.

The classification and measurement requirements for financial asset debt and equity instruments and financial liabilities are set out below.

Financial assets - debt instruments

Debt instruments are those instruments that meet the definition of financial liability from the issuer's perspective, such as loans and government and corporate bonds.

The classification criteria and subsequent measurement for financial assets depends on the business model for their management and the characteristics of their contractual flows. The business models refer to the way in which the Group manages its financial assets to generate cash flows. In this definition, the following factors are taken into consideration, among others:

- How key management assess and report on the performance of the business model and the financial assets held in the business model;
- The risks that affect the performance of the business model (and the financial assets held in the business model) and, specifically, the way in which these risks are managed; and
- The frequency and volume of sales in previous years, as well as expectations of future sales.

Depending on these factors, the asset can be measured at amortized cost, at fair value with changes in other comprehensive income, or at fair value with changes through profit or loss.

Business model: The business model reflects how the Group manages the assets to generate cash flows and, specifically, whether the Group's objective is solely to (i) collect the contractual cash flows from the assets or (ii) is to collect both the contractual cash flows and cash flows arising from the sale of the assets. If neither of these is applicable, such as where the financial assets are held for trading purposes, then the financial assets are classified as part of an "other" business model and measured at FVTPL. To assess business models, the Group considers risks that affect the performance of the business model; how the managers of the business are compensated; and how the performance of the business model is assessed and reported to Management.

When a financial asset is subject to business models (i) and (ii), the application of the SPPI test is required, as explained below.

Solely Payments of Principal and Interest – SPPI test: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the assets' cash flows represent SPPI. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement (i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks, and a profit margin that is consistent with a basic lending arrangement). Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the related asset is classified and measured at FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

Based on these factors, the Group classifies its instruments into one of the following measurement categories.

Amortized cost:

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any ECL recognized and measured. Interest income from these financial assets is included in the statement of profit or loss using the effective interest rate method. When estimates of future cash flows are revised, the carrying amount of the respective financial assets or financial liabilities is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in the statement of profit or loss.

FVTOCI:

Financial assets that are both held for collection of contractual cash flows, where those cash flows represent SPPI, and for sale, depending on the Company's best interests, which are not designated at FVTPL, are measured at fair value through other comprehensive income ("FVTOCI"). The carrying amount of these assets is adjusted by any ECL recognized and measured. Interest income from these financial assets is included in the statement of comprehensive income or loss using the effective interest rate method.

FVTPL:

Financial assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL, including any debt instruments designated at fair value, is recognized in profit or loss, and presented in the statement of profit or loss in the period in which it arises.

The Group reclassifies financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first period following the change. As a result of the growth of Nu's activities, with a higher volume of deposits and related investment in financial assets, in 2021 the Group began to hold financial assets in a held-to-collect-and-sell business model which resulted in their classification as FVTOCI. Except for this addition, for the years ended December 31, 2021, and 2020, no other changes have occurred.

Classification of financial assets for presentation purposes

Financial assets are classified by nature into the following items in the consolidated statements of financial position:

- Cash and cash equivalents;
- Securities;
- Collateral for credit card operations;
- Derivative financial instruments;
- Compulsory deposits at central banks;
- Credit card receivables and loans to customers;
- Other financial assets at amortized cost.

Financial liabilities

Financial liabilities are initially classified into the various categories used for management and measurement purposes, unless they have to be presented as liabilities associated with non-current assets held for sale or they relate to hedging derivatives or changes in the fair value of hedged items in portfolio hedges of interest rate risk, which are reported separately.

Financial liabilities are included for measurement purposes in one of the following categories:

- Financial liabilities held for trading (at FVTPL): this category includes financial liabilities incurred for the purpose of generating a profit in the near term from fluctuations in their prices and financial derivatives not designated as hedging instruments.
- Financial liabilities designated at FVTPL: financial liabilities are included in this category when they provide more relevant information, either because this eliminates or significantly reduces recognition or measurement inconsistencies (accounting mismatches) that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases, or because a group of financial liabilities or financial assets and liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided on that basis to the Group’s key management personnel. Liabilities may only be included in this category on the date when they are incurred or originated. This classification is applied to derivatives, financial liabilities held for trading, and other financial liabilities designated as such at initial recognition. The Group has designated the instruments eligible as capital as fair value through profit or loss at its initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability) and partially in profit or loss (the remaining amount of change in the fair value of the liability).

- Financial liabilities at amortized cost: financial liabilities, irrespective of their instrumentation and maturity, not included in any of the above-mentioned categories which arise from the ordinary borrowing activities carried on by financial institutions.

Convertible instruments

Convertible instruments, which corresponded to the Company's senior preferred shares, are separated into the financial liability and equity components based on the terms of the contract. On issuance of the convertible instrument, the fair values of the financial liability components are determined based on their characteristics, using a market rate for an equivalent non-convertible instrument for the contractual obligation to deliver cash and valuation models to the convertible embedded derivative into a variable number of shares. The financial liability due to the obligation to deliver cash is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption; and the convertible embedded derivative is measured at fair value and presented as "Derivative financial instruments" in the consolidated statements of financial position. No gain or loss arises from initially recognizing the components of the convertible instrument separately.

On conversion of convertible instruments, the Company derecognizes both the liability and derivative components and recognizes them as equity, without any effect in the statement of profit or loss. The expenses relating to the measurement of the financial liability components are presented as "Results with convertible instruments" in the statement of profit or loss. As of December 31, 2021, the Company did not have any outstanding convertible instruments.

Classification of financial liabilities for presentation purposes

Financial liabilities are classified by nature into the following items in the consolidated statements of financial position:

- Derivative financial instruments;
- Instruments eligible as capital;
- Deposits,
- Payables to credit card network;
- Borrowings and financing, and securitized borrowings;
- Senior preferred shares.

Credit loss allowance of financial assets

The Group calculates an expected credit loss ("ECL") for its financial assets. This way, ECLs should account for forecast elements such as undrawn limits and macroeconomic conditions that might affect the Group's receivables.

The Group calculates different provisions for the financial instruments classified into:

- Stage 1 - no significant increase in credit risk ("SICR");
- Stage 2 - significant increase in credit risk subsequent to recognition; and

- Stage 3 - credit impaired.

Based on these concepts, Nu's approach was to calculate ECL through the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD") methodology.

Definitions of stages

Stage 1 definition – no significant increase in credit risk

All receivables not classified in stages 2 and 3.

Stage 2 definition – significant increase in credit risk subsequent to recognition

The Group utilizes two guidelines for determining stage 2:

(i) absolute criteria: the financial asset is more than 30 (thirty) days in arrears; or

(ii) relative criteria: in addition to the absolute criteria, the Group analyzes monthly the evolution of the risk of each financial instrument, comparing the current behavior score attributed to a given client with the one given in the moment of recognition of the financial asset. The behavior score considers credit behavior variables, such as delinquency in other products and market data about the client.

The Group has also assumed a cure period for stage 2, where all receivables in arrears between 30 and 89 days at least once in the last six months are classified as stage 2.

Stage 3 definition – credit impaired

Stage 3 definition follows the definition of default:

(i) The financial asset is more than 90 (ninety) days in arrears; or

(ii) There are indicatives that the financial asset will not be fully paid without a collateral or financial guarantee being triggered.

Indication that an obligation will not be fully paid includes forbearance of financial instruments that implies advantages being granted to the counterparty following deterioration in the credit quality of the counterparty.

A probation period is also considered: customers that were more than 90 days in arrears at the last six months are also classified as stage 3.

Lifetime definition

The maximum period over which expected credit losses shall be measured is the maximum contractual period over which the entity is exposed to credit risk. For loan commitments, this is the maximum contractual period over which an entity has a present contractual obligation to extend credit. Thus, for the lending product, the lifetime is straightforward, being equal to the number of months for the remaining loan installments to be defaulted on.

However, the credit card includes both a loan and an undrawn commitment component and does not have a fixed term or repayment structure. Thus, the period over which to measure expected credit losses are based on historical information and experience about the length of time for related default to occur on similar financial instruments following a significant increase in credit risk.

Therefore, a study was conducted for the stage 2 credit cards portfolio tracking over a time period to measure how long it takes for the cumulative default rate to stabilize, understanding this as the moment the entity is not expected to be exposed to credit risk.

Forward-looking – macroeconomic scenarios

The Group calculates the ECL considering the current macroeconomic environment and changes in future macroeconomic scenarios. The macroeconomic forecasts are based on market expectations for Brazilian Gross Domestic Product ("GDP") for the next two years as disclosed by the Brazilian Central Bank. These forecasts are constantly monitored by the Group.

The Group also builds pessimistic and optimistic scenarios, which are based on the variance of future market expectations. The scenarios weighting depends on the Group's expectations regarding the likelihood of each scenario to happen. The weighting is reviewed whenever there is a substantial change in the economic environment that causes different macroeconomics outlooks' expectation.

The probability of occurrence and their severity are factored into the estimation of the ECL final number. This methodology allows a timelier response to changes in local or global macroeconomic trends.

Measuring ECL

The final ECL was calculated using the following parameters:

- PD: it is the likelihood that a receivable will reach default in a time window. For stage 1 customers, PDs are calculated for the next 12-month period, while for stage 2, its calculation is done through the lifetime of the instrument. For stage 3, PD is considered to be 100% since the credit has already defaulted.

- EAD: the discounted balance that, in the event of a default, a customer is expected to have. For revolving facilities, it is a function of the customer's current limit (total credit exposure) and the expected limit utilization percentage at the moment of default. The expected limit utilization is driven by different customer behavior. In contrast the EAD of a personal loan product is the expected balance value at default after considering the installments payments behavior.

- LGD: the percentage expected not to be recovered from a defaulted balance. This ratio represents the present value of the expected losses divided by the defaulted balances.

- Discount rate: it is the average effective interest rate calculated using historical data.

The parameters mentioned above are segmented in homogeneous risk groups, determined by internal scoring models, relying on, among others, customer behavioral information, internal and external, including delinquency and credit utilization.

Governance around ECL

The Group's Credit Risk Team has developed the current ECL method. Monthly results are monitored and discussed in appropriate forums involving credit businesses and finance teams.

The Group assesses the performance of ECL estimations through the following methods:

- Back testing: running the model at prior reference dates allows the Group to evaluate how the model's predictions have paired with actual data.

- Coverage duration: while back testing, the Group analyzes how many months it is covered for losses while provisioning the ECL.

Post-Model Adjustments

Limitations in the Group's provisions model may be identified, and in these circumstances, Management might suggest appropriate adjustments to the Group's provisions by applying post-model adjustments.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for ECL are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the assets. Any excess of the loss allowance over the gross amount is presented as a provision in “Other liabilities”.

Write-off

The Group directly reduces the gross carrying amount of a financial asset when it has no reasonable expectation of recovering it in its entirety or a portion thereof. For unsecured loans, a write-off is made when all internal avenues of collecting the debt have been exhausted, and the debt is handed over to external collection agencies or it has no reasonable expectation of recovering. Significant portion of the write-offs of credit card receivables and loans to customers are done when the client is twelve months in arrears, and all balances are written-off are subject to enforcement activity. Contact is made with customers with the aim of achieving a realistic and sustainable repayment arrangement.

Recoveries

Recoveries of credit losses are registered as an income and offset against credit losses. Recoveries of credit losses are classified in the consolidated statements of profit or loss as “Credit loss allowance expenses”.

Modifications of financial assets

The factors used by the Group to determine whether there is a substantial modification of a contract are: evaluation if there is a renegotiation that is not part of the original contractual terms, change to contractual cash flows and significant extensions of the term of the transaction due to the debtor's financial constraint and significant changes to the interest rate, among others.

The major modifications in the Company’s financial assets correspond to changes in contractual cash flows when credit card receivables, current or revolving, are modified to receivables in installments or changes in the installments profile in loans to customers. These modifications occur as a result of commercial restructuring activity or due to the credit risk of the borrower, an assessment must be performed to determine whether the terms of the new agreement are substantially different from the terms of the existing agreement. This assessment considers both the change in cash flows arising from the modified terms as well as the change in overall instrument risk profile.

Where terms are substantially different, the existing receivable will be derecognized and a new one will be recognized at fair value, with any difference in valuation recognized immediately within the statement of profit or loss, subject to observability criteria. Where terms are not substantially different, the receivables carrying value will be adjusted to reflect the present value of modified cash flows discounted at the original effective interest rate, with any resulting gain or loss recognized immediately within the statement of profit or loss.

For ECL purposes, any modification that implies a forbearance will be recognized as stage 3. A forbearance implies advantages being granted to the counterparty as a result of deterioration in the credit quality of the

counterparty. For this definition, the following are considered advantages (i) any material discounts applied to the current obligation and (ii) changes in prices that do not represent the customer credit risk profile.

Derivative financial instruments

Derivatives are contracts or agreements whose value is derived from one or more underlying indexes or asset values inherent in the contract or agreement, which require little or no initial net investment and are settled at a future date. Transactions are undertaken in interest rate, cross-currency, and other index related swaps and forwards.

Derivatives are held for risk management purposes and are classified as held for trading unless they are designated as being in a hedge accounting relationship. Derivatives are recognized initially at cost (on the date on which a derivative contract is entered into) and are subsequently re-measured at their fair value. Fair values of exchange-traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are estimated using valuation techniques, including discounted cash flow and option pricing models.

All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative, except where netting is permitted. The method of recognizing fair value gains and losses depends on whether derivatives are held for trading or are designated as hedging instruments and, if the latter, the nature of the risks being hedged. Gains and losses from changes in the fair value of derivatives held for trading are recognized in the consolidated statements of profit or loss and included within “Interest income and gains (losses) on financial instruments”.

Hedge accounting

The Group applies hedge accounting to represent the economic effects of its risk management strategies. At the time a financial instrument is designated as a hedge (i.e., at the inception of the hedge), the Group formally documents the relationship between the hedging instrument(s) and hedged item(s), its risk management objective and strategy for undertaking the hedge. The documentation includes the identification of each hedging instrument and the respective hedged item, the nature of the risk being hedged and how the hedging instrument’s effectiveness in offsetting the exposure to changes in the hedged item’s fair value attributable to the hedged risk is to be assessed. Accordingly, the Group formally assesses, both at the inception of the hedge and on an ongoing basis, whether the hedging derivatives have been and will be highly effective in offsetting changes in the fair value attributable to the hedged risk during the period that the hedge is designated.

A hedge is usually regarded as highly effective if, at inception and throughout its life, the Group can expect, and actual results indicate, that changes in the fair value or cash flow of the hedged items are effectively offset by changes in the fair value or cash flow of the hedging instrument. If, at any point, it is concluded that it is no longer highly effective in achieving its documented objective, hedge accounting is discontinued.

Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the derivatives may be designated as either: (i) hedges of the change in fair value of recognized assets or liabilities or firm commitments (fair value hedges); (ii) hedges of the variability in highly probable future cash flows attributable to a recognized asset or liability, or a forecast transaction (cash flow hedges); or (iii) a hedge of a net investment in a foreign operation (net investment hedges). The Group applies cash flow hedge accounting in the subsidiary Nu Pagamentos that is exposed to foreign currency risk (dollar and euro) on forecast transactions, as described below.

(i) Cash flow hedge accounting - The effective portion of changes in the fair value of qualifying cash flow hedges are recognized in other comprehensive income or loss in the cash flow hedge reserve. The gain or

loss relating to the ineffective portion is recognized immediately in the statement of profit or loss. Amounts accumulated in equity are reclassified to the statement of profit or loss in the periods in which the hedged item affects profit or loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized in the statement of profit or loss when the forecast transaction is ultimately recognized in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the statement of profit or loss. The Group is exposed to foreign currency risk on forecast transactions, mainly expenses related to the cost of services and administrative expenses.

Offsetting financial assets and liabilities

Financial asset and liability balances, including derivatives, are offset (i.e., reported in the statements of financial position at their net amount) only if the Group entities have a legally enforceable right to set off the recognized amounts and intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group has not offset financial assets or liabilities.

b) Fair value

Fair value is defined as the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value accounting guidance provides a three-level fair value hierarchy for classifying financial instruments. This hierarchy is based on the markets in which the assets or liabilities trade and whether the inputs to the valuation techniques used to measure fair value are observable or unobservable. The fair value measurement of a financial asset or liability is assigned a level based on the lowest level of any input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are described below:

- **Level 1:** Valuation is based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Valuation is based on observable market-based inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- **Level 3:** Valuation is generated from techniques that use significant assumptions, not observable in the market. Valuation techniques include pricing models, discounted cash flow methodologies, or similar techniques.

The degree of management judgment involved in determining the fair value of a financial instrument is dependent upon the availability of quoted prices in active markets or observable market parameters. When quoted prices and observable data in active markets are not fully available, management judgment is necessary to estimate fair value.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist, Black-Scholes pricing model and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other inputs used in estimating discount rates. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values.

Changes in market conditions, such as reduced liquidity in the capital markets or changes in secondary market activities, may reduce the availability and reliability of quoted prices or observable data used to determine fair value.

Significant judgment may be required to determine whether certain financial instruments measured at fair value are classified as Level 2 or Level 3. In making this determination, the Group considers all available information that market participants use to measure the fair value of the financial instrument, including observable market data, indications of market liquidity and orderliness, and Group's understanding of the valuation techniques and significant inputs used. Based upon the specific facts and circumstances of each instrument or instrument category, judgments are made regarding the significance of the Level 3 inputs to the instruments' fair value measurement in its entirety. If Level 3 inputs are considered significant, the instrument is classified as Level 3. The process for determining fair value using unobservable inputs is generally more subjective and involves a high degree of management judgment and assumptions.

The Group has in place controls to ensure that the fair value measurements are appropriate and reliable, including review and approval of new transaction types, price verification, and review of valuation judgments, methods, models, process controls, and results.

The financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy are disclosed in note 25.

c) Accounting for acquisitions

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date at fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value, if any, or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

d) Revenue recognition

Interest income and gains (losses) on financial instruments

Interest income on loans, credit card operations (revolving and interest-bearing installment transactions) and short-term investments are calculated using the effective interest method, which allocates interest, and direct and incremental fees and costs over the expected lives of the assets. For the revolving balances, the interest is calculated from the due date of the credit card bill that was not fully paid. Gains (losses) on financial instruments comprises the changes in fair value recognized in the statement of profit or loss.

Fee and commission income

Fee and commission income are shown net of federal revenue taxes.

i) Interchange fees

Interchange fees income represents fees to authorize and provide settlement on credit and debit card transactions processed through the Mastercard networks and are determined as a percentage of the total payment processed. Interchange fees, net of Rewards revenues, are recognized and measured upon recognition of the transaction with the interchange networks, when performance obligation is considered satisfied. The interchange rates agreed with Mastercard are fixed and it depends on the segment of each merchant. The interchange income is withheld from the amount to be paid to Mastercard.

ii) Rewards revenues

It comprises revenues related to the Nu's Rewards subscription fee and the related interchange fee, initially apportioned in accordance with the relative stand-alone selling prices of the performance obligation assumed, as described below in item "Deferred income". It is recorded in the income statement when the performance obligation is satisfied, which is when the reward points are redeemed by the customers.

iii) Recharge fees

Recharge fees are recognized at the date the customers acquire the right to the telecom services and comprises the selling price of telecom prepaid cards to customers, net of its acquisition costs.

e) Expense recognition

Expenses are recorded in the statement of profit or loss under the accrual method, regardless of receipt or payment.

f) Cash and cash equivalents

Cash and cash equivalents include (i) bank deposits in local institutions and abroad and highly liquid short-term investments with original maturities up to 90 days, convertible into a known amount of cash, subject to insignificant risk of change in value and used for cash management of short-term commitments and not for investment and financing purposes; and (ii) balances with central banks which are part of the Group's liquidity management activities.

g) Credit card receivables

Credit card receivables are reported at their amortized cost, net of the credit card ECL allowance.

Chargebacks refer to the amounts disputed by clients generally due to fraud transactions on the Mastercard network process. Losses are recorded based on the estimated amount expected to be reduced from the

Group's client's receivables when the event impacting the client occurred on activities that the Company is responsible for on the referred network.

h) Loans to customers

Loans to customers are related to Nu's lending products. The personal loans can be paid in 1 to 48 installments, depending on the conditions agreed on Nu's app. Loans are reported at their amortized cost, which is the outstanding principal balance, adjusted for any unearned income, unamortized deferred fees and costs, unamortized premiums and discounts, and charge-offs. Loans are reported net of the estimated uncollectible amount (loan ECL allowance).

i) Leasing

The Group as a lessee

For any new contracts entered on or after January 1, 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, which conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition, the Group assesses whether the contract meets three criteria, which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain all of the economic benefits from use of the identified asset throughout the period of use substantially, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee, and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes on in-substance fixed payments.

When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

j) Property, plant and equipment and intangible assets

Property, plant, and equipment are measured at historical cost less accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the asset and are depreciated from the date they are available for use. Depreciation is calculated to amortize the cost of items of fixed assets less their estimated residual values using the linear method based on the useful economic life of the items and is reviewed annually and adjusted prospectively if appropriate.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets, including software and other assets, are recognized if they arise from contractual or other legal rights or if they are capable of being separated or divided from the Group and sold, transferred, licensed, rented, or exchanged. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives and are evaluated for impairment whenever events or changes in circumstances indicate the carrying amount of the assets.

Directly attributable expenditures related to internally generated intangible assets, mainly software systems, are capitalized from the date on which the entity is able to demonstrate, among others, its technical feasibility, intention to complete, ability to use and can demonstrate probable future economic benefits.

Expenditures for improvements in third-party real estate are amortized over the term of the property lease.

The useful life of fixed and intangible assets items are as follows:

Furniture and other office equipment	10 years
Computer equipment	5 years
Software	5 years

Intangible assets arising from business combinations have specific useful lives, determined during purchase price allocation procedures.

k) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for any non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

Goodwill is not amortized but is tested for impairment annually or more frequently if adverse circumstances indicate that it is more likely than not that the carrying amount exceeds its fair value. These indicators could include a sustained, significant decline in the Company's stock price, a decline in expected future cash flows, significant disposition activity, a significant adverse change in the economic or business environment, and the testing for recoverability of a significant asset group, among others.

l) Impairment of non-financial assets

At each reporting date, or more frequently when events or changes in circumstances dictate, property, plant and equipment and intangible assets with a defined useful life are assessed for indicators of impairment. If indications are present, these assets are subject to an impairment review.

The carrying values of property, plant and equipment, goodwill and other intangible assets should be written down by the amount of any impairment and the loss is recognized in the statement of profit or loss in the period in which it occurs. A previously recognized impairment loss relating to property, plant and equipment may be reversed in part or in full when a change in circumstances leads to a change in the estimates used to determine the property, plant, and equipment recoverable amount. The carrying amount of the property, plant and equipment will only be increased up to the amount that would have been had the original impairment not been recognized.

For the years ended on December 31, 2021, 2020 and 2019, no adjustment to the recoverable amount for non-financial assets was recorded on the financial statements.

m) Other assets

Other assets include the amount of assets not recorded in other items, including prepaid expenses and deferred expenses. Deferred expenses are mostly related to certain issuance costs incurred on the credit and debit card operations, as embossing and shipping costs, among others. Card issuance costs are amortized over the card's expected life, adjusted for any cancellations.

n) Deposits

Corresponds to:

a) amounts deposited by customers mainly in:

   (i) "NuConta", the prepaid account. Nu is required to invest the amounts received in government securities; and

   (ii) Bank Receipt of Deposits ("RDB") and Linked Bank Receipt of Deposits ("RDB-V"). The amounts deposited by customers in these modalities can be used as a financing source for the Group's operation and may or may not be invested in government securities.

b) time deposits; and

c) other deposits.

For those deposits, the interest expense is recognized using the effective interest rate method.

o) Payables to credit card network

Payables to credit card network correspond to financial liabilities recognized at amortized cost to be paid through clearing houses to the credit card brand Mastercard and to other clearing houses that are also part of the credit card network.

p) Borrowings and financing

Correspond to borrowings obtained with third parties that are initially recognized at cost and subsequently at amortized cost using the effective interest rate.

q) Deferred income

Primarily comprises revenues related to the Rewards which is initially apportioned, from the interchange and reward fees charged to customers, in accordance with the relative stand-alone selling prices of the performance obligation assumed. The revenues apportioned are recorded as deferred income until it is recorded in the income statement when the performance obligation is satisfied. Deferred income also contains amounts related to the rewards fees which are paid annually by customers until they are earned by the Company and are included on the Rewards revenue apportion calculation.

The Group evaluates the deferred income amount and the assumptions based on developments in redemption patterns, changes to the terms and conditions of the rewards program and other factors.

r) Provisions and contingent assets and liabilities

Provisions are accounted to cover present obligations at the reporting date arising from past events which could give rise to a loss for the Group, which is considered probable to occur and certain as to its nature but uncertain as to its amount and/or timing.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Contingent liabilities also include possible obligations of the Company and its subsidiaries for which it is not probable that an outflow of resources embodying economic benefits will be required to settle them and, therefore, the Group does not recognize a liability. Instead, the Group disclose in the financial statements the contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Contingent assets are not recognized in the consolidated statement of financial position or in the consolidated statement of profit or loss, but rather are disclosed in the notes, provided that it is probable that these assets will give rise to an increase in resources embodying economic benefits.

These consolidated financial statements include all the material provisions with respect to which it is considered that it is probable to occur and to be settled. Provisions are quantified on the basis of the best information available on the consequences of the event giving rise to them and are reviewed and adjusted at each reporting period and are fully or partially reversed when such obligations cease to exist or are reduced.

s) Provision for lawsuits and administrative proceedings

The Company and its subsidiaries are subject to certain court and administrative proceedings arising from the ordinary course of their operations. Those proceedings are classified according to their likelihood of loss as:

- **Probable**: liabilities are recognized on the consolidated statements of financial position as “provision for lawsuits and administrative proceedings”;
- **Possible**: disclosed in the financial statements, but for which no provision is recognized; and

- **Remote**: require neither provision nor disclosure on the financial statements.

The amount of court escrow deposits is adjusted in accordance with current legislation.

t) Other liabilities

Other liabilities include the balances of any other liabilities not included in other categories.

u) Share premium reserve

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of the shares. The share premium account can only be used for limited purposes.

v) Share-based payments

The Group maintains a long-term incentive plan, structured through grants of stock options (“SOPs”), restricted stock units (“RSUs”) and awards linked to market conditions ("Awards"). The objective is to provide to the Group's employees the opportunity to become shareholders of the Company, creating greater alignment of the interests of key employees with those of shareholders and allowing the Group to attract and retain key employees. These share-based payments are classified as equity-settled share-based payment transactions.

Share-based payments expenses are recorded based on the fair value at the grant date. Following the IPO, the fair value is determined based on the publicly traded price, and before that date, it was estimated using different valuation models. Significant judgment is required when determining the inputs into the fair value model. The fair values of SOPs, RSUs and Awards granted are recognized as an expense over the period in which they vest for SOP and RSUs or expected to vest for Awards. The vesting requirements are basically related to the passage of time for SOPs and RSUs and market conditions and passage of time for Awards. The Group recognizes the expenses considering the individual vesting tranches of the SOPs and RSUs.

The Group revises its estimate of the number of SOPs and RSUs that will vest based on the historical experience at each reporting period. The Group recognizes the impact of the revision to original estimates, if any, in the statement of profit or loss and the accumulated loss reserve in equity. The Awards' expected vesting period is not subsequently revised, and the expenses are recorded irrespective of whether that market condition is satisfied.

w) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are incurred as an expense as the corresponding service is provided. The liability is recognized for the amount expected to be paid for the short-term if there is a present legal or constructive obligation to pay and if the amount can be estimated reliably.

x) Income taxes, including deferred taxes

Income tax payable on profits, based on the applicable tax law in each jurisdiction, is recognized as an expense in the period in which profits arise. The tax expense represents the sum of the income tax currently payable and deferred income tax.

Nu Holdings is incorporated in the Cayman Islands which does not impose corporate income taxes or tax capital gains. In Brazil, the country in which the Group's most significant subsidiaries operate, income tax is comprised of IRPJ (income tax for companies) and CSLL (social contribution on profits), with rates as shown below.

Tax	Rate (2021)	Rate (2020/2019)
Income tax - IRPJ	15% plus a surcharge of 10% on taxable income exceeding R$240 thousand per year	15% plus a surcharge of 10% on taxable income exceeding R$240 thousand per year
Social contribution - CSLL	20%	15%

Taxable profit differs from net profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Current tax liability for the current or prior period is measured at the amount expected to be paid to the tax authorities. The Group considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Group considers probable that the taxation authority will accept an uncertain tax treatment, the Group determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. When the Group concludes that it is not probable that the taxation authority will accept an uncertain tax treatment, the effect of uncertainty is reflected in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates using either of the following methods:

- the most likely amount - the single most likely amount in a range of possible outcomes or
- the expected value - the sum of the probability-weighted amounts in a range of possible outcomes.

Deferred income tax is the tax expected to be payable or recoverable on income tax losses available to carry forward and on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary taxable differences, and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the assets may be utilized as they reverse.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized based on rates enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the statement of profit or loss, except when it relates to items recognized in other comprehensive income or directly in equity, in which case the deferred tax is also recognized in other comprehensive income or directly in equity.

The Group reviews the carrying amount of deferred tax assets at each balance sheet date and reduces it to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax relating to fair value re-measurements of financial instruments accounted for at FVTOCI and cash flow hedging instruments is charged or credited directly to other comprehensive income and is subsequently recognized in the statement of profit or loss when the deferred fair value gain or loss is recognized in the statement of profit or loss.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

y) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

5. Significant accounting judgments, estimates and assumptions

Use of estimates and judgments

The preparation of financial statements requires judgments, estimates, and assumptions from management that affect the application of accounting policies, and reported amounts of assets, liabilities, revenues, and expenses. Actual results may diverge from these estimates; and estimates and assumptions are reviewed continuously. Revisions to the estimates are recognized prospectively.

a) Credit losses on financial instruments

The Group recognizes a loss allowance for expected credit losses on credit cards and loans receivables that represents management's best estimate of allowance as of each reporting date.

Management performs an analysis of the credit card and loan amounts to determine if credit losses have occurred and to assess the adequacy of the allowance based on historical and current trends as well as other factors affecting credit losses.

Key areas of judgment

The critical judgments made by management in applying the expected credit losses allowance methodology are:

a) Definition of default;

b) Forward-looking information used to the projection of macroeconomic scenarios;

c) Probability weights of future scenarios;

d) Definition of significant increase in credit risk and lifetime; and

e) Look-back period, used for parameters estimation (probability of default - PD, exposure at default - EAD and loss given default - LGD).

Sensitivity analysis

On December 31, 2021, the probability weighted ECL allowance totaled US$588,215 of which US$390,679 related to credit card operations and US$197,536 to loans. The ECL allowance is sensitive to the methodology, assumptions and estimations underlying its calculation. One key assumption is the probability weights of the macroeconomic scenarios. The table below illustrates the ECL that would have arisen if management had applied a 100% weighting to each macroeconomic scenario. All scenarios presented contain the post-model adjustments of US$10,972 presented in the post-model adjustments section.

	Upside	Base case	Downside
Credit card and lending ECL	573,642	586,755	600,602

The table below discloses the forecast used in each scenario for the Brazilian ECL allowance:

	Upside	Base case	Downside
2021- Brazilian GDP growth	1.6%	0.3%	-0.9%

Post-model adjustments

Throughout most of the 2020 and 2021 years, the Brazilian Government responses to COVID-19 pandemic, including the "Emergency Aid", changed the Group's portfolio behavior, reducing delinquency and improving other risk indicators. The Group's management believed this to be a temporary effect and concluded it was necessary to add a post-model adjustment on its ECL methodology.

The post-model adjustment continues to be applied, but at a lower level when compared with December 31, 2020.The COVID-19 impacts that motivated the post-model adjustment can be seen in detail in notes 13 (f) and 14 (f), which describes the pandemic impacts in both credit card and lending portfolios.

	Modeled ECL	Post-model Adjustments	Total ECL
Credit card	381,636	9,043	390,679
Personal loan	195,607	1,929	197,536
Total	**577,243**	**10,972**	**588,215**

As of December 31, 2021, post-model adjustments amounted to US$10,972.

b) Share-based payments

The Group measures the costs of transactions with employees eligible to share-based remuneration based on the fair value of the ordinary share on the grant date. Following the IPO, the fair value is determined based on the publicly traded price. Prior to the IPO, estimating the fair value of share-based payment transactions required determining the most appropriate valuation model to the ordinary share, options and other awards issued linked to the ordinary shares, which depended on the terms and conditions of each grant. The valuation of the ordinary shares considered one or a combination of a discounted cash flow model ("CFM") and a reverse option pricing model ("OPM") and was based substantially on the previous preferred share price transactions. The estimate of the share-based payment cost also requires determining other significant inputs to the models to value the SOPs, RSUs and Awards, including the expected term, volatility and dividend yield for the Black-Scholes model applied to the SOPs, achievement of the market conditions to the Awards, and discount rates.

Key areas of judgment

Before the IPO date, the fair values of the SOPs, RSUs and Awards took into account, among other things, contract terms and observable market data, which included a number of factors and judgments from management, as disclosed in note 10. In exercising this judgment, a variety of tools were used including

proxy observable data, historical data, and extrapolation techniques. Extrapolation techniques consider behavioral characteristics of equity markets that had been observed over time, and for which there was a strong case to support an expectation of a continuing trend in the future. Estimates were calibrated to observable market prices when they become available.

The Group believes its valuation methods are appropriate and consistent with other market participants. Nevertheless, the use of different valuation methods or assumptions, including imprecision in estimating unobservable market inputs, to determine the fair value of the SOPs, RSUs and Awards could result in different estimates of fair value.

c) Goodwill impairment analysis

For the purposes of impairment testing, the investment activities were the cash-generating unit ("CGU") in which Easynvest's goodwill was allocated. For the year ended on December 31, 2021, no adjustment to the recoverable amount for the goodwill was recorded on the financial statements because the recoverable amounts of this CGU were determined to be higher than its carrying amount.

The recoverable amounts for the CGU have been calculated based on their value in use, determined by discounting the future cash flows expected to be generated from the continuing use of the CGUs' assets and their ultimate disposal.

Key areas of judgment

The key assumptions used in the calculation of value in use were as follows. The values assigned to the key assumptions represent management's assessment of future trends in the relevant sector and have been based on historical data from both external and internal sources.

- Discount rate: 14%
- Terminal value growth rate: 3.35%
- Budgeted average growth rate for the next five year for undiscounted gross profit of 213% and total operating expenses of 144%

The discount rate used was the cost of equity for business in Brazil as defined by management. Five years of cash flow projections were included in the discounted cash flow model. A long-term growth rate was used to extrapolate the cash flows beyond the five-year period. The growth rate into perpetuity has been determined as the currently expected long term inflation rate for Brazil.

Budgeted profit before taxes, depreciation and amortization was based on expectations of future outcomes considering past experience, adjusted for the anticipated revenue growth. Revenue growth was projected considering the average growth levels experienced over the past five years and the estimated growth for the next five years.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of the CGU to decline below the carrying amount.

d) Provision for lawsuits and administrative proceedings

The Group and its subsidiaries are parties to lawsuits and administrative proceedings. Provisions are recognized for all cases representing reasonably estimated probable losses. The assessment of the

likelihood of loss considers available evidence, the hierarchy of laws, former court decisions, and their legal significance, as well as the legal counsel's opinion.

The provision mainly represents management's best estimate of the Group's future liability in respect of civil and labor complaints. Significant judgment by management is required in determining appropriate assumptions, which include the level of complaints expected to be received, of those, the number that will be upheld, and redressed (reflecting legal and regulatory responsibilities, including the determination of liability and the effect of the time bar). The complexity of such matters often requires the input of specialist professional advice in making assessments to produce estimates.

The amount that is recognized as a provision can also be susceptible to the assumptions made in calculating it. This gives rise to a broad range of potential outcomes that require judgment in determining an appropriate provision level. The Group believes its valuation methods of contingent liabilities are appropriate and consistent through the periods. Management believes that, due to the current quantity of claims and the total amount involved, if different assumptions were used no material impact on the provision would occur.

e) Fair value of financial instruments

The fair value of financial instruments, that can include derivatives that are not traded in active markets and convertible embedded derivatives, is calculated by the Group by using valuation techniques based on assumptions that consider market information and conditions.

The degree of management judgment involved in determining the fair value of a financial instrument is dependent upon the availability of quoted prices in active markets or observable market parameters. When quoted prices and observable data in active markets are not fully available, management judgment is necessary to estimate fair value.

Changes in market conditions, such as reduced liquidity in the capital markets or changes in secondary market activities, may reduce the availability and reliability of quoted prices or observable data used to determine fair value. Management's significant judgment may be required to determine whether certain financial instruments measured at fair value are classified as Level 2 or Level 3. For this determination, the Group considers all available information that market participants use to measure the fair value of the financial instrument, including observable market data, indications of market liquidity and orderliness, and the understanding of the valuation techniques and significant inputs used.

Based upon the specific facts and circumstances of each instrument or instrument category, judgments are made regarding the significance of the Level 3 inputs to the instruments' fair value measurement in its entirety. If Level 3 inputs are considered significant, the instrument is classified as Level 3. The process for determining fair value using unobservable inputs is generally more subjective and involves a high degree of management judgment and assumptions.

More information about the significant unobservable inputs and other information are disclosed in note 25.

6. Income and related expenses

a) Interest income and gains (losses) on financial instruments

	2021	2020	2019
Interest income – credit card	375,067	217,505	214,589
Interest income - lending	292,701	38,926	8,613
Interest income – other assets at amortized cost	66,202	37,833	56,817
Interest income and gains (losses) on financial instruments at fair value	**312,776**	**88,658**	**57,832**
Financial assets at fair value	*309,196*	*84,819*	*60,151*
Other	*3,580*	*3,839*	*(2,319)*
Total interest income and gains (losses) on financial instruments	**1,046,746**	**382,922**	**337,851**

The interest income presented above from credit card, lending and other assets at amortized cost represents interest revenue calculated using the effective interest method. Financial assets at fair value comprises interest and the fair value changes on financial assets at fair value.

b) Fee and commission income

	2021	2020	2019
Interchange fees	471,505	254,327	203,871
Recharge fees	48,378	15,287	358
Rewards revenue	26,857	23,524	21,071
Late fees	49,951	31,237	27,889
Other fee and commission income	65,766	29,836	21,069
Customer Program ("NuSócios") (note 1(a))	(11,180)	-	-
Total fee and commission income	**651,277**	**354,211**	**274,258**

Fee and commission income are presented by fee types that reflect the nature of the services offered by the Group. Recharge fees comprises the selling price of telecom prepaid credits to customers, net of its acquisition costs.

c) Interest and other financial expenses

	2021	2020	2019
Interest expense on deposits	317,420	87,325	81,049
Other interest and similar expenses	49,924	26,599	28,648
Interest and other financial expenses	**367,344**	**113,924**	**109,697**

d) Transactional expenses

	2021	2020	2019
Bank slip costs	36,149	46,480	31,536
Rewards expenses	36,885	29,624	21,533
Credit and debit card network costs	22,705	24,986	14,703
Other transactional expenses	21,380	25,725	11,544
Total transactional expenses	**117,119**	**126,815**	**79,316**

Transactional expenses comprise all the costs that are directly attributable to the payment network cycle. Payment network cycle costs include amounts related to data processing, payment scheme license fees, losses from chargeback relating to the credit and debit card transactions, costs relating to rewards program to fulfill the use of the points by customers, and other costs related to the connection to the payment.

Credit and debit card network costs are related to the payment programs license, which is a variable fee paid to Mastercard and other card programs to enable communications between network participants, access to specific reports, expenses related to projects involving the development of new functions, operational fixed fees, fees related to chargeback restatements and royalties.

7. Credit loss allowance expenses

	2021	2020	2019
Additions	459,759	312,446	324,326
Reversals	(148,158)	(151,676)	(135,344)
Net increase of loss allowance (note 13)	**311,601**	**160,770**	**188,982**
Recovery	(22,494)	(18,202)	(18,789)
Credit card receivables	**289,107**	**142,568**	**170,193**
Additions	246,044	41,105	4,985
Reversals	(53,966)	(14,085)	-
Net increase of loss allowance (note 14)	**192,078**	**27,020**	**4,985**
Recovery	(542)	(103)	-
Loans to customers	**191,536**	**26,917**	**4,985**
Total	**480,643**	**169,485**	**175,178**

8. Operating expenses

	2021				
	Customer support and operations	General and administrative expenses	Marketing expenses	Other income (expenses)	Total
Infrastructure and data processing costs	70,928	63,833	-	-	134,761
Credit analysis and collection costs	34,026	25,843	-	-	59,869
Customer services	48,122	6,923	-	-	55,045
Salaries and associated benefits	19,898	185,715	7,522	-	213,135
Credit and debit card issuance costs	13,711	25,445	-	-	39,156
Share-based compensation (note 10)	-	225,445	-	-	225,445
Specialized services expenses	-	29,200	-	-	29,200
Other personnel costs	2,253	18,452	277	-	20,982
Depreciation and amortization	1,217	16,122	-	-	17,339
Marketing expenses	-	-	71,775	-	71,775
Others	354	31,923	-	4,097	36,374
Total	**190,509**	**628,901**	**79,574**	**4,097**	**903,081**

	2020				
	Customer support and operations	General and administrative expenses	Marketing expenses	Other income (expenses)	Total
Infrastructure and data processing costs	45,725	29,111	-	-	74,836
Credit analysis and collection costs	21,737	12,352	-	-	34,089
Customer services	34,075	5,488	-	-	39,563
Salaries and associated benefits	13,862	95,060	2,807	-	111,729
Credit and debit card issuance costs	6,074	11,822	-	-	17,896
Share-based compensation (note 10)	-	56,273	-	-	56,273
Specialized services expenses	-	17,429	-	-	17,429
Other personnel costs	1,827	10,121	140	-	12,088
Depreciation and amortization	79	7,351	-	-	7,430
Marketing expenses	-	-	16,479	-	16,479
Others	571	21,017	-	9,535	31,123
Total	**123,950**	**266,024**	**19,426**	**9,535**	**418,935**

	2019				
	Customer support and operations	General and administrative expenses	Marketing expenses	Other income (expenses)	Total
Infrastructure and data processing costs	56,502	22,460	-	-	78,962
Credit analysis and collection costs	11,498	12,364	-	-	23,862
Customer services	21,027	4,171	-	-	25,198
Salaries and associated benefits	12,395	59,829	2,700	-	74,924
Credit and debit card issuance costs	10,350	35,905	-	-	46,255
Share-based compensation	-	18,511	-	-	18,511
Specialized services expenses	-	17,311	-	-	17,311
Other personnel costs	2,257	11,066	177	-	13,500
Depreciation and amortization	-	5,073	-	-	5,073
Marketing expenses	-	-	38,940	-	38,940
Others	1,538	13,229	-	19,914	34,681
Total	**115,567**	**199,919**	**41,817**	**19,914**	**377,217**

Infrastructure and data processing costs include technology, non-capitalized software costs, and other related costs, primarily related to the cloud infrastructure used by the Group and other software used in the service of the customers. These costs associated exclusively with customer's transactions are presented as "Customer support and operations" and the remaining costs as "General and Administrative expenses". The software costs related to developing new modules are recognized as intangible assets.

Credit analysis and collection costs include fees paid to the credit bureaus and costs related to collection agencies. The credit analysis costs associated with the initial credit analysis of an applicant is presented as "General and administrative expenses" and the remaining is presented as "Customer support and operations".

Customer services primarily include costs with customer services provided by service providers. These costs exclusively related to acquisition of new clients are presented as "General and administrative expenses" and all others are presented as "Customer support and operations".

Salaries and associated benefit expenses for customer services employees not associated with the acquisition of new clients is presented as "Customer support and operations" and salaries and associated benefit expenses for marketing employees is presented as "Marketing expenses". All activities from other employees and the activities related to acquisition of new clients performed by customer service employees is presented as "General and administrative expenses".

Credit and debit card issuance costs include printing, packing, shipping costs and other costs. Costs related to the first issued card to a customer are initially recorded as a "Deferred expenses" asset included in "Other assets" and then amortized. The amortization related to the first card of the customer is presented as "General and administrative expenses" and the remaining costs, including the ones related to subsequent cards, are presented as "Customer support and operations".

9. Earnings (loss) per share

The following table reflects the net loss and share data used in the basic and diluted earnings per share ("EPS") calculations:

	2021	2020	2019
Loss attributable to shareholders of the parent company	**(164,993)**	**(171,491)**	**(92,531)**
Total weighted average of ordinary outstanding shares – basic and diluted (in thousands of shares)	1,602,126	1,315,578	1,137,931
Loss per share – basic and diluted (US$)	**(0.1030)**	**(0.1304)**	**(0.0813)**
Antidilutive instruments not considered in the weighted number of shares (in thousands of shares)	334,436	405,394	306,210

The Company has instruments that will become ordinary shares upon the exercise, vesting, conversion, or upon the satisfaction of specific conditions related to business combinations. These instruments were considered antidilutive because they would decrease the loss per share. These antidilutive instruments were not included in the weighted number of shares for the diluted earnings per share and they comprise SOPs, RSUs, and Awards described in note 10, preferred and contingent shares described in note 27 and the senior preferred shares described in note 23. The number of shares for all periods presented were adjusted to reflect the 6-for-1 forward share split approved on August 30, 2021 (note 27).

10. Share-based payments

The Group's employee incentives include share settled awards in the form of stock, offering employees the opportunity to purchase ordinary shares by exercising options (Stock Options – "SOPs"), receiving ordinary shares (Restricted Stock Units – "RSUs") upon vesting, and receiving shares upon the achievement of market conditions and passage of time ("Awards").

The cost of the employee services received in respect of the SOPs and RSUs granted is recognized in the statement of profit or loss over the period that employee provides services and according to the vesting conditions. The Group has also issued Awards in 2020 and 2021 that grant shares upon the achievement of market conditions related to the valuation of the Company, and the passage of time for the Awards issued in 2021. RSUs incentive was implemented in 2020 and is expected to be the main incentive going forward.

At the end of 2016, the subsidiary Nu Pagamentos transferred its SOP plan to its indirect parent company, Nu Holdings, which became the issuer of the SOPs to all its subsidiaries under the program. The strike price of the options was determined in R$ until the transfer of the plan to Nu Holdings and thereafter in US$, accompanying the functional currency of the issuer. The plan was initially approved by the Board of Directors of Nu Pagamentos in July 2013. On January 30, 2020, Nu Holdings approved its Omnibus Incentive Plan which included the issuance of RSUs.

SOPs and RSUs are issued as part of the performance cycle and as a signing bonus. Over time, SOPs and RSUs have been issued with different vesting periods. Once vested, the options can be exercised up to 10 years after the grant date.

The overall cost of the grants is calculated using the number of SOPs and RSUs expected to vest and their fair values at the date of the grant. The number of SOPs and RSUs expected to vest considers the likelihood that service conditions included in the terms of the awards will be met and it is based on historical forfeiture. Failure to meet the vesting condition is treated as a forfeiture, resulting in ceasing the recognition of the expense.

The fair value of SOPs granted is determined based on a Black-Scholes option-pricing model. The Black-Scholes option-pricing model considers the exercise price of the option, the share price at the grant date, the expected term, the risk-free interest rate, the expected volatility of the share, and other relevant factors. The expected term of the SOPs is calculated based on the mid-point between the weighted-average time to vesting and the contractual maturity because the Group does not have significant historical post-vesting activity. The expected terms for SOPs with vesting periods of 4 and 5 years are 6.25 and 6.50 years, respectively.

The terms and conditions of the RSUs plans require the Group to withhold shares from the settlement to its employees to settle the employee's tax obligation. Accordingly, the Group settles the transaction on a net basis by withholding the number of shares with a fair value equal to the monetary value of the employee's tax obligation and issues the remaining shares to the employee on the vesting date. The employee's tax obligation associated with the RSUs is calculated substantially based on the expected employee's personal tax rate and the fair value of the shares on the vesting date. In addition, for the countries where the Group is required to pay taxes and social wages charges, the Group recognizes expenses related to corporate taxes and social wages on the applicable awards, calculated mainly by applying the taxes rates to the fair value of the ordinary shares at the reporting dates, and presents them as "Share-based compensation" within "General and administrative expenses" in the consolidated statements of profit or loss.

On July 5, 2021, the Company issued class A ordinary shares pursuant to the achievement of market conditions determined on the Awards granted in 2020. The Awards granted on November 22, 2021, still outstanding, require certain service conditions from the Group's Chief Executive Officer (CEO) and determine that after 5 years following their grant, a number of class A ordinary shares equivalent to 1% of the total number of shares (on an as-converted, fully diluted basis and calculated immediately after the occurrence of the market conditions described herein) will be issued if the volume-weighted average price per class A ordinary share for a period of 60 consecutive trading days is (a) equal to or greater than US$18.69, and (b) is equal or greater than US$35.30 per share. As a result, the Company may issue up to 2% of the number of shares on a fully diluted basis; and the price per share will be adjusted in the event of any share splits, share dividends, combinations, subdivisions, recapitalizations, or others.

The fair value of the Awards was determined using a Monte Carlo simulation model. The Monte Carlo model considers the expected time until the market condition is satisfied, the share price at the grant date, the risk-free interest rate, the expected volatility of the share, and other relevant factors. The vesting period reflects the estimate of the length to when the Company reaches the valuation determined by the market condition and will not be subsequently revised. The expenses will be recorded during the vesting period irrespective of whether that market condition is satisfied.

The expected life of the SOPs was calculated as described above and is not necessarily indicative of exercise patterns that may occur. The expected volatility was calculated, up to 2018, based on a hypothetical peer-leveraged volatility based on available data reflecting small-cap Brazilian companies through the Ishares MSCI Brazil Small-Cap ETF ("EWZS") due to available peers having short trading histories, and after 2019, on a leverage-adjusted peer-based volatility. The volatility reflects the assumption that the historical volatility over a period similar to the life of the stock options or to the Award over the expected time until the market condition is satisfied is indicative of future trends, which may not necessarily be the actual outcome.

Before the IPO date, the share price used as an input to the Black-Scholes and Monte Carlo models and for the RSUs was calculated using one or a combination of a discounted cash flow model ("CFM") and an option pricing model ("OPM") based substantially on the previous preferred share price transactions. The dividend was determined to be zero because the Company does not expect to pay it in the foreseeable future, and the holders of SOPs, RSUs and Awards do not have rights to dividends. The Company applied a discount for the

lack of marketability, calculated based on a Finnerty model, to the results of the models to reflect the lack of publicly or active market for selling the shares. After the IPO date, the fair value of RSUs granted is determined based on the publicly traded price.

Neither the Company nor any of its subsidiaries hedge the risks related to share-based payments derived from the increase in expenses due to the issuance of new grants or appreciation of the share value of the Company.

There were no changes to the terms and conditions of the SOPs, RSUs and Awards after the grant date.

The changes in the number of SOPs and RSUs are as follows. WAEP is the weighted average exercise price and WAGDFV is the weighted average fair value at the grant date.

SOPs	2021	WAEP (US$)	2020	WAEP (US$)	2019	WAEP (US$)
Outstanding on January 1	**42,515,821**	**1.58**	**51,034,938**	**0.91**	**2,728,085**	**9.19**
Granted during the year	1,141,362	23.75	3,376,767	9.92	354,354	72.68
Exercised during the year	(18,822,551)	0.38	(6,804,750)	0.24	(999,466)	3.09
Forfeited during the year	(853,059)		(5,091,134)		(41,575)	
Balances before 6-for-1 forward share split	**23,981,573**	**3.01**	**42,515,821**	**1.58**	**2,041,398**	
Issuance due to 25-for-1 forward share split					**48,993,540**	**23**
Issuance of options due to 6-for-1 forward split (note 27)	119,907,866					
Outstanding on December 31	**143,889,439**	**0.50**	**42,515,821**	**1.58**	**51,034,938**	**0.91**
Exercisable on December 31	**101,416,310**	**0.20**	**30,190,826**	**0.56**	**29,883,161**	**0.39**

RSUs	2021	WAGDFV (US$)	2020	WAGDFV (US$)
Outstanding on January 1	**5,294,454**	**10.47**	**-**	
Granted during the year	13,103,243	36.65	6,048,335	10.45
Vested during the year	(3,092,289)	15.06	(430,680)	10.46
Forfeited during the year	(1,817,919)		(323,201)	
Balances before 6-for-1 forward share split	**13,487,489**	**28.91**	**5,294,454**	**10.47**
Issuance of RSUs due to 6-for-1 forward split (note 27)	67,437,448			
Outstanding on December 31	**80,924,937**	**4.82**	**5,294,454**	**10.47**

The following table presents the following table presents the total amount of share-based compensation granted as of December 31,2021 and 2020 and the related expenses and provision for taxes as of December 31, 2021, 2020 and 2019.

	2021	2020	2019
	US$	US$	US$
Share-based payments granted, net of shares withheld for employee taxes	139,025	40,861	18,511
Share-based compensation expenses	225,445	56,273	4,968
Liability provision for taxes presented as salaries, allowances and social security contributions	61,772	10,334	4,968

The following table presents additional information relating to the SOP characteristics and the valuation model:

	2021	2020	2019
Weighted average fair value of options granted during the year (US$)*	2.58	7.45	68.90
Weighted average share fair value of options granted during the year (US$)*	3.97	10.53	99.90
Exercised price of options granted during the year (US$)*	3.98	6.70 to 10.4	20.5 to 166.5
Expected volatility of options issued during the year (%)	72.5 and 75.0	69.5 and 77.9	64.3 and 77.9
Risk–free interest rate p.y. (%)	0.5	1.3 to 1.7	1.2 to 1.2
Weighted average share price of options exercised during the year (US$)*	3.98	10,6	234.5
Range of exercise prices remaining at year end (US$)			
Zero to US$ 3.0	95.0%	90.8%	26.7%
US$ 3.1 to US$ 6.0	5.0%	-	-
US$ 6.1 to US$ 10.0	-	2.3%	10.8%
US$ 10.1 to US$ 50.0	-	6.9%	45.6%
US$ 50.1 to US$ 100.0	-	-	15.4%
US$ 100.1 and above	-	-	1.5%
Total cash to be received upon exercise of SOPs outstanding at year end			
Vested	20,779	16,761	11,690
Unvested	51,367	50,375	34,873
Weighted remaining contractual life (in years)	5.7	6.0	6.9

(*) After the 6-for-1 forward share split.

The following table presents additional information relating to the RSUs and Awards characteristics and the valuation model:

	2021	2020
Most relevant vesting periods for the grants outstanding		
3 years	49.7%	57.3%
5 years	44.5%	35.0%
Volatility (%)	68.0 to 75.0	62.4 to 74.2
Discount for the lack of marketability (%)	17.0 to 19.0	21.4 to 23.0
Risk free interest rate (%)	0.06 to 0.11	0.41
Awards vesting period	Up to 7.4 years	Up to 4.5 years

11. Cash and cash equivalents

	2021	2020
Reverse repurchase agreement in foreign currency	1,115,805	1,783,988
Short-term investments	1,412,901	407,520
Bank balances	174,142	142,934

Other cash and cash equivalents	2,827	9,338
Total	**2,705,675**	**2,343,780**

Cash and cash equivalents are held to meet short-term cash needs and includes deposits with banks and other short-term highly liquid investments with original maturities of three-months or less and with an immaterial risk of change in value.

The reverse repurchase agreements and short-term investments are mainly in Brazilian Reais, and its average rate of remuneration as of December 31, 2021, and 2020 is substantially 98.7% and 100% of the Brazilian CDI rate, respectively, which is set daily and represents the average rate at which Brazilian banks were willing to borrow/lend to each other for one day.

12. Securities

a) Financial instruments at FVTPL

	2021							2020
					Breakdown by maturity			
Financial instruments at FVTPL	**Yield**	**Maturity**	**Cost**	**Fair Value**	**No maturity**	**Up to 12 months**	**Over 12 months**	**Fair Value**
Government bonds								
Brazil [(i)]	~ 106.3% of CDI rate	01/22 - 09/27	571,467	571,753	-	17,132	554,621	4,137,224
Total government bonds			**571,467**	**571,753**	**-**	**17,132**	**554,621**	**4,137,224**
Corporate bonds and other instruments								
Bill of credit (LC)	118% - 139% CDI	01/22	14	14	-	14	-	23
Certificate of bank deposits (CDB)	4.6% - 13.0% p.a. 105% - 140% CDI IPCA+ 0.8% - 7.5%	01/22 - 10/30	81,796	81,810	76,688	5,122	-	-
Real estate and agribusiness letter of credit (CRIs/CRAs)	98.5% - 99% CDI IPCA+ 4.6197% - 5.50%	04/26 - 09/35	1,520	1,508	-	1,508	-	-
Corporate bonds and debentures	0.66% - 5.27% p.y.	01/23 - 01/36	120,340	120,859	-	956	119,903	-
Equity instrument [(iii)]	n/a	n/a	11,211	30,735	30,735	-	-	-
Investment funds [(ii)]	~ 86.1% of CDI rate	n/a	12,059	9,125	9,125	-	-	150,030
Stocks issued by public-held company	n/a	n/a	158	158	158	-	-	-
Total corporate bonds and other instruments			**227,098**	**244,209**	**116,706**	**7,600**	**119,903**	**150,053**
Total financial instruments at FVTPL			**798,565**	**815,962**	**116,706**	**24,732**	**674,524**	**4,287,277**

	2021		2020	
	Amounts in		Amounts in	
Financial instruments at FVTPL	**Original Currency**	**US$**	**Original Currency**	**US$**
Currency:				
Brazilian reais	3,718,139	666,835	22,287,409	4,287,277
American dollars	118,392	118,392	-	-
Indian rupee	2,364,231	30,735	-	-
Total		**815,962**		**4,287,277**

i) Includes US$17,296 (US$1,534,858 on 12/31/2020) held by the subsidiaries for regulatory purposes, as required by the Brazilian Central Bank. It also includes Brazilian government securities margins pledged by the Group for transactions on the Brazilian stock exchange in the amount of US$116,254 (US$112,412 on 12/31/2020). Government bonds are mainly composed of Financial Treasury Bills ("LFTs"), National Treasury Bills ("LTNs") and National Treasury Notes ("NTNs"), classified as Level 1 in the fair value hierarchy, as described in note 25.

As described in note 4, the Group began holding financial assets in a held-to-collect -and -sell business model during 2021; therefore, part of Brazilian government bonds is classified as FVTOCI and are shown in the tables below.

(ii) Refers to investments in funds in which assets are mostly Brazilian sovereign bonds. The fair value of these investments is determined based on the quota value, and these instruments are classified as level 2 in the fair value hierarchy. Such investments are indexed to the Brazilian CDI rate and had an average return of 86.1% of the Brazilian CDI rate in the year ended December 31, 2021 (89.5% during 2020).

(iii) Refers to an investment in Jupiter, a neobank for consumers in India. As of December 31, 2021, the fair value changes of this investment amounted to US$19,524 and are presented as "Other income (expenses)" in the statement of profit or loss.

b) Financial instruments at FVTOCI

			2021				
					Maturities		
Financial instruments at FVTOCI	**Yield**	**Maturity**	**Cost**	**Fair Value**	**No maturity**	**Up to 12 months**	**Over 12 months**
Government bonds							
Brazil [(i)]	~ 106.3% of CDI rate	01/22 - 09/27	6,071,826	6,074,435	-	2,070,674	4,003,761
United States	0.02% - 1.05% fixed	02/22 - 04/25	829,969	830,124	-	830,124	-
Colombia	2.42% fixed	02/24	504	504	-	504	-
Total government bonds			**6,902,299**	**6,905,063**	**-**	**2,901,302**	**4,003,761**
Corporate bonds and other instruments							
Debentures	IPCA + 4,9173%	03/36	939	924	-	-	924
Investment funds	CDI+ 3.95% - CDI+ 5.20%	n/a	137,759	137,759	137,759	-	-
Time deposit	0.30% - 0.80% p.y.	2/22 - 10/22	1,119,706	1,119,682	-	1,119,682	-
Total corporate bonds and other instruments			**1,258,404**	**1,258,365**	**137,759**	**1,119,682**	**924**
Total financial instruments at FVTOCI			**8,160,703**	**8,163,428**	**137,759**	**4,020,984**	**4,004,685**

	2021	
	Amounts in	
Financial instruments at FVTOCI	**Original Currency**	**US$**
Currency:		
Brazilian reais	34,643,103	6,213,118
American dollars	1,950,310	1,950,310
Total		**8,163,428**

(i) Includes US$2,082,519 held by certain subsidiaries for regulatory purposes, as required by the Brazilian Central Bank. Government bonds are classified as Level 1 in the fair value hierarchy, as described in note 25.

13. Credit card receivables

a) Composition of receivables

	2021	2020
Receivables - current [(i)]	2,341,492	1,475,417
Receivables - installments [(i)]	2,483,647	1,443,793
Receivables - revolving [(ii)]	337,014	199,662
Total receivables	**5,162,153**	**3,118,872**
Credit card ECL allowance		
Presented as deduction of receivables	(381,633)	(209,965)
Presented as "Other liabilities"	(9,046)	(7,577)
Total credit card ECL allowance	**(390,679)**	**(217,542)**
Receivables, net	**4,771,474**	**2,901,330**
Total receivables presented as assets	**4,780,520**	**2,908,907**

(i) Current receivables are related to purchases made by customers due on the next credit card billing date. “Receivables – installments” is related to purchases in installments (“parcelado” in Brazil) which are financed by the merchant. With this product, the cardholder's purchase is paid in up to 12 equal monthly installments. The cardholder’s credit limit is initially reduced by the total amount and the installments become due and payable on the cardholder’s subsequent monthly credit card statements. The Group makes the corresponding payments to the credit card network (see note 19) following a similar schedule. As receipts and payments are aligned, the Group does not incur significant financing costs with this product, however it is exposed to the credit risk of the cardholder as it is obliged to make the payments to the credit card network even if the cardholder does not pay. “Receivables – installments” also includes the amounts of credit card bills not fully paid by the customers and that have been converted into payments in installments with a fixed interest rate (“fatura parcelada”).

(ii) Revolving receivables are amounts due from customers that have not paid in full their credit card bill. Customers may request to convert these receivables in loans to be paid in installments. In accordance with Brazilian regulation, revolving balances that are outstanding for more than 2 months are mandatorily converted into “fatura parcelada” - a type of installment loan which is settled through the customer’s monthly credit card bills.

b) Breakdown by maturity

	2021		2020	
	Amount	%	Amount	%
Installments overdue by:				
<= 30 days	77,527	1.5%	29,512	0.9%
30 < 60 days	34,476	0.7%	9,109	0.3%
60 < 90 days	26,747	0.5%	9,369	0.3%
> 90 days	138,380	2.7%	98,573	3.2%
Total overdue installments	**277,130**	**5.4%**	**146,563**	**4.7%**
Installments not overdue due in:				
<= 30 days	2,401,149	46.5%	1,418,770	45.5%
30 < 60 days	904,864	17.5%	587,550	18.8%
> 60 days	1,579,010	30.6%	965,989	31.0%
Total not overdue installments	**4,885,023**	**94.6%**	**2,972,309**	**95.3%**
Total	**5,162,153**	**100.0%**	**3,118,872**	**100.0%**

Overdue installments consist mainly of revolving balances, and not overdue installments consist mainly of future bill installments ("parcelado").

c) Credit loss allowance - by stages and stage 2 triggers

As of December 31, 2021, the credit card ECL allowance totaled US$390,679 (US$217,542 on December 31, 2020). The provision is provided by a model estimation, consistently applied, which is sensitive to the methods, assumptions, and risk parameters underlying its calculation.

The amount that the credit loss allowance represents in comparison to the Group’s gross receivables coverage ratio is also monitored, to anticipate trends that could indicate credit risk increases. This metric is considered a key risk indicator. It is monitored across multiple committees, supporting the decision-making process and is discussed in the primary credit forums along with the Group.

All receivables are classified through stages, as described in note 4(a).

Distribution within the stages as of December 31, 2021, showed a lower concentration in stage 1 portfolio, increasing the concentration in the riskier stages when compared to December 31, 2020, indicating the portfolio risk is returning to pre-COVID-19 levels (see item (f) about COVID-19 impacts) with the majority of the Group's credit card portfolio being classified as stage 1, followed by stages 2 and 3, respectively.

	2021				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio (%)
Stage 1	**4,525,689**	**87.7%**	**127,358**	**32.6%**	**2.8%**
Stage 2	**440,105**	**8.5%**	**126,392**	**32.4%**	**28.7%**
Absolute Trigger (Days Late)	131,409	29.9%	61,844	48.9%	47.1%
Relative Trigger (PD deterioration)	308,696	70.1%	64,548	51.1%	20.9%
Stage 3	**196,359**	**3.8%**	**136,929**	**35.0%**	**69.7%**
Total	**5,162,153**	**100.0%**	**390,679**	**100.0%**	**7.6%**

	2020				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio (%)
Stage 1	**2,799,999**	**89.8%**	**79,296**	**36.5%**	**2.8%**
Stage 2	**202,673**	**6.5%**	**60,391**	**27.8%**	**29.8%**
Absolute Trigger (Days Late)	50,375	24.9%	22,172	36.7%	44.0%
Relative Trigger (PD deterioration)	152,298	75.1%	38,219	63.3%	25.1%
Stage 3	**116,200**	**3.7%**	**77,855**	**35.7%**	**67.0%**
Total	**3,118,872**	**100.0%**	**217,542**	**100.0%**	**7.0%**

As of December 31, 2021, and 2020, most of the stage 2 exposure arose from contracts that had a significant increase in their probabilities of default (PDs). Stage 2 exposure concentration is higher on December 31, 2021, compared with December 31, 2020, following the movements of risk observed in the portfolio as described in item (f) Credit loss allowance - COVID-19 impacts.

d) Credit loss allowance - by credit quality vs. stages

	2021				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio (%)
Strong (PD < 5%)	**3,755,666**	**72.8%**	**40,480**	**10.4%**	**1.1%**
Stage 1	3,754,626	100.0%	40,435	99.9%	1.1%
Stage 2	1,040	0.0%	45	0.1%	4.3%
Satisfactory (5% <= PD <= 20%)	**804,608**	**15.6%**	**71,149**	**18.2%**	**8.8%**
Stage 1	675,507	84.0%	57,102	80.3%	8.5%
Stage 2	129,101	16.0%	14,047	19.7%	10.9%
Higher Risk (PD > 20%)	**601,879**	**11.6%**	**279,050**	**71.4%**	**46.4%**
Stage 1	95,556	15.9%	29,821	10.7%	31.2%
Stage 2	309,964	51.5%	112,300	40.2%	36.2%
Stage 3	196,359	32.6%	136,929	49.1%	69.7%
Total	**5,162,153**	**100,0%**	**390,679**	**100,0%**	**7.6%**

	2020				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio (%)
Strong (PD < 5%)	**2,524,909**	**81.0%**	**40,629**	**18.7%**	**1.6%**
Stage 1	2,523,792	100.0%	40,540	99.8%	1.6%
Stage 2	1,117	0.0%	89	0.2%	8.0%
Satisfactory (5% <= PD <= 20%)	**320,492**	**10.3%**	**39,089**	**18.0%**	**12.2%**
Stage 1	244,979	76.4%	28,645	73.3%	11.7%
Stage 2	75,513	23.6%	10,444	26.7%	13.8%
Higher Risk (PD > 20%)	**273,471**	**8.7%**	**137,824**	**63.3%**	**50.4%**
Stage 1	31,228	11.4%	10,111	7.3%	32.4%
Stage 2	126,043	46.1%	49,858	36.2%	39.6%
Stage 3	116,200	42.5%	77,855	56.5%	67.0%
Total	**3,118,872**	**100.0%**	**217,542**	**100.0%**	**7.0%**

The credit quality classification is grouped in three categories based on its probability of default (PD) at the reporting date, as shown in the table below:

	Stage 1 and 2		Stage3	
Default grade	Probability of default	Credit quality description	Probability of default	Credit quality description
1	<1%	Strong		
2	1.0% to 5.0%	Strong		
3	5.0% to 20.0%	Satisfactory		
4	20.0% to 35.0%	Higher Risk		
5	>35%	Higher Risk	100%	Higher Risk

Although a deterioration can be observed in the credit quality distribution, explained mainly by aforementioned risk normalization following the initial impacts of COVID-19, there is still a significant concentration of receivables at stage 1 based on credit quality. Receivables with satisfactory risk are distributed between stages 1 and 2, mostly at stage 1.

Defaulted assets (stage 3) are classified as higher risk, which also accounts for a large proportion of stage 2 exposure. Stage 1 receivables classified as higher risk are those customers with low credit risk scores.

e) Credit loss allowance - changes

The following tables show the reconciliations from the opening to the closing balance of the credit loss allowance by stages of the financial instruments.

	2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**79,296**	**60,391**	**77,855**	**217,542**
Transfers from Stage 1 to Stage 2	(10,514)	10,514	-	-
Transfers from Stage 2 to Stage 1	17,840	(17,840)	-	-
Transfers to Stage 3	(7,023)	(13,176)	20,199	-
Transfers from Stage 3	151	70	(221)	-
Write-offs	-	-	(118,518)	(118,518)
Net increase of loss allowance	54,096	92,658	164,847	311,601
New originations (a)	*94,367*	*9,547*	*3,979*	*107,893*
Net drawdowns, repayments, net remeasurement and movements due to exposure and risk changes	*(41,486)*	*81,867*	*160,549*	*200,930*
Changes to models used in calculation (b)	*1,215*	*1,244*	*319*	*2,778*
Effect of changes in exchange rates (OCI)	(6,488)	(6,225)	(7,233)	(19,946)
Loss allowance at end of the year	**127,358**	**126,392**	**136,929**	**390,679**

	2020			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**68,437**	**75,531**	**79,929**	**223,897**
Transfers from Stage 1 to Stage 2	(4,252)	4,252	-	-
Transfers from Stage 2 to Stage 1	27,974	(27,974)	-	-
Transfers to Stage 3	(3,929)	(11,252)	15,181	-
Transfers from Stage 3	246	129	(375)	-
Write-offs	-	-	(116,856)	(116,856)
Net increase of loss allowance	6,154	36,643	117,973	160,770
New originations (a)	*27,727*	*2,421*	*1,376*	*31,524*
Net drawdowns, repayments, net remeasurement and movements due to exposure and risk changes	*(9,593)*	*33,474*	*104,248*	*128,129*
Changes to models used in calculation (b)	*(11,980)*	*748*	*12,349*	*1,117*
Effect of changes in exchange rates (OCI)	(15,334)	(16,938)	(17,997)	(50,269)
Loss allowance at end of the year	**79,296**	**60,391**	**77,855**	**217,542**

	2019			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**46,688**	**48,592**	**50,747**	**146,027**
Transfers from Stage 1 to Stage 2	(6,217)	6,217	-	-
Transfers from Stage 2 to Stage 1	15,397	(15,397)	-	-
Transfers to Stage 3	(4,197)	(12,328)	16,525	-
Transfers from Stage 3	181	174	(355)	-
Write-offs	-	-	(103,680)	(103,680)
Net increase of loss allowance	18,902	50,780	119,300	188,982
New originations [(a)]	*53,416*	*9,610*	*1,785*	*64,811*
Net drawdowns, repayments, net remeasurement and movements due to exposure and risk changes	*(31,114)*	*43,854*	*115,966*	*128,706*
Changes to models used in calculation [(b)]	*(3,400)*	*(2,684)*	*1,549*	*(4,535)*
Effect of changes in exchange rates (OCI)	(2,317)	(2,507)	(2,608)	(7,432)
Loss allowance at end of the year	**68,437**	**75,531**	**79,929**	**223,897**

(a) Considers all accounts originated from the beginning to the end of the year. ECL effects presented in the table were calculated as if risk parameters at the beginning of the year were applied.

(b) Relates to methodology changes that occurred during the year, reflecting observed risks extending over a period, according to the Group's processes of model monitoring.

The following tables present changes in the gross carrying amount of the credit card portfolio to help explain their effects to the changes in the loss allowance for the same portfolio as discussed above. "Net change of gross carrying amount" includes acquisitions, payments, and interest accruals.

	2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount at beginning of year	**2,799,999**	**202,673**	**116,200**	**3,118,872**
Transfers from Stage 1 to Stage 2	(168,654)	168,654	-	-
Transfers from Stage 2 to Stage 1	73,448	(73,448)	-	-
Transfers to Stage 3	(72,328)	(41,112)	113,440	-
Transfers from Stage 3	156	68	(224)	-
Write-offs	-	-	(120,071)	(120,071)
Net change of gross carrying amount	2,145,118	205,148	97,356	2,447,622
Effect of changes in exchange rates (OCI)	(252,050)	(21,878)	(10,342)	(284,270)
Gross carrying amount at end of the year	**4,525,689**	**440,105**	**196,359**	**5,162,153**

	2020			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount at beginning of year	**2,484,556**	**389,734**	**136,131**	**3,010,421**
Transfers from Stage 1 to Stage 2	(79,734)	79,734	-	-
Transfers from Stage 2 to Stage 1	162,232	(162,232)	-	-
Transfers to Stage 3	(43,582)	(49,951)	93,533	-
Transfers from Stage 3	435	226	(661)	-
Write-offs	-	-	(116,856)	(116,856)
Net change of gross carrying amount	839,461	31,990	34,640	906,091
Effect of changes in exchange rates (OCI)	(563,369)	(86,828)	(30,587)	(680,784)
Gross carrying amount at end of the year	**2,799,999**	**202,673**	**116,200**	**3,118,872**

	2019			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount at beginning of year	**1,452,751**	**229,401**	**87,702**	**1,769,854**
Transfers from Stage 1 to Stage 2	(131,443)	131,443	-	-
Transfers from Stage 2 to Stage 1	87,250	(87,250)	-	-
Transfers to Stage 3	(47,879)	(45,940)	93,819	-
Transfers from Stage 3	311	299	(610)	-
Write-offs	-	-	(103,680)	(103,680)
Net change of gross carrying amount	1,203,286	174,355	63,291	1,440,932
Effect of changes in exchange rates (OCI)	(79,720)	(12,574)	(4,391)	(96,685)
Gross carrying amount at end of the year	**2,484,556**	**389,734**	**136,131**	**3,010,421**

f) Credit loss allowance - COVID-19 impacts

Throughout the 2020 and 2021 years, Brazilian government responses to the COVID-19 pandemic, including the "Emergency Aid", changed the portfolio credit behavior, reducing delinquency and improving other risk indicators at year end.

In 2021, the effects of the pandemic in Brazil improved as more segments of the population had access to the vaccine in turn, allowing some level of normalization of the economic activity, especially in the second half of the year. In parallel, the Brazilian Government ended the "Emergency Aid" program in December 2021, which had been paid since April 2021 at lower levels in comparison with 2020.

As a consequence of the improving economic activity and lower government stimulus, the portfolio had started to show some signs of risk increasing, reverting to pre-COVID-19 levels, leading to a concentration of 72.8% of the portfolio classified as strong (PD < 5%) segment as of December 31, 2021, compared with 81.0% on December 31, 2020.

Although the “Emergency Aid” ended, the Government strengthened the pre-pandemic existing welfare programs, enlarging not only the number of families assisted, but also ensuring higher values guaranteed to be paid, at least, until the end of 2022.

The Group expects that a more positive scenario arises both from the improvement in the health crisis and new government welfare programs, but there is still uncertainty about the Group’s risk indicator trends, due to new COVID-19 variants and subsequent changes in the welfare and "Emergency Aid" programs post 2022

elections. Given this scenario, the post-model adjustment continues to be applied, but at a lower level when compared with December 31, 2020. The total amount of the post-model adjustment for December 31, 2021, was US$9,043 (US$48,809 as of December 31, 2020), as shown in note 5(a).

The Group continues to monitor the macro economic trends and the government responses to it and its effects on Nu's customer behavior.

14. Loans to customers

a) Breakdown of receivables

	2021	2020
Lending to individuals	1,392,350	200,904
Loan ECL allowance	(197,536)	(26,210)
Total	**1,194,814**	**174,694**

b) Breakdown by maturity

The following table shows loans to customers by maturity on December 31, 2021, and 2020, considering each installment individually.

	2021									
	Installments overdue				Installments not overdue					
	<60 days	>60 days	Total	%	Due in less than 1 year	%	Due between 1 and 5 years	%	Total	%
Installment loans to individuals	22,371	25,168	47,539	3%	1,155,760	84%	189,051	13%	1,392,350	100%
Total	**22,371**	**25,168**	**47,539**	**3%**	**1,155,760**	**84%**	**189,051**	**13%**	**1,392,350**	**100%**
Of which:	22,371	25,168	47,539	3%	1,155,760	84%	189,051	13%	1,392,350	100%
Fixed interest rate	**22,371**	**25,168**	**47,539**	**3%**	**1,155,760**	**84%**	**189,051**	**13%**	**1,392,350**	**100%**

	2020									
	Installments overdue				Installments not overdue					
	<60 days	>60 days	Total	%	Due in less than 1 year	%	Due between 1 and 5 years	%	Total	%
Installment loans to individuals	2,370	4,999	7,369	3%	170,077	85%	23,458	12%	200,904	100%
Total	**2,370**	**4,999**	**7,369**	**3%**	**170,077**	**85%**	**23,458**	**12%**	**200,904**	**100%**
Of which:	2,370	4,999	7,369	3%	170,077	85%	23,458	12%	200,904	100%
Fixed interest rate	**2,370**	**4,999**	**7,369**	**3%**	**170,077**	**85%**	**23,458**	**12%**	**200,904**	**100%**

c) Credit loss allowance - by stages and stage 2 triggers

The tables below show the credit loss allowance by stages as of December 31, 2021, and 2020.

	2021				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio
Stage 1	**1,129,522**	**81.1%**	**68,926**	**34.9%**	**6.1%**
Stage 2	**200,040**	**14.4%**	**72,935**	**36.9%**	**36.5%**
Absolute Trigger (Days Late)	39,510	19.8%	31,615	43.3%	80.0%
Relative Trigger (PD deterioration)	160,530	80.2%	41,320	56.7%	25.7%
Stage 3	**62,788**	**4.5%**	**55,675**	**28.2%**	**88.7%**
Total	**1,392,350**	**100.0%**	**197,536**	**100,0%**	**14.2%**

	2020				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio
Stage 1	**168,744**	**84.0%**	**10,532**	**40.2%**	**6.2%**
Stage 2	**22,634**	**11.3%**	**7,136**	**27.2%**	**31.5%**
Absolute Trigger (Days Late)	3,819	16.9%	2,873	40.3%	75.2%
Relative Trigger (PD deterioration)	18,815	83.1%	4,263	59.7%	22.7%
Stage 3	**9,526**	**4.7%**	**8,542**	**32.6%**	**89.7%**
Total	**200,904**	**100.0%**	**26,210**	**100.0%**	**13.0%**

The lending product experienced significant growth throughout 2021. In addition, as the loan portfolio matures, the distribution in the riskier stages increases.

d) Credit loss allowance - by credit quality vs stages

	2021				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio
Strong (PD < 5%)	**424,161**	**30.5%**	**4,196**	**2.1%**	**1.0%**
Stage 1	409,899	96.6%	4,002	95.4%	1.0%
Stage 2	14,262	3.4%	194	4.6%	1.4%
Satisfactory (5% <= PD <= 20%)	**700,164**	**50.3%**	**47,779**	**24.2%**	**6.8%**
Stage 1	656,647	93.8%	44,797	93.8%	6.8%
Stage 2	43,517	6.2%	2,982	6.2%	6.9%
Higher Risk (PD > 20%)	**268,025**	**19.2%**	**145,561**	**73.7%**	**54.3%**
Stage 1	62,976	23.5%	20,127	13.8%	32.0%
Stage 2	142,261	53.1%	69,759	47.9%	49.0%
Stage 3	62,788	23.4%	55,675	38.3%	88.7%
Total	**1,392,350**	**100.0%**	**197,536**	**100.0%**	**14.2%**

	2020				
	Gross Exposures	%	Loss Allowance	%	Coverage Ratio
Strong (PD < 5%)	**66,754**	**33.2%**	**947**	**3.6%**	**1.4%**
Stage 1	66,607	99.8%	939	99.2%	1.4%
Stage 2	147	0.2%	8	0.8%	5.4%
Satisfactory (5% <= PD <= 20%)	**99,909**	**49.7%**	**8,416**	**32.1%**	**8.4%**
Stage 1	97,421	97.5%	8,175	97.1%	8.4%
Stage 2	2,488	2.5%	241	2.9%	9.7%
Higher Risk (PD > 20%)	**34,241**	**17.1%**	**16,847**	**64.3%**	**49.2%**
Stage 1	4,716	13.8%	1,418	8.4%	30.1%
Stage 2	19,998	58.4%	6,888	40.9%	34.4%
Stage 3	9,527	27.8%	8,541	50.7%	89.7%
Total	**200,904**	**100.0%**	**26,210**	**100.0%**	**13.0%**

Most of the credit quality of this portfolio is classified as satisfactory, followed by strong and higher risk loans. Receivables with satisfactory and strong risk have a high distribution of stage 1.

Origination continues to grow with the gross carrying amount increasing by 593% in comparison to December 31, 2020.

Credit quality classification is grouped in three categories based on the probability of default (PD) at the reporting date, as shown in the table below:

	Stage 1 and 2		Stage3	
Default grade	Probability of default	Credit quality description	Probability of default	Credit quality description
1	<1%	Strong		
2	1.0% to 5.0%	Strong		
3	5.0% to 20.0%	Satisfactory		
4	20.0% to 35.0%	Higher Risk		
5	>35%	Higher Risk	100%	Higher Risk

e) Credit loss allowance - changes

The following tables show reconciliations from the opening to the closing balance of the provision for credit losses by the stages of the financial instruments.

	2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**10,532**	**7,136**	**8,542**	**26,210**
Transfers from Stage 1 to Stage 2	(780)	780	-	-
Transfers from Stage 2 to Stage 1	685	(685)	-	-
Transfers to Stage 3	(1,212)	(904)	2,116	-
Transfers from Stage 3	16	142	(158)	-
Write-offs	-	-	(13,223)	(13,223)
Net increase of loss allowance	62,363	69,152	60,563	192,078
New originations [(a)]	*159,299*	*28,281*	*6,237*	*193,817*
Net drawdowns, repayments, net remeasurement and movements due to exposure and risk changes	*(93,269)*	*35,759*	*54,297*	*(3,213)*
Changes to models used in calculation [(b)]	(3,667)	5,112	29	1,474
Effect of changes in exchange rates (OCI)	(2,678)	(2,686)	(2,165)	(7,529)
Loss allowance at end of the year	**68,926**	**72,935**	**55,675**	**197,536**

	2020			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**1,300**	**2,072**	**1,618**	**4,990**
Transfers from Stage 1 to Stage 2	(54)	54	-	-
Transfers from Stage 2 to Stage 1	346	(346)	-	-
Transfers to Stage 3	(164)	(176)	340	-
Transfers from Stage 3	-	6	(6)	-
Write-offs	-	-	(4,525)	(4,525)
Net increase of loss allowance	9,462	6,030	11,528	27,020
New originations [(a)]	*19,354*	*2,600*	*716*	*22,670*
Net drawdowns, repayments, net remeasurement and movements due to exposure and risk changes	*(11,118)*	*3,038*	*10,609*	*2,529*
Changes to models used in calculation [(b)]	*1,226*	*392*	*203*	*1,821*
Effect of changes in exchange rates (OCI)	(358)	(504)	(413)	(1,275)
Loss allowance at end of the year	**10,532**	**7,136**	**8,542**	**26,210**

	2019			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loss allowance at beginning of year	**-**	**-**	**-**	**-**
Net increase of loss allowance	1,299	2,070	1,616	4,985
New originations [(a)]	*1,299*	*2,070*	*1,616*	*4,985*
Effect of changes in exchange rates (OCI)	1	2	2	5
Loss allowance at end of the year	**1,300**	**2,072**	**1,618**	**4,990**

(a) Considers all accounts originated from the beginning to the end of the year. ECL effects presented in the table were calculated as if risk parameters at the beginning of the year were applied.

(b) Relates to methodology changes that occurred during the year, reflecting observed risks extending over a period, according to the Group's processes of model monitoring.

The following tables further explains changes in the gross carrying amount of the loan portfolio to help explain the changes in the loss allowance for the same portfolio as discussed above. "Net increase of gross carrying amount" includes the principal issuances net of payments or interest recognized net of payment.

	2021			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount at beginning of year	**168,744**	**22,634**	**9,526**	**200,904**
Transfers from Stage 1 to Stage 2	(8,535)	8,535	-	-
Transfers from Stage 2 to Stage 1	3,279	(3,279)	-	-
Transfers to Stage 3	(11,069)	(3,324)	14,393	-
Transfers from Stage 3	18	160	(178)	-
Write-offs	-	-	(14,676)	(14,676)
Net increase of gross carrying amount	1,020,838	182,800	56,160	1,259,798
Effect of changes in exchange rates (OCI)	(43,753)	(7,486)	(2,437)	(53,676)
Gross carrying amount at end of the year	**1,129,522**	**200,040**	**62,788**	**1,392,350**

	2020			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount at beginning of year	**44,513**	**16,335**	**2,166**	**63,014**
Transfers from Stage 1 to Stage 2	(1,951)	1,951	-	-
Transfers from Stage 2 to Stage 1	2,621	(2,621)	-	-
Transfers to Stage 3	(2,997)	(1,314)	4,311	-
Transfers from Stage 3	-	8	(8)	-
Write-offs	-	-	(4,525)	(4,525)
Net increase of gross carrying amount	137,483	12,013	8,123	157,619
Effect of changes in exchange rates (OCI)	(10,925)	(3,738)	(541)	(15,204)
Gross carrying amount at end of the year	**168,744**	**22,634**	**9,526**	**200,904**

	2019			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount at beginning of year	**-**	**-**	**-**	**-**
Net increase of gross carrying amount	45,486	16,692	2,213	64,391
Effect of changes in exchange rates (OCI)	(973)	(357)	(47)	(1,377)
Gross carrying amount at end of the year	**44,513**	**16,335**	**2,166**	**63,014**

f) Credit loss allowance - COVID-19 impacts

Similar to the credit card portfolio (note 13(f)), the Group expects that a more positive scenario arises both from the improvement in the health crisis and new Government welfare programs, but there is still uncertainty about the

Group’s risk indicator trends, due to new COVID-19 variants and subsequent changes in the welfare and "Emergency Aid" programs post 2022 elections. Given this scenario, the post-model adjustment continues to be applied, but at a lower level when compared with December 31, 2020. The total amount of

the post-model adjustment for December 31, 2021, was US$1,929 (US$2,307 as of December 31, 2020), as shown in note 5(a).

The Group continues to monitor the macro economic environment and its effects on changes in Nu's personal loan customer behavior.

15. Other assets

	2021	2020
Deferred expenses [(i)]	76,183	24,953
Taxes recoverable	71,865	31,702
Advances to suppliers and employees	23,958	10,192
Prepaid expenses	15,958	8,301
Judicial deposits (note 21)	17,480	16,440
Other assets	77,820	31,907
Total	**283,264**	**123,495**

(i) Refers to credit card issuance costs, including printing, packing, and shipping costs, among others. The expenses are amortized based on the card's useful life, adjusted for any cancellations.

16. Derivative financial instruments

The Group executes transactions with derivative financial instruments, which are intended to meet its own needs to reduce its exposure to market, currency and interest-rate risks. The derivatives are classified as at fair value through profit or loss, except those in cash flow hedge accounting strategies, for which the effective portion of gains or losses on derivatives is recognized directly in other comprehensive income (loss). The management of these risks is conducted through determining limits, and the establishment of operating strategies. The derivative contracts are considered level 1, 2 or 3 in the fair value hierarchy and are used to hedge exposures, but hedge accounting is adopted only for forecast transactions related to the cloud infrastructure and certain software licenses used by Nu.

	2021		
		Fair values	
	Notional amount	Assets	Liabilities
Derivatives classified as fair value through profit or loss			
Interest rate contracts - Future	3,671,709	10	(462)
Currency exchange rate contracts - Future	116,075	-	(3,899)
Forward contracts	83,155	81,528	(82,775)
Warrants (i)	65,000	19,756	-
Derivatives held for hedging			
Designated as cash flow hedges			
Exchange rate contracts - Future	77,115	-	(135)
Interest rate contracts - Swap	9,523	24	(7)
Total	**4,022,577**	**101,318**	**(87,278)**

	2020		
		Fair values	
	Notional amount	Assets	Liabilities
Derivatives classified as fair value through profit or loss			
Interest rate contracts - Future	2,964,368	5	(2,421)
Currency exchange rate contracts - Future	65,961	27	(217)
Interest rate contracts - Swap	10,214	48	-
Derivatives held for hedging			
Designated as cash flow hedges			
Exchange rate contracts - Future	44,140	-	(145)
Embedded derivatives in convertible instruments	-	-	(72,521)
Total	**3,084,683**	**80**	**(75,304)**

Futures contracts are traded on the B3, having B3 as the counterparty.

Swap contracts are settled on a daily basis and are traded over the counter with financial institutions as counterparties. The total value of margins pledged by the Group in transactions on the stock exchange was exhibited in note 12.

Nu Servicios entered into deliverable forward contracts to hedge intercompany loans with Nu MX in US dollars.

(i) Warrants

In September 2021, Nu entered into an agreement with Creditas Financial Solutions Ltd. (and/or its affiliates in Latin America, or together, “Creditas”) through which Nu will distribute certain financial products offered by Creditas to its customers in Latin America. These include affordable retail collateralized loans, such as home and auto equity loans, auto financing, motorcycle financing and payroll loans.

The agreement also provides that Nu will invest up to US$200,000 in Creditas’ securitization vehicles, becoming the holder of the senior quotas of the fund. Nu was granted warrants that provide the right to acquire an equity interest equivalent to up to 7.7% of Creditas, on a fully diluted basis, under a pre-agreed valuation, proportional to fifty percent of the amount invested in the securitization vehicles and products distributed. As of December 31, 2021, US$130,000 was already invested in the securitization vehicles, shown as “investment funds” on note 12, and, consequently, US$65,000 was shown as notional in the table above. Nu can exercise the option at any time, but the expiration date is 2 years after the issuance date.

As of December 31, 2021, the warrants fair value amounts to US$19,756, was calculated using a Black Scholes model, and is classified as level 3 on the fair value hierarchy, as shown in note 25.

Breakdown by maturity

The table below shows the breakdown by maturity of the notional amounts:

	2021			
	Up to 3 months	3 to 12 months	Over 12 months	Total
Assets				
Interest rate contracts - Future	775,002	24,755	71	799,828
Exchange rate contracts - Future	116,074	-	-	116,074
Forward contracts	83,155	-	-	83,155
Warrants	-	-	65,000	65,000
Total assets	**974,231**	**24,755**	**65,071**	**1,064,057**
Liabilities				
Interest rate contracts - Future	1,668,284	864,989	338,609	2,871,882
Exchange rate contracts - Future	77,115	-	-	77,115
Interest rate contracts - Swap	-	-	9,523	9,523
Total liabilities	**1,745,399**	**864,989**	**348,132**	**2,958,520**
Total	**2,719,630**	**889,744**	**413,203**	**4,022,577**

	2020			
	Up to 3 months	3 to 12 months	Over 12 months	Total
Assets				
Interest rate contracts - Future	368,048	143,381	3,488	514,917
Exchange rate contracts - Future	110,101	-	-	110,101
Total assets	**478,149**	**143,381**	**3,488**	**625,018**
Liabilities				
Interest rate contracts - Future	39,393	242,931	2,167,127	2,449,451
Exchange rate contracts - Future	-	-	10,214	10,214
Total liabilities	**39,393**	**242,931**	**2,177,341**	**2,459,665**
Total	**517,542**	**386,312**	**2,180,829**	**3,084,683**

The table below shows the breakdown by maturity of the fair value amounts:

	2021		
	Up to 12 months	Over 12 months	Total
Assets			
Interest rate contracts - Future	2	8	10
Exchange rate contracts - Future	24	-	24
Forward contracts	81,528	-	81,528
Warrants	-	19,756	19,756
Liabilities			
Interest rate contracts - Future	(69)	(393)	(462)
Exchange rate contracts - Future	(4,034)	-	(4,034)
Interest rate contracts - Swap	-	(7)	(7)
Forward contracts	(82,775)	-	(82,775)
Total	**(5,324)**	**19,364**	**14,040**

	2020		
	Up to 12 months	Over 12 months	Total
Assets			
Interest rate contracts - Future	1	4	5
Exchange rate contracts - Future	27	-	27
Interest rate contracts - Swap	48	-	48
Liabilities			
Interest rate contracts - Future	(54)	(2,367)	(2,421)
Exchange rate contracts - Future	(362)	-	(362)
Total	**(340)**	**(2,363)**	**(2,703)**

Analysis of derivatives designated as hedges

Hedges of foreign currency risk

The Group is exposed to foreign currency risk on forecast transaction expenses, primarily related to the cloud infrastructure and certain software licenses used by Nu. The Group managed its exposures to the variability in cash flows of foreign currency forecast transactions to movements in foreign exchange rates by entering foreign exchange contracts (exchange futures). These instruments are entered into to match the cash flow profile of the estimated forecast transaction. They are exchange traded and settled on a daily basis.

The Group applies hedge accounting to the forecast transactions related to its main cloud infrastructure contract. The effectiveness is assessed monthly by analyzing the critical terms. The critical terms of the hedging instrument and the amount of the forecasted hedged transactions are significantly the same. Derivatives are generally rolled over monthly. They are expected to occur in the same fiscal month as the maturity date of the hedging instrument. Therefore, the hedge is expected to be effective. Subsequent assessments of effectiveness are performed by verifying and documenting whether the critical terms of the hedging instrument and forecasted hedged transaction have changed during the year in review and whether it remains probable. If there are no such changes in critical terms, the Group will continue to conclude that the hedging relationship is effective.

Sources of ineffectiveness are differences in the amount and timing of forecast and actual payment of expenses.

	2021	2020	2019
Balance at beginning of the year	**49**	**1**	**-**
Fair value change recognized in OCI during the year	2,705	8,302	1,491
Total amount reclassified from cash flow hedge reserve to income statement during the year	(242)	(8,223)	(1,489)
to "Customer support and operation"	*(91)*	*(5,480)*	*(943)*
to "General and administrative expenses"	*(136)*	*(4,925)*	*(597)*
Effect of changes in exchange rates (OCI)	(15)	2,182	51
Deferred income taxes	(1,025)	(31)	(1)
Balance at end of the year	**1,487**	**49**	**1**

The material future transactions that are the object of the hedge are:

	2021			2020
	Up to 3 months	3 to 12 months	Total	Total
Expected foreign currency transactions	24,564	53,837	78,401	46,399
Total	**24,564**	**53,837**	**78,401**	**46,399**

17. Instruments eligible as capital

	2021	2020
Financial liabilities at fair value through profit or loss		
Instruments eligible as capital	12,056	15,492
Total	**12,056**	**15,492**

In June 2019, the subsidiary Nu Financeira issued a subordinated financial note in the amount equivalent to US$18,824 at the issuance date, which was approved as Tier 2 capital by the Brazilian Central Bank in September 2019. The note bears a fixed interest rate of 12.8%, matures in 2029, and is callable in 2024.

The Group designated the instruments eligible as capital at fair value through profit or loss at its initial recognition. The losses of fair value changes arising from its own credit risk in the amount of US$1,051 were recorded in other comprehensive income (loss) (losses of US$219 and US$249 in the years ended December 31, 2020 and 2019, respectively). All other fair value changes and interests in the amount of US$3,580 (US$1,984 and US$3,491 in the years ended December 31, 2020 and 2019, respectively) were recognized as profit or loss.

	2021	2020	2019
Balance at beginning of the year	**15,492**	**22,084**	**-**
New issuances	-	-	18,824
Interest accrued	2,137	1,689	1,306
Fair value changes	(5,717)	(3,673)	2,185
Own credit transferred to OCI	1,051	219	249
Effect of changes in exchange rates (OCI)	(907)	(4,827)	(480)
Balance at end of the year	**12,056**	**15,492**	**22,084**

18. Financial liabilities at amortized cost – deposits

	2021	2020
Deposits by customers [(i)]		
Bank receipt of deposits (RDB)	*7,728,108*	*4,445,705*
Deposits in electronic money	*1,887,945*	*1,029,284*
Bank receipt of deposits (RDB-V)	*31,557*	*90,360*
Time deposit [(ii)]	19,181	19,513
Other deposits	509	-
Total	**9,667,300**	**5,584,862**

(i) In June 2019, Nu Financeira's RDB was launched as an investment option in “NuConta". Unlike the deposits in electronic money, Nu can use the resources from RDB’s deposits in other operations and as funding for the lending and credit card operations. RDB’s deposits guarantees from the Brazilian Deposit Guarantee Fund (“FGC”). Deposits in electronic money through “NuConta", and part of the RDBs correspond to customer deposits on-demand with daily maturity made in the prepaid account, denominated in Brazilian reais. In November 2019, Nu Financeira launched another type of RDB, the Linked Bank Receipt of Deposit (“RDB-V”), which has the same remuneration characteristics and daily liquidity as RDB.

In September 2020, Nu Financeira launched a new investment option – a RDB with scheduled redemption. Such modality differs from the common RDB, as it has redemption terms from 3 to 36 months and remuneration between 102% and 126% of the Brazilian CDI rate as of December 31, 2021, and 2020.

Deposits in electronic money include "NuConta" deposits as well as “Conta NuInvest" amounts, the latter corresponding to on-demand deposits of the Groups’ investment brokerage clients. Those deposits are required by BACEN to be invested in Brazilian government bonds.

(ii) In July 2020, the subsidiary Nu Financeira issued a time deposit instrument (“DPGE”), also with a special guarantee from FGC, in the amount of R$100,000, equivalent to US$19,000 at the issuance date, remunerated at the Brazilian DI rate + 1% per annum and maturity on July 7, 2022.

Breakdown by maturity

	2021		
	Up to 12 months	**Over 12 months**	**Total**
Deposits by customers			
Deposits in electronic money	*1,887,945*	*-*	*1,887,945*
Bank receipt of deposits (RDB)	*7,663,355*	*64,753*	*7,728,108*
Bank receipt of deposits (RDB-V)	*31,557*	*-*	*31,557*
Time deposit	19,181	-	19,181
Other deposits	509	-	509
Total	**9,602,547**	**64,753**	**9,667,300**

	2020		
	Up to 12 months	**Over 12 months**	**Total**
Deposits by customers			
Deposits in electronic money	*1,029,284*	*-*	*1,029,284*
Bank receipt of deposits (RDB)	*4,415,892*	*29,813*	*4,445,705*
Bank receipt of deposits (RDB-V)	*90,360*	*-*	*90,360*
Time deposit	-	19,513	19,513
Total	**5,535,536**	**49,326**	**5,584,862**

19. Financial liabilities at amortized cost – payables to credit card network

	2021	**2020**
Payables to credit card network [(i)]	4,882,159	3,329,879
Payables to clearing houses	-	1,379
Total	**4,882,159**	**3,331,258**

(i) Corresponds to the amount payable to the Mastercard brand related to credit and debit card transactions. Credit card payables are settled according to the transaction installments, substantially in up to 27 days for Brazilian transactions with no installments and 1 business day for international transactions. Sales in installments (“parcelado”) have monthly settlements over a period of up to 12 months. For Mexican and Colombian operations, the amounts are settled in 1 business day. The segregation of the settlement is shown in the table below:

Payables to credit card network	**2021**	**2020**
Up to 30 days	2,518,437	1,703,826
30 to 90 days	1,205,765	885,367
More than 90 days	1,157,957	740,686
Total	**4,882,159**	**3,329,879**

Collateral for credit card operations

As of December 31, 2021, the Group had US$1,052 (US$90,761 on December 31, 2020) of security deposits granted in favor of Mastercard. These securities are measured at fair value through profit or loss and are held as collateral for the amounts payable to the network and can be replaced by other securities with similar

characteristics. The average remuneration rate of those deposits was 0.20% per month on December 31, 2021 (0.34% on December 31, 2020).

20. Financial liabilities at amortized cost – borrowing, financing and securitized borrowings

	2021	2020
Borrowings sand financing	147,243	97,454
Securitized borrowings	10,011	79,742
Total	**157,254**	**177,196**

a) Borrowings and financings

Borrowings and financings maturities are as follows:

	2021			
	Up to 3 months	3 to 12 months	Over 12 months	Total
Borrowings and financings				
Bills of exchange (ii)	7,728	2,672	-	10,400
Term loan credit facility (iii)	3,064	10,113	123,666	136,843
Total borrowings and financings	**10,792**	**12,785**	**123,666**	**147,243**

	2020			
	Up to 3 months	3 to 12 months	Over 12 months	Total
Borrowings and financings				
Financial letter [(i)]	-	60,126	-	60,126
Bills of exchange [(ii)]	5,620	1,588	10,476	17,684
Term loan credit facility [(iii)]	-	254	19,390	19,644
Total borrowings and financings	**5,620**	**61,968**	**29,866**	**97,454**

(i) In June 2019, the Group issued a floating interest rate note in R$ in the amount equivalent to US$76,000 on the issuance date. The note was fully paid in June 2021.

(ii) Corresponds to fixed and floating rate bills of exchange in the amount equivalent to US$12,941 on the issuance date, with maturity dates between January and July 2022 and interest on floating rates as of December 31, 2021, between 115% and 118% (113% and 119% as of December 31, 2020) of the Brazilian CDI and between 8.35% and 9.09% for the fixed rate bills as of December 31, 2021, and 2020.

(iii) Corresponds to three term loan credit facilities obtained by subsidiary Nu Servicios, in Mexican pesos, from:

a) Bank of America México, S.A., Institución de Banca Múltiple (“BofA”) in the amount equivalent to US$30,000 on the issuance dates, with interest equivalent to 6.3% per annum (Mexican Interbanking Equilibrium Interest Rate (“TIIE”) + 1.40%) and maturity date in July 2023.

b) JPMorgan México ("JP Morgan") in the total amount equivalent to US$80,000 on the issuance dates, with interest from 6.1% to 6.9% per annum (TIIE + 1.0% and TIIE + 1.45%, respectively). The maturity dates are November 2022 and July 2024.

c) Goldman Sachs in the amount equivalent to US$25,000 on the issuance dates, with interest equivalent to 6.1% per annum (TIIE + 1.18%) and maturity date in January 2024.

Changes to borrowings and financings are as follows:

	2021			
	Financial letter	Bills of exchange	Term loan credit facility	Total
Balance at beginning of the year	**60,126**	**17,684**	**19,644**	**97,454**
New borrowings	-	-	116,349	116,349
Payments – principal	(54,151)	(6,372)	-	(60,523)
Payments – interest	(4,548)	(600)	(1,908)	(7,056)
Interest accrued	776	683	4,766	6,225
Effect of changes in exchange rates (OCI)	(2,203)	(995)	(2,008)	(5,206)
Balance at end of the year	**-**	**10,400**	**136,843**	**147,243**

	2020				
	Financial letter	Bank credit bill	Bills of exchange	Term loan credit facility	Total
Balance at beginning of the year	**77,061**	**34,183**	**22,157**	**-**	**133,401**
New borrowings	-	-	-	17,974	17,974
Payments – principal	(1,508)	(26,148)	(237)	-	(27,893)
Payments – interest	(45)	(1,279)	(24)	-	(1,348)
Interest accrued	1,936	743	770	236	3,685
Effect of changes in exchange rates (OCI)	(17,318)	(7,499)	(4,982)	1,434	(28,365)
Balance at end of the year	**60,126**	**-**	**17,684**	**19,644**	**97,454**

	2019			
	Financial letter	Bank credit bill	Bills of exchange	Total
Balance at beginning of the year	**-**	**50,386**	**313**	**50,699**
New borrowings	76,061	63,384	21,132	160,577
Payments – principal	-	(78,185)	-	(78,185)
Payments – interest	-	(2,654)	-	(2,654)
Interest accrued	2,684	2,886	1,201	6,771
Effect of changes in exchange rates (OCI)	(1,684)	(1,634)	(489)	(3,807)
Balance at end of the year	**77,061**	**34,183**	**22,157**	**133,401**

Guarantees

The Company, together with its subsidiary Nu Pagamentos, are guarantors to the abovementioned loan agreements between Nu Servicios and BofA, JP Morgan and Goldman Sachs, as well as to the deliverable forward contracts described on note 16. The total amount of the guarantees is US$171,000 as of December 31, 2021.

b) Securitized borrowings

Securitized borrowings maturities are as follows:

	2021	
	Until 3 months	Total
Securitized borrowings		
3rd series	10,011	10,011
Total securitized borrowings	**10,011**	**10,011**

	2020			
	Until 3 months	3-12 months	Over 12 months	Total
Securitized borrowings				
2nd series	1,214	3,623	-	4,837
3rd series	16,128	48,091	10,686	74,905
Total securitized borrowings	**17,342**	**51,714**	**10,686**	**79,742**

Securitized borrowings correspond to senior quotas issued by FIDC Nu, with maturity dates until February 2022 and interest rates of Brazilian CDI + 4% for 2nd series and Brazilian CDI + 1.1% for 3rd series. Senior notes of 1st series were fully settled in 2020 and 2nd series were fully settled in 2021. The subsidiary Nu Pagamentos is the holder of the subordinated quotas. The underlying assets of the FIDC correspond to credit card receivables.

As of December 31, 2021, FIDC Nu had receivables in the amount equivalent to US$10,421 (US$56,989 on December 31, 2020). These assets are not available for transfer to settle liabilities in other entities of the Group.

Changes to securitized borrowings are as follows:

	2021	2020	2019
Balance at beginning of the year	**79,742**	**169,925**	**64,715**
New borrowings	-	-	126,768
Interest accrued	1,904	4,633	11,846
Payments – principal	(66,403)	(52,172)	(16,835)
Payments – interest	(1,976)	(4,819)	(11,717)
Effect of changes in exchange rates (OCI)	(3,256)	(37,825)	(4,852)
Balance at end of the year	**10,011**	**79,742**	**169,925**

21. Provision for lawsuits and administrative proceedings

	2021	2020
Tax risks	17,081	15,995
Civil risks	980	470
Labor risks	21	4
Total	**18,082**	**16,469**

The Company and its subsidiaries are parties to lawsuits and administrative proceedings arising from the ordinary course of operations, involving tax, civil and labor matters. Such matters are being discussed at the

administrative and judicial levels, which, when applicable, are supported by judicial deposits. The provisions for probable losses arising from these matters are estimated and periodically adjusted by management, supported by external legal advisors' opinion. There is significant uncertainty relating to the timing of any cash outflow for civil and labor risk.

a) Provision

Regarding tax risks, a provision in the amount of US$14,913 (US$15,995 on December 31, 2020) was recorded as a legal obligation related to the increase in the contribution of certain Brazilian taxes (PIS and COFINS). The Group has a judicial deposit in the amount related to this claim, as shown below in item d). In July 2019, Nu withdrew the lawsuit and is currently awaiting the release of the judicial deposits to the Brazilian Tax Authorities, which is expected to occur by December 2023. The Group also recorded a provision of US$2,240 regarding other tax risks.

Civil lawsuits are mainly related to credit card operations. Based on management's assessment and inputs from Nu's external legal advisors, the Group has provisioned US$980 (US$470 on December 31, 2020) considered sufficient to cover estimated losses from civil suits.

b) Changes

Changes to provision for lawsuits and administrative proceedings are as follows:

	2021		
	Tax	**Civil**	**Labor**
Balance at beginning of the year	**15,995**	**470**	**4**
Additions	2,240	2,204	18
Payments / Reversals	-	(1,644)	-
Effect of changes in exchange rates (OCI)	(1,154)	(50)	(1)
Balance at end of the year	**17,081**	**980**	**21**

	2020		
	Tax	**Civil**	**Labor**
Balance at beginning of the year	**20,631**	**300**	**21**
Additions	-	1,472	2
Payments / Reversals	-	(1,234)	(13)
Effect of changes in exchange rates (OCI)	(4,636)	(68)	(6)
Balance at end of the year	**15,995**	**470**	**4**

	2019		
	Tax	**Civil**	**Labor**
Balance at beginning of the year	**14,067**	**209**	**-**
Additions	7,263	743	21
Payments / Reversals	-	(641)	-
Effect of changes in exchange rates (OCI)	(699)	(11)	-
Balance at end of the year	**20,631**	**300**	**21**

c) Contingencies

The Group is a party to civil and labor lawsuits, involving risks classified by management and the legal advisors as possible losses, totaling approximately US$4,365 and US$454, respectively (US$4,054 and US$242 on December 31, 2020). Based on management's assessment and inputs from the Group's external legal advisors, no provision was recognized for those lawsuits as of December 31, 2021, and 2020.

d) Judicial deposits

As of December 31, 2021, the total amount of judicial deposits shown as "Other assets" (note 15) is US$17,480 (US$16,440 on December 31, 2020) and is substantially related to the tax proceedings.

22. Deferred income

	2021	2020
Deferred revenue from points	25,462	19,256
Deferred annual fee	4,673	5,773
Other deferred income	522	936
Total	**30,657**	**25,965**

Deferred revenue from points and deferred annual fee are related to the Group's reward program for its credit card customers, called "Rewards". The program consists of accumulating points according to the use of the credit card in the ratio of R$1.00 (one Brazilian real, equivalent to US$0.18 as of December 31, 2021) equal to 1 point. The number of points generated may be higher for transactions with some partner companies or for transactions that meet Nu pre-conditions. The points do not expire, and there is no limit on the number of Rewards an eligible card member can earn.

The redemption of the points occurs when the customers use them in various expense categories, such as air tickets, hotels, transportation services, and music.

Nu uses financial models to estimate the redemption rates of rewards earned to date by current card members, and, therefore, the estimated financial value of the points, based on historical redemption trends, current enrollee redemption behavior, among others. The estimated financial value is recorded in the income statement when the performance obligation is satisfied, which is when the reward points are redeemed.

Deferred annual fees comprises amounts related to the rewards fees which are paid annually by customers until they are earned.

23. Senior preferred shares

On June 18, 2020, the Company concluded the issuance of senior preferred shares in the amount of US$300,000. The senior preferred shares were considered a host financial instrument with convertible features that were considered embedded derivatives. The financial liability components were the contractual obligation to deliver cash and the convertible embedded derivative into a variable number of shares.

The senior preferred shares had similar features to the preferred shares (note 27), except for (i) were senior to preferred shares upon the distribution of proceeds due to the liquidity events described in note 27, (ii) had the rights to cumulative dividends payments equivalent to 18.5% per year after December 2026, (iii) were redeemable in cash at the option of the holder upon the occurrence of mandatory redemption events, (iv) were redeemable in cash at the option of the Company at any time, (v) were convertible initially into a fixed number of ordinary shares at the option of the holder at any time, or in a variable number of ordinary shares if a down-round feature was triggered (vi) were automatically convertible upon the occurrence of a qualified

initial public offering or liquidation event into a fixed number of ordinary shares or variable number of shares due to down-round features.

Upon the exercise of the redeemable option in cash by the Company, the holders of the senior preferred shares could request the conversion of the senior preferred shares into a fixed or variable number of preferred shares prior to the redemption. On May 20, 2021, each senior preferred share was converted into 1 Series F-1 preferred share, with the total issuance of 16,795,799 shares at the request of the holders. The conversion consisted of a reclassification of the amount recognized as a derivative and recognized as liability into share capital and share premium reserve in the total amount of US$400,915.

The fair value of the convertible embedded derivative was measured using methodology consistent with the share price valuation described on share-based payments (note 10).

	2021	2020
Balance at beginning of the year	**400,915**	**-**
New issuances	-	300,000
Deferred expenses	-	(236)
Interest accrued	22,108	28,630
Changes in the fair value of the embedded derivative conversion feature	(22,108)	72,521
Expenses with convertible instruments	**-**	**101,151**
Conversion of senior preferred shares and embedded derivative into equity	(400,915)	-
Balance at end of the year	**-**	**400,915**
Host debt instrument at amortized cost	**-**	**328,394**
Embedded derivative at fair value	**-**	**72,521**

24. Related parties

In the ordinary course of business, the Group may have issued credit cards or loans to Nu's executive directors, board members, key employees and close family members. Those transactions, as well as the deposits, occur on similar terms as those prevailing at the time for comparable transactions to unrelated persons and do not involve more than the normal risk of collectability.

As described in note 3, "Basis of consolidation", all subsidiaries are consolidated in these financial statements. Therefore, related party balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in the consolidated financial statements.

The exchange differences arising from intercompany loans between entities of the group with different functional currencies are shown as "Other income (expenses)" in the statement of profit or loss.

a) Transactions with other related parties

	2021	
	Assets/ (Liabilities)	**Revenues (expenses)**
Others	299	(1,685)

On June 30, 2021, the Group entered into a service and naming rights agreement with Rodamoinho Produtora de Eventos Ltda., owned by a member of the Company's Board of Directors. In addition, on

January 27, 2021, the Group made payments for training and workshops provided by Reprograma, a philanthropic project managed by a family member of the Company's controlling shareholder.

On June 30, 2021, the Company sold 240,072 Series G-1 preferred shares at a purchase price of US$39.988768 per share to the Company's Board Members, for a total amount of US$1,600.

b) Management compensation

There are no post-employment benefits, such as pensions and other retirement benefits. The remuneration of the directors and other key management personnel of the Company is set out in aggregate below.

	2021	2020	2019
Consolidated statements of income or loss			
Fixed and variable compensation	34,252	9,029	10,464

Management compensation includes the compensation of remunerated members of the Board of Directors, which increased from one person in 2020 and 2019 to seven in 2021, and of Executive Officers, which increased from one person in 2020 and 2019 to nine in 2021.

25. Fair value measurement

The main valuation techniques employed in internal models to measure the fair value of the financial instruments on December 31, 2021, and 2020 are set out below. The principal inputs into these models are derived from observable market data. The Group did not make any material changes to the valuation techniques and internal models it used in those periods.

a) Fair value of financial instruments carried at amortized cost

The following tables show the fair value of the financial instruments carried at amortized cost on December 31, 2021, and 2020.

	2021		
	Book value	Fair value - Level 2	Fair value - Level 3
Assets			
Compulsory deposits at central banks	938,659	938,659	-
Credit card receivables	4,780,520	-	4,161,785
Loans to customers	1,194,814	-	1,324,513
Other financial assets at amortized cost	18,493	18,493	-
Total	**6,932,486**	**957,152**	**5,486,298**
Liabilities			
Deposits in electronic money	1,888,454	1,689,569	-
RDB and RDB-V	7,759,665	7,759,665	-
Time deposit	19,181	19,181	-
Payables to credit card network	4,882,159	4,755,304	-
Borrowings and financing	147,243	147,140	-
Securitized borrowings	10,011	10,011	-
Total	**14,706,713**	**14,380,870**	**-**

	2020		
	Book value	Fair value - Level 2	Fair value - Level 3
Assets			
Compulsory deposits at central banks	43,542	43,542	-
Credit card receivables	2,908,907	-	2,720,518
Loans to customers	174,694	-	242,305
Interbank transactions	-	-	-
Other financial assets at amortized cost	22,870	22,870	-
Total	**3,150,013**	**66,412**	**2,962,823**
Liabilities			
Deposits in electronic money	1,029,284	1,029,356	-
RDB and RDB-V	4,536,065	4,536,065	-
Time deposit	19,513	19,513	-
Payables to credit card network	3,331,258	3,313,608	-
Borrowings and financing	97,454	96,877	-
Securitized borrowings	79,742	79,726	-
Total	**9,093,316**	**9,075,145**	**-**

Cash and cash equivalents include short-term deposits, bank balances and reverse repurchase agreements, among others. For cash and cash equivalents, interbank transactions, other financial assets at amortized cost, borrowings and financing and securitized borrowings, the carrying amount is deemed to be a reasonable approximation of the fair value.

The valuation approach to specific categories of financial instruments is described below.

i) Fair value models and inputs

Credit card: Credit card receivables and payables to credit card network's fair values are calculated using the discounted cash flow method. Fair values are determined by discounting the contractual cash flows by the interest rate curve. For payables, cash flows are also discounted by the Group's own credit spread. For receivables, fair values exclude expected losses. The Group used the rate of recovery of late payments as an input that is not directly observable and was estimated using the Group's internal databases.

Loans to customers: Fair value is estimated based on groups of clients with similar risk profiles, using valuation models. The fair value of a loan is determined by discounting the contractual cash flows by the interest rate curve and net interest spread. The Group used the rate of recovery of late payments as an input that is not directly observable and was estimated using the Group's internal databases.

Deposits: Most deposit liabilities are payable on demand and therefore can be deemed short-term in nature with the fair value equal to the carrying value.

Equity instrument: For the fair value of the equity instrument, the Group used contractual conditions, as input that are not directly observable.

b) Fair value of financial instruments measured at fair value

The following table shows a summary of the fair values, as of December 31, 2021, and 2020, of the financial assets and liabilities indicated below, classified on the basis of the various measurement methods used by the Group to determine their fair value:

	2021			
	Published price quotations in active markets (Level 1)	**Internal Models (Level 2)**	**Internal Models (Level 3)**	**Total**
Assets				
Government bonds				
Brazil	6,646,188	-	-	6,646,188
United States	830,124	-	-	830,124
Colombia	504	-	-	504
Corporate bonds and other instruments				
Certificate of bank deposits (CDB)	-	81,810	-	81,810
Investment funds	-	146,884	-	146,884
Time deposit	-	1,119,682	-	1,119,682
Bill of credit (LC)	-	14	-	14
Real estate and agribusiness letter of credit (CRIs/CRAs)	-	1,508	-	1,508
Debentures	-	121,783	-	121,783
Stocks issued by public-held company	158	-	-	158
Equity instrument	-	-	30,735	30,735
Derivative financial instruments	81,538	24	19,756	101,318
Collateral for credit card operations	-	1,052	-	1,052
Liabilities				
Derivative financial instruments	87,271	7	-	87,278
Instruments eligible as capital	-	12,056	-	12,056
Repurchase agreements	-	3,046	-	3,046

	2020			
	Published price quotations in active markets (Level 1)	Internal Models (Level 2)	Internal Models (Level 3)	Total
Assets				
Government bonds				
Brazil	4,137,223	1	-	4,137,224
Mexico	-	-	-	-
Corporate bonds and other instruments				
Investment funds	-	150,030	-	150,030
Bill of credit (LC)	-	23	-	23
Derivative financial instruments	32	48	-	80
Collateral for credit card operations	-	90,761	-	90,761
Liabilities				
Embedded derivatives in convertible instruments and other derivatives	2,783	-	72,521	75,304
Instruments eligible as capital	-	15,492	-	15,492

i) Fair value models and inputs

Securities: The securities with high liquidity and quoted prices in the active market are classified as level 1. As a result, all the Government Bonds are included in level 1 as they are traded in active markets. Fair values are the quoted prices on the secondary market, published by the Brazilian Association of Financial and Capital Market Entities (“Anbima”). Corporate bonds and investment fund quotas, whose valuation is based on observable data, such as interest rates and yield curves, supported by the market, are classified as level 2.

Derivatives: Derivatives traded on stock exchanges are classified in level 1 of the hierarchy. Derivatives traded on the Brazilian stock exchange are fair valued using B3 quotations. Interest rate OTC Swaps are valued by discounting future expected cash flows to present values using interest rate curves based on interest rate futures and are classified as level 2. The embedded derivative conversion feature from the senior preferred share, was calculated based on methodologies for the share price described in note 10. The options related to the warrant from Creditas Partnership are fair valued using a Black-Scholes model and are classified as level 3.

Instruments eligible as capital: If the instrument has an active market, prices quoted in this market are used. Otherwise, valuation techniques are used, such as discounted cash flows, where cash flows are discounted by a risk-free rate and a credit spread. Instruments eligible as capital were designated at fair value through profit or loss in the initial recognition (fair value option).

c) Transfers between levels of the fair value hierarchy

Transfers between levels of the fair value hierarchy are reported regularly throughout the year. As of December 31, 2021, and 2020, there were no transfers of financial instruments between levels 1 and 2 or between levels 2 and 3.

26. Income tax

Current and deferred tax are determined for all transactions that have been recognized in the consolidated financial statements using the provisions of the current tax laws. The current income tax expense or benefit represents the estimated taxes to be paid or refunded, respectively, for the current period. Deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities. They are measured using the tax rates and laws that will be in effect when the temporary tax differences are expected to reverse.

a) Income tax reconciliation

The tax on the Group's pre-tax profit differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities. In March 2021, the Social Contribution tax rate in Brazil increased 5 percentage points, thus the combined income tax rate increased from 40% to 45%. The change was effective from July 1 to December 31, 2021, and it mainly affects the subsidiaries Nu Pagamentos, Nu Financeira, Nu DTVM and Nu Invest. Thus, the following is a reconciliation of income tax expense to profit (loss) for the period, calculated by applying the combined Brazilian income tax rate of 45% for the year ended December 31, 2021, and 40% for the year ended December 31, 2020 and 2019:

	2021	2020	2019
Net loss before income tax	**(170,164)**	**(193,178)**	**(129,299)**
Tax rate [(i)]	45%	40%	40%
Income tax	**76,574**	**77,271**	**51,720**
Permanent additions/exclusions			
Share-based payments	(41,418)	(8,639)	(5,509)
Customers gifts	(250)	(375)	(1,685)
Operational losses and others	(6,385)	(4,741)	(2,343)
Changes in income tax rate	(11,127)	-	(2,546)
Other expenses from Nu Holdings not subject to taxation	(8,103)	(8,049)	-
Effect of different tax rates - subsidiaries	(4,541)	(3,781)	-
Results with convertible instruments	-	(29,008)	-
Other non-deductible expenses	(2,250)	(1,022)	(2,869)
Income tax for the year	**2,500**	**21,656**	**36,768**
Current tax expense	(219,824)	(22,338)	(3,572)
Deferred tax benefit	224,654	44,025	40,341
Income tax in the statement of profit or loss	**4,830**	**21,687**	**36,769**
Deferred tax recognized in OCI	(2,330)	(31)	(1)
Income tax for the year	**2,500**	**21,656**	**36,768**
Effective tax rate	-2.8%	-11.2%	-28.4%

(i) The tax rate used was the one applicable to the financial Brazilian subsidiaries, which represent the most significant portion of the operations of the Group. The tax rate used is not materially different from the average effective tax rate considering all jurisdictions where the Group has operations. The effect of other tax rates is shown in the table above as “effect of different tax rates – subsidiaries”.

b) Deferred income taxes

The following tables present significant components of the Group's deferred tax assets and liabilities as of December 31, 2021, 2020 and 2019, and the changes for the years then ended. The accounting records of deferred tax assets on income tax losses and/or social contribution loss carryforwards, as well as those arising from timing differences, are based on technical feasibility studies which consider the expected generation of future taxable income, considering the history of profitability for each subsidiary individually. The Group has no time limit for use of the deferred tax assets, but the use of the deferred tax asset related to tax loss and negative basis of social contribution is limited to 30% of taxable profit per year for the Brazilian entities.

Reflected in the statement of profit or loss	12/31/2020	Business combination	Constitution	Realization	Foreign exchange	12/31/2021
Provisions for credit losses	68,155	41	197,920	(52,730)	(8,927)	204,459
Provision PIS/COFINS - Financial Revenue	6,398	-	-	-	(433)	5,965
Other provisions	33,323	585	44,456	(17,752)	(3,525)	57,087
Fair value changes - financial instruments	8,659	-	141	6,206	250	15,256
Total deferred tax assets on temporary differences	**116,535**	**626**	**242,517**	**(64,276)**	**(12,635)**	**282,767**
Tax loss and negative basis of social contribution	8,596	4,201	68,049	(110)	(2,751)	77,985
Deferred tax assets	**125,131**	**4,827**	**310,566**	**(64,386)**	**(15,386)**	**360,752**
Futures settlement market	-	-	(10,736)	(7,851)	(263)	(18,850)
Fair value changes - financial instruments	(8,741)	-	141	6,206	250	(2,144)
Others	-	-	(8,473)	(813)	946	(8,340)
Deferred tax liabilities	**(8,741)**	**-**	**(19,068)**	**(2,458)**	**933**	**(29,334)**
Deferred tax assets net of deferred tax liabilities	**116,390**	**4,827**	**291,498**	**(66,844)**	**(14,453)**	**331,418**

Reflected in equity, in other comprehensive income	12/31/2020	Constitution	12/31/2021
Fair value changes - cash flow hedge	(32)	(1,025)	(1,057)
Fair value instruments at FVTOCI	-	(1,305)	(1,305)
Total	**(32)**	**(2,330)**	**(2,362)**

Reflected in the statement of profit or loss	12/31/2019	Constitution	Realization	Foreign exchange	12/31/2020
Provisions for credit losses	63,846	79,383	(60,808)	(14,266)	68,155
Provision PIS/COFINS - Financial Revenue	8,252	-	-	(1,854)	6,398
Other provisions	14,944	27,125	(5,242)	(3,504)	33,323
Fair value changes - financial instruments	2,177	8,945	(1,791)	(672)	8,659
Total deferred tax assets on temporary differences	**89,219**	**115,453**	**(67,841)**	**(20,296)**	**116,535**
Tax loss and negative basis of social contribution	4,979	7,150	(3,724)	191	8,596
Deferred tax assets	**94,198**	**122,603**	**(71,565)**	**(20,105)**	**125,131**
Fair value changes - financial instruments	(698)	(7,013)	-	(1,030)	(8,741)
Deferred tax liabilities	**(698)**	**(7,013)**	**-**	**(1,030)**	**(8,741)**
Deferred tax assets net of deferred tax liabilities	**93,500**	**115,590**	**(71,565)**	**(21,135)**	**116,390**

	12/31/2019	Constitution	12/31/2020
Reflected in equity, in other comprehensive income			
Fair value changes - cash flow hedge	(1)	(31)	(32)
Total	**(1)**	**(31)**	**(32)**

Reflected in the statement of profit or loss	12/31/2018	Constitution	Realization	Foreign exchange	12/31/2019
Provisions for credit losses	35,375	81,165	(51,636)	(1,058)	63,846
Provision PIS/COFINS - Financial Revenue	5,627	2,905	-	(280)	8,252
Other provisions	6,603	8,784	-	(443)	14,944
Fair value changes - financial instruments	331	2,225	(326)	(53)	2,177
Total deferred tax assets on temporary differences	**47,936**	**95,079**	**(51,962)**	**(1,834)**	**89,219**
Tax loss and negative basis of social contribution	7,280	-	(2,063)	(238)	4,979
Deferred tax assets	**55,216**	**95,079**	**(54,025)**	**(2,072)**	**94,198**
Fair value changes - financial instruments	(1)	(714)	-	17	(698)
Deferred tax liabilities	**(1)**	**(714)**	**-**	**17**	**(698)**
Deferred tax assets net of deferred tax liabilities	**55,215**	**94,365**	**(54,025)**	**(2,055)**	**93,500**

	12/31/2018	Constitution	12/31/2019
Reflected in equity, in other comprehensive income			
Fair value changes - cash flow hedge	-	(1)	(1)
Total	**-**	**(1)**	**(1)**

27. Equity

The table below presents the changes in shares issued and fully paid and shares authorized, by class, as of December 31, 2021, and 2020.

Shares authorized and fully issued	Ordinary shares	Preferred shares	Senior preferred shares	Management shares	Class A Ordinary shares	Class B Ordinary shares	Total	Total after 6-for-1 forward share split
Total as of December 31, 2019	**215,537,175**	**422,057,050**	**-**	**2,500**	**-**	**-**	**637,596,725**	**3,825,580,350**
SOPs exercised and RUSs vested	7,235,430	-	-	-	-	-	7,235,430	43,412,580
Shares withheld for employees' taxes	(114,341)	-	-	-	-	-	(114,341)	(686,046)
Shares repurchased	(1,171)	-	-	-	-	-	(1,171)	(7,026)
Capital increase (Series F-1)	-	-	16,795,799	-	-	-	16,795,799	100,774,794
Total as of December 31, 2020	**222,657,093**	**422,057,050**	**16,795,799**	**2,500**	**-**	**-**	**661,512,442**	**3,969,074,652**
SOPs exercised and RUSs vested	6,314,494	-	-	-	15,600,346	-	21,914,840	131,489,040
Shares withheld for employees' taxes (note 10)	(320,866)	-	-	-	(384,278)	-	(705,144)	(4,230,864)
Shares repurchased	(203,643)	-	-	-	-	-	(203,643)	(1,221,858)
Capital increase (Series G)	-	11,758,704	-	-	-	-	11,758,704	70,552,224
Conversion of senior preferred shares (Series F-1)	-	16,795,799	(16,795,799)	-	-	-	-	-
Issuance of preferred shares due to Easynvest business combination	-	8,019,426	-	-	-	-	8,019,426	48,116,556
Capital increase (Series G-1)	-	10,002,809	-	-	-	-	10,002,809	60,016,854
Conversion of ordinary shares in class A shares	(228,447,078)	-	-	-	228,447,078	-	-	-
Conversion of class A shares in class B shares	-	-	-	-	(184,110,692)	184,110,692	-	-
Awards issued	-	-	-	-	-	7,596,827	7,596,827	45,580,962
Issuance of Class A shares - Cognitect acquisition	-	-	-	-	107,489		107,489	644,934
Issuance of Class A shares - Spin Pay acquisition	-	-	-	-	138,415	-	138,415	830,490
Subtotal balances before the 6-for-1 forward share split	**-**	**468,633,788**	**-**	**2,500**	**59,798,358**	**191,707,519**	**720,142,165**	**4,320,852,990**
Issuance of shares due to the 6-for-1 forward share split	-	2,343,168,940	-	12,500	298,991,791	958,537,594	3,600,710,825	-
Subtotal balances after the 6-for-1 forward share split	**-**	**2,811,802,728**	**-**	**15,000**	**358,790,149**	**1,150,245,113**	**4,320,852,990**	**4,320,852,990**
Preferred shares converted into Class A shares	-	(2,811,802,728)	-	-	2,811,802,728	-	-	-
Cancelation of management shares	-	-	-	(15,000)	-	-	(15,000)	(15,000)
Issuance of shares under the customer program	-	-	-	-	1,259,613	-	1,259,613	1,259,613
Issuance of shares under the IPO	-	-	-	-	287,890,942	-	287,890,942	287,890,942
Movements due to the IPO	**-**	**(2,811,802,728)**	**-**	**(15,000)**	**3,100,953,283**	**-**	**289,135,555**	**289,135,555**
Total as of December 31, 2021	**-**	**-**	**-**	**-**	**3,459,743,432**	**1,150,245,113**	**4,609,988,545**	**4,609,988,545**

Shares authorized and unissued	Class A Ordinary shares	Class B Ordinary shares	Total	Total after 6-for-1 forward share split
Business combination - contingent share consideration	-	-	6,113,124	6,113,124
Reserved for the share-based payments	-	-	237,110,883	237,110,883
Reserved for the issuance of the Award	-	-	98,920,396	98,920,396
Shares authorized which may be issued Class A or Class B	-	-	43,651,308,262	43,651,308,262
Shares authorized and unissued as of December 31, 2021	**-**	**-**	**43,993,452,665**	**43,993,452,665**
Shares authorized issued	**3,459,743,432**	**1,150,245,113**	**4,609,988,545**	**4,609,988,545**
	3,459,743,432	**1,150,245,113**	**48,603,441,210**	**48,603,441,210**

At the Meeting of Shareholders held on August 30, 2021, the 6-for-1 forward share split of the Company's shares was approved.

a) Share events

On May 29, 2021, each issued and unissued authorized ordinary share was converted into one class A ordinary share, and 770,625,008 class B ordinary shares (4,623,750,048 after the 6-for-1 forward share split) were created. The rights of the holders of class A ordinary shares and class B ordinary shares are identical, except that (1) holders of class B ordinary shares are entitled to 20 votes per share, whereas holders of class A ordinary shares are entitled to one vote per share; (2) holders of class B ordinary shares have certain conversion rights into class A ordinary shares; (3) holders of class B ordinary shares are entitled to preemptive rights in the event that additional class A ordinary shares are issued to maintain their proportional ownership interest; and (4) class B ordinary shares shall not be listed on any stock exchange and will not be publicly traded.

In June 2021, 184,110,692 class A ordinary shares (1,104,664,152 after the 6-for-1 forward share split) were converted into class B ordinary shares.

In July 2021, Nu Holdings issued 7,596,827 class A ordinary shares (45,580,962 after the 6-for-1 forward share split) pursuant to the achievement of market conditions on the Awards described in note 10, and on July 21, 2021, they were converted into class B ordinary shares

In August 2021, Nu Holdings issued 107,489 class A ordinary shares (644,934 after the 6-for-1 forward share split) due to compensation for post combination services agreed upon for the acquisition of Cognitect in 2020.

In October 2021, Nu Holdings issued 138,415 class A ordinary shares (830,490 after the 6-for-1 forward share split) due to compensation for post combination services agreed upon for the acquisition of Spin Pay, which occurred in 2021.

On December 9, 2021, as a result of the completion of the IPO described in note 1(a), 289,150,555 new Class A common shares were issued, which amount includes Class A ordinary shares offered in the form of BDRs and the 3,436,269 Class A ordinary shares underlying BDRs reserved for issuance under the Customer Program or "NuSócios".

As of December 31, 2021, the Company has ordinary shares authorized and unissued relating to commitments from acquisitions of entities, the issuance due to the share-based payment plans (note 10) and authorized for future issuance without determined nature and which could be class A or B ordinary shares.

b) Share capital and share premium reserve

All share classes of the Company had a nominal par value of US$0.0000067 on December 31, 2021, and US$0.00004 on December 31, 2020, and the total amount of share capital was US$83 (US$45 as of December 31, 2020).

Share premium reserve relates to amounts contributed by shareholders over the par value at the issuance of shares.

c) Issuance of shares

The following table presents the amount in US$ of shares issued, increase in capital and premium reserve in transactions other than the exercise of the SOPs and vesting of RSUs in 2020 and 2021:

Date	Capital and share premium reserve
6/18/2020 - Series F-1	400,915
1/27/2021 - Series G	400,000
6/4/2021 - Series G-1	400,000
Customer program and IPO (note 1(a))	2,602,026
Total presented as equity	**3,802,941**

In January 2021, Nu Holdings completed the preferred shares issuance – Series G – in the amount of US$400,000. As a result of the transaction, 11,758,704 Series G preferred shares (70,552,224 after the 6-for-1 forward share split) were issued and 7,466,778 ordinary shares (44,800,668 after the 6-for-1 forward share split) were made available for issuance for the Company's share-based compensation program.

As described in note 23, on May 20, 2021, the senior preferred shares related to Series F-1 were fully converted into equity, with the total issuance of 16,795,799 shares (100,774,794 after the 6-for-1 forward share split) at the request of the holders. The conversion consisted of a reclassification of the amount recognized as a derivative and as liability into share capital and share premium reserve in the total amount of US$400,915.

In June 2021, Nu Holdings completed the preferred shares issuance Series G-1 – in the amount of US$400,000. As a result of the transaction, 10,002,809 Series G-1 preferred shares (60,016,854 after the 6-for-1 forward share split) were issued.

d) Accumulated losses

The accumulated losses include the share-based payment reserve amount, as shown in the table below.

As described in note 10, the Group's share-based payments include incentives in the form of SOPs, RSUs and Awards. Further, the Company can use the reserve to absorb accumulated losses.

	2021	2020
Accumulated losses	(336,484)	(171,491)
Share-based payments reserve	208,075	69,050
Total attributable to shareholders of the parent company	**(128,409)**	**(102,441)**
Accumulated losses attributable to non-controlling interests	(341)	-
Total accumulated losses	**(128,750)**	**(102,441)**

e) Shares repurchased and withheld

Shares may be repurchased from former employees when they leave the Group or withheld because of RSUs plans to settle the employee's tax obligation. These shares repurchased or withheld are canceled and cannot be reissued or subscribed. During year ended December 31, 2021, and 2020, the following shares were repurchased (after the 6-for-1 forward share split):

	2021	2020
Quantity of shares repurchased	1,221,858	7,026
Total value of shares repurchased	4,607	15
Quantity of shares withheld - RSU	4,230,864	686,046
Total value of shares withheld - RSU	18,299	2.646

f) Accumulated other comprehensive income

Other comprehensive income includes the amounts, net of the related tax effect, of the adjustments to assets and liabilities recognized in equity through the consolidated statement of comprehensive income.

Other comprehensive income that may be subsequently reclassified to profit or loss is related to cash flow hedges that qualify as effective hedges and currency translation that represents the cumulative gains and losses on the retranslation of the Group's investment in foreign operations. These amounts will remain under this heading until they are recognized in the consolidated statement of profit or loss in the periods in which the hedged items affect it.

The own credit reserve reflects the cumulative own credit gains and losses on financial liabilities designated at fair value. Amounts in the own credit reserve are not reclassified to profit or loss in future periods.

The accumulated balances are as follows:

	2021	2020	2019
Cash flow hedge effects, net of deferred taxes	1,487	49	1
Currency translation on foreign entities	(110,936)	(97,081)	(46,981)
Changes in fair value - financial instruments at FVTOCI, net of deferred taxes	1,741	-	-
Own credit adjustment effects	(1,519)	(468)	(249)
Total	**(109,227)**	**(97,500)**	**(47,229)**

28. Management of financial risks, financial instruments, and other risks

a) Overview

The Group prioritizes risks that could have a material impact on its strategic objectives, including regulatory risks. To efficiently manage and mitigate these risks, the risk management structure conducts risk identification and assessment to prioritize the risks that are key to pursue potential opportunities and/or that may prevent value from being created or that may compromise existing value, with the possibility of having impacts on results, capital, liquidity, customer relationship and reputation.

Risks that are actively monitored include:

Credit Risk;

Liquidity Risk;

Market Risk and Interest Rate Risk in the Banking Book (IRRBB);

Operational Risk / Information Technology (IT) Risk;

Compliance Risk; and

Reputational Risk.

b) Risk Management Structure

The Group's risk management structure considers the size and complexity of its business, which allows the monitoring and control of the risks to which it is exposed.

The risk management process permeates the entire Group, across the countries where Nu has operations, in line with the guidelines of management and executives, who, through committees and other internal meetings, define strategic objectives, including risk appetite. In addition, the capital control and management units provide support through risk and capital monitoring and analysis processes.

The Group considers a risk appetite statement (“RAS”) to be an essential tool to support risk management and decision making. Therefore, its development is aligned with the business plan, strategy development and capital. Nu has defined a RAS that prioritizes the main risks and, for each of these, qualitative statements and quantitative metrics expressed in relation to gains, capital, risk measures, liquidity and other relevant measures have been implemented, as appropriate.

Nu's risk management structure allows inherent and residual risks to be properly identified, measured, evaluated, monitored, reported, controlled and mitigated to support the development of its activities. Thus, Nu has adopted a model which consists of three lines of defense, as follows:

- **First line of defense (risk owner accountability)**: business functions or activities that generate exposure to risks, whose managers perform risk management in accordance with policies, limits and other conditions defined and approved by the Board of Directors. The first line of defense must have the means to identify, measure, address and report the risks assumed.
- **Second line of defense (review and challenge)**: consists of the areas of Risk Management, Internal Controls and Compliance. It ensures an effective control of risks and that these are managed according to the defined appetite level. Responsible for proposing risk management policies, developing models, methodologies, as well as for evaluating and supervising the first line of defense.

- **Third line of defense (risk assurance)**: composed of Internal Audit, is responsible for periodically independently evaluating whether policies, methods and procedures are adequate, in addition to verifying their effective implementation.

Another important element of the risk management framework is the structure of Technical Forums and Committees. These governance bodies were designed and implemented to monitor and make decisions on aspects associated with the Group's management and control. Nu has implemented this structure both at a Global and a country-level perspective, as described below.

Global risk-related Governance body:

- **Audit and Risk Committee**: its main duties are to evaluate the performance and progress of the work of the Internal Audit, the independent audit, as well as the respective reports related to the internal control systems, to follow the recommendations made by the internal and independent auditors to management, to review and discuss with management and the independent auditor the annual audited financial statements and unaudited quarterly financial statements, to assist the Board of Directors in the performance of its risk management and control functions, and monitoring the level of risk exposure according to the RAS. It consists of at least three members and meets at least quarterly.

Country-level risk-related Governance bodies:

Each of the countries where the Group has operations established a structure of governance based on the relevant regulatory requirements and composed of the following elements. Depending on the nature of the subject to be managed, some Committees and meetings can be grouped to cover more than one country.

- **Risk Committee**: its objective is to assist the country's executive officers in the performance of the entity’s risk management and control functions, monitoring the level of risk exposure according to risk appetite. It also aims to adopt strategies, policies and measures aimed at disseminating a culture of internal controls and risk mitigation.

- **Credit Committee**: its objective is to review and supervise credit strategies and their impacts on the subsidiary's results, and to review the credit strategies in light of the macroeconomic environment and risk information related to the credit market and competitors.

- **Audit Committee**: its main duties are to evaluate the performance and progress of the work of the Internal Audit function, the independent auditors, and the respective reports related to the internal control systems, to follow the recommendations made by internal and independent auditors to management, and to review and discuss with management and the independent auditor the annual audited financial statements and unaudited quarterly financial statements.

- **Technical Forums**: regular meetings to discuss and propose recommendations to the country-level Risk Committee. Depending on the materiality in each of the countries, each topic listed below can have its own Technical Forum, with the participation of executives from associated areas: accounting and tax, operational risk and internal controls, asset and liability management ("ALM") / capital, information technology risks ("IT"), Compliance, fraud prevention, anti-money laundering ("AML"), stress tests, product review and credit provisions. Each Technical Forum has its own charter, establishing the scope of work, voting members and other working model attributes.

c) Risks actively monitored

The Group is exposed to different risks arising from its activities. Risk monitoring adapts as new risks and threats emerge. Currently, the Group is focused on the following risks:

- **Credit Risk**

The Group credit risk management structure is independent from the business units and provides processes and tools to measure, monitor, control and report the credit risk from all products, continuously verifying their adherence to the approved policies and risk appetite structure. Credit risk management also assesses and monitors the impacts of potential changes in the economic environment on the Group credit portfolio to ensure that it is resilient to economic downturns.

Nu's credit decision-making leverages a tiered review process based on materiality and impact of credit decisions. The decision tiers are classified in small, medium or large, related to their size and estimated impact. Each tier goes through a governance framework in accordance with the defined classification level, whereby larger decisions have a higher diligence level. Credit decision approvals take place in committees, technical forums, and the designated decision forums, with the involvement of the first and second lines of defense, depending on the governance framework. For the decision-making process, information arising from historical performance is presented and discussed using predictive models that analyze and score existing and potential customers based on their profitability and credit risk profile.

The Group uses customers' internal information, statistical models, and other quantitative analyses to determine the risk profile of each customer in the portfolio. The information collected is used to manage the portfolio credit risk and to measure expected credit losses with periodical assessment of changes in the provision amounts.

Regarding past due customers, their behavior is continuously tracked and monitored to improve policies and approaches to collect debt. The collection strategies and policies of the Group depend on customer profiles and model scores, and they aim to maximize the recovery amounts.

The Group also has limits for exposure to counterparty credit risk in cash or cash equivalents assets, aligned with its RAS. These limits are based on ratings from external rating agencies. Only part of the cash can be invested in assets with credit risk exposures.

The Group's outstanding balance of financial assets is shown in the table below:

Financial assets	2021	2020
Cash and cash equivalents	**2,705,675**	**2,343,780**
Securities	815,962	4,287,277
Derivative financial instruments	101,318	80
Collateral for credit card operations	1,052	90,761
Financial assets at fair value through profit or loss	**918,332**	**4,378,118**
Securities	8,163,428	-
Financial assets at fair value through other comprehensive income	**8,163,428**	**-**
Compulsory deposits at central banks	938,659	43,542
Credit card receivables	4,780,520	2,908,907
Loans to customers	1,194,814	174,694
Other financial assets at amortized cost	18,493	22,870
Financial assets at amortized cost	**6,932,486**	**3,150,013**
Total	**18,719,921**	**9,871,911**

- **Liquidity Risk**

Liquidity risk is monitored to ensure that the Group will have sufficient high-quality liquid assets to withstand severe stress scenarios together with an adequate funding profile in terms of tenor, type, and counterparties.

The Group has a Contingency Funding Plan that describes possible management actions that should be taken in the case of a deterioration of the liquidity indicators.

Primary sources of funding - by maturity

	2021				2020			
Funding Sources	**Up to 12 months**	**Over 12 months**	**Total**	**%**	**Up to 12 months**	**Over 12 months**	**Total**	**%**
Deposits by customers								
Bank receipt of deposits (RDB)	7,663,355	64,753	7,728,108	99%	4,415,892	29,813	4,445,705	91%
Bank receipt of deposits (RDB-V)	31,557	-	31,557	1%	90,360	-	90,360	2%
Time deposit	19,181	-	19,181	0%	-	19,513	19,513	0%
Instruments eligible as capital	-	12,056	12,056	0%	-	15,492	15,492	0%
Senior preferred shares	-	-	-	0%	-	328,394	328,394	7%
Total	**7,714,093**	**76,809**	**7,790,902**	**100%**	**4,506,252**	**393,212**	**4,899,464**	**100%**

Maturities of financial liabilities

The tables below summarize the Group’s financial liabilities into groups based on their contractual maturities:

Financial liabilities	2021					
	Carrying amount	Gross nominal outflow (1)	Up to 1 month	1 to 3 months	3-12 months	Over 12 months
Derivative financial instruments	87,278	87,658	83,155	4,035	68	400
Instruments eligible as capital	12,056	44,666	-	-	-	44,666
Repurchase agreements	3,046	3,046	3,046	-	-	-
Deposits in electronic money (*)	1,887,945	1,887,945	1,887,945	-	-	-
Bank receipt of deposits (RDB)	7,728,108	7,861,504	7,296,337	78,035	439,561	47,571
Bank receipt of deposits (RDB-V)	31,557	31,557	31,557	-	-	-
Time deposit	19,181	20,429	-	-	20,429	-
Other deposits	509	509	509	-	-	-
Payables to credit card network	4,882,159	4,882,160	2,518,437	1,205,765	1,155,762	2,196
Borrowings and financing	147,243	161,543	1,686	9,738	43,090	107,029
Securitized borrowings	10,011	10,089	-	10,089	-	-
Total	**14,809,093**	**14,991,106**	**11,822,672**	**1,307,662**	**1,658,910**	**201,862**

(*) In accordance with regulatory requirements, in guarantee of these deposits the Group has pledged reverse repurchase agreements and securities composed of Brazilian government bonds in the total amount of US$2,171,585 to the Brazilian Central Bank as of December 31, 2021.

(1) The gross nominal outflow was projected considering the exchange rate of Brazilian reais and Mexican pesos to US$ as of December 31, 2021 (R$5.5758 and MXN20.5294 per US$1) and the projected Brazilian CDI, obtained in B3's website, for the deposits.

Market Risk and Interest Rate Risk in the Banking Book (IRRBB)

There is a market risk and IRRBB control and management structure, independent from the business units, which is responsible for the processes and tools to measure, monitor, control and report the market risk and IRRBB, continuously verifying the adherence with the approved policies and limit's structure.

Management of market risk and IRRBB is based on metrics that are reported to the Asset & Liability Management and Capital ("ALM") Technical Forum and to the country-level Risk Committee. Management is authorized to use financial instruments as outlined in the Group's internal policies to hedge market risk & IRRBB exposures.

Management of market risk and interest rate risk in the Banking Book (IRRBB) is based on the following metrics:

- Interest Rate Sensitivity (DV01): impact on the market value of cash flows, when submitted to a one basis point increase in the current annual interest rates or index rate;
- Value at Risk (VaR): maximum market value loss for a holding period with a confidence level; and
- FX exposures, considering all financial positions that bring FX risk and operational expenses in other currencies.

Although the risk related to the changes in the fair value of its shares and its effects on share-based compensation and the embedded derivative conversion feature from the senior preferred share is observed, the Group does not hedge these risks because it considers this impracticable due to its nature and to the lack of instruments in the market. The risk arising from share-based payments is derived from the increase in expenses due to the issuance of new grants or appreciation of the share value of the Company. The risk arising from the embedded derivative conversion features affected the statement of profit or loss until the conversion when the entity derecognized the liability component and recognized it as equity. As a result, the total effect on changes in equity during the life of the convertible instrument was zero as no cash was paid.

The table below presents the VaR for the entities in Brazil, calculated using a confidence level of 95% and a holding period of 1 day, by a historical simulation approach, with a 5-year window.

VaR	2021	2020
Group	1,012	1,128
Nu Financeira	683	561
Nu Pagamentos	464	140

The financial positions directly held by Nu Holdings in the US are composed of demand deposits accounts (US$1,283,624), short term (less than 1 year) treasury bills (US$749,459), short-term time deposits (US$751,005), and a portfolio mainly composed of treasury bills and short-term high grade corporate bonds (US$198,852). This portfolio has a VaR (95% of confidence level, 1 day holding period) of US$128.

Currency risk

The consolidated financial statements may present volatility due to the Group’s operations in foreign currencies, such as Brazilian real and Mexican and Colombian pesos. At the Nu Holdings level, there is no net investment hedge for the investments in other countries.

As of December 31, 2021, and 2020, none of the entities of the Group had significant financial instruments in a currency other than their respective functional currencies.

In Brazil, Nu faces currency risks, mainly due to operational costs linked to its operations activities to mitigate foreign exchange risk, the Group hedges the expected costs in US$ and EUR in Nu Pagamentos, which has the Brazilian real as its functional currency. Derivatives instruments (dollar and euro future contracts, traded in B3) are used for carrying out these hedging activities, which are supervised by the Asset & Liability Management and Capital (ALM) Forum. Residual exposures are monitored, considering the costs (objects of hedge) and the derivatives (instruments of hedge). The currency risk in Nu Financeira is not hedged because it is deemed as not relevant.

Interest rate risk

The following analysis is the Group's sensitivity of the mark to market fair value to an increase of 1 basis point (“bp”) (DV01) in the Brazilian risk-free curve, IPCA coupon curve, assuming a parallel shift and a constant financial position:

Curve	Brazilian Risk-Free Curve		IPCA coupon	
DV01	2021	2020	2021	2020
Group	4	-	(2)	(1)
Nu Financeira [1]	(2)	(1)	(2)	-
Nu Pagamentos	6	2	-	(1)

(1) Includes Nu Financeira and its subsidiary Nu Invest.

The interest rate risk in subsidiaries other than Nu Pagamentos and Nu Financeira are deemed not relevant as of December 31, 2021, and 2020.

To maintain DV01 sensitivities within defined limits, interest rate futures, traded in B3, and swaps derivatives are used to hedge interest rate risk.

With respect to sensitivity to US risk-free interest rate, treasury bills held directly by Nu Holdings have a DV01 of US$36.8, and Time Deposits have DV01 of US$19.2.

- **Operational risk**

There is an operational risk and internal control's structure, which is responsible for the identification and assessment of operational risks, as well as the evaluation of the design and effectiveness of the internal controls structure. This structure is also responsible for the preparation and periodic testing of the business continuity plan and to coordinate the risk assessment in new product launches and significant changes in the existing processes.

Within the governance of the risk management process, mechanisms for identifying, measuring, evaluating, monitoring, and reporting operational risk events are presented to each business area (first line of defense), as well as disseminating the control culture to other team members internally. The main results from the risk assessments are presented to the Operational Risk and Internal Controls Technical Forum and to the Risk Committee. Applicable improvement recommendations result in action plans with planned deadlines and responsibilities.

Information Technology ("IT") risk

As the Group operates in a challenging cyber threat environment, it continuously invests in controls and technologies to defend against these threats. Information Technology risks, including cyber risk, is a priority area for Nu and therefore the Group has a dedicated IT Risk structure, which is part of the second line of defense. This team is independent from IT related areas, including Engineering, IT Operations, and Information Security.

IT Risk is responsible for identifying, assessing, measuring, monitoring, controlling, and reporting Information Technology risks in relation to risk appetite levels approved by the country-level Risk Committee. The Group continually assesses Nu's potential risk exposure to threats and their potential impacts on the business and customers. The Group continues to improve its IT and cybersecurity features and controls, also considering that people are a key component of the security strategy, ensuring that the employees and third-party contributors remain aware of prevention measures and know how to report incidents.

The results of the IT risk and controls assessments are regularly discussed at the IT Risk Technical Forum and presented to the country-level Risk Committee. Applicable improvement recommendations result in action plans with planned deadlines and responsibilities.

- **Compliance**

As the Group operates in a highly regulated environment, a Compliance program was established within the second line of defense. The Compliance team has resources dedicated to the Ethics Program, Regulatory Compliance as well as to Anti Money Laundering Program and Combating the Financing of Terrorism.

The Ethics Program sets the minimum conduct standards for the organization, including Code of Conduct, Compliance Policies, Training, and Awareness Campaigns, as well as an independent Whistleblower Channel.

The Regulatory Compliance team is focused on overseeing the regulatory adherence of the organization. Main activities involve regulatory tracking and managing the regulatory adherence, assessment of new products and features, advisory, Compliance testing as well as centralizing the relationship with regulators regarding requests of information and exams.

Nu's Anti Money Laundering Program represents the global framework and guidelines for AML/CTF and is the basis for the AML team's strategic planning.

The Program is structured in three levels - strategic, tactical and operational - and it's composed of 7 pillars (strategic level): Enterprise Risk Assessment; Policies and Procedures; Communication and Training; Know Your Customer (KYC); Due Diligence (KYE, KYS, KYP and KYB); MSAC - Monitoring, Selection, Analysis and Communication (SAR); and Effectiveness Assessment Program.

- **Reputational Risk**

The Group understands that the materialization of other risks can negatively impact its reputation, as they are intrinsically connected. Undesirable events in different risk dimensions such as business continuity, cyber security, ethics and integrity, social media negative activity, among others, can damage Nu's reputation.

Therefore, the Group has teams and processes in place dedicated to overseeing external communication and for crisis management, which are key elements in identifying and mitigating reputational events, as well as to gain long-term insight to better prevent or respond to future events.

29. Capital management

The purpose of capital management is to ensure the capital adequacy for Nu's operation through control and monitoring of the capital position, to evaluate the capital necessity according to the risk taken and strategic aim of the organization and to establish a capital planning process in accordance with future requirements of regulatory capital, based on the Group's growth projections, risk exposure, market movements and other relevant information. Also, the capital management structure is responsible for identifying sources of capital, for writing and submitting the capital plan and capital contingent plan for approval.

At the executive level, the ALM Technical Forum is responsible for approving risk assessment and capital calculation methodologies, as well as reviewing, monitoring, and recommending capital-related action plans to the Risk Committee.

a) Minimum capital requirements

The Group must comply with two different regulatory capital requirements in Brazil: one for the Financial Conglomerate, led by Nu Financeira and composed of Nu Financeira along with Nu DTVM and Nu Invest, and the other applicable to Nu Pagamentos:

- Financial Conglomerate: minimum level of capital, considering the minimum requirements for financial institutions according to Brazilian Federal Monetary Council (“CMN”) Resolution 4,193/13.

- Nu Pagamentos: minimum level of capital, considering the minimum requirements for payment institutions, according to Circular BACEN 3,681/13.

In September 2021, Nu acquired Nu Mexico Financiera, S.A. de C.V., S.F.P., formerly AKALA, S.A. DE C.V., (“Akala”), a Mexican Financial Cooperative Association ("SOFIPO") and regulated by CNBV (Comisión Nacional Bancaria y de Valores). The regulatory capital requirements for this entity are defined by the NICAP metric (“nivel de capitalización”) set by CNBV, which is comparable to the Basel Ratio methodology.

Nu implemented a capital management structure aiming at maintaining a higher level of capital than the minimum regulatory requirements. Additionally, the Group has commenced operations in Colombia and will comply with local rules as soon as regulatory requirements are applicable in this jurisdiction.

b) Composition of capital

i) Financial conglomerate in Brazil

The regulatory capital used to monitor the compliance of a financial conglomerate with the Basel operating limits imposed by Brazilian Central Bank, is the sum of two items, as follows:

- Tier I Capital: the sum of Common Equity Tier I, which consists of paid in capital, capital, reserves and retained earnings, less deductions, and prudential adjustments and the Additional Tier I, which consists of subordinated debt instruments without a defined maturity that meet eligibility requirements. It is important to note that the Financial Conglomerate does not hold any debt eligible to Additional Tier I on the date of these consolidated financial statements.

- Tier II Capital: consists of subordinated debt instruments with defined maturity dates that meet eligibility requirements. Together with the Common Equity Tier I it composes the Total Capital.

The table below shows the calculation of the capital ratios and their minimum requirement for the Financial Conglomerate, required by the current regulation in Brazil. Notwithstanding the minimum capital adequacy ratio provided under CMN Resolution No. 4,193/13, upon being granted its financial institution license in 2018, Nu Financeira undertook a commitment to operate with a higher Basel Committee minimum capital adequacy ratio of 14.0% during its first five years of operations (i.e., until 2023).

Financial Conglomerate	2021	2020
Regulatory Capital	**485,498**	**118,612**
Tier I	467,225	101,229
Common Equity	467,225	101,229
Tier II	18,273	17,383
Risk Weighted Assets (RWA)	**2,144,499**	**388,346**
Credit Risk (RWA CPAD)	1,891,177	372,841
Market Risk (RWA MPAD)	14,825	63
Operational Risk (RWA OPAD)	238,497	15,442
Capital Required	**225,172**	**40,776**
Margin	**260,325**	**77,836**
Basel Ratio	**22.6%**	**30.5%**
RBAN - Capital Required	896	2,334
Margin considering RBAN	259,429	75,502

ii) Nu Pagamentos

Nu Pagamentos' capital management aims to determine the capital needed for its growth and to plan additional sources of capital, to permanently maintain equity in amounts higher than the requirements defined by Brazilian Central Bank.

The subsidiary permanently maintains its shareholders' equity adjusted by the income accounts in an amount corresponding to, at least, the highest amount between i) 2% of the monthly average of payment transactions carried out by the subsidiary in the last 12 (twelve) months; or ii) 2% of the balance of electronic coins issued by the Nu Pagamentos, calculated daily.

The table below shows the calculation of the capital ratio and its minimum requirement for Nu Pagamentos, required by the current regulation in Brazil.

Nu Pagamentos	2021	2020
Adjusted Equity	**570,418**	**276,672**
Max Amount	**2,487,136**	**1,538,256**
Monthly average of payment transactions	2,487,136	1,538,256
Balance of electronic currencies	1,693,514	1,072,056
Capital Requirement Ratio	**22.9%**	**18.0%**

iii) Nu Mexico Financiera

Nu Mexico Financiera's capital management aims to determine the capital needed for its growth and to plan additional sources of capital, to permanently maintain its Regulatory Capital higher than the requirements defined by CNBV.

In December 2021, its Regulatory Capital position was equivalent to US$4,435, resulting in a Capital ratio of 395%, being 10.5% the minimum required for Category 1 SOFIPO.

30. Segment information

In reviewing the operational performance of the Group and allocating resources, the Chief Operating Decision Maker of the Group ("CODM"), who is the Group's Chief Executive Officer ("CEO"), reviews the consolidated statement of profit or loss and comprehensive income or loss.

The CODM considers the whole Group as a single operating and reportable segment, monitoring operations, making decisions on fund allocation, and evaluating performance. The CODM reviews relevant financial data on a combined basis for all subsidiaries.

The Group's income, results, and assets for this one reportable segment can be determined by reference to the consolidated statement of profit or loss and other comprehensive income or loss, as well as the consolidated statements of financial position.

a) Information about products and services

The information about products and services are disclosed in note 6.

b) Information about geographical area

The table below shows the revenue and non-current assets per geographical area:

	Revenue [(a)]			Non-current assets [(b)]	
	2021	**2020**	**2019**	**2021**	**2020**
Brazil	1,285,849	609,232	497,446	491,805	24,099
Mexico	29,546	1,409	14	8,235	1,418
Colombia	805	1	-	650	79
Cayman Islands	-	-	-	831	831
Germany	-	-	-	150	181
Argentina	-	-	-	73	112
United States	2,845	-	-	6,187	6,993
Total	**1,319,045**	**610,642**	**497,460**	**507,931**	**33,713**

(a) Includes interest income (credit card and lending), interchange fees, recharge fees, rewards revenue, late fees and other fees and commission income.

(b) Non-current assets are right-of-use assets, property, plant and equipment, intangible assets, and goodwill.

The Group had no single customer that represented 10% or more of the Group's revenues in the years ended December 31, 2021, 2020 and 2019.

31. Non-cash transactions

	2021
Easynvest acquisition - share consideration (note 1(c))	271,229
Conversion of senior preferred shares into equity (note 23)	400,915
Spin Pay acquisition - share consideration (note 1(c))	6,346

32. Subsequent events

a) Acquisition – Olivia

Olivia's acquisition was completed on January 3, 2022, when the control over the entities was transferred to Nu upon the completion of all conditions established on the share purchase agreement and the liquidation of the first part of the acquisition contractual price.

The total contractual acquisition price corresponds to US$72,000, subject to certain adjustments described in the SPA, consisting of cash consideration of US$12,240 and share consideration estimated at US$59,760 that may be issued for post-combination services of shareholders and employees in the next 3 years.

The transaction qualifies as a business combination and will be accounted for using the acquisition method of accounting. As a result of limited access to Olivia’s information required to prepare initial accounting, together with the limited time since the acquisition date and the effort required to conform Olivia’s financial statements to the Company's practices and policies, the initial accounting for the business combination is incomplete at the date of issuance of these consolidated financial statements. As a result, the Company is unable to provide the amounts recognized as of the acquisition date for the major classes of assets acquired and liabilities assumed, pre-acquisition contingencies and goodwill.

b) Green Shoe

On January 6, 2022, Nu Holdings issued an additional 27,555,298 ordinary class A shares due to the over-allotment option ("Green Shoe") exercised by the underwriters. As a result, Nu Holdings received additional net proceeds of US$247,998 and incurred in costs of US$3,985, recognized as equity.

c) Syndicated credit facility

In April 2022, the Group obtained a US$650,000 syndicated credit facility with a 3-year maturity. Nu’s subsidiaries in Colombia and Mexico are the borrowers and the Company is acting as guarantor.

Exhibit 2.1

DESCRIPTION OF SECURITIES
REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

The following is a description of our outstanding securities registered under Section 12 of the Exchange Act as required pursuant to the relevant Items under Form 20-F. As of December 31, 2021 Nu Holdings Ltd. ("we," "us," and "our") had the following series of securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A ordinary shares, par value US$0.000006666666667 per share	NU	New York Stock Exchange
Brazilian Depositary Receipts, or "BDRs"	NUBR33	B3 S.A. – Brasil, Bolsa, Balcão

Nu was incorporated in the Cayman Islands on February 26, 2016 as an exempted company incorporated with limited liability. Our corporate purposes are unrestricted and we have the authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law.

Our affairs are governed principally by: (1) our Articles of Association; (2) the Cayman Companies Act; and (3) the common law of the Cayman Islands. As provided in our Articles of Association, subject to Cayman Islands law, we have full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, and, for such purposes, full rights, powers and privileges. Our principal executive offices are located at Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, Cayman Islands.

CLASS A ORDINARY SHARES

Item 9. General

9.A.3 Preemptive Rights

See "—Item 10.B Memorandum and articles of association—Preemptive or Similar Rights" below.

9.A.5 Type and Class of Securities

As of December 31, 2021, Nu had a total issued share capital of US$30,908.26, divided into 3,459,743,432 Class A ordinary shares (including Class A ordinary shares underlying the BDRs), and 1,150,245,114 Class B ordinary shares. All of our outstanding share capital is fully paid. Our Class A ordinary shares are in book-entry form, registered in the name of each shareholder or its nominee.

Our authorized share capital is US$324,022.94, consisting of 48,603,441,210 shares of par value US$0.000006666666667 each. The authorized but unissued shares are presently undesignated and may be issued by our board of directors as ordinary shares of any class or as shares with preferred, deferred or other special rights or restrictions.

Our Memorandum and Articles of Association authorize two classes of ordinary shares: Class A ordinary shares, which are entitled to one vote per share, and Class B ordinary shares, which are entitled to 20 votes per share and to maintain a proportional ownership interest in the event that additional Class A ordinary shares are issued. Any holder of Class B ordinary shares may convert his or her shares at any time into Class A ordinary shares on a share-for-share basis. The rights of the two classes of ordinary shares are otherwise identical, except as described in "Item 10—B. Memorandum and Articles of Association." below.

Item 9.A.6. Limitations or Qualifications

Not applicable.

Item 9.A.7. Other Rights

Not applicable.

Item 10.B Memorandum and Articles of Association

The following information describes our ordinary shares and provisions set forth by our Memorandum and Articles of Association, the Cayman Companies Act; and the common law of the Cayman Islands. This description is only a summary. You should read and refer to our Memorandum and Articles of Association included as Exhibit 3.2 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021.

Description of Our Memorandum and Articles of Association

History of Share Capital

On December 8, 2021, the registration statement on Form F-1, as amended (File No. 333-260649) relating to our initial public offering was declared effective by the SEC. On November 30, we commenced our initial public offering, which closed on January 6, 2022. We sold an aggregate of 316,705,853 Class A ordinary shares, including in the form of 48,526,380 BDRs, which also includes 27,555,298 Class A ordinary shares as a result of the partial exercise of the underwriters' option to purchase additional shares granted to the, for an aggregate price of approximately US$2,839 million.

As of December 31, 2021, Nu had no shares in treasury.

General

Our shareholders adopted the Memorandum and Articles of Association included as Exhibit 3.2 to the Amendment No. 2 to our registration statement on Form F-1 (File no. 333-260649), filed with the SEC on December 3, 2021. The following summary is subject to and qualified in its entirety by Nu Holdings Ltd. memorandum and articles of association. This is not a summary of all the significant provisions of our Articles of Association, of the Cayman Companies Act or of the common law of the Cayman Islands and does not purport to be complete. Capitalized terms used but not defined herein have the meanings given to them in our annual report on Form 20-F for the fiscal year ended December 31, 2021.

Corporate Purposes

Our corporate purposes are unrestricted and we have the authority to carry out any object not prohibited by any law as provided by Section 7(4) of Companies Law (as amended) of the Cayman Islands, or the Companies Law, generally.

Issuance of Shares

Except as expressly provided in our Memorandum and Articles of Association, our board of directors has general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any unissued shares in the company's capital without the approval of our shareholders (whether forming part of the original or any increased share capital), either at a premium or at par, with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, on such terms and conditions, and at such times as the directors may decide, but so that no share shall be issued at a discount, except in accordance with the provisions of the Companies Act.

Our Memorandum and Articles of Association provide that at any time that there are Class A ordinary shares in issue, additional Class B ordinary shares may only be issued pursuant to (1) a share split, subdivision of shares or similar transaction or where a dividend or other distribution is paid by the issue of shares or rights to acquire shares or following capitalization of profits; (2) a merger, consolidation, or other business combination involving the issuance of Class B ordinary shares as full or partial consideration; or (3) an issuance of Class A ordinary shares, whereby holders of the Class B ordinary shares are entitled to purchase a number of Class B ordinary shares that would allow them to maintain their proportional ownership interest in the company (following an offer by us to each holder of Class B ordinary shares to issue to such holder, upon the same economic terms, such number of Class B ordinary shares as would allow such holder to maintain its proportional ownership interest in the company pursuant to our Memorandum and Articles of Association). In light of: (a) the above provisions; and (b) the 20-to-1 voting ratio between our Class B ordinary shares and Class A ordinary shares, holders of our Class B ordinary shares will in many situations continue to maintain control of all matters requiring shareholder approval. This concentration of ownership and voting power will limit or preclude your ability to influence corporate matters for the foreseeable future. For more information see "—Ordinary Shares—Preemptive or Similar Rights."

Fiscal Year

Nu's fiscal year begins on January 1 of each year and ends on December 31 of the same year.

Ordinary Shares

Dividend Rights

Subject to preferences that may apply to any preferred shares outstanding at the time, the holders of our ordinary shares are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts legally available therefor that our board of directors may determine.

Voting Rights

The holder of a Class B ordinary share is entitled, in respect of such share, to 20 votes per share, whereas the holder of a Class A ordinary share is entitled, in respect of such share, to one vote per share. The holders of Class A ordinary shares and Class B ordinary shares vote together as a single class on all matters (including the election of directors) submitted to a vote of shareholders, except as provided below and as otherwise required by law.

Our Memorandum and Articles of Association provide as follows regarding the respective rights of holders of Class A ordinary shares and Class B ordinary shares:

(1) class consents from the holders of Class A ordinary shares and Class B ordinary shares, as applicable, shall be required for any variation to the rights attached to their respective class of shares, however, the directors may treat the two classes of shares as forming one class if they consider that both such classes would be affected in the same way by the proposal;

(2) the rights conferred on holders of Class A ordinary shares shall not be deemed to be varied by the creation or issue of further Class B ordinary shares and vice versa; and

(3) the rights attaching to the Class A ordinary shares and the Class B ordinary shares shall not be deemed to be varied by the creation or issue of shares with preferred or other rights, including, without limitation, shares with enhanced or weighted voting rights.

As set forth in our Memorandum and Articles of Association, the holders of Class A ordinary shares and Class B ordinary shares, respectively, do not have the right to vote separately if the number of authorized shares of such class is increased or decreased. Rather, the number of authorized Class A ordinary shares and Class B ordinary shares may be increased or decreased (but not below the number of shares of such class then outstanding) by both classes voting together by way of an "ordinary resolution," which is defined in the our Memorandum and Articles of Association as being a resolution (1) of a duly constituted general meeting passed by a simple majority of the votes cast by, or on behalf of, the shareholders entitled to vote present in person or by proxy and voting at the meeting; or (2) approved in writing by all of the shareholders entitled to vote at a general meeting in one or more instruments each signed by one or more of the shareholders and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed.

We have not provided for cumulative voting for the election of directors in our Memorandum and Articles of Association.

Conversion Rights

Each outstanding Class B ordinary share is convertible at any time at the option of the holder into one Class A ordinary share, and each Class B ordinary share will convert automatically into one Class A ordinary share at the election of the holder(s) of a majority of the Class B ordinary shares. In addition, each Class B ordinary share will convert automatically into one Class A ordinary share upon any transfer, whether or not for value, except for certain transfers described in our Memorandum and Articles of Association, including transfers to affiliates of a holder, one or more trustees of a trust established for the benefit of a holder or their affiliates, partnerships, corporations and other entities owned or controlled by a holder or their affiliates, and an organization that is exempt from taxation under Section 501(3)(c) of the Code or to an organization that is exempt from taxation in Brazil under Sections 184, 377 or 378 of the 2018 Internal Tax Regulations and that is controlled, directly or indirectly through one or more intermediaries, by a holder. Furthermore, each Class B ordinary share will convert automatically into one Class A ordinary share and no Class B ordinary shares will be issued thereafter if, on the record date for any shareholders meeting, the aggregate voting power of Class B ordinary shares then outstanding is less than 10% of the aggregate voting power of Class A ordinary shares and Class B ordinary shares outstanding.

Preemptive or Similar Rights

Our Class A ordinary shares are not entitled to preemptive rights, and are not subject to conversion, redemption or sinking fund provisions.

The Class B ordinary shares are entitled to maintain a proportional ownership interest in the event that additional Class A ordinary shares are issued. As such, except for certain exceptions, including the issuance of Class A ordinary shares in furtherance of this offering, if we issue Class A ordinary shares, we must first make an offer to each holder of Class B ordinary shares to issue to such holder on the same economic terms such number of Class B ordinary shares as would allow such holder to maintain its proportional ownership interest in the company. This right to maintain a proportional ownership interest may be waived by the holders of a majority of the Class B ordinary shares.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our shareholders would be distributable ratably among the holders of our ordinary shares and any participating preferred shares outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred shares.

Preferred Shares

Pursuant to our Memorandum and Articles of Association, our board of directors have the authority, subject to limitations prescribed by Cayman Islands law, to issue preferred shares in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further vote or action by our shareholders. Our board of directors can also increase or decrease the number of shares of any series of preferred shares, but not below the number of shares of that series then outstanding, without any further vote or action by our shareholders. Our board of directors may authorize the issuance of preferred shares with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our Class A ordinary shares. The issuance of preferred shares, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control of our company and might adversely affect the market price of our Class A ordinary shares and the voting and other rights of the holders of our Class A ordinary shares. We have no current plan to issue any preferred shares and have no preferred shares outstanding since our initial public offering.

Equal Status

Except as expressly provided in our Memorandum and Articles of Association, Class A ordinary shares and Class B ordinary shares have the same rights and privileges and rank equally, share proportionally and are identical in all respects as to all matters. In the event of any statutory amalgamation, merger, consolidation, arrangement or other reorganization involving us and requiring the approval of our shareholders entitled to vote thereon, as well as a short-form merger or consolidation that does not require a resolution of our shareholders, the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B ordinary shares, and the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B ordinary shares, in each case solely with respect to economic rights. In the event of any (1) tender or exchange offer to acquire any Class A ordinary shares or Class B ordinary shares by any third-party pursuant to an agreement to which we are a party, or (2) any tender or exchange offer by us to acquire any Class A ordinary shares or Class B ordinary shares, the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B ordinary shares, and the holders of Class A ordinary shares shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B ordinary shares, in each case solely with respect to economic rights.

Record Dates

For the purpose of determining shareholders entitled to notice of, or to vote at any general meeting of shareholders or any adjournment thereof, or shareholders entitled to receive dividend or other distribution payments, or in order to make a determination of shareholders for any other purpose, our board of directors may set a record date which shall not exceed forty (40) clear days prior to the date where the determination will be made.

General Meetings of Shareholders

As a condition of admission to a shareholders' meeting, a shareholder must be duly registered as such at the applicable record date for that meeting and, in order to vote, all calls or installments then payable by such shareholder to us in respect of the shares that such shareholder holds must have been paid.

Subject to any special rights or restrictions as to voting then attached to any shares, at any general meeting every shareholder who is present in person or by proxy (or, in the case of a shareholder being a corporation, by its duly authorized representative not being himself or herself a shareholder entitled to vote) shall have one vote per Class A ordinary share and 20 votes per Class B ordinary share.

As a Cayman Islands exempted company, we are not obliged by the Companies Act to call annual general meetings; however, our Memorandum and Articles of Association provide that in each year the company will hold an annual general meeting of shareholders. For the annual general meeting of shareholders the agenda will include, among other things, the presentation of the annual accounts and the report of the directors (if any). In addition, the agenda for an annual general meeting of shareholders will only include such items as have been included therein by the board of directors.

Also, we may, but are not required to (unless required by the laws of the Cayman Islands), hold other extraordinary general meetings during the year. Extraordinary general meetings of shareholders may be held where the directors so decide.

The Companies Act provides shareholders a limited right to request a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting in default of a company's memorandum and articles of association. However, these rights may be provided in a company's memorandum and articles of association. Our Memorandum and Articles of Association provide that for so long as our founding shareholder controls a majority of the voting power of the shares of the Company, a general meeting of shareholders may be convened on the requisition of the holders of a majority of the voting power of our shares. However, if our founding shareholder controls less than a majority of the voting power of our shares, no shareholder shall have the power to requisition a meeting of shareholders. Our Memorandum and Articles of Association provide no other right to put any proposals before annual general meetings or extraordinary general meetings.

Subject to regulatory requirements, the annual general meeting must be called by at least 21 days' (and not less than 15 clear business days') notice and any extraordinary general meeting by at least 14 days' (and not less than 10 clear business days') notice prior to the relevant shareholders meeting and convened by a notice discussed below. Alternatively, upon the prior consent of all holders entitled to receive notice, with regards to the annual general meeting, and the holders of 75% in par value of the shares entitled to attend and vote at an extraordinary general meeting, that meeting may be convened by a shorter notice and in a manner deemed appropriate by those holders.

We will give notice of each general meeting of shareholders by publication on our website and in any other manner that may be required in order to comply with Cayman Islands law, NYSE and SEC requirements. The holders of registered shares may be given notice of a shareholders' meeting by means of letters sent to the addresses of those shareholders as registered in our shareholders' register, or, subject to certain statutory requirements, by electronic means.

Holders whose shares are registered in the name of DTC or its nominee, which we expect will be the case for all holders of Class A ordinary shares, will not be a shareholder or member of the company and must rely on the procedures of DTC regarding notice of shareholders' meetings and the exercise of rights of a holder of the Class A ordinary shares.

A quorum for a general meeting consists of any one or more persons holding or representing by proxy not less than a majority of the aggregate shares in issue and entitled to vote upon the business to be transacted. If a quorum is not present within half an hour from the time appointed for the meeting to commence or if during such a meeting a quorum ceases to be present, a second meeting may be called as the Directors may determine, and if at the second meeting a quorum is not present within half an hour from the time appointed for the meeting to commence, the shareholders present shall be a quorum.

A resolution put to a vote at a general meeting shall be decided on a poll. Generally speaking, an ordinary resolution to be passed by the shareholders at a general meeting requires the affirmative vote of a simple majority of the votes cast by, or on behalf of, the shareholders entitled to vote, present in person or by proxy and voting at the meeting and a special resolution requires the affirmative vote on a poll of no less than two-thirds of the votes cast by the shareholders entitled to vote who are present in person or by proxy at a general meeting. Both ordinary resolutions and special resolutions may also be passed by a unanimous written resolution signed by all of our shareholders, as permitted by the Companies Act and our Memorandum and Articles of Association.

Pursuant to our Memorandum and Articles of Association, general meetings of shareholders are to be chaired by the chairman of our board of directors or in his absence the vice-chairman of the board of directors. If the chairman or vice-chairman of our board of directors is absent, the directors present at the meeting shall appoint one of them to be chairman of the general meeting. If neither the chairman nor another director is present at the general meeting within 30 minutes after the time appointed for holding the meeting, then such meeting shall be adjourned for a one week period and shall be held in the following week on the same day at the same time and place. If at the adjournment of the meeting the chairman or in his absence the vice-chairman (if any) or in their absence a director is not willing to act as chairman, or if no director is present within thirty (30) minutes after the time appointed for holding the meeting, then such meeting shall be canceled. The order of business at each meeting shall be determined by the chairman of the meeting, and he or she shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting, including, without limitation, the establishment of procedures for the maintenance of order and safety, limitations on the time allotted to questions or comments on our affairs, restrictions on entry to such meeting after the time prescribed for the commencement thereof, and the opening and closing of the polls.

Changes to Capital

Pursuant to our Memorandum and Articles of Association, we may from time to time by ordinary resolution:

- increase our share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than its existing shares;
- convert all or any of our paid-up shares into stock and reconvert that stock into paid up shares of any denomination;
- subdivide our existing shares or any of them into shares of a smaller amount, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Our shareholders may by special resolution, subject to confirmation by the Grand Court of the Cayman Islands on an application by us for an order confirming such reduction, reduce its share capital or any capital redemption reserve in any manner permitted by law.

In addition, subject to the provisions of the Companies Act and our Memorandum and Articles of Association and the Shareholder's Agreement, we may:

- issue shares on terms that they are to be redeemed or are liable to be redeemed;
- purchase its own shares (including any redeemable shares); and
- make a payment in respect of the redemption or purchase of its own shares in any manner authorized by the
- Companies Act, including out of its own capital.

Transfer of Shares

Subject to any applicable restrictions set forth in the Memorandum and Articles of Association and the Shareholder's Agreement, any shareholder of Nu may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or in the form prescribed by the NYSE or any other form approved by our board of directors.

Our Class A ordinary shares are traded on the NYSE in book-entry form and may be transferred in accordance with our Memorandum and Articles of Association and NYSE's rules and regulations.

However, our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is either not fully paid up to a person of whom it does not approve or is issued under any share incentive scheme for employees which contains a transfer restriction that is still applicable to such ordinary share. The board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate (if any) for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required;
- the ordinary shares transferred are free of any lien in favor of us; and
- in the case of a transfer to joint holders, the transfer is not to more than four joint holders.

If the directors refuse to register a transfer they are required, within two months after the date on which the instrument of transfer was lodged, to send to the transferee notice of such refusal.

Share Repurchase

The Companies Act and our Memorandum and Articles of Association permit us to purchase our own shares, subject to certain restrictions. Our board of directors may only exercise this power on behalf of Nu, subject to the Companies Act and our Memorandum and Articles of Association, the Shareholder's Agreement and to any applicable requirements imposed from time to time by the SEC, the NYSE or by any recognized stock exchange on which our shares are listed.

Dividends and Capitalization of Profits

We have not adopted a dividend policy with respect to payments of any future dividends. Subject to the Companies Act and general principles of Cayman Islands law, our shareholders may, by ordinary resolution, declare dividends (including interim dividends) to be paid to shareholders but no dividend shall be declared in excess of the amount recommended by the board of directors. The board of directors may also declare dividends. Dividends may be declared and paid out of funds lawfully available to us. Except as otherwise provided by the rights attached to shares and our Memorandum and Articles of Association, all dividends shall be paid in proportion to the number of Class A ordinary shares or Class B ordinary shares a shareholder holds at the date the dividend is declared (or such other date as may be set as a record date); but, (1) if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly; and (2) where we have shares in issue which are not fully paid up (as to par value), we may pay dividends in proportion to the amounts paid up on each share.

The holders of Class A ordinary shares and Class B ordinary shares shall be entitled to share equally in any dividends that may be declared in respect of our ordinary shares from time to time. In the event that a dividend is paid in the form of Class A ordinary shares or Class B ordinary shares, or rights to acquire Class A ordinary shares or Class B ordinary shares, (1) the holders of Class A ordinary shares shall receive Class A ordinary shares, or rights to acquire Class A ordinary shares, as the case may be and (2) the holders of Class B ordinary shares shall receive Class B ordinary shares, or rights to acquire Class B ordinary shares, as the case may be.

Appointment, Disqualification and Removal of Directors

We are managed by our board of directors. Our Memorandum and Articles of Association provide that the board of directors will be composed of such number of directors as a majority of directors in office may determine, being up to nine directors on the date of adoption of our Memorandum and Articles of Association. There are no provisions relating to retirement of directors upon reaching any age limit.

Our Memorandum and Articles of Association provides that directors shall be elected by an ordinary resolution of our shareholders, which requires the affirmative vote of a simple majority of the votes cast on the resolution by the shareholders entitled to vote who are present, in person or by proxy, at a quorate general meeting of the Company. Notwithstanding the foregoing, for so long as our founding shareholder owns at least 5% of the voting power of our outstanding share capital, our founding shareholder shall be entitled to nominate a certain number of designees to the board for a specific term, as set out in our Memorandum and Articles of Association. In particular, our Memorandum and Articles of Association provide that, subject to compliance with applicable law and NYSE rules, for so long as our founding shareholder and his affiliates beneficially own shares constituting at least 40% of the voting power of our outstanding share capital, the founding shareholder shall be entitled to designate up to five nominees to our board of directors (or if the size of the board of directors is increased, a majority of the members of the board of directors); for so long as our founding shareholder and its affiliates beneficially own at least 25% of the voting power of our outstanding share capital, the founding shareholder shall be entitled to designate up to three nominees to our board of directors (or if the size of the board of directors is increased, one-third of the members of the board of directors); and for so long as our founding shareholder and its affiliates beneficially own at least 5% of the voting power of our outstanding share capital, our founding shareholder shall be entitled to designate one nominee to our board of directors (or if the size of the board of directors is increased, 10% of the members of the board of directors). The founding shareholder may in like manner remove such director(s) appointed by him and appoint replacement director(s).

Each director shall be appointed for a one year term, unless they resign or their office is vacated earlier, provided, however, that such term shall be extended beyond one year in the event that no successor has been appointed (in which case such term shall be extended to the date on which such successor has been appointed).

Our Memorandum and Articles of Association provide that from and after the date on which the founding shareholder (together with his affiliates) no longer beneficially owns more than 50% of our outstanding voting power, or the classifying date, the directors shall be divided into three classes designated Class I, Class II, and Class III. Each director shall serve for a term ending on the date of the third annual general shareholders meeting following the annual general shareholders meeting at which such director was elected as subject to the provisions of our Memorandum and Articles of Association. The founding directors shall be allocated to the longest duration classes unless otherwise determined by the founding shareholder.

Grounds for Removing a Director

A director may be removed with or without cause by ordinary resolution, and a director nominated by our founding shareholder may be removed by our founding shareholder at any time with or without cause by notice to us. The notice of general meeting must contain a statement of the intention to remove the director and must be served on the director not less than ten calendar days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

The office of a director will be vacated automatically if he or she (1) becomes prohibited by law from being a director; (2) becomes bankrupt or makes an arrangement or composition with his creditors; (3) dies or is in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director; (4) resigns his office by notice to us; or (5) has for more than six months been absent without permission of the directors from meetings of the board of directors held during that period, and the remaining directors resolve that his or her office be vacated.

Proceedings of the Board of Directors

Our Memorandum and Articles of Association provide that our business is to be managed and conducted by the board of directors. The quorum necessary for the board meeting shall be a simple majority of the directors then in office, and business at any meeting shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a casting vote.

Subject to the provisions of our Memorandum and Articles of Association, the board of directors may regulate its proceedings as they determine is appropriate. Board meetings shall be held at least once every calendar quarter and shall take place at such place as the directors may determine.

Subject to the provisions of our Memorandum and Articles of Association, to any directions given by ordinary resolution of the shareholders and the listing rules of the NYSE, the board of directors may from time to time at its discretion exercise all powers of Nu, including, subject to the Companies Act, the power to issue debentures, bonds and other securities of the company, whether outright or as collateral security for any debt, liability or obligation of our company or of any third party.

Inspection of Books and Records

Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or corporate records. However, the board of directors may determine from time to time whether and to what extent our accounting records and books shall be open to inspection by shareholders who are not members of the board of directors. Notwithstanding the above, our Memorandum and Articles of Association provide shareholders with the right to receive annual financial statements. Such right to receive annual financial statements may be satisfied by publishing the same on the company's website or filing such annual reports as we are required to file with the SEC.

Register of Shareholders

Our Class A ordinary shares offered are held through DTC, and DTC or Cede & Co., as nominee for DTC, will be recorded in the shareholders' register as the holder of our Class A ordinary shares. Under Cayman Islands law, we must keep a register of shareholders that includes:

- the names and addresses of the shareholders, a statement of the shares held by each member, and of the amount paid or agreed to be considered as paid, on the shares of each member;
- the date on which the name of any person was entered on the register as a member; and
- the date on which any person ceased to be a member.

Under Cayman Islands law, our register of shareholders is prima facie evidence of the matters set out therein (i.e., the register of shareholders will raise a presumption of fact on the matters referred to above unless rebutted) and a shareholder registered in the register of shareholders is deemed as a matter of Cayman Islands law to have prima facie legal title to the shares as set against his or her name in the register of shareholders. The shareholders recorded in the register of shareholders should be deemed to have legal title to the shares set against their name.

If the name of any person is incorrectly entered in or omitted from the register of shareholders, or if there is any default or unnecessary delay in entering on the register the fact of any person having ceased to be a shareholder of Nu, the person or member aggrieved (or any shareholder of ours, or Nu itself) may apply to the Cayman Islands Grand Court for an order that the register be rectified, and the Court may either refuse such application or it may, if satisfied of the justice of the case, make an order for the rectification of the register.

Anti-Takeover Provisions in Our Memorandum and Articles of Association

Some provisions of our Memorandum and Articles of Association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favorable. In particular, our capital structure concentrates ownership of voting rights in the hands of our founding shareholder, as our controlling shareholder. These provisions, which are summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of our company to first negotiate with the board of directors. However, these provisions could also have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of the Class A ordinary shares that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that shareholders may otherwise deem to be in their best interests.

Two Classes of Ordinary Shares

Our Class B ordinary shares are entitled to 20 votes per share, while the Class A ordinary shares are entitled to one vote per share. Since our co-founders own all of the Class B ordinary shares, our co-founders currently have the ability to elect a majority of the directors and to determine the outcome of most matters submitted for a vote of shareholders, with our founding shareholder as the controlling shareholder. This concentrated voting control could discourage others from initiating any potential merger, takeover, or other change of control transaction that other shareholders may view as beneficial.

So long as our co-founders have the ability to determine the outcome of most matters submitted to a vote of shareholders as well as the overall management and direction of Nu, third parties may be deterred in their willingness to make an unsolicited merger, takeover, or other change of control proposal, or to engage in a proxy contest for the election of directors. As a result, the fact that we have two classes of ordinary shares may have the effect of depriving you as a holder of Class A ordinary shares of an opportunity to sell your Class A ordinary shares at a premium over prevailing market prices and make it more difficult to replace our directors and management.

Preferred Shares

Our Memorandum and Articles of Association provides our board of directors with wide powers to issue additional shares, and one or more classes or series of preferred shares, with or without preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as the board of directors may determine, to the extent authorized but unissued. The issuance of additional shares may be used as an anti-takeover device without further action on the part of our shareholders. Such issuance may further dilute the voting power of existing holders of Class A ordinary shares.

Despite the anti-takeover provisions described above, under Cayman Islands law, our board of directors may only exercise the rights and powers granted to them under our Memorandum and Articles of Association, for what they believe in good faith to be in our best interests.

Requisitioning General Meetings

Our Memorandum and Articles of Association provide that, for so long as our founding shareholder controls a majority of the voting power of our shares, a general meeting of shareholders may be convened on the requisition of the holders of a majority of the voting power of our shares. However, if our founding shareholder controls less than a majority of the voting power of our shares, no shareholder shall have the power to requisition a meeting of shareholders. Accordingly, our shareholders will have limited rights to requisition and convene general meetings of shareholders.

Consent Over a Change of Control

Our Memorandum and Articles of Association provide that for so long as David Vélez Osorno and his affiliates beneficially own shares accounting for at least 10% of the voting power of our issued share capital, we will not take, or permit our subsidiaries to take, certain actions without the prior written approval of a majority of the Class B ordinary shares in issue, including entering into a merger, consolidation, reorganization or other business combination or a transaction or series of transactions that would result in a change of control.

Staggered Board

Our Memorandum and Articles of Association provide that, from and after the date that David Vélez Osorno and his affiliates no longer beneficially own more than 50% of the voting power of our issued share capital, we shall cause our board of directors to be divided into three classes serving staggered three-year terms. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of shareholders will be necessary for shareholders to effect a change in a majority of the members of the board of directors.

Exclusive Forum

Under our Memorandum and Articles of Association, unless we consent to a different forum, (i) any derivative action or proceeding brought on our behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or any other person, (iii) any action or proceeding arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the Companies Act, our Memorandum and Articles of Association, or any other provision of applicable law, (iv) any action or proceeding seeking to interpret, apply, enforce or determine the validity of our Memorandum and Articles of Association or (v) any action or proceeding as to which the Companies Act confers jurisdiction on the Grand Court of the Cayman Islands may only be brought before the Grand Court of the Cayman Islands, in all cases subject to the court having jurisdiction over indispensable parties named as defendants. In addition, any complaint asserting a cause of action arising under the Securities Act may only be brought before the federal district courts of the United States. Nothing in our Memorandum and Articles of Association will preclude shareholders that assert claims under the Exchange Act from bringing such claims in any court, subject to applicable law.

Any person or entity purchasing or otherwise acquiring or holding any interest in our securities shall be deemed to have notice of and consented to these exclusive forum provisions. However, shareholders will not be deemed to have waived our compliance with U.S. federal securities laws and the rules and regulations thereunder. The enforceability of similar choice of forum provisions in other companies' organizational documents has been challenged in legal proceedings, and it is possible that, in connection with claims arising under federal securities laws or otherwise, a court could find the exclusive forum provision contained in our Memorandum and Articles of Association to be inapplicable or unenforceable.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our Memorandum and Articles of Association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our Memorandum and Articles of Association governing the ownership threshold above which shareholder ownership must be disclosed.

Item 12. Description of Securities other than Equity Securities

12.A Debt Securities

Not applicable.

12.B Warrants and Rights

Not applicable.

12.C Other Securities

Description of Brazilian Depositary Receipts

The rights of holders of BDRs are set forth in a deposit agreement between us and Banco Bradesco S.A., as depositary of the BDR Program.

There are differences between holding BDRs and holding Class A ordinary shares.

General

Each BDR represents 1/6th of a Class A ordinary share issued by us, maintained in custody by the custodian in the offices of Bank of New York Mellon at One Wall Street, New York, New York 10286. The BDR Depositary's office at which the BDRs are managed is located at Cidade de Deus, Yellow Building, 2nd Floor, Vila Yara, Osasco, Brazil, Zip Code 06029-900.

A BDR holder will not be treated as one of our Class A ordinary shareholders and, as a result may not have any Class A ordinary shareholder rights.

The rights of our Class A ordinary shareholders are governed by the laws of the Cayman Islands and the provisions of our Memorandum and Articles of Association. See "Item 10—B. Memorandum and Articles of Association." The rights of holders of BDRs are governed by the laws and regulations of Brazil, as well as the provisions of the deposit agreement.

The following is a summary of the material provisions of the deposit agreement. Because it is a summary, it does not contain all the information that may be important to you. For more complete information, you should read:

- the rules and regulations applicable to BDRs, particularly CMN Resolution No. 3,568/08, CVM Instructions No. 332 and 480, as amended, and the Central Bank of Brazil Circular No. 3,691/13, as amended; and
- the deposit agreement, copies of which are available for review upon request.

Deposit Agreement

Scope

The Deposit Agreement governs the relationship between us and the BDR Depositary with respect to the issuance, cancellation and registration, in Brazil, of the BDRs representing Class A ordinary shares issued by us and held by the custodian. The Deposit Agreement also governs the actions of the BDR Depositary with respect to the management of the BDR program and the services to be performed by the BDR Depositary for holders of BDRs.

BDR Registry Book; Ownership and Trading of BDRs

Pursuant to the deposit agreement, the BDRs may be issued and cancelled, as the case may be, by means of entries in the BDR registry book, which will be kept by the BDR Depositary. The BDR registry book will record the total number of BDRs issued in the name of the Central Depositary of the B3, the fiduciary holder of the BDRs. The BDRs will be held and blocked in a custody account with the Central Depositary of the B3 and held for trading on the B3.

Therefore, neither over-the-counter transfers of the BDRs, nor transfers of the BDRs conducted in any private transaction market other than the B3, or in a clearinghouse other than the Central Depositary of the B3, are admitted. Any transfer of BDRs (including transfers made by U.S. persons) will be conducted through broker-dealers or institutions authorized to operate on the B3.

Ownership of the BDRs is determined by entry of the beneficial holder's name in the records of the Central Depositary of the B3, and evidenced by the custodial account statement issued by the Central Depositary of the B3. The Central Depositary of the B3 will inform the names of the BDRs holders to the BDR Depositary.

The BDR Depositary has advised us that holders of BDRs are not generally entitled to inspect the BDR Depositary's transfer books or list of holders of BDRs, due to certain secrecy obligations under Brazilian law.

Issuance and Cancellation of BDRs

The BDR Depositary will issue the BDRs in Brazil after confirmation by the custodian that a corresponding number of our Class A ordinary shares were deposited with the custodian, and after confirmation that all fees and taxes due in connection with this services were duly paid, as set forth in the deposit agreement.

As a result, an investor may at any time give instructions to a broker-dealer to purchase Class A ordinary shares on the NYSE, to be further deposited with the custodian in order to allow the BDR Depositary to issue BDRs.

In order to effect the financial settlement of the acquisition of our Class A ordinary shares on the NYSE with the intention of adhering to the BDR program, an investor must execute a foreign exchange agreement in conformity with the BDR program certificate registered with the Central Bank of Brazil and the broker certificate evidencing by the purchase of our Class A ordinary shares abroad.

Holders of BDRs may at any time request the cancellation of all or a portion of their BDRs by (a) instructing a broker-dealer operating in Brazil to cancel the BDRs with the BDR Depositary and (b) delivering evidence that all fees and taxes due in connection with this service were duly paid, as set forth in the deposit agreement. Brazilian investors will be required to send the proceeds of any cancellation of BDRs back to Brazil within seven days of the cancellation date. Non-Brazilian investors that are registered in Brazil as portfolio investors under CMN Resolution No. 4,373 do not need to send the proceeds of any sale of Class A ordinary shares into Brazil. In any event, the transaction must be recorded in the Central Bank of Brazil system.

For a brief description of the rules and regulations of the Central Bank of Brazil regarding such matters, see "Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Registration of BDRs with the CVM."

Issuance of BDRs without underlying Class A ordinary shares

In no event may the BDR Depositary issue BDRs without confirmation by the custodian that a corresponding number of Class A ordinary shares were deposited with the custodian.

Restrictions on BDRs

Holders of BDRs may only exercise their rights indirectly through the BDR Depositary. Holders of BDRs may also face other difficulties in exercising their rights, as voting rights granted to shares and, indirectly, to BDRs, must be exercised by holders of BDRs through the BDR Depositary, which will instruct the Custodian accordingly. Although the mechanisms related to notices of shareholders' meetings and voting instructions provided in the Deposit Agreement are intended to provide sufficient time for the exercise of these rights, there can be no assurance that these mechanisms will allow holders of BDRs to effectively exercise voting rights, particularly in the event that notice of a shareholders' meeting or voting instruction does not timely reach BDR holders for reasons that are beyond our control and beyond the control of the BDR Depositary. Holders of BDRs are not entitled to physically attend our shareholders' meetings.

Dividends and Other Cash Distributions

It is our present intention to retain any earnings for use in our business operations and, accordingly, we do not anticipate the board of directors declaring any dividends in the foreseeable future following our initial public offering. However, in the event of any future dividend, the BDR Depositary will distribute any dividends or other cash distributions paid by us to our shareholders, including the holders of BDRs. Such dividends will be paid to the BDR Depositary, which will convert this dividend or distribution into Brazilian reais by means of a foreign exchange transaction entered into with an authorized exchange agent, and distribute the net amount received to the holders of BDRs entitled to it, in proportion to the number of BDRs held by them; provided, however, that in the event that we or the BDR Depositary are required to withhold a portion of the dividend or other cash distribution on account of taxes, the amount distributed to holders of BDRs will be reduced accordingly. The BDR Depositary will distribute only the amount that may be distributed without allocating to any BDR holder a fraction of a centavo by rounding to the next lower whole centavo. No interest or other remuneration will be payable by us or any other remuneration for the period between the date on which the dividends and other cash distributions are paid abroad and the date on which the funds are credited to BDR holders in Brazil.

Subject to our corporate acts, in the event that any assignment of any Class A ordinary shares to a BDR holder occurs, the BDR Depositary will convert automatically, and to the extent permitted by applicable law, into BDRs subject to the terms and conditions of the Deposit Agreement, registering them in the name of the right holder in proportion to the number of BDRs held by the respective right holder.

However, subject to our Memorandum and Articles of Association, in case of attribution of a fraction of BDRs to one or more holders of BDRs, the BDR Depositary will sell the amount of Class A ordinary shares received representing the sum of the fractional shares allotted, and distribute the net amount received.

Whenever the BDR Depositary receives distributions other than those previously provided for, it shall distribute them to the holders of eligible BDRs in proportion to the number of BDRs respectively held by them, in accordance with applicable law. If, in the opinion of the BDR Depositary, such distribution cannot be executed proportionately, the BDR Depositary may choose any method it deems equitable and feasible for the purpose of executing such distribution.

No interest or other remuneration shall be payable by us for the period between the date on which dividends and other cash distributions are paid abroad and the date on which the funds are credited to the holders of BDRs in Brazil. Before making a distribution, any withholding taxes that must be paid under applicable law will be deducted.

Share Distributions

In the event of distributions of our Class A ordinary shares or a share split or reverse share split, the BDR Depositary will issue new BDRs corresponding to such new Class A ordinary shares deposited with the custodian and will credit them to the account of the Central Depositary of the B3. The Central Depositary of the B3, in turn, will credit new BDRs to the beneficiary holders recorded in its books. The BDR Depositary will distribute only whole BDRs. If any fractions of BDRs result and are insufficient to purchase a whole BDR, the BDR Depositary will use its best efforts to add such fractions and sell them in an auction on the B3, and the proceeds of the sale will be credited to BDR holders, proportionally with its holdings recorded in the books of the Central Depositary of the B3.

Other Distributions

The BDR Depositary will use its best efforts to distribute to BDR holders any other distribution paid in connection with Class A ordinary shares and deposited with the custodian.

The BDR Depositary is not required to make available to any BDR holder any distribution that it determines is unlawful or impractical. We have no obligation to register BDRs, Class A ordinary shares, rights or other securities under Brazilian law. We also have no obligation to take any other action to permit the distribution of BDRs, Class A ordinary shares, rights or other securities to BDR holders. This means that you may not receive distributions we make on our Class A ordinary shares or any value for them if it is illegal or impractical for us to make them available to you.

Pre-Emptive Rights

If we offer holders of our Class A ordinary shares any rights to subscribe for additional shares or any other rights, the same rights will be offered to BDR holders through the BDR Depositary, which will exercise these rights directly or indirectly, in the name of the BDR holders that have instructed the BDR Depositary to do so. The BDR holder is free to exercise or negotiate such rights, subject to applicable law.

Changes Affecting Deposited Class A Ordinary Shares

If we do any of the following:	**Then the following will apply:**
Effect a split of Class A ordinary shares.	Each BDR will automatically reflect its equal value of the new deposited Class A ordinary shares.
Effect a reverse split of Class A ordinary shares.	The BDR Depositary will effect an immediate cancellation of the BDRs required to reflect the new amount of our Class A ordinary shares deposited with the custodian.
Recapitalize, amalgamate, reorganize, merge, consolidate, sell all or substantially all of our assets or take any similar action.	The BDR Depositary will effect an immediate cancellation of the BDRs required to reflect the new amount of our Class A ordinary shares deposited with the custodian.

Voting Rights of BDRs

A BDR holder has the right to instruct the BDR Depositary to vote the amount of our Class A ordinary shares represented by such BDRs. See “Item 10—B. Memorandum and Articles of Association.” However, a BDR holder may not know about a meeting sufficiently in advance to instruct the BDR Depositary to exercise its voting rights with respect to our Class A ordinary shares held by the custodian. After receiving such call notice, the BDR Depositary shall, within a short period of time, send a communication to the holders of BDRs, at the addresses they maintain with the BDR Depositary and/ or registered with B3 and the respective brokers or custody agents, which shall contain (a) the information contained in the notice received by the BDR Depositary, and (b) a statement that the holders of BDRs shall be entitled to send their voting instruction to the BDR Depositary until 5 (five) business days before the date of the meetings, by filling out a voting instruction according to the model to be forwarded together with the communication mentioned above. The voting instruction may be delivered via facsimile, mail or in person, at an address to be indicated by the BDR Depositary in the respective notice, within the period mentioned above.

The BDR Depositary, upon receiving such instructions in due time, will tabulate and forward the information to the custodian. The custodian, upon receipt of the information, will vote or appoint a proxy to vote at the shareholders meeting, in accordance with the voting instructions received from the BDR Depositary.

For instructions to be valid, the BDR Depositary must receive them on or before the date specified in the notice to you. The BDR Depositary will, to the extent practical and subject to Cayman Islands law and the provisions of our Memorandum and Articles of Association, vote the underlying Class A ordinary shares or other deposited securities as you instruct. If the BDR Depositary does not receive voting instructions from all BDR holders by the stipulated date, the BDR Depositary will exercise the voting right considering only the instructions received by BDR holders that have manifested themselves within the stipulated period.

The BDR Depositary will use its best efforts to vote or attempt to vote our Class A ordinary shares held by the custodian only if you have sent voting instructions and your instructions have been timely received. If we timely request the BDR Depositary to solicit your voting instructions but the BDR Depositary does not receive voting instructions from you by the specified date, it will not exercise the voting rights related to the Class A ordinary shares that it holds on your behalf.

We cannot ensure that you will receive voting materials in time to allow you to timely deliver your voting instructions to the BDR Depositary. In addition, the BDR Depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to vote and you may not have any recourse if your Class A ordinary shares are not voted as you requested. In addition, your ability to bring an action against us may be limited.

The voting rights of BDR holders will be different from the voting rights of holders of our Class A ordinary shares, as BDRs will be composed of fractions of shares. Thus, the voting right associated with a BDR will be proportional to the fraction of shares underlying each BDR.

Cancellation of Registration Before the CVM

We may cancel registration with the CVM for the trading of BDRs on the B3. If we elect to do so, we must immediately inform the BDR Depositary of this request and follow the procedures to discontinue the BDR program as set forth in the Issuer's Manual of the B3.

Depositary Fees

The BDR Depositary has advised that holders of BDRs will be subject to the following fees: (a) for issuance or cancellation of BDRs, a fee of R$0.10 per BDR issued or canceled will be paid to the BDR Depositary Bank, (b) in respect of any dividend or other cash distribution declared by us, if the BDR are under Custody of any Broker house at B3 no fees will be paid to the BDR Depositary, (c) with respect to BDRs that are under custody of the BDR Depositary Bank, the fees per investor would be from R$ 1.50 to R$2.50, and (e) in respect of a transfer of ownership of BDRs out of the stock exchange (by over-the-counter transfer process, causa mortis, court permit, donation and others), a fixed fee of R$50.00 will be paid to the BDR Depositary. The BDR Depositary has further advised us that the foregoing fees relating to issuance or cancellation of BDRs will be payable by the investor through a brokerage house, and that the dividends and distributions will be discounted by the amount of the fee at the time that such dividend or distribution is paid.

Reports and Other Communications

The BDR Depositary will make available to you for inspection any reports and communications from us or made available by us at its principal executive office. The BDR Depositary will also, upon our written request, send to registered holders of BDRs copies of such reports and communications furnished by us under the deposit agreement.

Any such reports or communications furnished by us to the BDR Depositary will be furnished in Portuguese when so required under any Brazilian legislation.

Amendment and Termination of the Deposit Agreement

Pursuant to Brazilian law, we may agree with the BDR Depositary to amend the deposit agreement and the rights granted by the BDRs for any reason and without a BDR holder's consent. If such an amendment prejudices an important right of BDR holders, it will become effective only after 30 days from the time that the BDR Depositary notifies the BDR holder in writing of such amendment. At the time an amendment becomes effective, the BDR holder is considered, by continuing to hold its BDRs, to agree to the amendment and to be bound by the new terms of the deposit agreement and the rights granted by the BDRs.

The Deposit Agreement is signed for an indefinite period, and it is certain that, until the 18th month counted from the date of its respective signature, the Deposit Agreement cannot be terminated by any of the parties. After this minimum term has elapsed, the contract signed with the BDR Depositary will be valid for an indefinite period, and can be terminated at any time, by either party, without right to compensation or indemnity, upon notification from the interested party to the other party, with at least 180 days in advance, counted from the receipt of the communication by the other party.

Liability of Owner for Taxes

You will be responsible for any taxes or other governmental charges payable on your BDRs or on our Class A ordinary shares deposited with the custodian. See "Item 10. Additional Information—E. Taxation—Brazilian Tax Considerations" of our annual report on Form 20-F for the fiscal year ended December 31, 2021.

Limitations on Obligations and Liability to Holders of BDRs

The deposit agreement expressly limits our obligations and the obligations of the BDR Depositary, as well as our liability and the liability of the BDR Depositary. We and the BDR Depositary:

- are obligated only to take the actions specifically set forth in the deposit agreement without negligence or bad faith;
- are not liable if either of us is prevented or delayed by law or by circumstances beyond our control from performing our obligations under the deposit agreement;
- are not liable if either of us exercises discretion permitted under the deposit agreement; and
- may rely upon any documents we believe in good faith to be genuine and to have been signed or presented by the proper party.

Neither we nor the BDR Depositary will be liable for any failure to carry out any instructions to vote any of our Class A ordinary shares deposited with the custodian, or for the manner any vote is cast or the effect of any such vote, provided that any action or non-action is in good faith. The BDR Depositary has no obligation to become involved in a lawsuit or other proceeding related to the BDRs or the deposit agreement on your behalf or on behalf of any other person.

In the deposit agreement, we and the BDR Depositary agree to indemnify each other under certain circumstances.

Requirements for Depositary Services

Before the BDR Depositary delivers or registers transfers of BDRs, makes a distribution on BDRs or permits withdrawal of our Class A ordinary shares, the BDR Depositary may require:

- payment of share transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any Class A ordinary shares or other deposited securities;
- production of satisfactory proof of citizenship or residence, exchange control approval or other information it deems necessary or proper; and
- compliance with regulations it may establish, from time to time, consistent with the agreement, including presentation of transfer documents.

The BDR Depositary may refuse to deliver, transfer or register transfers of BDRs generally when the books of the BDR Depositary are closed or at any time if the BDR Depositary believes it advisable to do so.

General

We agree to: (a) fulfill all obligations imposed by CVM Instruction No. 332/00, CVM Instruction No. 480/09 and other applicable regulations; (b) disclose, in Brazil, any information required by the CVM regulation applicable to non-Brazilian issuers; and (c) cooperate with the BDR Depositary to simultaneously disclose, in Brazil, information we provide in our country of organization and in the jurisdictions in which our securities are traded.

Except as otherwise provided in the applicable rules and regulations, including the rules and regulations of the CVM regarding registration of a BDR program (see "Item 4. Information on the Company—B. Business Overview—Regulatory Overview—Brazil—Registration of BDRs with the CVM" in our annual report on Form 20-F for the fiscal year ended December 31, 2021), neither we nor the BDR Depositary will have any liability or responsibility whatsoever or otherwise for any action or failure to act by any owner or holder of BDRs relating to the owner's or holder's obligations under any applicable Brazilian law or regulation relating to foreign investment in Brazil in respect of a withdrawal or sale of Class A ordinary shares deposited with the custodian, including, without limitation, (i) any failure to comply with a requirement to register the investment pursuant to the terms of any applicable Brazilian law or regulation prior to such withdrawal, or (ii) any failure to report foreign exchange transactions to the Central Bank of Brazil, as the case may be. Each owner or holder of BDRs will be responsible for the report of any false information relating to foreign exchange transactions to the BDR Depositary, the CVM or the Central Bank of Brazil in connection with deposits or withdrawals of Class A ordinary shares deposited with the custodian.

Service Requests to the BDR Depositary

Any request for services provided for in the deposit agreement to be performed by the BDR Depositary may be made to any of the BDR Depositary's branches, or by telephone at +55 11-3684-4522.

12.D American Depositary Shares

Not applicable.

Exhibit 3.1

THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS

NU HOLDINGS LTD.

An Exempted Company Limited By Shares

TWELFTH AMENDED AND RESTATED

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

(Amended and Restated by Special Resolution passed on December 2, 2021 and effective on the closing date of the Company's initial public offering of Class A Ordinary Shares)

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THE COMPANIES ACT (AS REVISED)
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OF

NU HOLDINGS LTD.

(Amended and Restated by Special Resolution passed on December 2, 2021 and effective on the closing date of the Company's initial public offering of Class A Ordinary Shares)

1 The name of the Company is Nu Holdings Ltd.

2 The registered office of the Company shall be at the offices of Campbells Corporate Services Limited, Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands, or such other place as the Directors may from time to time determine.

3 The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Act (as revised).

4 The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Act (as revised).

5 Nothing in this Memorandum shall permit the Company to carry on a business for which a licence is required under the laws of the Cayman Islands unless duly licensed.

6 The Company shall not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; *provided* that nothing in this clause shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.

7 The liability of each Member is limited to the amount, if any, unpaid on such Member's shares.

8 The authorized share capital of the Company is US$324,022.94 divided into 48,603,441,210 shares of a nominal or par value of US$0.000006666666667 each, each of which may be issued as Class A Ordinary Shares, Class B Ordinary Shares or shares of any class with such preferred, deferred or other special rights or restrictions as the Board may determine from time to time in accordance with Article 4 of the Articles of Association of the Company, *provided* that, subject to the Act and the Articles of Association, the Company shall have the power to issue all or any part of its authorized capital, whether original, redeemed, increased or reduced, with or without any preference, priority, special privilege or other rights or subject to any postponement of rights or to any condition or restriction whatsoever and so that, unless the conditions of issue shall otherwise expressly provide, every issue of shares, whether stated to be common, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

9 The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

10 Capitalised terms that are not defined in this Memorandum of Association bear the meaning given in the Articles of Association of the Company.

THE COMPANIES ACT (AS REVISED)
OF THE CAYMAN ISLANDS

TWELFTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION

OF

NU HOLDINGS LTD.

(Amended and Restated by Special Resolution passed on December 2, 2021 and effective on the closing date of the Company's initial public offering of Class A Ordinary Shares)

1 PRELIMINARY

1.1 The regulations contained in Table A in the First Schedule of the Act shall not apply to the Company and the following regulations shall be the Articles of Association of the Company.

1.2 In these Articles:

(a) the following terms shall have the meanings set opposite if not inconsistent with the subject or context:

Act	The Companies Act (Revised);
allotment	shares are taken to be allotted when a person acquires the unconditional right to be included in the Register of Members in respect of those shares;
Affiliate	with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person, and (i) in the case of a natural person, shall include, without limitation, such person's spouse, domestic partner, parents, step-parents, grandparents, children, step-children, grandchildren, siblings, nieces, nephews, mother-in-law and father-in-law, brothers- and sisters-in-law and sons-in-law and daughters-in-law, whether by blood, marriage or adoption, or anyone residing in such person's home, a trust for the benefit of any of the foregoing, or a company, partnership or entity wholly or jointly owned by any of the foregoing, and (ii) in the case of an entity, shall include a partnership, corporation or any natural person or entity which, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such entity;

Articles	these articles of association of the Company, as amended from time to time;
Board or Board of Directors	the board of directors of the Company;
Business Combination	a statutory amalgamation, merger, consolidation, arrangement or other reorganization involving the Company requiring the approval of the members of one or more of the participating companies as well as a short-form merger or consolidation that does not require a resolution of members;
Business Day	any day on which banks are not required or authorised by law to close in the City of New York, New York, USA or in São Paulo, State of São Paulo, Brazil;
B3	B3 S.A. - Brasil, Bolsa, Balcão;
Chairman	the chairman of the Board of Directors appointed in accordance with Article 20.2;
Change of Control	(i) the merger or consolidation of the Company or any of its subsidiaries with or into another Person (other than the Company or any of its wholly owned subsidiaries) or the merger of another Person (other than the Company or any of its wholly owned subsidiaries) with or into the Company or any of its subsidiaries, (ii) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its subsidiaries taken as a whole to any Person other than a wholly owned subsidiary of the Company or (iii) any "person" or "group" (as such terms are used for purposes of Section 13(d) of the Exchange Act) is or becomes the a beneficial owner, directly or indirectly, of more than 50% of the Total Voting Power or acquires the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting securities, by contract or otherwise.
Class A Ordinary Shares	class A ordinary shares of a nominal or par value of US$0.000006666666667 each in the capital of the Company having the rights provided for in these Articles;
Class B Ordinary Shares	class B ordinary shares of a nominal or par value of US$0.000006666666667 each in the capital of the Company having the rights provided for in these Articles;
clear days	in relation to a period of notice means that period excluding both the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

Clearing House	a clearing house recognized by the laws of the jurisdiction in which shares in the capital of the Company (or depository receipts thereof) are listed or quoted on a stock exchange or interdealer quotation system in such jurisdiction;
Company	the above named company, Nu Holdings Ltd., an exempted company incorporated in the Cayman Islands with limited liability;
Company's Website	the website of the Company or its web-address or domain name;
control	the ownership, directly or indirectly, of shares possessing more than fifty per cent (50%) of the voting power of the corporation, partnership or other entity (other than, in the case of a corporation, shares having such power only by reason of the happening of a contingency), or having the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of such corporation, partnership or other entity;
CVM	the *Comissão de Valores Mobiliários* (The Securities and Exchange Commission of Brazil);
Designated Stock Exchange	the New York Stock Exchange, the B3 and any other stock exchange or interdealer quotation system listed in Schedule 4 of the Act on which shares in the capital of the Company are listed or quoted;
Directors	the Directors for the time being of the Company or, as the case may be, those Directors assembled as a Board or as a committee of the Board;
dividend	includes a distribution or interim dividend or interim distribution;
electronic	has the same meaning as in the Electronic Transactions Act (Revised);
electronic communication	a communication sent by electronic means, including electronic posting to the Company's Website, transmission to any number, address or internet website (including the SEC's and the CVM's websites) or other electronic delivery methods as otherwise determined and approved by the Board;
electronic record	has the same meaning as in the Electronic Transactions Act (Revised);

electronic signature	has the same meaning as in the Electronic Transactions Act (Revised);
Exchange Act	the Securities Exchange Act of 1934 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time;
executed	includes any mode of execution;
Founding Shareholder	David Vélez, so long as he or any of his Affiliates shall "beneficially own" (as such term is defined in Rule 13d-3 of the Exchange Act) any Company shares;
holder	in relation to any share, the Member whose name is entered in the Register of Members as the holder of the share;
Incentive Plan	any incentive plan or scheme established or implemented by the Company pursuant to which any Person who provides services of any kind to the Company or any of its direct or indirect subsidiaries (including, without limitation, any employee, executive, officer, director, consultant, secondee or other provider of services) may receive or acquire newly-issued shares of the Company or any interest therein;
Indemnified Person	every Director, Secretary or other officer for the time being or from time to time of the Company;
Islands	the British Overseas Territory of the Cayman Islands;
Member	has the same meaning as in the Act;
Memorandum	the memorandum of association of the Company as from time to time amended;
month	a calendar month;
officer	any person appointed as an officer of the Company, including a Secretary;
Ordinary Resolution	a resolution (i) of a duly constituted general meeting of the Company at which a quorum is present passed by a simple majority of the votes cast by, or on behalf of, the Members entitled to vote present in person or by proxy and voting at the meeting, or (ii) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments, if more than one, is executed;

Ordinary Shares	Class A Ordinary Shares, Class B Ordinary Shares and shares of such other classes as may from time to time be designated by the Board pursuant to these Articles as being ordinary shares for the purposes of Article 5.3;
Other Indemnitors	persons or entities other than the Company that may provide indemnification, advancement of expenses or insurance to the Indemnified Persons in connection with such Indemnified Persons' involvement in the management of the Company;
paid up	paid up as to the par value of the shares and includes credited as paid up;
Person	any individual, corporation, general or limited partnership, limited liability company, joint stock company, joint venture, estate, trust, association, organization or any other entity or governmental entity;
Register of Members	the register of Members required to be kept pursuant to the Act;
Seal	the common seal of the Company including every duplicate seal;
SEC	the Securities and Exchange Commission of the United States of America or any other federal agency for the time administering the Securities Act;
Secretary	any person appointed by the Directors to perform any of the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
Securities Act	the Securities Act of 1933 of the United States of America, as amended, or any similar federal statute and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time;
share	a share in the share capital of the Company, and includes stock (except where a distinction between shares and stock is expressed or implied) and includes a fraction of a share;
Shareholders' Agreement	the Shareholders' Agreement dated as of November 29, 2021 among the Company and certain of its Members;
signed	includes an electronic signature or a representation of a signature affixed by mechanical means;

Special Resolution	a special resolution passed in accordance with the Act, being a resolution: (i) passed by at least two-thirds of such Members as, being entitled to do so, vote in person or by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given; or (ii) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members;
subsidiary	a company is a subsidiary of another company if that other company: (i) holds a majority of the voting rights in it; (ii) is a member of it and has the right to appoint or remove a majority of its board of directors; or (iii) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it; or if it is a subsidiary of a company which is itself a subsidiary of that other company. For the purpose of this definition the expression ***company*** includes any body corporate established in or outside of the Islands;
Treasury Share	a share held in the name of the Company as a treasury share in accordance with the Act;
Total Voting Power	the aggregate voting power of all issued shares of the Company having the right to receive notice of, attend, speak and vote at general meetings of the Company, voting together as a single class;
Vice Chairman	the vice chairman of the Board of Directors appointed in accordance with Article 20.2;
U.S. Person	a Person who is a citizen or resident of the United States of America; and
written and in writing	includes all modes of representing or reproducing words in visible form including in the form of an electronic record.

(b) unless the context otherwise requires, words or expressions defined in the Act shall have the same meanings herein but excluding any statutory modification thereof not in force when these Articles become binding on the Company;

(c) unless the context otherwise requires: (i) words importing the singular number shall include the plural number and vice-versa; (ii) words importing the masculine gender only shall include the feminine gender; (iii) the word “or” is not exclusive; and (iv) words importing persons shall include companies or associations or bodies of person whether incorporated or not as well as any other legal or natural person;

(d) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(e) the word ***may*** shall be construed as permissive and the word ***shall*** shall be construed as imperative;

(f) the headings herein are for convenience only and shall not affect the construction of these Articles;

(g) references to statutes are, unless otherwise specified, references to statutes of the Islands and, subject to paragraph (b) above, include any statutory modification or re-enactment thereof for the time being in force; and

(h) where an Ordinary Resolution is expressed to be required for any purpose, a Special Resolution is also effective for that purpose.

2 FORMATION EXPENSES

The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company including the expenses of registration.

3 OFFICES OF THE COMPANY

3.1 The registered office of the Company shall be at such address in the Islands as set out in the Memorandum or as the Board shall otherwise from time to time determine.

3.2 The Company, in addition to its registered office, may establish and maintain such other offices, places of business and agencies in the Islands and elsewhere as the Board may from time to time determine.

4 SHARES

4.1

(a) Subject to the rules of any Designated Stock Exchange and to the provisions, if any, in the Memorandum and these Articles, the Board has general and unconditional authority to allot, grant options over, offer or otherwise deal with or dispose of any unissued shares in the capital of the Company without the approval of Members (whether forming part of the original or any increased share capital), either at a premium or at par, with or without preferred, deferred or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise and to such persons, on such terms and conditions, and at such times as the Board may determine, but so that no share shall be issued at a discount to par, except in accordance with the provisions of the Act.

(b) In particular and without prejudice to the generality of paragraph (a) above, the Board is hereby empowered to authorise by resolution or resolutions from time to time and without the approval of Members:

(i) the creation of one or more classes or series of preferred shares, to cause to be issued such preferred shares and to fix the designations, powers, preferences and relative participating, optional and other rights, if any, and the qualifications, limitations and restrictions thereof, if any, including, without limitation, the number of shares constituting each such class or series, dividend rights, conversion rights, redemption privileges, voting rights and powers (including full or limited or no voting rights or powers) and liquidation preferences, and to increase or decrease the number of shares comprising any such class or series (but not below the number of shares of any class or series of preferred shares then in issue) to the extent permitted by law. Without limiting the generality of the foregoing, the resolution or resolutions providing for the establishment of any class or series of preferred shares may, to the extent permitted by law, provide that such class or series shall be superior to, rank equally with or be junior to the preferred shares of any other class or series;

(ii) to designate for issuance as Class A Ordinary Shares or Class B Ordinary Shares from time to time any or all of the authorised but unissued shares of the Company which have not at that time been designated by the Memorandum or by the Directors as being shares of a particular class;

(iii) to create one or more further classes of shares which represent ordinary shares for the purposes of Article 5.3; and

(iv) to re-designate authorised but unissued Class A Ordinary Shares or Class B Ordinary Shares from time to time as shares of another class.

(c) The Company shall not issue shares or warrants to bearer.

(d) Subject to the rules of any Designated Stock Exchange, the Board shall have general and unconditional authority to issue options, warrants or convertible securities of similar nature conferring the right upon the holders thereof to subscribe for, purchase or receive any class of shares or securities in the capital of the Company to such persons, on such terms and conditions and at such times as the Board may determine.

4.2 Notwithstanding Article 4.1, at any time when there are Class A Ordinary Shares in issue, Class B Ordinary Shares may only be issued pursuant to:

(a) a share-split, subdivision or similar transaction or as contemplated in Articles 5.8 or 33.1(b) below;

(b) a Business Combination involving the issuance of Class B Ordinary Shares as full or partial consideration; or

(c) an issuance of Class A Ordinary Shares, whereby holders of Class B Ordinary Shares are entitled to purchase a number of Class B Ordinary Shares that would allow them to maintain their proportional ownership interest in the Company pursuant to Article 4.3.

4.3 With effect from the date on which any shares of the Company are first admitted to trading on a Designated Stock Exchange, subject to Articles 4.4, 4.5 and 4.6, the Company shall not issue Ordinary Shares and/or preferred shares to a person on any terms unless:

(a) it has made an offer to each person who holds Class B Ordinary Shares to issue to him on the same economic terms such number of Class B Ordinary Shares as would allow each holder of Class B Ordinary Shares to maintain its proportional ownership interest in the Company; and

(b) the period during which any such offer set forth in Article 4.3(a) may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made in accordance with Article 4.3(a).

An offer made pursuant to this Article 4.3 may be made in either hard copy or by electronic communication, must state a period during which it may be accepted and the offer shall not be withdrawn before the end of that period. The period referred to must be at least fifteen (15) Business Days beginning with the date on which the offer is deemed to be delivered in accordance with Article 35.

4.4 An offer shall not be regarded as being made contrary to the requirements of Article 4.3 by reason only that:

(a) fractional entitlements are rounded or otherwise settled or sold at the discretion of the Board, as long as it does not materially negatively impact the proportional ownership interest of the Class B Ordinary Shares; or

(b) no offer of Class B Ordinary Shares is made to a Member where the making of such an offer would in the view of the Board pose legal or practical problems in or under the laws or securities rules of any territory or the requirements of any regulatory body or stock exchange such that the Board considers it is necessary or expedient in the interests of the Company to exclude such Member from the offer; or

(c) the offer is conditional upon the said issue of Ordinary Shares and/or preferred shares proceeding.

4.5 The provisions of Article 4.3 do not apply in relation to the issue of:

(a) Class A Ordinary Shares if these are, or are to be, wholly or partly paid up otherwise than in cash;

(b) Class A Ordinary Shares which would, apart from any renunciation or assignment of the right to their allotment, be held under or issued pursuant to an Incentive Plan; and

(c) Class A Ordinary Shares issued in furtherance of an initial public offering of shares of the Company or issued to underwriters in connection with an initial pubic offering pursuant to any over-allotment options granted by the Company.

4.6 Holders of Class B Ordinary Shares may from time to time by consent in writing (in one or more counterparts) approved by the holder or holders of all Class B Ordinary Shares then in issue, referring to this Article 4.6, authorise the Board to issue Ordinary Shares for cash and, on the granting of such an authority, the Board shall have the power to issue (pursuant to that authority) Ordinary Shares for cash as if Article 4.3 above did not apply to:

(a) one or more issuances of Class A Ordinary Shares to be made pursuant to that authority; and/or

(b) such issuances with such modifications as may be specified in that authority.

Unless previously revoked, the authority granted in accordance with this Article 4.6 shall expire on the date (if any) specified in the authority or, if no date is specified, twelve (12) months after the date on which the authority is granted, but the Company may before the power expires make an offer or agreement which would or might require Class A Ordinary Shares to be issued after it expires.

4.7 The Company may issue fractions of a share of any class and a fraction of a share shall be subject to and carry the corresponding fraction of liabilities (whether with respect to nominal or par value, premium, contribution, calls or otherwise howsoever), limitations, preferences, privileges, qualifications, restrictions, rights and other attributes of a whole share of that class of shares.

4.8 The Company may, in so far as the Act permits, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the capital of the Company. Such commissions may be satisfied by the payment of cash or the allotment of fully or partly paid up shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage fees as may be lawful.

4.9 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share (except only as by these Articles or by law otherwise provided) or any other rights in respect of any share except an absolute right to the entirety thereof in the holder.

4.10

(a) If at any time the share capital is divided into different classes of shares, the rights attached to any class of shares (unless otherwise provided by these Articles or the terms of issue of the shares of that class) may be varied with the consent in writing of the holders of two-thirds of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be any one or more persons holding or representing by proxy not less than two-thirds of the issued shares of the applicable class and that any holder of shares of that class present in person or by proxy may demand a poll.

(b) For the purposes of Article 4.10(a), the Directors may treat all classes of shares or any two or more classes of shares as forming one class if they consider that all such classes would be affected in the same way by the proposals under consideration.

(c) The rights conferred upon the holders of the shares of any class shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by:

(i) the creation or issue of further shares ranking *pari passu* therewith;

(ii) the redemption, purchase or conversion (in any manner permitted by law) of any shares of any class by the Company;

(iii) the cancellation of authorised but unissued shares of that class; or

(iv) the creation or issue of shares with preferred or other rights including, without limitation, the creation of any class or issue of shares with enhanced or weighted voting rights.

(d) The rights conferred upon holders of Class A Ordinary Shares shall not be deemed to be varied by the creation or issue from time to time of further Class B Ordinary Shares and the rights conferred upon holders of Class B Ordinary Shares shall not be deemed to be varied by the creation or issue from time to time of further Class A Ordinary Shares.

4.11 The Directors may accept contributions to the capital of the Company otherwise than in consideration of the issue of shares and the amount of any such contribution may, unless otherwise agreed at the time such contribution is made, be treated by the Company as a distributable reserve, subject to the provisions of the Act and these Articles.

5 CLASS A ORDINARY SHARES AND CLASS B ORDINARY SHARES

5.1 The rights of the holders of Class A Ordinary Shares and Class B Ordinary Shares are identical, except with respect to voting, conversion and transfer restrictions applicable to the Class B Ordinary Shares as set out in these Articles.

5.2 Holders of Class A Ordinary Shares and holders of Class B Ordinary Shares have the right to receive notice of, attend, speak and vote at general meetings of the Company. Subject to any separate general meeting(s) of the holders of a class of shares in accordance with Article 4.10(a) above, holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all resolutions submitted to a vote by the Members in general meetings. Each Class A Ordinary Share shall entitle the holder to 1 vote on all matters subject to a vote at general meetings of the Company, and each Class B Ordinary Share shall entitle the holder to 20 votes on all matters subject to a vote at general meetings of the Company.

5.3 Without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares established pursuant to the Memorandum or these Articles from time to time, holders of Class A Ordinary Shares and holders of Class B Ordinary Shares shall:

(a) be entitled to such dividends as the Board may from time to time declare;

(b) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purposes of a reorganization or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and

(c) generally be entitled to enjoy all of the rights attaching to Class A Ordinary Shares and Class B Ordinary Shares.

5.4 In no event shall Class A Ordinary Shares be convertible into Class B Ordinary Shares.

5.5 Class B Ordinary Shares shall be convertible or converted into Class A Ordinary Shares as follows:

(a) Class B Ordinary Shares shall be convertible into the same number of Class A Ordinary Shares, on a share-to-share basis, in the following manner:

(1) a holder of Class B Ordinary Shares has the right to call upon the Company to effect a conversion of all or any of its Class B Ordinary Shares into the same number of Class A Ordinary Shares which right shall be exercised, at any time after issue and without payment of any additional sum (subject to any moneys unpaid on their shares in accordance with Article 8), by notice in writing given to the Company at its registered office (and which conversion shall be effected by the Company promptly upon delivery of said notice);

(2) the holder(s) of a majority of the Class B Ordinary Shares in issue have the right to require that all Class B Ordinary Shares in issue be converted into the same number of Class A Ordinary Shares, which right shall be exercised, at any time after issue and without payment of any additional sum (subject to any moneys unpaid on their shares in accordance with Article 8), by notice in writing (which may be in one or more counterparts) signed by the holder(s) of a majority of the Class B Ordinary Shares in issue and given to the Company at its registered office (and which conversion shall be effected by the Company promptly upon delivery of said notice);

(3) a Class B Ordinary Share shall automatically convert into a Class A Ordinary Share immediately and without further action by the holder thereof upon the registration of any transfer of a Class B Ordinary Share (whether or not for value and whether or not the certificate(s) (if any) representing such Class B Ordinary Share is surrendered to the Company), other than:

(i) a transfer to an Affiliate of the holder of the Class B Ordinary Share;

(ii) a transfer to one or more trustees of a trust established for the benefit of the holder or an Affiliate of the holder of the Class B Ordinary Share;

(iii) a transfer to an organization that is exempt from taxation under Section 501(3)(c) of the United States Internal Revenue Code of 1986, as amended (or any successor thereto), or to an organization that is exempt from taxation in Brazil under Sections 184, 377 or 378 of the 2018 Internal Tax Regulations, as amended (or any successor thereto), and that is controlled, directly or indirectly through one or more intermediaries, by the holder of the Class B Ordinary Share; or

(iv) a transfer to a partnership, corporation or other entity owned or controlled by the holder or an Affiliate of the holder of the Class B Ordinary Share.

For the avoidance of doubt, the creation of any pledge, charge, encumbrance or other security interest or third party right of whatever description on any Class B Ordinary Shares to secure a holder's contractual or legal obligations shall not be deemed to be a transfer unless and until any such pledge, charge, encumbrance or other third party right is enforced and results in such third party (or its nominee) holding legal title to the related Class B Ordinary Shares, in which case all the related Class B Ordinary Shares shall be automatically and immediately converted into the same number of Class A Ordinary Shares. The conversion of Class B Ordinary Shares to Class A Ordinary Shares shall occur prior to any effective transfer not authorised in Article 5.5(a)(2)(i)-(iv) above.

(4) If, on the record date for any meeting of the Members, the total voting power of all the Class B Ordinary Shares in issue represents less than 10% of the Total Voting Power, the Class B Ordinary Shares then in issue shall automatically and immediately convert into Class A Ordinary Shares and no Class B Ordinary Shares shall be issued by the Company thereafter.

(b) ***Mechanics of Conversion***. Before any holder of Class B Ordinary Shares shall be entitled to convert such Class B Ordinary Shares into Class A Ordinary Shares pursuant to sub-paragraph 5.5(a)(1) above, the holder shall, if available, surrender the certificate or certificates therefor (if any), duly endorsed (where applicable), at the registered office of the Company.

Upon the occurrence of one of the bases of conversion provided for in paragraph 5.5(a) above, the Company shall enter or procure the entry of the name of the relevant holder of Class B Ordinary Shares as the holder of the relevant number of Class A Ordinary Shares resulting from the conversion of the Class B Ordinary Shares in, and make any other necessary and consequential changes to, the Register of Members and shall procure that certificate(s) in respect of the relevant Class A Ordinary Shares, together with a new certificate for any unconverted Class B Ordinary Shares represented by the certificate(s) surrendered by the holder of the Class B Ordinary Shares (if any), are issued to the holders of the Class A Ordinary Shares and Class B Ordinary Shares, as the case may be, if so requested.

Any conversion of Class B Ordinary Shares into Class A Ordinary Shares pursuant to this Article 5 shall be effected by any manner permitted by applicable law (including by means of (i) the re-designation and re-classification of the relevant Class B Ordinary Share as a Class A Ordinary Share together with such rights and restrictions for the time being attached thereto and shall rank *pari passu* in all respects with the Class A Ordinary Shares then in issue and/or (ii) the compulsory redemption without notice of Class B Ordinary Shares and the automatic application of the redemption proceeds in paying for such new Class A Ordinary Shares into which the Class B Ordinary Shares have been converted). For the avoidance of doubt, following the conversion to Class A Ordinary Shares, the holder thereof shall have Class A Ordinary Share voting rights in respect of such shares and not Class B Ordinary Share voting rights. Such conversion shall become effective forthwith upon entries being made in the Register of Members to record the conversion.

If the proposed conversion is in connection with an underwritten or other public or private offering of securities, the conversion may, at the option of any holder tendering such Class B Ordinary Shares for conversion, be conditional upon the closing with the underwriters or other purchasers of the sale of securities pursuant to such offering, in which event any persons entitled to receive Class A Ordinary Shares upon conversion of such Class B Ordinary Shares shall not be deemed to have converted such Class B Ordinary Shares until immediately prior to the closing of such sale of securities.

(c) Effective upon and with effect from the conversion of a Class B Ordinary Share into a Class A Ordinary Share in accordance with this Article 5.5, the converted share shall be treated for all purposes as a Class A Ordinary Share and shall carry the rights and be subject to the restrictions attaching to Class A Ordinary Shares including, without limitation, the right to one vote on matters subject to a vote at general meetings of the Company.

5.6 No subdivision of Class A Ordinary Shares into shares of an amount smaller than the nominal or par value of such shares at the relevant time shall be effected unless Class B Ordinary Shares are concurrently and similarly subdivided in the same proportion and the same manner, and no subdivision of Class B Ordinary Shares into shares of an amount smaller than the nominal or par value of such shares at the relevant time shall be effected unless Class A Ordinary Shares are concurrently and similarly subdivided in the same proportion and the same manner.

5.7 No consolidation of Class A Ordinary Shares into shares of an amount larger than the nominal or par value of such shares at the relevant time shall be effected unless Class B Ordinary Shares are concurrently and similarly consolidated in the same proportion and the same manner, and no consolidation of Class B Ordinary Shares into shares of an amount larger than the nominal or par value of such shares at the relevant time may be effected unless Class A Ordinary Shares are concurrently and similarly consolidated in the same proportion and the same manner.

5.8 In the event that a dividend or other distribution is paid by the issue of Class A Ordinary Shares or Class B Ordinary Shares or rights to acquire Class A Ordinary Shares or Class B Ordinary Shares (i) holders of Class A Ordinary Shares shall receive Class A Ordinary Shares or rights to acquire Class A Ordinary Shares, as the case may be; and (ii) holders of Class B Ordinary Shares shall receive Class B Ordinary Shares or rights to acquire Class B Ordinary Shares, as the case may be.

5.9 No Business Combination (whether or not the Company is the surviving entity) shall proceed unless by the terms of such transaction: (i) the holders of Class A Ordinary Shares have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B Ordinary Shares, and (ii) the holders of Class A Ordinary Shares have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B Ordinary Shares. The Directors shall not approve such a transaction unless the requirements of this Article are satisfied. For the avoidance of doubt, this Article refers to and includes only economic rights.

5.10 No tender or exchange offer to acquire any Class A Ordinary Shares or Class B Ordinary Shares by any third party pursuant to an agreement to which the Company is to be a party, nor any tender or exchange offer by the Company to acquire any Class A Ordinary Shares or Class B Ordinary Shares, shall be approved by the Company unless by the terms of such transaction: (i) the holders of Class A Ordinary Shares shall have the right to receive, or the right to elect to receive, the same form of consideration as the holders of Class B Ordinary Shares, and (ii) the holders of Class A Ordinary Shares shall have the right to receive, or the right to elect to receive, at least the same amount of consideration on a per share basis as the holders of Class B Ordinary Shares. The Directors shall not approve such a transaction unless the requirements of this Article are satisfied. For the avoidance of doubt, this Article refers to and includes only economic rights.

5.11 Save and except for voting rights, conversion rights and transfer rights, Class A Ordinary Shares and Class B Ordinary Shares shall rank *pari passu* and shall have the same rights, preferences, privileges and restrictions and share ratably and otherwise be identical in all respects as to all matters.

6 SHARE CERTIFICATES

6.1 A Member shall only be entitled to a share certificate if the Directors resolve that share certificates shall be issued. Share certificates representing shares, if any, shall be in such form as the Directors may determine. Share certificates shall be signed by one or more Directors or other person authorised by the Directors. The Directors may authorise certificates to be issued with the authorised signature(s) affixed by mechanical process. All certificates for shares shall be consecutively numbered or otherwise identified and shall specify the shares to which they relate. All certificates surrendered to the Company for transfer or conversion shall be cancelled and subject to the Articles and, save as provided in Articles 6.3, 7, and 8 below and in the case of a conversion of shares pursuant to Article 4.1, no new certificate shall be issued until the former certificate representing a like number of relevant shares shall have been surrendered and cancelled.

6.2 Every share certificate of the Company shall bear legends required under the applicable laws, including the Securities Act.

6.3 If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery to the Company of the old certificate.

7 LIEN

7.1 The Company shall have a first and paramount lien on every share (not being a share which is fully paid as to its par value and share premium) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share (including any premium payable). The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a share shall extend to any amount in respect of it.

7.2 The Company may sell in such manner as the Directors determine any shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen (14) clear days after notice has been given to the holder of the share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the shares may be sold.

7.3 To give effect to a sale, the Directors may authorise some person to execute an instrument of transfer of the shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.

7.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the shares sold, if any, and subject to a like lien for any moneys not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

8 CALLS ON SHARES AND FORFEITURE

8.1 Subject to the terms of allotment, the Directors may make calls upon the Members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each Member shall (subject to receiving at least fourteen (14) clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

8.2 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.

8.3 The joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share.

8.4 If a call remains unpaid after it has become due and payable, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at an annual rate of ten percent (10%), but the Directors may waive payment of the interest wholly or in part.

8.5 An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due, all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.

8.6 Subject to the terms of allotment, the Directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

8.7 If a call remains unpaid after it has become due and payable, the Directors may give to the person from whom it is due not less than fourteen (14) clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

8.8 If the notice is not complied with, any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the Directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

8.9 Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the Directors determine either to the person who was before the forfeiture the holder or to any other person, and at any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the Directors think fit. Where, for the purposes of its disposal a forfeited share is to be transferred to any person, the Directors may authorise any person to execute an instrument of transfer of the share to that person.

8.10 A person any of whose shares have been forfeited shall cease to be a Member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited, if any, but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at an annual rate of ten percent (10%), from the date of forfeiture until payment but the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

8.11 A statutory declaration by a Director or the Secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

9 TRANSFER OF SHARES

9.1 Subject to these Articles (including the limitation on transfers of Class B Ordinary Shares as set out in Article 5.5), any Member may transfer all or any of his shares by an instrument of transfer in the usual or common form or in a form prescribed by any Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a Clearing House, by hand or by electronic signature or by such other manner of execution as the Board may approve from time to time. Without prejudice to the generality of the foregoing, title to listed shares of the Company may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the Designated Stock Exchange on which such shares are listed.

9.2 The instrument of transfer shall be executed by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferee in any case which it thinks fit in its discretion to do so. Without prejudice to Article 9.1, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers including, where applicable, in accordance with the laws and rules applicable to the Designated Stock Exchange. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof. Nothing in these Articles shall preclude the Board from recognizing a renunciation of the allotment or provisional allotment of any share by the allottee in favour of some other person.

9.3 The Board may in its absolute discretion and without giving any reason therefor, refuse to register a transfer of any share:

(a) that is not fully paid up (as to both par value and any premium) to a person of whom it does not approve;

(b) issued under any Incentive Plan upon which a restriction on transfer imposed thereby still subsists;

(c) to more than four joint holders; or

(d) on which the Company has a lien.

9.4 Without limiting the generality of Article 9.3, the Board may also decline to recognise any instrument of transfer unless:

(a) a fee of such maximum sum as any Designated Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer is in respect of only one class of shares;

(c) the Shares are fully paid (as to both par value and any premium) and free of any lien;

(d) the instrument of transfer is lodged at the registered office or such other place at which the Register of Members is kept in accordance with the Act accompanied by any relevant share certificate(s), if any, and/or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and

(e) if applicable, the instrument of transfer is duly and properly stamped.

9.5 If the Directors refuse to register a transfer of a share, they shall within two (2) months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal.

9.6 The registration of transfers of shares or of any class of shares may, after compliance with any notice requirement of any Designated Stock Exchange, be suspended and the Register of Members be closed at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.

9.7 The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall be returned to the person lodging it when notice of the refusal is given.

10 TRANSMISSION OF SHARES

10.1 If a Member dies, his personal representatives or his legal successor (where he was a sole holder) or the survivor of joint holders (in case of joint ownership) shall be the only persons recognised by the Company as having any title to his interest; but nothing in these Articles shall release the estate of a deceased Member from any liability in respect of any share which had been jointly held by him.

10.2 A person becoming entitled to a share in consequence of the death or bankruptcy of a Member may, upon such evidence being produced as the Directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the Member and the death or bankruptcy of the Member had not occurred.

10.3 A person becoming entitled to a share by reason of the death or bankruptcy of a Member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of such share to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company.

10.4 For the avoidance of doubt, if a holder of Class B Ordinary Shares dies or becomes bankrupt then such Class B Ordinary Shares held at the time of death or bankruptcy shall maintain all of their rights and no conversion shall apply to such Class B Ordinary Shares upon transmission of such shares to the new holder who must be an Affiliate.

11 CHANGES OF CAPITAL

11.1 Subject to and in so far as permitted by the provisions of the Act and these Articles, the Company may from time to time by Ordinary Resolution alter or amend the Memorandum to:

(a) increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall prescribe;

(b) consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares;

(c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination;

(d) sub-divide its existing shares, or any of them, into shares of smaller amounts than is fixed by the Memorandum, *provided*, that in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

11.2 For the avoidance of doubt, the Directors shall have the ability to issue shares within the authorized share capital of the Company thereby changing the issued share capital of the Company and no Ordinary Resolution shall be required for such issuances.

11.3 Except so far as otherwise provided by the conditions of issue, the new shares shall be subject to the same provisions with reference to the payment of calls, liens, transfer, transmission, forfeiture and otherwise as the shares in the original share capital.

11.4 Whenever as a result of a consolidation of shares any Members would become entitled to fractions of a share, the Directors may, on behalf of those Members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Members, and the Directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

11.5 The Company may by Special Resolution reduce its share capital and any capital redemption reserve in any manner and with and subject to any incident, consent, order or other matter required by law.

12 REDEMPTION AND PURCHASE OF OWN SHARES

12.1 Subject to the provisions of the Act and these Articles, the Company may:

(a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may, before the issue of shares, determine;

(b) purchase its own shares (including any redeemable shares) in such manner and on such terms as the Directors may determine and agree with the relevant Member; and

(c) make a payment in respect of the redemption or purchase of its own shares in any manner authorised by the Act, including out of capital.

12.2 The Directors may, when making a payment in respect of the redemption or purchase of shares, if so authorised by the terms of issue of the shares (or otherwise by agreement with the holder of such shares) make such payment in cash or in specie (or partly in one and partly in the other).

12.3 Upon the date of redemption or purchase of a share, the holder shall cease to be entitled to any rights in respect thereof (excepting always the right to receive (i) the price therefor and (ii) any dividend which had been declared in respect thereof prior to such redemption or purchase being effected) and accordingly his name shall be removed from the Register of Members with respect thereto and the share shall be cancelled.

13 TREASURY SHARES

13.1 The Directors may, prior to the purchase, redemption or surrender of any share, determine that such share shall be held as a Treasury Share.

13.2 The Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

14 REGISTER OF MEMBERS

14.1 The Company shall maintain or cause to be maintained an overseas or local Register of Members in accordance with the Act.

14.2 The Directors may determine that the Company shall maintain one or more branch registers of Members in accordance with the Act. The Directors may also determine which Register of Members shall constitute the principal register and which shall constitute the branch register or registers, and to vary such determination from time to time.

15 CLOSING REGISTER OF MEMBERS OR FIXING RECORD DATE

15.1 For the purpose of determining Members entitled to notice of, or to vote at, any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any dividend or other distribution, or in order to make a determination of Members for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period which shall not in any case exceed thirty (30) days. If the Register shall be so closed for the purpose of determining those Members that are entitled to receive notice of, attend or vote at a meeting of Members, the Register shall be so closed for at least ten (10) clear days immediately preceding such meeting and the record date for such determination shall be the date of the closure of the Register.

15.2 In lieu of, or apart from, closing the Register of Members, the Directors may fix, in advance or in arrears, a date as the record date for any such determination of Members entitled to notice of, or to vote at any meeting of the Members or any adjournment thereof, or for the purpose of determining the Members entitled to receive payment of any dividend or other distribution, or in order to make a determination of Members for any other purpose, *provided* that such a record date shall not exceed forty (40) clear days prior to the date where the determination will be made.

15.3 If the Register of Members is not so closed and no record date is fixed for the determination of Members entitled to notice of, or to vote at, a meeting of Members or Members entitled to receive payment of a dividend or other distribution, the date on which notice of the meeting is sent or posted or the date on which the resolution of the Directors resolving to pay such dividend or other distribution is passed, as the case may be, shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting of Members has been made as provided in this Article, such determination shall apply to any adjournment thereof.

16 GENERAL MEETINGS

16.1 An annual general meeting of the Company may at the discretion of the Board be held in the year in which these Articles were adopted and shall be held in each year thereafter at such time as determined by the Board, and the Company may, but shall not (unless required by the Act) be obliged to, in each year hold any other general meeting.

16.2 The agenda of the annual general meeting shall be set by the Board and shall include the presentation of the Company's annual accounts, the report of the Directors (if any) and the election of Directors.

16.3 Annual general meetings shall be held in such place as the Directors may determine from time to time.

16.4 All general meetings other than annual general meetings shall be called extraordinary general meetings and the Company shall specify the meeting as such in the notices calling it.

16.5 The Directors, the chief executive officer, the Chairman of the Board, or, for so long as the Founding Shareholder (together with his Affiliates) beneficially owns 50% or more of the Total Voting Power, the Members holding a majority of the Total Voting Power, may, whenever such person or persons think(s) fit, convene an extraordinary general meeting of the Company.

16.6 For so long as the Founding Shareholder (together with his Affiliates) beneficially owns 50% or more of all the Total Voting Power, Members who collectively hold a majority of the Total Voting Power shall be entitled to request Directors to convene an extraordinary general meeting of the Company and Directors shall on a Members' requisition in accordance with these Articles forthwith proceed to convene an extraordinary general meeting of the Company.

16.7 In the event that the Founding Shareholder (together with his Affiliates) beneficially owns less than 50% of the Total Voting Power, then no Member shall have the power to make a requisition to convene a meeting to Directors.

16.8 The Members' requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the registered office, and may consist of several documents in like form each signed by one or more requisitionists.

16.9 If there are no Directors as at the date of the deposit of the Members' requisition or if the Directors do not within fourteen (14) days from the date of the deposit of the Members' requisition duly proceed to convene a general meeting to be held within a further fourteen (14) days, the requisitionists, or any of them representing more than one-half of the total voting rights of all of the requisitionists, may themselves convene a general meeting, but any meeting so convened shall be held no later than the day which falls three (3) months after the expiration of the first said fourteen (14) day period.

16.10 A general meeting convened as aforesaid by requisitionists shall be convened in as close to the same manner as possible as that in which general meetings are to be convened by Directors.

16.11 Save as set out in Articles 16.1 to 16.10, the Members have no right to propose resolutions to be considered or voted upon at annual general meetings or extraordinary general meetings of the Company.

17 NOTICE OF GENERAL MEETINGS

17.1 An annual general meeting, if and when called in accordance with Article 16, shall be called by at least 21 days' (and not less than 15 clear business days') notice in writing, and any other general meeting shall be called by at least 14 days' (and not less than 10 clear business days') notice in writing. Such notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting and particulars of the resolution(s) to be considered at that meeting and, in the case of special business, the general nature of that business. All business transacted at an extraordinary general meeting shall be deemed special business. All business shall also be deemed special business where it is transacted at an annual general meeting, with the exception of certain routine matters which shall be deemed ordinary business.

17.2 Such notice may be served on a Member in accordance with Article 35 or in such other manner (if any) as may be prescribed by Ordinary Resolution, to such persons as are entitled to vote or may otherwise be entitled under these Articles to receive such notices from the Company; *provided* that a general meeting of the Company shall, whether or not the notice specified in this Article has been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:

(a) in the case of an annual general meeting, by all of the Members entitled to attend and vote thereat; and

(b) in the case of an extraordinary general meeting, by Members having a right to attend and vote at the meeting, together holding not less than 75%, in par value of the shares giving that right.

17.3 The accidental omission to give notice of a general meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that general meeting.

18 PROCEEDINGS AT GENERAL MEETINGS

18.1 No business shall be transacted at any meeting unless a quorum is present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting. One or more Members holding not less than a majority in aggregate of all shares in issue entitled to vote, present in person or by proxy or, if a corporation or other non-natural person, by its duly authorised representative, shall represent a quorum.

18.2 If a quorum is not present within half an hour from the time appointed for the meeting to commence or if during such a meeting a quorum ceases to be present, the meeting, if convened upon a Members' requisition, shall be dissolved and in any other case it shall stand adjourned and shall reconvene on the same day in the next week at the same time and place or to such other day, time and place as the Directors may determine, and if at the reconvened meeting a quorum is not present within half an hour from the time appointed for the meeting to commence, the Members present shall be a quorum.

18.3 A person may participate in a general meeting by conference telephone or other electronic means by means of which all the persons participating in the meeting can communicate with each other at the same time. Participation by a Member in a meeting in this manner is treated as presence in person at that meeting and is counted in a quorum and entitled to vote.

18.4 The Chairman or in his absence the Vice-Chairman (if any) shall preside as chairman of the meeting, but if neither the Chairman nor such Vice-Chairman (if any) is present within thirty (30) minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman. If no Director is willing to act as chairman, or if no Director is present within thirty (30) minutes after the time appointed for holding the meeting, then such meeting shall be adjourned for a one week period and shall be held in the following week on the same day at the same time and place. If at the adjournment of the meeting the Chairman or in his absence the Vice-Chairman (if any) or in their absence a Director is not willing to act as chairman, or if no Director is present within thirty (30) minutes after the time appointed for holding the meeting, then such meeting shall be cancelled. For the avoidance of doubt, only a director may serve as the chairman of the meeting.

18.5 The order of business at each such meeting shall be as determined by the chairman of the meeting. The chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts and things as are necessary or desirable for the proper conduct of the meeting, including, without limitation, the establishment of procedures for the maintenance of order and safety, limitations on the time allotted to questions or comments on the affairs of the Company, restrictions on entry to such meeting after the time prescribed for the commencement thereof, and the opening and closing of the polls. The chairman of the meeting shall announce at each such meeting the date and time of the opening and the closing of the polls for each matter upon which the Members will vote at such meeting.

18.6 A Director shall, notwithstanding that he is not a Member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of shares in the Company.

18.7 The chairman of the meeting may, with the consent of a majority of the Members present at such meeting at which a quorum is present (and shall if so directed by such Members), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' notice shall be given in the manner herein provided, including, but not limited to, as described in Article 35, specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

18.8 At each meeting of the Members, all corporate actions to be taken by vote of the Members (except as otherwise required by applicable law and except as otherwise provided in these Articles) shall be authorised by Ordinary Resolution; *provided*, that a Director (excluding for the avoidance of doubt, any appointment(s) or replacement(s) of Founding Directors by the Founding Shareholder in accordance with Article 21.2) shall be elected by a plurality of the votes cast by the Members present in person or represented by proxy at the meeting at which such election is to take place. There shall be no cumulative voting in the election of Directors. Where a separate vote by a class or classes or series is required, save as provided in Article 4.10(a), the affirmative vote of the majority of shares of such class or classes or series present in person or represented by proxy at the meeting at which a quorum is present and voting shall be the act of such class or series (unless provided otherwise in the resolutions providing for the issuance of such class or series).

18.9 At any general meeting a resolution put to the vote of the meeting shall be decided on a poll.

18.10 A poll shall be taken in such manner as the chairman directs and he may appoint scrutineers (who need not be Members) and fix a place and time for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.

18.11 In the case of equality of votes, the chairman of the meeting shall be entitled to a casting vote in addition to any other vote he may have.

18.12 If the Company has only one Member:

(a) the sole Member may agree that any general meeting be called by shorter notice than that provided for by the Articles; and

(b) all other provisions of the Articles apply with any necessary modification (unless the provision expressly provides otherwise).

19 VOTES OF MEMBERS

19.1 Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting (including without limitation the enhanced voting rights attaching to Class B Ordinary Shares provided for in Article 5), on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorized representative, shall have one vote for every share which is fully paid or credited as fully paid registered in his or her name in the Register of Members (and for the avoidance of doubt each Class B Ordinary Share shall entitle the holder to 20 votes on all matters subject to a vote at general meetings of the Company), provided that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for this purpose as paid up on the share.

19.2 At any general meeting, a resolution put to the vote of the meeting is to be decided by poll.

19.3 In the case of joint holders, the vote of the senior joint holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the Register of Members.

19.4 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the Islands or elsewhere) in matters concerning mental disorder may vote, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be received at the registered office of the Company, or at such other place as is specified in accordance with these Articles for the deposit or delivery of forms of appointment of a proxy, or in any other manner specified in these Articles for the appointment of a proxy, not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.

19.5 Where the Company has actual knowledge that any Member is, under the listing rules of any Designated Stock Exchange on which the shares are listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.

19.6 No Member shall, unless the Directors otherwise determine, be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy or by a corporate representative, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.

19.7 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

19.8 Votes may be given either personally or by proxy. Deposit or delivery of a form of appointment of a proxy does not preclude a Member from attending and voting at the meeting or at any adjournment of it, save that only the Member or his proxy may cast a vote.

19.9 A Member entitled to more than one vote need not, if he votes, use all his votes or cast all votes he uses in the same way.

19.10 The instrument appointing a proxy shall be in writing under the hand of the appointor or of his or her attorney duly authorized in writing, or if the appointor is a corporation, either under seal or under the hand of a duly authorized officer or attorney. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, *provided* that it shall not preclude the use of the two-way form. Any form issued to a Member for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the Member, according to his or her intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his or her discretion in respect of) each resolution dealing with any such business.

19.11 Subject to the Act, the Directors may accept the appointment of a proxy received in an electronic communication at an address specified for such purpose, on such terms and subject to such conditions as they consider fit. The Directors may require the production of any evidence which they consider necessary to determine the validity of any appointment pursuant to Article 19.10.

19.12 Subject to Article 19.13 below, the form of appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:

(a) in the case of an instrument in writing, be left at or sent by post to the registered office of the Company or such other place within the Islands or elsewhere as is specified in the notice convening the meeting or in any form of appointment of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote;

(b) in the case of an appointment of a proxy contained in an electronic communication, where an address has been specified by or on behalf of the Company for the purpose of receiving electronic communications:

(i) in the notice convening the meeting; or

(ii) in any form of appointment of a proxy sent out by the Company in relation to the meeting; or

(iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting;

be received at such address at any time before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote;

(c) in the case of a poll taken more than forty-eight (48) hours after it is demanded, be deposited or delivered as required by paragraphs (a) or (b) of this Article after the poll has been demanded and at any time before the time appointed for the taking of the poll; or

(d) where the poll is taken immediately or within forty-eight (48) hours after it is demanded, be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to the secretary or to any Director;

and a form of appointment of proxy which is not deposited or delivered in accordance with this Article and Article 19.13 is invalid.

19.13 Notwithstanding Article 19.12 above, the Directors may by way of note to or in any document accompanying the notice of a general meeting (or adjourned meeting) fix the latest time by which the appointment of a proxy must be communicated to or received by the Company (being not more than 48 hours before the relevant meeting).

19.14 A vote or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the registered office of the Company or, in the case of a proxy, any other place specified for delivery or receipt of the form of appointment of proxy or, where the appointment of a proxy was contained in an electronic communication, at the address at which the form of appointment was received, before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

19.15 Any corporation or other non-natural person which is a Member of the Company may in accordance with its constitutional documents, or, in the absence of such provision, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as the corporation could exercise if it were an individual Member.

19.16 Should a Clearing House or its nominee(s) or depositary or its nominee(s) be a Member, such person or persons may be authorized as it thinks fit to act as its representative(s) at any general meeting or at any meeting of any class of Members provided that, if more than one person is so authorized, the authorisation shall specify the number and class of shares in respect of which each such person is so authorized. A person authorized in accordance with this Article shall be deemed to have been duly authorized without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s) or depositary or its nominee(s) as if such person were an individual Member.

20 NUMBER OF DIRECTORS AND CHAIRMAN

20.1 Subject to Article 21.6, the Board will initially consist of not more than nine (9) Directors, which number of Directors may be modified from time to time by a majority of the Directors then in office.

20.2 The Board shall have a Chairman to act as the chairman at Board meetings. For so long as the Founding Shareholder either (i) serves as the Chief Executive Officer of the Company or (ii) together with his Affiliates, beneficially owns at least 50% of the Total Voting Power, the Chairman shall be the Founding Shareholder (or such other Director as the Founding Shareholder may appoint from time to time). Where the Founding Shareholder either does not have such voting power (together with his Affiliates) or does not serve as Chief Executive Officer of the Company, the Board shall have a Chairman elected and appointed by a majority of the Directors then in office. The Founding Shareholder, as long as the Founding Shareholder (together with his Affiliates) beneficially owns at least 50% of the Total Voting Power, may also elect a Vice-Chairman to act in the absence of the Chairman at Board meetings. Where the Founding Shareholder (together with his Affiliates) does not have such voting power, the Board may also have a Vice-Chairman elected and appointed by a majority of the Directors then in office.

20.3 The period for which the Chairman and/or the Vice-Chairman shall hold office shall be determined by the Founding Shareholder, so long as the Founding Shareholder (together with his Affiliates) beneficially owns at least 50% of the Total Voting Power. Where the Founding Shareholder (together with his Affiliates) does not have such voting power, the Board shall determine the period for which the Chairman and/or the Vice-Chairman shall hold office.

20.4 The Chairman shall preside as chairman at every meeting of the Board at which he is present. Where the Chairman is not present at a meeting of the Board, the Vice-Chairman (if any) shall act as chairman, or in his absence, the attending Directors may choose one Director to be the chairman of the meeting.

21 APPOINTMENT, DISQUALIFICATION AND REMOVAL OF DIRECTORS

21.1 Save as provided in Article 21.5 and subject to Article 21.2, Directors shall be elected by an Ordinary Resolution of Members at an annual general meeting.

21.2 The Founding Shareholder shall be entitled to nominate a number of designees to be appointed to the Board at a general meeting of the Company (the ***Founding Directors***) by notice in writing to the Company as follows:

(a) up to five Founding Directors (or if the size of the Board is increased, a majority (i.e., more than 50%) of the total number of Directors, rounded upward to the nearest whole number), so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 40% of the Total Voting Power,

(b) up to three Founding Directors (or if the size of the Board is increased, one-third of the total number of Directors, rounded upward to the nearest whole number), so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 25% of the Total Voting Power, and

(c) up to one Founding Director (or if the size of the Board is increased, 10% of the total number of Directors, rounded upward to the nearest whole number), so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 5% of the Total Voting Power.

(d) In the event that the Founding Shareholder has nominated less than the total number of Founding Director(s) that the Founding Shareholder is entitled to nominate pursuant to these Articles, the Founding Shareholder shall have the right, at any time, to nominate such additional Founding Director(s) to which he is entitled, in which case the Board shall call an extraordinary general meeting for the purpose of approving resolutions to (A) if applicable, increase the size of the Board as required to enable the appointment of such additional designees (or otherwise increase the size of the Board pursuant to Article 20.1) and (B) appoint such additional Founding Director(s) nominated by the Founding Shareholder to such newly created directorships.

(e) The Founding Shareholder may remove any Founding Director(s) by notice in writing to the Company, whether or not Cause (as defined below) exists, and, upon such removal, may designate a replacement Founding Director, and such replacement Founding Director shall be appointed as a Director by the Board pursuant to Article 21.5.

21.3 Until the Classifying Date (as defined below), each Director shall serve for a term ending on the date of the annual general meeting of the Members next following the annual general meeting of the Members at which such Director was elected. From and after the date on which the Founding Shareholder (together with his Affiliates) no longer beneficially owns more than 50% of the Total Voting Power (the ***Classifying Date***), the Company shall cause the Directors to be, and the Directors shall be, divided into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of Directors constituting the entire Board. The Board shall assign members of the Board in office at the Classifying Date to such classes. Each Director shall serve for a term ending on the date of the third annual general meeting of the Members next following the annual general meeting of the Members at which such Director was elected, *provided* that Directors initially designated as Class I Directors shall serve for a term ending on the date of the first annual general meeting of the Members following the Classifying Date, Directors initially designated as Class II Directors shall serve for a term ending on the second annual general meeting of the Members following the Classifying Date, and Directors initially designated as Class III Directors shall serve for a term ending on the date of the third annual general meeting of the Members following the Classifying Date. The Founding Directors shall be allocated to the longest duration classes unless otherwise determined by the Board.

21.4 Before the expiration of a Director's term of office, a Director may only be removed for Cause by Ordinary Resolution in accordance with Article 21.9 below, subject to Article 21.2(e) above in respect of Founding Directors. ***Cause*** shall mean, in relation to a Director, the occurrence of any of the following events:

(a) the Director's conviction by final judgment issued by a competent court or declaration of guilt before a competent court with respect to any offense considered an intentional crime or punishable by detention, or a torpid act, intentional fraud, improbity, theft or anti-ethical business conduct in the jurisdiction involved;

(b) fraud, theft, financial dishonesty, misappropriation or embezzlement of funds by the Director, whether before or after the date of his election, that adversely affects the Company;

(c) breach or wilful misconduct by the Director in the performance of his or her obligations, including, among others, (i) uninterrupted or repeated omission or refusal to perform the obligations and duties established in the Articles of Association or in the applicable laws, and (ii) incapacity, by the Director, to comply with the obligations and duties as a result of an alcohol or drug addiction; or

(d) wilful misconduct by the Director that causes material damages to or that adversely affects the financial situation or commercial reputation of the Company.

21.5 Subject to Article 21.2, any vacancies on the Board arising other than upon the removal of a Director in accordance with Article 21.9 may be filled by the remaining Director(s) (notwithstanding that the remaining Director(s) may constitute fewer than is required for a quorum pursuant to Article 27.1), *provided* that in the case of a vacancy arising as a result of a removal pursuant to Article 21.2(e) above, the Board shall appoint any person designated as a replacement Founding Director. Any such appointment shall be as an interim Director to fill such vacancy until (x) if before the Classifying Date, the next annual general meeting of Members or (y) if after the Classifying Date, the annual general meeting at which such interim Director's predecessor would have been up for election.

21.6 Additional Board members may be appointed to the Board by Ordinary Resolution, subject to the provisions of Article 21.2.

21.7 There is no age limit for Directors of the Company. Directors are eligible for re-election.

21.8 No shareholding qualification shall be required for a Director. A Director who is not a Member shall nevertheless be entitled to receive notice of and to attend and speak at general meetings of the Company.

21.9 Directors (including, for the avoidance of doubt, Founding Directors) may be removed for Cause by Ordinary Resolution. The notice of general meeting must contain a statement of the intention to remove the Director and must be served on the Director not less than ten (10) calendar days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal. For the avoidance of doubt, where a Founding Director is removed for Cause by Ordinary Resolution, the Founding Shareholder shall be entitled to appoint a new Founding Director (not being the Director so removed for Cause) in accordance with and subject to Article 21.2.

21.10 The office of a Director shall be vacated automatically if:

(a) he or she becomes prohibited by law from being a Director;

(b) he or she becomes bankrupt or makes any arrangement or composition with his creditors generally;

(c) he or she dies or is, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his or her duties as Director;

(d) he or she resigns his or her office by notice to the Company; or

(e) he or she has for more than six (6) months been absent without permission of the Directors from meetings of Directors held during that period and the remaining Directors resolve that his or her office be vacated.

22 POWERS OF DIRECTORS

22.1 Subject to the provisions of the Act, to the Memorandum and the Articles, to any directions given by Ordinary Resolution or Special Resolution and to the listing rules of any Designated Stock Exchange, the business and affairs of the Company will be managed by, or under the direction or supervision of, the Board. The Directors may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.

22.2 Subject to the Memorandum and the Articles, the Board may exercise all the powers of the Company to raise capital or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

22.3 Notwithstanding anything to the contrary in the Memorandum or the Articles, for so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 10% of the Total Voting Power, the Company shall not take any action, or permit its subsidiaries to take any action (including any action by the Board or any committee thereof), with respect to any of the following matters without the prior written approval of a majority of the Class B Ordinary Shares in issue:

(a) entering into any transaction or series of transactions that would result in a Change of Control;

(b) any merger, consolidation, reorganization (including conversion) or any other Business Combination involving the Company or any of its subsidiaries;

(c) any liquidation, dissolution, receivership, commencement of bankruptcy, insolvency or similar proceedings with respect to the Company or any of its subsidiaries;

(d) authorizing or issuing any shares or any security or obligation that, by its terms, directly or indirectly, is convertible into or exchangeable or exercisable for shares (collectively, "**Convertible Securities**") and any option, warrant or other right to subscribe for, purchase or acquire Convertible Securities, other than (i) pursuant to any share plan, employee share purchase plan or equity incentive plan approved by the Board, (ii) in connection with the acquisition by the Company or any of its subsidiaries of the securities, business, technology, property or other assets of another Person or pursuant to an employee benefit plan assumed by the Company or any of its subsidiaries in connection with such acquisition, or the Company's joint ventures, equipment leasing arrangements, debt financings or other strategic transactions; provided that the aggregate number of shares (or shares underlying Convertible Securities) issued or issuable over any 12-month period under this clause (ii) shall not exceed 10% of the total number of Ordinary Shares in issue on the first day of such 12-month period, (iii) in connection with the exchange or conversion of Class B Ordinary Shares into Class A Ordinary Shares, as contemplated hereby or (iv) in compliance with these Articles;

(e) the acquisition, sale, conveyance, transfer or other disposition of any asset or business of the Company or any of its subsidiaries, in one transaction or a series of related transactions, the aggregate consideration or fair value of which is greater than or equal to 20% of the Company's net equity value on the date of such transaction, as determined by the Board in good faith;

(f) redeeming, repurchasing or otherwise acquiring any shares or Convertible Securities of the Company or any of its subsidiaries, other than redemptions, repurchases or acquisitions of from employees, officers, directors, consultants or other Persons performing services for the Company or any of its subsidiaries (or in connection with the cessation of such services) pursuant to agreements under which the Company or any of its subsidiaries has the option to repurchase such shares or Convertible Securities upon the occurrence of certain events, such as the termination of employment or service;

(g) paying or declaring any dividend or distribution on any shares of the Company or any of its subsidiaries except to the extent such payments are to the Company or one of its directly or indirectly wholly owned subsidiaries;

(h) incurring, creating or assuming any indebtedness of the Company or any of its subsidiaries in an amount greater than or equal to the Company's net equity value in the aggregate on a consolidated basis;

(i) any material change in the strategic direction or scope of the Company's business, as determined by the Board in good faith;

(j) any transaction or agreement (other than relating to the issuance or sale of shares or Convertible Securities) between the Company and/or any of its subsidiaries, on the one hand, and any officer, Director or Affiliate of the Company, on the other (excluding, in all cases, of the Founding Shareholder);

(k) any determination or approval of the annual compensation of an officer and/or Director of the Company (excluding, in all cases, of the Founding Shareholder); or

(l) the adoption of a shareholders' rights plan.

23 DELEGATION OF DIRECTORS' POWERS

23.1 Subject to these Articles, the Directors may from time to time appoint any Person, whether or not a director of the Company, to hold such office in the Company as the Directors may think necessary for the administration of the Company, including without prejudice to the foregoing generality, the offices of chief executive officer and chief financial officer, and one or more vice presidents, managers or controllers, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another) and with such powers and duties as the Directors may think fit. The Directors may by resolution remove from that position any officer appointed pursuant to this Article, however:

(a) The chief executive officer shall, subject to the other terms of these Articles: (i) have general executive charge, management and control of the properties, business and operations of the Company with all such powers as may be reasonably incident to such responsibilities; (ii) agree upon and execute all contracts in the name of the Company and may sign all certificates for shares of the Company; and (iii) have such other powers and duties as may be assigned to him or her from time to time by the Board.

(b) The chief financial officer shall have responsibility for the custody and control of all the funds and securities of the Company, and he or she shall have such other powers and duties as may be prescribed from time to time by the Board. He or she shall perform all acts incident to the position of chief financial officer, subject to the control of the chief executive officer and the Board.

23.2 Without limiting the generality of Article 23.1, the Directors may appoint one or more of their body to the office of managing Director or to any other executive office under the Company, and the Company may enter into an agreement or arrangement with any Director for his or her employment, subject to applicable law and any listing rules of the SEC, the CVM or any Designated Stock Exchange, or for the provision by him of any services outside the scope of the ordinary duties of a Director. Any such appointment, agreement or arrangement may be made upon such terms as the Directors determine and they may remunerate any such Director for his services as they think fit. Any appointment of a Director to an executive office shall terminate automatically if he ceases to be a Director but without prejudice to any claim to damages for breach of the contract of service between the Director and the Company.

23.3 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

23.4 Subject to applicable law and the listing rules of any Designated Stock Exchange, the Directors may delegate any of their powers to any committee, consisting of one or more Directors or officers. Subject to the requirements of the SEC, the CVM and any Designated Stock Exchange, the composition of each committee shall be allocated in accordance with the rights set forth in Article 21.2. The Directors may also delegate to any officer or committee of officers such of their powers as they consider desirable to be exercised by him or them. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of its own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee.

24 REMUNERATION AND EXPENSES OF DIRECTORS

24.1 The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board or in general meeting by the Members, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided among the Directors in such proportions and in such manner as they may agree or, failing agreement, either equally or, in the case of any Director holding office for only a portion of the period in respect of which the remuneration is payable, *pro rata*. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office with the Company may be entitled by reason of such employment or office.

24.2 Any Director who, at the request of the Company, performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration as the Board may determine, in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing Director, joint managing Director, deputy managing Director or other officer shall receive such remuneration and such other benefits and allowances as the board of directors may from time to time decide. Such remuneration shall be in addition to his or her ordinary remuneration as a Director.

25 DIRECTORS' GRATUITIES AND PENSIONS

25.1 The Board may establish, either on its own or jointly in concurrence or agreement with subsidiaries or companies with which the Company is associated in business, or may make contributions out of Company monies to, any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

25.2 The Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his or her actual retirement.

26 DIRECTORS' INTERESTS

26.1 With the exception of the office of auditor, a Director may hold any other office or place of profit with the Company in conjunction with his or her office of Director for such period and upon such terms as the Directors may determine in accordance with these Articles, and may be paid such extra remuneration for that other office or place of profit, in whatever form, in addition to any remuneration provided for by or pursuant to these Articles. A Director may be or become a director, officer or member of any other company in which Company may be interested, and shall not be liable to account to the Company or the Members for any remuneration or other benefits received by him as a director, officer or member of such other company.

26.2 No Director or intended Director shall be disqualified by his or her office from contracting with the Company, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship established by it. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his or her interest at the earliest meeting of the Board at which he or she may practically do so.

26.3 A Director shall not vote or be counted in the quorum on any resolution of the Board in respect of any contract or arrangement or proposal in which he or she or any of his or her close associate(s) has/have a material interest, and if such Director shall do so, his or her vote shall not be counted nor shall such Director be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters:

(a) the giving of any security or indemnity to the Director or his or her close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the Company's request and of or for the Company's benefit or any of the Company's subsidiaries;

(b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company's or any of the Company's subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(c) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his or her close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(d) any proposal or arrangement concerning the benefit of the Company's or any of its subsidiaries' employees, including the adoption, modification or operation of either: (i) any employees' share scheme or any share incentive or share option scheme under which the Director or his or her close associate(s) may benefit; or (ii) any of a pension fund or retirement, death or disability benefits scheme which relates to Directors, their close associates and employees of the Company or any of the Company's subsidiaries and does not provide in respect of any Director or his or her close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(e) any contract or arrangement in which the Director or his or her close associate(s) is/are interested in the same manner as other holders of shares, debentures or other securities of the Company by virtue only of his or her/their interest in those shares, debentures or other securities.

26.4 Subject to the Act and Articles 26.1, 26.2 and 26.3 above and the listing rules of any Designated Stock Exchange, if a Director has disclosed to the other Directors the nature and extent of any direct or indirect interest that the Director has in any transaction or arrangement with the Company, a Director, notwithstanding his office:

(a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;

(b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and

(c) shall not by reason of his office be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

26.5 For the purposes of Article 26.4:

(a) a general notice given to the Directors to the effect that (1) a Director is a member or officer of a specified company or firm and is to be regarded as having an interest in any transaction or arrangement that may after the date of the notice be made with that company or firm; or (2) a Director is to be regarded as interested in any transaction or arrangement that may after the date of the notice be made with a specified person who is connected with him or her shall be deemed to be a sufficient disclosure that the Director has an interest of the nature and extent so specified; and

(b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

26.6 A Director must disclose any direct or indirect interest in any transaction or arrangement with the Company, and following a declaration being made pursuant to the Articles, subject to Articles 26.1, 26.2 and 26.3 above and any separate requirement for approval under applicable law or the listing rules of any Designated Stock Exchange, and unless disqualified by the chairman of the relevant meeting, a Director may vote in respect of any such transaction or arrangement in which such Director is interested and may be counted in the quorum at such meeting.

27 PROCEEDINGS OF DIRECTORS

27.1 The quorum for the transaction of the business of the Directors shall be a simple majority of the Directors then in office (subject to there being a minimum of two (2) Directors present, one of whom shall be a Founding Director, to the extent applicable).

27.2 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they determine is appropriate. The affirmative vote of a majority of Directors present at a meeting at which a quorum is present shall constitute an act of the Board. Questions arising at any meeting shall be decided by a majority of Directors present at a meeting at which a quorum is present. In the case of an equality of votes, the Chairman shall have a second or casting vote. In the absence of the Chairman, the Vice-Chairman shall have a second or casting vote. In the absence of both Chairman and Vice-Chairman, no director shall have a second or casting vote and in the event of a tie a new meeting shall be convened.

27.3 Meetings of the Directors shall be held at least once every calendar quarter and shall take place at such place as the Directors may determine from time to time.

27.4 A person may participate in a meeting of the Directors or any committee of Directors by conference telephone or other electronic means by means of which all the persons participating in the meeting can communicate with each other at the same time. Participation by a person in a meeting in this manner is treated as presence in person at that meeting and is counted in a quorum and entitled to vote.

27.5 A resolution in writing (in one or more counterparts) signed by all the Directors or all the members of a committee of the Directors shall be as valid and effective as if it had been passed at a meeting of the Director or committee of Directors, as the case may be, duly convened and held. Unless otherwise provided by its terms, such a resolution shall be effective from the date and time of the last signature.

27.6 The Chairman or in his absence the Vice-Chairman (if any) or in their absence a Director may, and another officer of the Company on the direction of a Director shall, call a meeting of the Directors by at least five (5) clear days' notice in writing to every Director, which notice shall set forth the general nature of the business to be considered, unless notice is waived by all the Directors either at, before or after the meeting is held. To any such notice of a meeting of the Directors all the provisions of the Articles relating to the giving of notices by the Company to the Members shall apply *mutatis mutandis*.

27.7 Notwithstanding Article 27.6, if all Directors so agree to the meeting, the Chairman or in his absence the Vice-Chairman (if any) or in their absence any Director may, or other officer of the Company on the direction of a Director may, call a meeting of the Directors on shorter notice than is provided for in Article 27.6 by notice in writing to every Director, which notice shall set forth the general nature of the business to be considered.

27.8 The continuing Directors (or a sole continuing Director, as the case may be) may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the Articles (if any) as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of increasing the number of Directors to be equal to such fixed number (if any), or of summoning a general meeting of the Company, but for no other purpose.

27.9 All acts done by any meeting of the Directors or of a committee of the Directors shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any Director, or that they or any of them were disqualified, or had vacated their office or were not entitled to vote, be as valid as if every such person had been duly appointed or not disqualified to be a Director or had not vacated their office or had been entitled to vote, as the case may be.

27.10 A Director who is present at a meeting of the Directors at which action on any Company matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent from such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by electronic mail to the Company immediately after the conclusion of the meeting and such notice is received by the Company within twenty four hours. Such right to dissent shall not apply to a Director who voted in favour of such action.

28 SECRETARY AND OTHER OFFICERS

28.1 The Directors may by resolution appoint a Secretary and may by resolution also appoint such other officers as may from time to time be required upon such terms as to the duration of office, remuneration and otherwise as they may think fit. Such Secretary or other officers need not be Directors and in the case of the other officers may be ascribed such titles as the Directors may determine. The Directors may by resolution remove from that position any Secretary or other officer appointed pursuant to this Article.

29 MINUTES

29.1 The Directors shall cause minutes to be made in books kept for the purposes of recording:

(a) all appointments of officers made by the Directors; and

(b) all resolutions and proceedings of meetings of the Company, of the holders of any class of shares in the Company and of the Board and of committees of Board, including the names of the Directors present at each such meeting.

30 SEAL

30.1 The Company may, if the Directors so determine, have a Seal. The Seal shall only be used by the authority of the Directors or of a committee of the Board authorised by the Directors. The Directors may determine who shall sign any instrument to which the Seal is affixed, and unless otherwise so determined every such instrument shall be signed by a Director or by such other person as the Directors may authorise.

30.2 The Company may have for use in any place or places outside the Islands a duplicate Seal or Seals, each of which shall be a reproduction of the Seal of the Company and, if the Directors so determine, shall have added on its face the name of every place where it is to be used.

30.3 The Directors may by resolution determine (i) that any signature required by this Article need not be manual but may be affixed by some other method or system of reproduction or mechanical or electronic signature and (ii) that any document may bear a printed reproduction of the Seal in lieu of affixing the Seal thereto.

30.4 No document or deed otherwise duly executed and delivered by or on behalf of the Company shall be regarded as invalid merely because at the date of the delivery of the deed or document, the Director, Secretary or other officer or person who shall have executed the same or affixed the Seal thereto, as the case may be, for and on behalf of the Company shall have ceased to hold such office and authority on behalf of the Company.

31 DIVIDENDS

31.1 Subject to any rights and restrictions for the time being attached to any shares, the Directors may from time to time declare dividends (including interim dividends) and other distributions on shares in issue and authorize payment of the same out of the funds of the Company lawfully available therefor.

31.2 Subject to any rights and restrictions for the time being attached to any shares, the Company by Ordinary Resolution may declare dividends, but no dividend shall exceed the amount recommended by the Directors.

31.3 Subject to the provisions of the Act, the Directors may declare dividends in accordance with the respective rights of the Members and authorise payment of the same out of the funds of the Company lawfully available therefor. If at any time the share capital is divided into different classes of shares, the Directors may pay dividends on shares which confer deferred or non-preferred rights with regard to dividends as well as on shares which confer preferential rights with regard to dividends, but no dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears that there are sufficient funds of the Company lawfully available for distribution to justify the payment. Provided the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a dividend on any shares having deferred or non-preferred rights.

31.4 The Directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, at the discretion of the Directors, be applicable for meeting contingencies, or for equalising dividends or for any other purpose to which those funds may be properly applied and pending such application may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares in the capital of the Company) as the Directors may from time to time think fit.

31.5 Except as otherwise provided by the rights attached to shares and subject to Article 15, all dividends shall be paid in proportion to the number of shares a Member holds as of the date the dividend is declared; save that (a) if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly; and (b) where the Company has shares in issue which are not fully paid up (as to par value) the Company may pay dividends in proportion to the amount paid up on each share.

31.6 The Directors may deduct from a dividend or other amounts payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share.

31.7 Any Ordinary Resolution or Directors' resolution declaring a dividend may direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to such distribution, the Directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any Member upon the footing of the value so fixed in order to adjust the rights of Members and may vest any assets in trustees.

31.8 Any dividend or other moneys payable on or in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the Register of Members or to such person and to such address as the person or persons entitled may in writing direct. Subject to any applicable law or regulations, every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

31.9 No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

31.10 Any dividend which has remained unclaimed for six years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company.

32 FINANCIAL YEAR, ACCOUNTING RECORDS AND AUDIT

32.1 Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31 December in each year and shall begin on 1 January each year.

32.2 The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and of the Company's assets and liabilities and of all other matters required by the Act (which include all sales and purchases of goods by the company) necessary to give a true and fair view of the state of the Company's affairs and to show and explain the Company's transactions.

32.3 The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors. The books of account shall be kept at the registered office or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

32.4 No Member shall be entitled to require discovery of or any information with respect to any detail of the Company's trading or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Members of the Company to communicate to the public.

32.5 The Directors may from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and corporate records of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by applicable law, the listing rules of any Designated Stock Exchange or authorised by the Directors.

32.6 Subject to Articles 32.5 and 32.7 a printed copy of the Directors' report, if any, accompanied by the consolidated financial statements including every document required by the Act to be annexed thereto, made up to the end of the applicable financial year, shall be sent to the Members at least ten (10) days before the date of the general meeting and laid before the Company at the annual general meeting held in accordance with Article 16.2, provided that this Article 32.6 shall not require a copy of those documents to be sent to any person whose address the Company is not aware of or to more than one of the joint holders of any shares.

32.7 The requirement to send to a person referred to in Article 32.6 the documents referred to in that Article shall be deemed satisfied where, in accordance with all applicable laws, rules and regulations, including, without limitation, the rules of any Designated Stock Exchange, the Company publishes copies of the documents referred to in Article 32.6 on the Company's Website, transmits it to SEC's website or in any other permitted manner (including by sending any other form of electronic communication), and that person has agreed or is deemed by the Company to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.

32.8 The Directors may from time to time determine that Auditors shall be appointed and that the accounts relating to the Company's affairs shall be audited in such manner as the Directors shall determine, *provided*, that nothing contained in this Article shall require Auditors to be appointed or the accounts relating to the Company's affairs to be audited. The appointment of and provisions relating to Auditors shall be in accordance with applicable law and the relevant code, rules and regulations applicable to the listing of the Class A Ordinary Shares on a Designated Stock Exchange.

33 CAPITALISATION OF PROFITS

33.1 The Directors may:

(a) subject to the remainder of this Article, resolve to capitalize any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve;

(b) appropriate the sum resolved to be capitalised to the Members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to such sum, and allot the shares or debentures credited as fully paid to those Members, or as they may direct, in those proportions, or partly in one way and partly in the other, provided that on any such capitalization holders of Class A Ordinary Shares shall receive Class A Ordinary Shares (or rights to acquire Class A Ordinary Shares, as the case may be) and holders of Class B Ordinary Shares shall receive Class B Ordinary Shares (or rights to acquire Class B Ordinary Shares, as the case may be);

(c) resolve that any shares so allotted to any Member in respect of a holding by him of any partly-paid shares rank for dividend, so long as such shares remain partly paid, only to the extent that such partly paid shares rank for dividend;

(d) make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this Article in fractions; and

(e) authorise any person to enter on behalf of all the Members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they may be entitled upon such capitalization, any agreement made under such authority being binding on all such Members.

34 SHARE PREMIUM ACCOUNT

34.1 The Directors shall in accordance with Section 34 of the Act establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share or capital contributed as described in Article 4.11.

34.2 There shall be debited to any share premium account:

(a) on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Act, out of capital; and

(b) any other amounts paid out of any share premium account as permitted by Section 34 of the Act.

35 NOTICES

35.1 Except where otherwise provided in these Articles and subject to the rules of any Designated Stock Exchange, any notice or document (including a share certificate) to be given or issued under these Articles shall be in writing, and may be served on any Member personally, by post to such Member's registered address or (in the case of a notice) by advertisement in the newspapers. The Company will give notice of each general meeting of the Members by publication on the Company's website and in any other manner that the Company may be required to follow in order to comply with Cayman Islands law, the listing rules of any Designated Stock Exchange and SEC and CVM requirements.

35.2 Subject to the Act and the listing rules of any Designated Stock Exchange, a notice or document may also be served or delivered by the Company to any Member by electronic means.

35.3 In the case of joint holders of a Share, all notices shall be given to that one of the joint holders whose name stands first in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

35.4 Notices posted to addresses outside the Cayman Islands shall be forwarded by prepaid airmail or courier.

35.5 Any notice or other document, if served by:

(a) post, shall be deemed to have been served five days after the time when the letter containing the same is posted;

(b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;

(c) recognized courier service, shall be deemed to have been served 48 hours after the time when the letter containing the same is delivered to the courier service;

(d) electronic mail, shall be deemed to have been served immediately upon the time of the transmission by electronic mail; or

(e) placing it on the Company's Website, shall be deemed to have been served one (1) hour after the notice or document is placed on the Company's Website.

In proving service by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.

35.6 A Member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting, and, where requisite, of the purpose for which it was called.

35.7 Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder, unless his name shall, at the time of the service of the notice or document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all Persons interested (whether jointly with or as claiming through or under him) in the share.

35.8 Notice of every general meeting of the Company shall be given to:

(a) all Members holding shares with the right to receive notice and who have supplied to the Company an address, facsimile number or email address for the giving of notices to them; and

(b) every Person entitled to a share in consequence of the death or bankruptcy of a Member who but for his death or bankruptcy would be entitled to receive notice of the meeting.

No other Person shall be entitled to receive notices of general meetings.

36 WINDING UP

36.1 The Board shall have the power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

36.2 If the Company is wound up, the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Act, divide among the Members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Members as he with the like sanction determines, but no Member shall be compelled to accept any assets upon which there is a liability.

36.3 If the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst the Members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

37 INDEMNITY

37.1 Every Indemnified Person for the time being and from time to time of the Company and the personal representatives of the same shall be indemnified and secured harmless out of the assets and funds to the maximum extent permitted by Islands law as then in effect of the Company against all actions, proceedings, costs, charges, expenses, losses, damages, liabilities, judgments, fines, settlements and other amounts (including reasonable attorneys' fees and expenses and amounts paid in settlement and costs of investigation (collectively ***Losses***) incurred or sustained by him otherwise than by reason of his own dishonesty, wilful default or fraud in or about the conduct of the Company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any Losses incurred by him in defending or investigating (whether successfully or otherwise) any civil, criminal, investigative and administrative proceedings concerning or in any way related to the Company or its affairs in any court whether in the Islands or elsewhere.

Such Losses incurred in defending or investigating any such proceeding shall be paid by the Company as they are incurred upon receipt, in each case, of an undertaking by or on behalf of the Indemnified Person to repay such amounts if it is ultimately determined by a non-appealable order of a court of competent jurisdiction that such Indemnified Person is not entitled to indemnification hereunder with respect thereto.

37.2 No such Indemnified Person of the Company and the personal representatives of the same shall be liable (i) for the acts, receipts, neglects, defaults or omissions of any other Director or officer or agent of the Company or (ii) by reason of his having joined in any receipt for money not received by him personally or in any other act to which he was not a direct party for conformity or (iii) for any loss on account of defect of title to any property of the Company or (iv) on account of the insufficiency of any security in or upon which any money of the Company shall be invested or (v) for any loss incurred through any bank, broker or other agent or any other party with whom any of the Company's property may be deposited or (vi) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers, authorities or discretions of his office or in relation thereto or (vii) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on such Person's part, unless he has acted dishonestly, with wilful default or through fraud.

37.3 The Company hereby acknowledges that certain Indemnified Persons may have certain rights to indemnification, advancement of expenses or insurance from or against (other than directors' and officers' or similar insurance obtained or maintained by or on behalf of the Company or any of its subsidiaries, including any such insurance obtained or maintained pursuant to Article 37.4 hereof) Other Indemnitors. The Company hereby agrees that: (i) it is the indemnitor of first resort (i.e., its obligations to an Indemnified Person are primary and any obligation of any Other Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Indemnified Person are secondary); (ii) it shall be required to advance the full amount of expenses incurred by an Indemnified Person and shall be liable for the full amount of all Losses to the extent legally permitted and as required by the terms of these Articles (or any other agreement between the Company and an Indemnified Person) without regard to any rights an Indemnified Person may have against any Other Indemnitors; and (iii) it irrevocably waives, relinquishes and releases any Other Indemnitors from any and all claims against the Other Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by any Other Indemnitors on behalf of an Indemnified Person with respect to any claim for which such Indemnified Person has sought indemnification from the Company shall affect the foregoing, and without prejudice to Article 38 below, Other Indemnitors shall have a right of contribution or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Indemnified Person against the Company. For the avoidance of doubt, no Person or entity providing Directors' or officers' or similar insurance obtained or maintained by or on behalf of the Company or any of its subsidiaries, including any Person providing such insurance obtained or maintained pursuant to Article 37.4 hereof, shall be an Other Indemnitor.

37.4 The Directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a Person who is or was (whether or not the Company would have the power to indemnify such Person against such liability under the provisions of this Article 37 or under applicable law): (a) a Director, Secretary or auditor of the Company or of a company which is or was a subsidiary of the Company or in which the Company has or had an interest (whether direct or indirect); or (b) the trustee of a retirement benefits scheme or other trust in which a person referred to in Article 37.1 is or has been interested, indemnifying him against any liability which may lawfully be insured against by the Company.

38 CLAIMS AGAINST THE COMPANY

38.1 Notwithstanding Article 37.3, unless otherwise determined by a majority of the Board, in the event that (i) any Member (the ***Claiming Party***) initiates or asserts any claim or counterclaim (***Claim***) or joins, offers substantial assistance to or has a direct financial interest in any Claim against the Company and (ii) the Claiming Party (or the third party that received substantial assistance from the Claiming Party or in whose Claim the Claiming Party had a direct financial interest) does not obtain a judgment on the merits in which the Claiming Party prevails, then each Claiming Party shall, to the fullest extent permissible by law, be obligated jointly and severally to reimburse the Company for all fees, costs and expenses (including, but not limited to, all reasonable attorneys' fees and other litigation expenses) that the Company may incur in connection with such Claim.

39 UNTRACEABLE MEMBERS

39.1 Without prejudice to the rights of the Company under Article 39.2, the Company may cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two (2) consecutive occasions. However, the Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered.

39.2 The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Member who is untraceable, but no such sale shall be made unless:

(a) all cheques or warrants in respect of dividends of the shares in question, being not less than three (3) in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the Articles of the Company have remained uncashed;

(b) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Member who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law; and

(c) the Company, if so required by the rules governing the listing of shares on any Designated Stock Exchange, has given notice to, and caused advertisement in newspapers to be made in accordance with the requirements of, such Designated Stock Exchange of its intention to sell such shares in the manner required by such Designated Stock Exchange, and a period of three (3) months or such shorter period as may be allowed by such Designated Stock Exchange has elapsed since the date of such advertisement.

For the purposes of the foregoing, the ***relevant period*** means the period commencing twelve (12) years before the date of publication of the advertisement referred to in this Article 39.2 and ending at the expiry of the period referred to in that paragraph.

39.3 To give effect to any such sale the Board may authorise some person to transfer the said shares and an instrument of transfer signed or otherwise executed by or on behalf of such persons shall be as effective as if it had been executed by the registered holder or the person entitled by transmission to such shares, and the purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of the sale will belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former Member for an amount equal to such net proceeds. No trust shall be created in respect of such debt and no interest shall be payable in respect of it and the Company shall not be required to account for any money earned from the net proceeds which may be employed in the business of the Company or as it thinks fit. Any sale under this Article shall be valid and effective notwithstanding that the Member holding the shares sold is dead, in bankruptcy or otherwise under any legal disability or incapacity.

40 AMENDMENT OF MEMORANDUM AND ARTICLES

40.1 Subject to the Act, the Company may by Special Resolution, and (for so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 10% of the Total Voting Power) with the consent of a majority of the Class B Ordinary Shares in issue, change its name or change the provisions of the Memorandum with respect to its objects, powers or any other matter specified therein.

40.2 Subject to the Act and as provided in these Articles, the Company may at any time and from time to time by Special Resolution, and (for so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 10% of the Total Voting Power) with the consent of a majority of the Class B Ordinary Shares in issue, alter or amend these Articles in whole or in part.

41 TRANSFER BY WAY OF CONTINUATION

41.1 The Company may by Special Resolution resolve to be registered by way of continuation in a jurisdiction outside the Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

42 MERGER AND CONSOLIDATION

42.1 Subject to the Act and the rules of any Designated Stock Exchange, the Company shall, with the approval of a Special Resolution, have the power to merge or consolidate with one or more constituent companies (as defined in the Act), upon such terms as the Directors may determine, provided that (for so long as the Founding Shareholder and his Affiliates continue to beneficially own at least 10% of the Total Voting Power) any such merger or consolidation shall, subject to require the consent of the Founding Shareholder.

42.2 For the avoidance of doubt: a) statutory mergers and consolidations have the specific meaning as set out in Act, b) no additional requirements are imposed by the Articles, and c) transactions which are not deemed by the Directors, in their sole discretion following due deliberations and advice, to be a merger or consolidation as set out in the Act, do not require a Special Resolution and may be carried out by the Company with the approval of Directors and shall not (unless otherwise set out in these Articles or the Act) require separate Member approval.

43 SUBMISSION TO JURISDICTION

43.1 Unless the Company (through the approval of the Board) consents in writing to the selection of an alternative forum, the Grand Court of the Cayman Islands shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director or officer or other employee of the Company to the Company or to any other person; (iii) subject to Article 43.2 below, any action or proceeding asserting a claim against the Company or any director or officer or other employee of the Company arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the Act, any other provision of applicable law, the Memorandum or these Articles; (iv) any action or proceeding seeking to interpret, apply, enforce or determine the validity of the Memorandum or these Articles; or (v) any action or proceeding as to which the Act confers jurisdiction on the Grand Court of the Cayman Islands.

43.2 Unless the Company (through approval of the Board of Directors) consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

43.3 Any person or entity purchasing or otherwise acquiring or holding any interest in shares in the capital of the Company shall be deemed to have notice of and to have consented to the provisions of this Article 43.

43.4 If any provision or provisions of this Article 43 shall be held to be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions of this Article 43 shall not in any way be affected or impaired thereby.

Exhibit 4.1

SERVICES AGREEMENT FOR BRAZILIAN DEPOSITARY RECEIPT (BDRs) ISSUING DEPOSITARY BANK

By this Services Agreement for Brazilian Depositary Receipt Issuing Depositary Bank, hereinafter simply referred to as "Agreement", the parties of which are:

(a) **BANCO BRADESCO S.A.**, financial institution with its principal place of business in Núcleo Cidade de Deus, Vila Yara, no number, Osasco, State of São Paulo, enrolled with the National Corporate Taxpayers Register of the Ministry of Economy (CNPJ/ME) under No. 60.746.948/0001-12, herein presented by its legal representatives undersigned ("**BRADESCO**"); and

(b) **NU HOLDINGS LTD.**, foreign company organized under the laws of Cayman Islands, with office in Campbells Corporate Services Limited, Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands, enrolled with the CNPJ/ME under No. 24.410.913/0001-44, herein duly presented by its legal representative ("**PRINCIPAL**");

BRADESCO and **PRINCIPAL** jointly referred to as "Parties" or individually as "Party".

RECITALS:

I. **WHEREAS BRADESCO** is a financial institution qualified and authorized, by the Central Bank of Brazil and the Brazilian Securities Commission ("CVM"), to provide services for the issue, deposit and bookkeeping of securities deposit certificates, pursuant to articles 27, 34, sole paragraph, and 43 of Law No. 6,404, of December 15, 1976, as amended ("LSA"), and CVM Resolution No. 33, of May 19, 2021; according to the relevant legislation, in particular, but not limited to, CVM Instruction No. 332, of April 4, 2000 ("ICVM 332"), and Resolution No. 3, of August 11, 2020, and the authorizations granted to it by the relevant authorities;

II. **WHEREAS PRINCIPAL** is a company with principal place of business abroad, issuer of shares that shall back BDRs, in process of registration with CVM as a foreign issuer, as well as of its BDR Program – Level III Sponsored pursuant to Article 3, item III, of ICVM 332; and

III. **WHEREAS PRINCIPAL** resolves to contract **BRADESCO** for the provision of Depositary Institution services within the scope of the BDR Program, which shall be backed by shares issued by it.

The Parties named and qualified above, undersigned, duly represented by their legal representatives, as set forth in their organizational documents or other documents, hereby agree to this Agreement, pursuant to the following sections and conditions:

SECTION ONE

DEFINITIONS

"Share(s)" – Class A Common Share(s) issued by **PRINCIPAL**.

"Central Bank" – Central Bank of Brazil.

"BDRs" – Brazilian Depositary Receipts, to be issued by **BRADESCO** under the terms of this Agreement and the applicable legislation, within the scope of a BDR Program – Level III, sponsored by **PRINCIPAL**. Each BDR shall (i) represent a percentage of a Share, which shall be timely defined at the time of launch of the initial public offering, and which shall be deposited with the Custodian, (ii) be issued by **BRADESCO** in registered book-entry form, integers, without fractions, and (iii) be negotiable on an organized over-the-counter market and on a stock exchange. Each BDR shall grant its holder all rights and benefits proportional to the percentage of Shares it represents, provided that the exercise of the rights granted to the Beneficiaries shall be subject to the terms and conditions set forth in this Agreement.

"Beneficiaries" – Individual or legal entity in whose name a BDR may be registered in **BRADESCO**'s deposit accounts held for this purpose.

"B3" – B3 S.A. - Brasil, Bolsa e Balcão.

"Brazilian Civil Code" – Law No. 10,406, of January 10, 2002, as amended.

"Custodian" – The Bank of New York Mellon, as agent of **BRADESCO**, for the purposes of this Agreement, and any other company that may in the future be appointed custodian by **BRADESCO**, subject to prior written acceptance by the **CUSTODIAN**.

"CVM" – Brazilian Securities Commission.

"Business Days" – Days in which banks are open in the Cities of São Paulo and New York.

"Proportion of BDRs' Backing" – a percentage of a Share, defined according to the initial public offering.

SECTION TWO

PURPOSE

2.1. The purpose of this Agreement is to regulate the terms and conditions under which **BRADESCO** shall provide the Depositary Institution services, with the obligation to proceed with the issue, deposit and bookkeeping of **PRINCIPAL**'s Brazilian depositary receipts (the BDRs), under the terms of the applicable legislation.

SECTION THREE

DESCRIPTION OF THE SERVICES

3.1. **Registration of the BDR Program with CVM – BRADESCO**, as an issuing and depositary institution, together with **PRINCIPAL**, shall provide for registration with CVM of the Sponsored BDR Program – Level III.

3.2. **Issue of BDRs – BRADESCO** shall issue BDRs, in registered book-entry form, backed by **PRINCIPAL**'s Shares that are deposited in its name with the Custodian.

3.2.1. For the issue of BDRs, the Beneficiary, under its responsibility, may, at any time, instruct a Brazilian brokerage firm that acts together with a foreign brokerage firm to carry out the purchase and/or deposit of Shares abroad, with the purpose of backing the issue of BDRs in Brazil, making the deposit of the Shares with the Custodian.

3.2.2. In the purchase of Shares abroad, which shall back the issue of BDRs, the brokerage firm shall provide for the contracting and closing of exchange, with the specific nature for the BDR Program, in addition to the submission of the purchase brokerage bill and other documents that may be required by the financial institution responsible for closing the exchange.

3.2.3 Upon receiving the information related to the foreign exchange operations mentioned in Section 3.2.2 above, **BRADESCO** shall register the corresponding currency operations and the relevant changes in the ownership records of the BDRs in the registry books: (i) the **Custodian** shall receive the information from the Brazilian custody agent or brokerage firm, stating which custody agent and customer in Brazil should receive the BDRs; (ii) upon receipt of the information, the **Custodian** shall inform **BRADESCO** of the Shares received by the Custodian through communication from **PRINCIPAL** or any other accepted in this Agreement; (iii) the fees related to the issue of BDRs shall be transferred to the Beneficiary as described in item 4 of Exhibit I to this Agreement; and (iv) all documents relevant to the BDRs purchase process shall be sent to **BRADESCO**.

3.3. Only after delivery of: (i) Beneficiaries' information (communication from **PRINCIPAL**); (ii) issue fee; (iii) instruction to issue BDRs; (iv) copy of the FX agreement for payment of Shares abroad; (v) copy of the brokerage bill, and (vi) verification of documents, **BRADESCO** shall issue the relevant BDRs.

3.4. **Information to the Central Bank, CVM and Relevant Authorities** – **BRADESCO** shall communicate to the Central Bank and other relevant authorities, in the manner and within the term provided for in the regulations in force, about the operations that occurred in relation to the BDRs, including, without limitation, the name of the Beneficiaries, as amended from time to time, and the cancellation of BDRs.

3.4.1. **BRADESCO** agrees to provide CVM, at any time and within the term that may be determined by the latter, any information and documents relating to the approved BDR Program and the issued BDRs, keeping the statements that reflect the daily operation of issued and canceled BDRs up to date and available.

3.5. **Implementation of data – BRADESCO** shall implement in its system the name and qualification of the Beneficiaries, the respective number, type and form of the BDRs and any existing liens, according to the reports provided by the Custodian through communication from **PRINCIPAL**, by **PRINCIPAL**, or by **B3**, as set forth section 3.2.2 above.

3.6. **Registration of BDRs – BRADESCO** shall maintain, on behalf of each Beneficiary, or on behalf of B3, for investors who wish to hold their BDRs in custody, a registration of the BDRs, being responsible for the bookkeeping, control and custody of the books, keeping CVM informed and available to it any and all facts related to the BDRs or **PRINCIPAL**.

3.6.1. The BDRs may be kept in custody at B3, and it is possible to withdraw from custody for registration in **PRINCIPAL**'s BDRs Registry Book maintained by **BRADESCO**.

3.6.2. Ownership of the BDRs shall be presumed through the extract to be provided by **BRADESCO** to the BDR holders who maintain their certificates in the BDRs Registry Book, and through the custody extract to be provided by B3 to the BDR holders who hold their certificates in custody at the latter institution.

3.7. **Information to PRINCIPAL – BRADESCO** shall provide **PRINCIPAL** with access to the records of the BDRs, and shall also provide **PRINCIPAL**, if requested by its representative, with the following documents:

(i) daily list of the names of the Beneficiaries and the gross, net and withholding income tax amounts, relating to the payment of dividends and other income;

(ii) ratio of the total gross, net and withholding income tax amounts, relating to the payment of dividends and other income, according to the frequency required by tax legislation;

(iii) list or magnetic tape annually provided with the name of the Beneficiaries and the gross, net and withholding income tax amounts, relating to the payment of dividends and other income;

(iv) list of each trade carried out by the holder of the BDRs, with the information provided by the non-organized over-the-counter market or by the stock exchange where they are traded;

(v) monthly list of the names of the Beneficiaries and the position of each one;

(vi) daily list, and at the end of the preferential and unsubscribed terms, of the name and qualification of the subscribers, the number of **PRINCIPAL**'s Shares subscribed relevant to the BDRs, and the amounts received;

(vii) list of the names of BDR holders relating to any date chosen by **PRINCIPAL** and, in particular, on specific cut-off dates for the purpose of attending **PRINCIPAL**'s corporate events, including, but not limited to, that of Beneficiaries for shareholders' meetings.

(vii.i) exclusively in relation to the BDRs held in custody at B3, the availability to **PRINCIPAL** is subject to the submission of the necessary information, in a timely manner, by B3 to **BRADESCO**.

3.7.1. Other specific information and services requested or in a specific layout to be provided/required by **PRINCIPAL**, or that are not within the information made available by **BRADESCO** during the services provided, shall be subject to the availability of **BRADESCO**'s systems, and shall be carried out upon acceptance by **PRINCIPAL** of budget to be carried out for the execution of the services.

3.8. **Information to Beneficiaries, usufructuaries and trustees – BRADESCO** shall provide Beneficiaries, usufructuaries and trusteeswith the following documents:

(i) BDRs account statement whenever requested and, if not, once a year;

(ii) dividend payment notice;

(iii) reports for the purpose of income tax return;

(iv) within a maximum period of one (1) business day counted as from the date of receipt of the information from **PRINCIPAL**, reports in order to make the decisions public, as well as all other corporate actions and communications from **PRINCIPAL** (information to owners or holders of their shares, voting procedures, tabulation of votes, etc.) that affect BDRs or the rights and prerogatives attached thereto.

3.8.1. **BRADESCO** undertakes to develop and have available the electronic reporting system set forth in item (iii) of section 3.8, provided that **BRADESCO** shall not send any printed correspondence to investors without **PRINCIPAL**'s knowledge and authorization.

3.9. **Bookkeeping and record of books and documents – BRADESCO** shall book the opening and closing instruments, promoting the registration with the relevant agency through BDRs registry books.

3.9.1. The BDRs registry book shall record the total number of BDRs, as well as issues, cancellations and amendments arising from corporate events, such as stock splits, reverse splits, redemptions, stock dividends, among others.

3.9.2. **BRADESCO** shall from time to time reconcile the BDRs recorded in the BDRs Registry Book with the total number of Shares deposited with the Custodian.

3.9.3. The BDRs registry book shall contain the individual BDR holders, as well as the total number of BDRs on behalf of B3, as the trustee of the certificates, which shall be blocked for deposit in a custody account in such entity.

3.10. **BRADESCO** shall carry out the storage and microfilming of corporate books related to the service provided and the films used in the microfilming of **PRINCIPAL**'s books and documents.

3.11. **Dividends and Distributions:**

3.11.1. **Cash Distributions –** Whenever **BRADESCO** receives any cash dividend or other cash distribution on any **PRINCIPAL**'s Shares, **BRADESCO**, through the execution of a FX agreement, shall convert such dividend or distribution into BRL and distribute the net amount thus received to the Beneficiaries entitled thereto, in proportion to the number of BDRs held by them respectively; provided, however, that in the event that **PRINCIPAL** or **BRADESCO** is required to withhold and actually withheld such cash dividend or such other cash distribution, an amount due to taxes, the amount distributed to the BDRs Beneficiary shall be reduced accordingly. **BRADESCO** shall only distribute the amount that may be distributed without allocating to any Beneficiary a fraction of a penny by rounding it to the next whole penny of a lower value. **PRINCIPAL** shall not pay interest or any other compensation for the period between the date on which dividends and other cash distributions are paid abroad and the date on which the funds are credited to the Beneficiaries in Brazil, provided that **PRINCIPAL** simultaneously discloses abroad and in Brazil the information on the payment of dividends and other cash distributions.

3.11.2. **Distributions in PRINCIPAL's Shares (Stock Dividend/Stock Split) –** With due regard for the corporate acts of **PRINCIPAL**, in the event that any allocation of any **PRINCIPAL**'s Shares occurs in shares, **BRADESCO** shall automatically convert, and provided that permitted by applicable law, the same into BDRs, subject to the terms and conditions of this Agreement, registering them on behalf of the right-holder in proportion to the number of BDRs held by the right-holder respectively. However, with due regard for **PRINCIPAL**'s bylaws or articles of association, in the event of allocating a fraction of BDR to one or more Beneficiaries, **BRADESCO** shall sell the number of **PRINCIPAL**'s Shares received representing the sum of the fractional parties allocated and shall distribute the net amount received as set forth in Section 3.11.1.

3.11.3. **PRINCIPAL** shall not pay interest or any other compensation for the period between the date on which the fractions insufficient to form a BDR are assigned and transferred to **BRADESCO** and the date on which the funds obtained from the sale of the fractions are delivered to the Beneficiaries.

3.11.4. **Other distributions –** Whenever **BRADESCO** receives distributions other than those set forth above, **BRADESCO** shall distribute them to eligible Beneficiaries in proportion to the number of BDRs held by them respectively, provided that in accordance with applicable law. If, in **BRADESCO**'s opinion, such division may not be carried out proportionately, **BRADESCO** may choose any method it deems equitable and feasible for the purpose of executing such distribution.

3.11.5. **Method of Payment to the Beneficiaries –** Payments to the Beneficiaries shall be made within three (3) business days after receipt by **BRADESCO**, in Brazil, of said funds, in the following modalities:

(i) by credit to B3, in the case of Beneficiaries who hold BDRs in custody at B3. B3, in turn, shall carry out the distribution to custody agents and brokerage firms, who/which shall be responsible for making the credits to the Beneficiaries registered in their records;

(ii) by crediting the current account, as indicated, that the Beneficiary maintains with **BRADESCO**;

(iii) by remittance of DOC – Credit Transfer Document or TED – Electronic Funds Transfer for credit to a current or payment account, as indicated, that the Beneficiary maintains with another financial or payment institution, **BRADESCO** not being responsible for the delay in crediting the amount caused by the financial institution to which the DOC or TED shall be sent.

(iv) personally to the Beneficiary, upon his/her attendance at any of the locations indicated in Section 10, when he/she does not have a bank or payment account.

(v) **BRADESCO** shall not remit dividends abroad.

3.12. **Preemptive Rights and Subscription of PRINCIPAL's Shares, Securities and any other rights applicable to the BDRs –** After being informed about the granting of preemptive rights to subscribe for bonds and securities, **BRADESCO** shall notify the Beneficiaries and B3 about the granting of this right, requesting the Beneficiaries to express their interest in exercising the right or disposing of it, and **PRINCIPAL** shall responsible for disclosing this fact to the Brazilian market as provided for in the applicable regulations.

3.12.1. **PRINCIPAL** or the Custodian shall be responsible for informing **BRADESCO** of the number of bonds and securities that may be subscribed, as well as the proportion for the exercise of this right by the Beneficiaries. **PRINCIPAL** or the Custodian shall also be responsible for informing **BRADESCO** of other information relating to the exercise of preemptive rights, such as (i) the issue price of the bonds and securities, which shall be converted into national currency and subject to the relevant fees; (ii) the period for exercising the subscription right; (iii) the deadline for BDR holders to express their interest to **BRADESCO**; (iv) the treatment of any unsubscribed shares; and (v) other information that has been disclosed abroad.

3.12.2. The subscription price of bond and securities to be paid by BDR holders shall consist of the sum of the following items:
(i) subscription price in foreign currency converted into national currency at the PTAX sale rate, published by the Central Bank, on the day prior to sending the subscription information that **BRADESCO** discloses to the market; (ii) exchange rate change verified up to the payment date, added to the issue fee per BDR, indicated in item 4 of Exhibit I to this Agreement.

3.12.3. For BDR holders that are held in custody at B3, the latter shall individually credit the subscription rights to each BDR holder, through brokerage firms or custody users, who/which shall inform their customers, who/which shall choose to subscribe or sell the subscription rights in Brazil, or even not exercise any of the options above. BDR holders that have their certificates registered in the BDRs registry book shall receive from **BRADESCO** the subscription instrument, through which they shall be able to exercise their right or transfer it to another investor.

3.12.4. The brokerage firm or custody agent shall exercise the right on behalf of the Beneficiaries before B3, making the payment to the latter, which shall settle the transaction, crediting the corresponding amounts to **BRADESCO**, including the amount referring to the fees described in sub-item 3.12.2. The BDRs subscribed with **BRADESCO** shall be settled in the institution itself.

3.12.5. **BRADESCO** shall receive from the brokerage firms, which provide custody services through B3, the amounts necessary to pay for the subscription, plus the fees indicated in sub-item 3.12.2, and shall provide for closing of exchange for remittance abroad of the amounts due in favor of the Custodian.

3.12.6. The Custodian shall receive the amount corresponding to the issue price of the Shares in foreign currency and shall be responsible for making the respective payment to **PRINCIPAL**, receiving the Shares, which shall be deposited on behalf of **BRADESCO** with the Custodian, backing the BDRs to be issued in Brazil.

3.12.7. **PRINCIPAL** shall not pay interest or any other compensation for the period between the date on which the bonds and securities are subscribed and the date on which they are delivered to the Beneficiaries.

3.13. **Stock split, reserve split and stock dividend –** With due regard for the provisions of **PRINCIPAL**'s by-laws or articles of association, **BRADESCO** shall amend the registration of the BDRs in cases of stock split, reverse split or stock dividend credit, in proportion to the rights corresponding to them.

3.14. Beneficiaries shall not be offered rights or any other prerogatives that are or result in being illegal or not accepted by current Brazilian legislation, or the availability of which to the Beneficiaries is impracticable.

3.15. **Cancellation of BDRs –** With due regard for the provisions of **PRINCIPAL**'s by-laws or articles of association, BDRs may be canceled at any time, upon delivery of BDRs to **BRADESCO** for the purpose of obtaining **PRINCIPAL**'s Shares represented by them, payment of the applicable taxes and fees and the execution of a BDRs cancellation instrument and other documents that may be necessary to comply with all legal obligations, and the relevant Beneficiaries shall receive, as soon as possible, **PRINCIPAL**'s Shares represented by the delivered BDRs, provided that it shall not be possible to cancel the number of BDRs that result in a fraction of Company's Share.

3.15.1 As soon as any Beneficiary has delivered their BDRs to **BRADESCO**, as set forth in Section 3.15. above, **BRADESCO** shall instruct the Custodian to deliver **PRINCIPAL**'s Shares represented by the canceled BDRs to such Beneficiary, the delivery of which shall take place at the Custodian's central office or at any other place agreed between the Custodian and the relevant Beneficiary.

3.16. **Exercise of Voting Rights –** The Beneficiaries shall have the right to instruct **BRADESCO** to exercise the vote corresponding to the Shares deposited with the Custodian, exclusively in relation to matters in which such Shares have voting rights, as set forth in **PRINCIPAL**'s bylaws.

3.16.1. **PRINCIPAL**, when calling a general shareholders' meeting in which the Shares have voting rights, shall send the call notice to **BRADESCO**, already translated into Portuguese, on the same date of its disclosure to the market, so that **BRADESCO** may notify the Beneficiaries.

3.16.2. Upon receipt of the call notice as set forth in Section 3.16.1 above, **BRADESCO**, as soon as possible, shall send a communication to the Beneficiaries, at the addresses they maintain with **BRADESCO** and/or registered with B3 and the relevant brokerage firms or custody agents, which shall contain: (a) the information included in the call notice received by **BRADESCO**, (b) a statement that the Beneficiaries shall have the right to send their expression of vote to **BRADESCO** no later than five (5) business days before the meetings are held, by filling in the voting instructions according to the form to be sent together with the aforementioned communication; the voting instructions may be delivered via facsimile, mail or in person, to the addresses to be indicated by **BRADESCO** in the relevant communication, within the aforementioned period.

3.16.3. **BRADESCO**, upon receiving the correspondence in a timely manner to pass on the information, with the relevant voting instructions, shall tabulate and send the information to the Custodian, through a message from **PRINCIPAL**, correspondence in a .pdf file, SWIFT message or facsimile, within the shortest possible period before the meetings are held or according to the applicable regulatory period. The Custodian, upon receiving the information, shall vote or appoint a proxy to vote at the relevant shareholders' meeting, in accordance with the voting instructions received from **BRADESCO**.

3.16.4. **BRADESCO** and its agents shall not be responsible for failure resulting from non-receipt of the voting instructions or non-receipt of such instructions in a timely manner.

3.16.5. In any case, **BRADESCO** shall not have the right to exercise, on a discretionary basis, the voting rights relating to the Shares backing the BDRs.

3.16.6. If **BRADESCO** does not receive voting instructions from all Beneficiaries by the stipulated date, **BRADESCO** shall exercise the voting rights considering only the instructions received from the Beneficiaries who expressed their interest within the specified period.

3.17. **Service location –** The Beneficiaries shall be serviced at the locations mentioned in Section Ten of this Agreement.

3.17.1. **BRADESCO** may change the service locations, upon written communication to **PRINCIPAL** and the Beneficiaries.

3.18. **Chargeable Fees from the Beneficiaries –** Within the scope of this Agreement, **BRADESCO** may charge the Beneficiaries the fees agreed from time to time with **PRINCIPAL**, which shall be included in this Agreement as Exhibit I.

3.19. Maintenance of Authorizations and Records—During the term of effectiveness of this Agreement, **BRADESCO** agrees to maintain in full force all government authorizations necessary for the provision of the services subject matter of this Agreement.

SECTION FOUR

OBLIGATIONS OF THE PARTIES

4.1. In addition to the obligations already listed throughout this Agreement, **PRINCIPAL** agrees to:

4.1.1. On the stipulated date, **PRINCIPAL** agrees to credit the current account to be designated by **BRADESCO** with the amount of the compensation indicated in Section Six regarding the provision of the services herein agreed, as well as agrees to:

4.1.2. Ensure that the Shares backing the BDRs remain deposited on behalf of **BRADESCO** in the account that it maintains with the Custodian.

4.1.3. Deliver to the Custodian the funds related to dividends, stock dividends and other cash distributions corresponding to the BDRs.

4.1.4. Keep **BRADESCO** permanently informed about its resolutions related to the services herein agreed.

4.1.5. Communicate to **BRADESCO**, on the date they are called abroad, of the holding of any corporate events, including meetings, in a timely manner so that **BRADESCO** may comply with the terms of this Agreement.

4.1.6. Do not perform or grant powers for a third party to perform any act related to the service contracted herein without the prior consent of **BRADESCO**.

4.1.7. Pay and/or collect all future taxes and fees that may be due, on their maturity date, to the relevant authorities, the responsibility of which is assigned by the applicable legislation.

4.1.8. Simultaneously disclose in Brazil the information disclosed abroad, including material facts and corporate events decided abroad.

4.2. In addition to the events set forth above, **PRINCIPAL** agrees to carry out all publications required by the applicable legislation and regulations. If **BRADESCO** is required to make any publication on behalf of **PRINCIPAL** under the terms of the applicable regulations, **PRINCIPAL** shall refund the amounts spent by **BRADESCO** for this purpose.

4.3. In addition to the obligations already listed throughout this Agreement, **BRADESCO** agrees to:

4.3.1. Keep the registration of the BDR Program updated with CVM, as well as request from CVM any changes to the BDR Program requested by **PRINCIPAL**, using the information provided by **PRINCIPAL** for this purpose;

4.3.2. Issue the BDRs according to the backing of the Shares deposited with the **CUSTODIAN**;

4.3.3. In relation to the BDRs held in its custody, register the transfers of BDRs and their relevant annotations in the book-entry system for the registration of BDRs;

4.3.4. Upon **PRINCIPAL**'s request, register in B3's system the BDRs that may be admitted to trading in such entity's trading environments;

4.3.5. Adopt, in the performance of its duties and in the fulfillment of its obligation, the same standard of care that it exercises in relation to its own assets, observing the professional principles and standards of normal diligence, prudence and expertise for certificate issue activities;

4.3.6. Take responsibility for proven acts or omissions that are attributable to it and that cause the deterioration or perishing of the BDRs or the rights attached thereto;

4.3.7. Transfer to B3 the funds paid to it by **PRINCIPAL**, directly or through the **CUSTODIAN**, relating to the cash distributions to which the BDR holders registered in B3's system are entitled, as well as the funds obtained from the sale of fractions of BDRs in B3, if applicable;

4.3.8. Maintain in full force all legal authorizations necessary to provide the services set forth in this Agreement;

4.3.9. Pursuant to article 5, paragraph five, of CVM Instruction 332, provide CVM, at any time and within the period that may be determined by the latter, with any information and documents relating to the BDR Program and the BDRs; and

4.3.10. Observe the procedures for discontinuing the BDR Program that are established by the stock exchange or entity of the organized over-the-counter market in which they are traded.

SECTION FIVE

BENEFICIARIES' RIGHTS

5.1. Each BDR shall grant its holder all rights and benefits proportional to the percentage of the Share it represents, provided that the Beneficiaries are not **PRINCIPAL**'s shareholders and the exercise of the rights granted to the Beneficiaries is subject to the terms and conditions set forth in this Agreement.

5.2. The Beneficiaries may, at any time and upon payment of the fee indicated in item 4 of Exhibit II to this Agreement, if applicable, in accordance with the provisions of section 3.14 above, request that the BDRs held by them be canceled and thus receive **PRINCIPAL**'s Shares represented by the canceled BDRs, provided that it shall not be possible to cancel the number of BDRs that result in a fraction of Company's Share. **BRADESCO** may require the Beneficiaries to present documents that evidence their identity and ownership of the BDRs. **BRADESCO** may refuse to cancel the BDRs of the Beneficiaries who/which have not complied with their tax, FX or other obligations relating to the investment in the BDRs.

SECTION SIX

COMPENSATION AND COSTS

6.1. For the services provided and as a reimbursement of incurred costs, **PRINCIPAL** shall pay **BRADESCO** the compensation indicated in Exhibit II, in accordance with the provisions established therein.

SECTION SEVEN

POWER OF ATTORNEY AND AUTHORIZATIONS

7.1. PRINCIPAL hereby irrevocably and irreversibly appoints and constitutes **BRADESCO** as its attorney-in-fact, in accordance with articles 653, 683, 686 and its sole paragraph of the Brazilian Civil Code, to which it grants special and specific powers to represent it in the performance of the acts necessary for the provision of the services contracted herein, especially to record transfers, operations and blocking of assets, execute resolutions of its Annual and Special General Meetings, of the Board of Directors or its Executive Board, pay willful events, give and receive release, sign instruments of Opening and Closing of Corporate Books intended for the registration of shares, represent it before the BDR holders, departments of the Registry of Commerce, Boards of Commerce in general, Collection Agencies of the Ministry of Finance, Stock Exchange, B3, Central Bank, CVM, brokerage firms and distribution companies, and financial institutions in general, exclusively aiming at the achievement of the subject matter of the Agreement, the delegation of powers being permitted, in whole or in party.

7.2. **BRADESCO** shall strictly observe the instructions given to it by **PRINCIPAL** to execute the power of attorney granted to it. Therefore, the execution of any other legal transaction alien to this Agreement is forbidden.

7.3. **BRADESCO** is authorized by **PRINCIPAL**, irrevocably and irreversibly, to provide information from the database of BDR holders or deposit accounts to regulatory and supervisory agencies and courts when requested, as well as to accept blocking orders for BDRs registered in the deposit accounts, provided that **BRADESCO** shall notify **PRINCIPAL** as soon as it receives a request for information from regulatory and supervisory agencies and courts, as well as any blocking orders for BDRs registered in the deposit accounts.

SECTION EIGHT

TERM OF EFFECTIVENESS AND TERMINATION

8.1. This Agreement is executed for an indefinite period of time, provided that, until the eighteenth (18th) month, counted as from the date of execution of this instrument ("Minimum Term"), the Agreement may not be terminated by any of the Parties.

8.1.1. After the expiration of the Minimum Term, this Agreement may be terminated, at any time, by any of the Parties, without the right to compensation or indemnification, upon notice from the interested Party to the other Party, at least one hundred and eighty (180) days in advance, counted as from the receipt of the communication by the other Party.

8.2. **BRADESCO**, after the expiration of the Minimum Term, may resign the position of Depositary Institution, as set forth herein, upon notice delivered to **PRINCIPAL**, which shall only enter into full force and effect after (i) the expiration of the period of one hundred and eighty (180) days counted as from the delivery date or (ii) the appointment, by **PRINCIPAL**, of a new depositary agent ("**New Depositary**") and the express acceptance, by the New Depositary, of such appointment, whichever occurs first, provided that the Parties may negotiate, by mutual agreement, to continue this Agreement for a period longer than the period mentioned in this section.

8.3. **PRINCIPAL**, after the expiration of the Minimum Term, may remove **BRADESCO** from the position of Depositary Institution, as set forth herein, upon notice delivered to **BRADESCO**, which shall only enter into full force and effect after (i) the expiration of the period of one hundred and eighty (180) days counted as from the delivery date or (ii) the appointment, by **PRINCIPAL**, of a New Depositary and the express acceptance, by the New Depositary, of such appointment, whichever occurs first.

8.4. In both cases described in sections 8.2 and 8.3 above, **BRADESCO**, within a maximum period of two (2) business days counted as from the delivery of the notice (in the case of Section 8.2) or the receipt thereof (in the case of Section 8.3), shall communicate in writing this fact to the Beneficiaries, by means of correspondence sent to the addresses of the respective brokerage firms or custody agents, and **PRINCIPAL** shall disclose such fact to the Brazilian market as provided for in the applicable regulations.

8.5. In the event of **BRADESCO**'s resignation or removal, in the manner and within the periods set forth in Sections 8.2 and 8.3 above, **PRINCIPAL** shall use its best efforts to appoint a New Depositary.

8.5.1. Immediately after the appointment of the New Depositary, **PRINCIPAL** shall notify **BRADESCO** of this fact. **BRADESCO**, immediately upon receipt of such notice, shall transfer to the New Depositary the registry of Beneficiaries and all rights and powers held by it due to the position of Depositary Institution, including, without limitation, ownership of **PRINCIPAL**'s Shares backing the BDRs.

8.6. As soon as **PRINCIPAL** has appointed a New Depositary, **BRADESCO**, provided that **PRINCIPAL** has complied with all its obligations defined in Section Four, agrees to:

(i) immediately provide **PRINCIPAL** or the New Depositary with all information and documents that it may possess as a result of the services provided;

(ii) facilitate the transfer of the BDRs, books, records and other information relating thereto to **PRINCIPAL** or the New Depositary, including making its qualified personnel available for such transfer, within a period to be determined at the time;

(iii) provide the services stipulated herein until the actual transfer thereof to the New Depositary.

8.7. The Beneficiaries, within a maximum period of ninety (90) days, counted as from the date of **BRADESCO**'s resign or removal, as Depositary Institution of the BDR Program, with due regard for the bylaws or articles of association, may request **BRADESCO** to cancel their BDRs, pursuant to the regulations then in force and the receipt of **PRINCIPAL**'s Shares backing these BDRs, provided that it shall not be possible to cancel the number of BDRs that result in a fraction of Company's Share.

8.8. After the expiration of the period of ninety (90) days for the request to cancel the BDRs mentioned in Section 8.7 above, if there are still issued and outstanding BDRs, **BRADESCO** shall no longer register any transfer of ownership of these BDRs, as well as make any distribution to the Beneficiaries of assets and/or funds received by it, for the benefit of the Beneficiaries, as depositary agent of the BDRs. However, **BRADESCO** shall continue to cancel BDRs and accrue the assets and funds received by it, for the benefit of the Beneficiaries, as Depositary Institution of the BDRs.

8.9. Upon expiration of the period of one (1) year counted as from the end of the period of ninety (90) days for the request to cancel the BDRs mentioned in Section 8.8 above, **BRADESCO** shall cancel the BDRs then outstanding and sell **PRINCIPAL**'s Shares backing these BDRs, as well as the assets that have been accrued and not distributed to the Beneficiaries, as set forth in Section 8.9 above. The funds thus obtained, together with the funds accrued for the benefit of the Beneficiaries and not distributed to them, as set forth in Section 8.9 above, shall be deposited in a single bank account, without compensation, and shall be used for payment to the Beneficiaries, who/which may claim to **BRADESCO** the receipt of the amounts corresponding to their BDRs, discounting any and all maintenance fees, charges or taxes, of any nature, levied on the funds held in this bank account.

8.11. Notwithstanding the provisions of Sections 8.1 to 8.10 above, this Agreement may be immediately terminated by written communication, with due regard for, however, the provisions of section 8.6 above:

(i) in case of non-compliance with any contractual obligation; not cured within fifteen (15) business days of receipt of the notice informing such non-compliance;

(ii) if either Party:

a) goes bankrupt, files for judicial reorganization or initiates out-of-court reorganization procedures, has its bankruptcy, intervention or liquidation required;

b) has its authorization to provide the services contracted herein revoked.

SECTION NINE

AUTHORIZED AND CONTACT PERSONS

9.1. **BRADESCO** shall only provide information and/or comply with **PRINCIPAL**'s orders signed by the legal representatives, attorneys-in-fact appointed by power of attorney or indicated in the List of Authorized Persons ("**Authorized Persons**").

9.1.1. Orders may be sent in writing or by electronic means (via Internet, email or facsimile), provided that the means used may identify the legal representative and/or person authorized by **PRINCIPAL**.

9.1.2. In cases where communication is sent by electronic means (via Internet, email or facsimile), **PRINCIPAL** shall confirm receipt of the orders by **BRADESCO**.

9.1.3. **PRINCIPAL** agrees to immediately notify **BRADESCO** of the changes, inclusions and exclusions of any Authorized Person or data informed, updating the List of Authorized Persons.

9.1.4. Instructions transmitted by the Authorized Persons shall be accepted by **BRADESCO**, until notified otherwise in writing by **PRINCIPAL**.

9.1.5. In case of ambiguity in the instructions transmitted by any of the Authorized Persons, **BRADESCO** shall:

(i) immediately inform in writing the issuer of the instruction regarding this ambiguity; and

(ii) refuse to comply with these instructions until the ambiguity is cured.

9.2. It is agreed between the Parties that the communications between them, set forth in this Agreement, as necessary to achieve the provision of the services agreed herein, to be considered valid, shall be made in a clear, complete, secure and timely manner, by the means set forth in this Agreement, always confirming the receipt immediately, directed and received by people with powers to do so.

9.3. **BRADESCO**, without any liability, shall comply with the instructions it believes in good faith to have been given by **PRINCIPAL**'s Authorized Persons, provided that it has taken all the precautions set forth in this Agreement in order to ensure that the instructions have been given by Persons Authorized.

9.4. All notices and communications between the Parties required or permitted under this Agreement shall be in writing and delivered to each party by facsimile, certified letter (return receipt requested) or by personal delivery to the following addresses:

(i) If to **PRINCIPAL**, to the persons and addresses on the List of Authorized Persons;

PRINCIPAL: NUBANK

Departamentos Jurídico e de Relação com Investidores (Legal and Investor Relations Departments)

Rua Capote Valente, n° 39 – Pinheiros

CEP: 05409-000

São Paulo, SP, Brasil.

Phone: 0-55-11-4020-0185

Facsimile: 0-55-11-4020-0185

emails: beatriz.outeiro@nubank.com.br/marco.araujo@nubank.com.br/ ir@nubank.com.br

(ii) If to **BRADESCO**:

BANCO BRADESCO S.A.

Núcleo Cidade de Deus—Prédio Amarelo, 1° andar, Vila Yara, s/n°

CEP: 06029-900.

Osasco, São Paulo, Brasil.

Phone: 0-55-11-3684-4522

Facsimile: 0-55-11-3684-5645

e-mails: bradescocustodia@bradesco.com.br/dac.dr@bradesco.com.br/ dac.escrituraçao@bradesco.com.br

SECTION TEN

SERVICE TO BDR HOLDERS

10.1. The service to BDR holders or their legal representatives shall be made through **BRADESCO** branches, distributed throughout the national territory, for the purpose of providing position information, earnings, other information and process registration requests related to BDRs issued by **PRINCIPAL**, and BDR holders or their legal representatives shall present themselves with identification and representation documents.

SECTION ELEVEN

CONFIDENTIALITY

11.1. The Parties, their officers, employees and representatives on any account shall maintain confidentiality regarding all information to which they have access as a result of the execution of this Agreement.

11.2. For the purposes of this Agreement, all documents, general, commercial or operational information, assessments, reviews, interpretations or other data that have not been published lawfully and without breach of this Agreement, regarding the Parties, their customers and individuals or legal entities with which they maintain a relationship, are considered confidential, jointly or individually referred to as confidential information.

11.3. The following are not considered confidential information:

(a) information that is or becomes public domain without the interference of either Party; or

(b) information that is known to either Party or its representatives before the beginning of the negotiations that resulted in this Agreement.

11.4. The Parties may only reveal any confidential information to a third party upon prior written authorization from the party that owns the information.

11.5. If either Party, by determination of a public authority or as a result of a court order, has to reveal any confidential information, it shall proceed as follows:

(a) shall immediately inform the Party, which owns the confidential information, regarding the order of the public authority or the judge, unless the information contains a prohibition in this regard; and

(b) shall provide all the information and subsidies that may be necessary so that the holder of the confidential information, at its discretion, may defend itself against the disclosure of any confidential information.

11.6. It is forbidden the use of the confidential information for any purpose other than:

(a) the normal performance of this Agreement; or

(b) the maintenance of records and files obtained by legislation.

11.7. In addition to constituting a breach of contract, breach of the confidentiality duty, including that committed by its employees, officers and representatives on any account, compels the infringing Party to pay indemnity for the damage caused to the Party that owns the information, which shall be duly assessed by final and non-appealable court decision.

11.8. The payment of indemnity does not release the Parties, their officers, employees and representatives on any account from continuing to comply, as appropriate, with the confidentiality duty, as set forth in this Agreement.

11.9. Whatever the cause of dissolution of this Agreement, the Parties shall continue to be bound, by themselves and their officers, employees and representatives on any account, to observe the confidentiality duty, including for a period of two (2) years after its termination, under penalty to indemnify the damage caused.

SECTION TWELVE

GENERAL PROVISIONS

12.1. The omission or forbearance of the Parties in demanding strict compliance with the terms and conditions of this Agreement shall not constitute novation or waiver, nor shall it affect their rights, which may be exercised at any time.

12.2. This Agreement is executed in favor of all Beneficiaries, pursuant to the provisions of article 436 of the Brazilian Civil Code, and Parties are prohibited from innovating under the terms of article 438 of the Brazilian Civil Code.

12.3. This Agreement may be freely amended by means of an instrument signed by **PRINCIPAL** and **BRADESCO**, without consent of the BDR holders. Any inclusions, exclusions or changes to existing sections shall be recorded in an amendment duly signed by the Parties, which shall become an integral part of this Agreement.

12.3.1. Any amendment that substantially impairs any right of the Beneficiaries shall only enter into force with respect to outstanding BDRs after the expiration of a period of thirty (30) days counted as from the date on which such amendment is notified to the Beneficiaries holding outstanding BDRs through written communication sent to each BDR holder, at the addresses included in the BDRs registry book, at the respective brokerage firms or custody agents.

12.3.2. The consent of the Beneficiaries, in relation to any amendment that substantially impairs any of their rights, shall be presumed if, after the expiration of the period of thirty (30) days mentioned above, these Beneficiaries continue to hold BDRs.

12.3.3. The Parties agrees to make an amendment to this Agreement within one (1) business day after the definition of the Proportion of BDRs' Backing by **PRINCIPAL**'s relevant bodies, which shall take place before the launch of the initial public offering.

12.4. This Agreement shall be governed by the laws of the Federative Republic of Brazil. If **BRADESCO** deems that **PRINCIPAL**'s and its Beneficiaries' instructions are in disagreement with such legislation, it shall immediately notify **PRINCIPAL** or the Beneficiaries of such understanding.

12.5. It is hereby established and defined for both Parties, which irrevocably and irreversibly execute this instrument, the absence of any liability or guarantee of **BRADESCO** for the payment of any event subject matter of this Agreement to the Beneficiaries, it being solely responsible for the performance of the acts and procedures set forth in this Agreement, in accordance with the orders given by **PRINCIPAL**, and the latter shall defend, exempt and compensate **BRADESCO** against such liabilities or guarantees, except in cases where **BRADESCO** has acted with fault or intentional misconduct.

12.6. The Parties, by themselves, their employees or agents, under the penalties of the Law, shall maintain the most complete and absolute confidentiality of any data, materials, details, information, documents, technical and commercial product specifications of each other, and/or of third parties, that they may have knowledge of or access to, or that may be entrusted to them, whether or not related to the provision of the service subject matter of this Agreement. Failure to comply with the provisions of this section shall result in legal penalties, the offender and whoever else caused the violation being accountable, in civil and criminal level, except when the disclosure of such information is required by law, court order or supervisory authority, in which case, the fact shall be immediately communicated to the interested Party.

12.7. The Parties shall not maintain any employment relationship with managers, representatives, employees and/or agents of each other, nor shall any form of association be established between them, therefore each of them shall be particularly and exclusively responsible for the fulfillment of their respective labor, social, social security and occupational obligations according to the subject matter of this Agreement or any amendments hereof, even if there is legislation, case law and/or any other court or out-of-court circumstance that may cause a different construction.

12.8. Each Party is prohibited from using the terms of this Agreement, as well as each other's trademarks, names and patents, whether in marketing or advertising, without the express prior written authorization of the other, and the aggrieved Party may choose, at its sole discretion, to consider this Agreement automatically terminated, observing the effects of item 8.11, in addition to the infringing Party responding for the application of losses and damages that are assessed, as provided for in the current legislation.

12.9. The Parties hereby irrevocably and irreversibly assume full responsibility for any losses and personal injuries, pain and suffering or property damages that may be suffered and duly proven by the other Party and/or a third party, due to the provision of the service herein agreed, arising from the fault or intentional misconduct of the other Party, its employees or agents.

12.10. Neither Party may assign or transfer, in whole or in part, to third parties, the rights and obligations arising from this Agreement, without the prior and express written consent of the other Party.

12.11. **PRINCIPAL** hereby acknowledges that the service contracted herein is subject to laws, rules, customs, procedures and practices, which may change from time to time. In the event of a change in legislation that, in whole or in part, limits the provision of the service contracted herein, **BRADESCO** shall request from **PRINCIPAL** new instructions as to the procedures to be taken to fulfill the obligations assumed under this Agreement.

12.12. The Parties agree to observe the provisions and obligations of this Agreement, its Exhibit and applicable law, and **PRINCIPAL** shall be responsible for verifying the responsibilities regarding the issue and distribution of the shares issued by it on behalf of the relevant holders and all willful events, and **BRADESCO** for the provision of the services contracted herein.

12.13. Acts of God and force majeure are excluded from the responsibility of the Parties, pursuant to article 393 of the Brazilian Civil Code.

12.14. All processes described in Section Three shall be reviewed by **BRADESCO** and, if applicable, additional documents may be required from the parties involved for proper registration, as well as the processes are subject to confirmation of the authenticity of the order given, for its release, and if all requirements are not met in accordance with the legislation in force at the time the registration takes place and also that allow the correct identification of the Beneficiary, **BRADESCO** may return the process to the origin, informing the reason for such refusal.

12.15. The Parties represent that they were previously presented with a copy of this Agreement, containing in full all its sections, which has been read and understood in its entirety, agreeing with its express terms.

12.16. The Parties agree, for themselves and their successors, to faithfully comply with this Agreement.

12.17. Taxes due as a direct or indirect result of this Agreement, or its performance, constitute taxpayer's liability, as defined in the tax legislation.

12.18. Except as otherwise provided in this Agreement and/or the applicable legislation, all costs and expenses, including, but not limited to, attorneys', financial advisors' and auditors' fees and expenses, incurred in connection with this Agreement and the transactions contemplated herein, shall be paid by the Party that incurs these costs and expenses.

12.19. Under no circumstances shall **BRADESCO** be held responsible for any acts and/or activities described in this Agreement, which have been performed by third parties retained by **PRINCIPAL**.

12.20. Excluding the obligations imposed on **BRADESCO** in this Agreement, the provisions of the Brazilian Civil Code in force and other legislation applicable to this Agreement, **BRADESCO** shall be held harmless from any other liability arising from acts performed with fault or intentional misconduct by **PRINCIPAL**, its managers, representatives and employees, except in the case of clear fault related to **BRADESCO**'s responsibilities set forth in this Agreement, duly proven intentional misconduct or bad faith.

12.21. Each of the Parties warrants to the other Party that: (i) it is vested with all powers and authority to execute and fulfill the obligations set forth herein and carry out the transactions contemplated herein; and (ii) the execution and performance of this Agreement do not result in violation of any third-party rights, applicable law or regulation, neither in violation, non-compliance or default of any agreement, instrument or document of which it is a party or by which has any of its properties bound and/or affected, nor in the need to obtain any authorization under any agreement, instrument or document of which it is a party or by which it has any of its properties bound and/or affected.

12.22. This Agreement constitutes the entire understanding and agreement between the Parties and supersedes all prior oral or written warrants, conditions, promises, representations, contracts and agreements regarding the subject matter of this Agreement.

12.23. The Parties jointly and expressly represent that this Agreement was executed observing the principles of honesty and good faith, by free, conscious and firm manifestation of intent and in perfect equity.

12.24. If, as a result of any unappealable court decision, any provision or term of this Agreement is considered null or void, such nullity or voidability shall not affect the validity of the other sections of this Agreement not affected by the declaration of nullity or annulment.

12.25. The Parties represent and mutually warrant, including before their providers of goods and services, that:

a) carry out their activities in accordance with the current legislation applicable to them, and that they hold the necessary approvals for the execution of this Agreement and for the fulfillment of the obligations set forth herein;

b) do not use illegal work and undertake not to use work practices similar to slavery, or child labor, except for the latter as an apprentice, with due regard for the provisions of the Consolidated Labor Laws, whether directly or indirectly, through their respective providers of goods and services;

c) do not employ minors up to 18-yo, including minor apprentices, in places that are harmful to their formation, physical, psychological, moral and social development, as well as in dangerous or unhealthy places and services, at times that do not allow school attendance and also at nighttime, considering this the period between ten p.m. (22:00) and five a.m. (5:00);

d) do not use practices of negative discrimination and limiting access to the employment relationship or its maintenance, such as, but not limited to, reasons of sex, origin, race, color, physical condition, religion, marital status, age, family situation or pregnancy status;

e) undertake to protect and preserve the environment, as well as to prevent and eradicate practices harmful to the environment, providing their services in compliance with current legislation regarding the National Policy on the Environment and Environmental Crimes (*Política Nacional do Meio Ambiente e dos Crimes Ambientais*), as well as legal, normative and administrative acts relating to the environmental and related area, issued by the Federal, State and Municipal levels.

12.26. **PRINCIPAL**, as represented herein, represents to be aware of the provisions of **BRADESCO** Organization's Code of Ethical Conduct, the copy of which is available on the website www.bradesco.com.br/ri, link Corporate Governance / Codes of Ethics, as well as the commitment to comply with it and cause its employees or agents to comply with it.

12.27. The Parties undertake to take the necessary and appropriate measures, as provided for in BACEN Circular No. 2,852/98, in CVM Instruction No. 617/19 and subsequent amendments, in order to prevent and fight activities related to crimes of "money laundering" or concealment of assets, rights and amounts identified by Law No. 9,613/98.

12.28. The Parties irrevocably and irreversibly represent to each other that their controllers, directors, managers and employees know and fully comply with the provisions of the national or international laws, regulations and normative provisions addressing anti-corruption and bribery, including demanding the same from its service providers, subcontractors and agents.

12.28.1. The Parties mutually warrant that they shall refrain from any improper, irregular or illegal conduct and that they shall not take any action, one on behalf of the other, and/or that they shall not perform any act that may directly or indirectly favor each other or any of the companies of their respective economic conglomerates, contrary to applicable laws in Brazil or abroad.

12.28.2. If any of the Parties becomes involved in any situation related to corruption or bribery, as a result of an action taken by the other Party or its controllers, directors, managers, employees and service providers, including its subcontractors and agents, the Party causing such situation undertakes to assume the respective burden, including as to submit the documents that may assist the other Party in its defense.

12.28.3. The Parties represent and warrant that, in relation to the obligations directly or indirectly connected to the activities established in this instrument, any situation involving public or private active corruption and/or bribery, or any other act offering an improper advantage in exchange for formalizing the relevant contracts has not occurred and shall not occur, and the legal provisions applicable to this type of conduct in force in the jurisdiction in which the Parties are incorporated and in the jurisdictions in which such Parties operate shall be observed.

12.29. The Parties undertake to comply with all applicable legislation on information security, privacy and data protection, including (whenever and when applicable) the Federal Constitution, the Consumer Protection Code, the Civil Code, the Brazilian Civil Rights Framework for the Internet (Federal Law No. 12,965/2014), its regulatory decree (Decree No. 8,771/2016), the General Data Protection Law (Federal Law No. 13,709/2018), and other sector or general rules on the subject, undertaking only to process the data mentioned and/or in the forms set forth this instrument; upon express instructions from the data controller; or with due legal basis, without transferring them to any third party, unless expressly authorized by the latter or any other instrument that binds them.

12.30. The Courts of the Judicial District of the Capital City of the State of São Paulo are elected to settle any matters arising from this Agreement.

(Space intentionally left blank.)

In witness whereof, the Parties execute this Agreement in two (2) counterparts of equal content and for a single effect.

Osasco, SP, August 31, 2021.

BANCO BRADESCO S.A.

/s/ Francisco Borges Neto

Francisco Borges Neto

Executive Superintendent

/José Donizetti De Oliveira

JOSÉ DONIZETTI DE OLIVEIRA

Business Management Manager

08/31/2021

NU HOLDINGS LTD.

/s/ David Velez

David Velez

CEO

WITNESSES:

1. /s/ Marcio José Gomes Faria Name: MARCIO JOSÉ GOMES FARIA Identity Card (RG) No.: 275536336 Individual Taxpayer's Register of the Ministry of Economy (CPF/ME) No.: 14792758831	2. /s/ Aloma Miranda Name: Aloma Miranda Identity Card (RG) No.: 12848544-26 Individual Taxpayer's Register of the Ministry of Economy (CPF/ME) No.: 124571907-62

EXHIBIT I – SERVICE PROVISION COMMISSION

For the provision of services of BDR Issuing Depositary Bank, we present the following commission structure.

1. INITIAL CONTRACTING COST

When contracting the provision of services of BDR Issuing Depositary Bank, comprising the processes of implementation, participation in the registrations of the BDR Program with CVM and B3 and compliance with the operating procedures, the issuer shall be charged a single cost of Fifty-Five thousand reais (BRL 55,000.00).

This amount shall be charged from the moment PRINCIPAL issues the Shares and makes them available, through the Custodian, so that BRADESCO may issue the BDRs. No amount shall be charged to PRINCIPAL until the latter obtains the registration of the initial public offering of the BDRs with CVM.

2. MAINTENANCE COST OF THE BDR PROGRAM AND REGISTERED INVESTORS.

2.1. Maintenance:

By way of maintenance, the issuing company shall be charged, for the provision of services of BDR Issuing Depositary Bank (Asset Bookkeeping), the monthly amount according to blocks of the number of investors in NUBANK base, always calculated on the last day of the month, as shown in the table below:

	BLOCKS		ACCRUED	
	Investors	BRL/month	Investors	BRL/month
Block 1	500,000	58,500.00	500,000	58,500.00
Block 2	500,000	50,000.00	1,000,000	108,500.00
Block 3	1,000,000	49,000.00	2,000,000	157,500.00
Block 4	1,000,000	40,500.00	3,000,000	198,000.00
Block 5	2,000,000	49,500.00	5,000,000	247,500.00
Block 6	2,000,000	40,500.00	7,000,000	288,000.00

2.2. VARIABLE COST

If used, the company shall be charged the costs of the services as shown in the table below:

SERVICES	BRL
WILLFUL EVENTS (DIVIDENDS, JSCP (INTEREST ON NET EQUITY), STOCK DIVIDEND, STOCK SPLITS, REVERSE SPLIT, SUBSCRIPTION, REDEMPTION, ETC.)	
Calculation of Willful Events (per willful calculation)	**EXEMPT**
PAYMENT MADE (per shareholder and type of payment)	
Bradesco Account Holder	1.50
Account Holder of other Banks (not including the Central Bank rate)	2.50
At Bradesco Branches	2.50

OPERATIONS (per registration) **Note: Bradesco does not charge for operations made at B3 (buy/sell).**	
Approved Event (Stock Dividend, Stock Split, Reverse Split, Subscription, Redemption, Cancellation, Merger, Spin-off and other resolutions)	**EXEMPT**
Registration of Liens (Connections and Releases)	3.00
Custody Operation (CBLC (Brazilian Settlement and Custody Company)/CETIP (Center of Custody and Financial Settlement of Securities) Deposit and Withdrawal)	3.00
Transfer between Accounts (*Causa Mortis*, Off-Board, Gift, Account Grouping, Court Order, etc.)	3.00
Change of Register	3.00
ISSUE OF NOTICES (per issued unit, not including postage cost)	
Credit and Receipt Notices, Proof of JSCP-IN SRF 41, Earnings Statements, Stock Operation Statement and Subscription Instrument, Business Reply Mail to Investors (surveys and information request).	If any, it shall be agreed with PRINCIPAL
SUBSCRIPTION (per effective instrument)	4.00
DISTANCE VOTE	
Individuals – unit cost per vote cast, **only** Bradesco Bookkeeper Bradesco Legal Entities – unit cost per vote cast, **only** Bradesco Bookkeeper	3.00 10.00
SPECIFIC SERVICES/REPORTS REQUESTED	Upon consultation

Due to the costs described above, we shall provide to the companies the following services:

• Service to Investors throughout Bradesco's network of branches;

• Maintenance of investor database, documentation of records made by the investors, filing and microfilming of documents used;

• Preparation and availability of management reports for the base of active Investors, such as: Register, Positions, Operations, Paid Events (dividends / JSCP), Non-Paid Events (Stock Dividend, Stock Split, Subscription) and Investors in custody at CBLC and custody operations occurred at CBLC in the "format" and "frequency" previously established by the company;

• Access to Bradesco's Book-Entry Assets System (via internet) to obtain information on Investors (Stock position, history, operations, payments made and/or pending DIV./JSCP, List of Investors), considering the position in Bradesco's + B3's Books. The system also allows the electronic generation of reports in TXT or EXCEL format;

• To cover the payment of willful events (Own JSC, Dividends and others), the issuing company may credit the amount to a current account, in reserve at Bradesco, until 10:00 a.m., on the day of the actual payment of the event;

• Forms for Bookkeeping Processes (Change of Register, Transfer Order, Information Request and Research);

• Inclusion of your company's "Logo" in operation statements.

2.3. TRANSFER OF COSTS

Bradesco shall transfer the following costs to the company, when they occur, which are not included in the items above:

Postage Service Fee:

Fee charged by the service provider for posting documents "Correios" (Post Office), when issuing statements, notices and communications to the shareholders, at the amounts charged on the date on which the documents are sent.

Fees and Emoluments:

Fee charged by the Board of Commerce or Registry Office responsible for registering the book, at the amount charged on the date on which the registration of the Book occurs.

DOC / TED Fee:

Issue fee of Credit Transfer Document – DOC or Electronic Funds Transfer – TED charged by the Central Bank of Brazil in the payment of events to the shareholders that are account holders of other banks, at the amounts charged on the date on which the payments occur.

3. ISSUER'S EXPENSES IN BDRS.

3.1. ISSUER'S EXPENSES ON CORPORATE EVENTS IN BDRs

Specifically for the operations of issue and/or cancellation of BDRs arising from Corporate Events exclusively involving Nubank, such as: Offers, Stock Dividend, Stock Split, Reverse Split, Spin-off, Merger, Consolidation, BDR Repurchase and Cancellation, involving vehicles and/or individuals who/which directly or indirectly participate in Nubank's control block, the unit values shall be applied in the operations of issue or cancellation of BDRs, according to the range of the number of BDRs to be issued and/or canceled, as follows:

RANGE OF THE NUMBER OF BDRS	VALUE PER BDR (BRL)	MAXIMUM LIMIT PER RANGE (IN BRL)
From 0 to 100,000,000	0.0015	150,000.00
From 100,000,001 to 250,000,000	0.0008	200,000.00
From 250,000,001 to 500,000,000	0.0006	300,000.00
From 500,000,001 to 1,000,000,000	0.0004	400,000.00
Above 1,000,000,001	0.0002	500,000.00

3.2. EXPENSES WITH THE CUSTODIAN BANK BACKING BDRs

All expenses related to the services of the Custodian Bank for the maintenance in custody of the Shares backing issued BDRs shall be PRINCIPAL's responsibility.

4. EXPENSES OF BDR BENEFICIARIES.

Fees to be charged to BDR Beneficiaries by the Depositary

SERVICES	VALUES IN BRL
1. Issue and Cancellation per BDR (Operation) *	0.10
2. Transfer of BRDs' Ownership Off-Board (by over-the-counter transfer process, *causa mortis*, court order, gift and others).	50.00

* Issue and Cancellation of BDRs (operation):

For BDR balance operation processes carried out by the BDR holders through BDR issue/cancellation requests, we shall charge the compensation fee per BDR issued and/or canceled in the amount of ten *centavos* (BRL 0.10), to be paid to Bradesco by the beneficiaries of the BDRs.

5. COST OF SPECIFIC SERVICES

The company shall be charged, upon submission and approval of a budget, when requested, for the development and/or preparation of specific reports, which shall be carried out by Bradesco and submitted for approval by the company.

6. CHARGE FOR THE SERVICE PROVISION

The charge is made on the fifteenth (15th) day of each month, or on the first following business day, following the month of the provision of Issuing and Depositary Bank services, by debiting company's current account, FX remittance, payment through DOC or TED, or through a Bank-issued invoice by **PRINCIPAL** on behalf of **BRADESCO**, starting after implementing the shareholders in Bradesco's Asset Bookkeeping System.

7. UPDATE OF SERVICE PROVISION COSTS

The costs shall be annually updated by IGPM – FGV (General Market Price Index – Getúlio Vargas Foundation) and, in case of extinction, we shall adopt the substitute index contained in the Law.

8. PENALTIES

8.1. The default, by either Party, of any of the payment obligations set forth in this Agreement shall characterize, by operation of law, regardless of any notice or notification, the arrears of the defaulting Party, subjecting it to the payment of the following arrears charges: (i) interest for late payment of one percent (1%) per month, calculated *pro rata temporis* from the date on which the payment was due until the date of its actual payment; (ii) conventional non-compensatory fine of two percent (2%), calculated on the relevant amount due; and (iii) in any event, the amount due shall be adjusted for inflation from the date of its original maturity based on the accrued index of variation of IPCA (Broad Consumer Price Index) – IBGE (Brazilian Institute of Geography and Statistics), as released by Fundação Getúlio Vargas or another that may replace it.

8.2. Failure to comply with any condition set forth in this Agreement by either Party, which does not fall under Section 10.1 above, and provided that it is duly proven in a final and unappealable court decision, shall compel the infringing Party to respond for any losses and/or damages resulting from intentional misconduct, fraud and/or fault, being also responsible for the fines, adjustments for inflation and interest arising therefrom, calculated as provided for in the legislation in force.

8.3. No delays arising from system and/or communication failures between the Parties shall be penalized, except when caused by negligence or intentional misconduct, which, nevertheless, shall endeavor to immediately correct such failures.

Exhibit 4.2

NU HOLDINGS LTD.

REGISTRATION RIGHTS AGREEMENT

November 18, 2021

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made on November 18, 2021 by and among Nu Holdings Ltd., a Cayman Islands exempted company (the "**Company**") and the shareholders listed on Schedule A hereto, each of which is herein referred to as a "**Shareholder**."

WHEREAS, the Company and certain of the Shareholders entered into that certain Investors' Rights Agreement dated June 24, 2016, which was amended and restated pursuant to that certain Amended and Restated Investors' Rights Agreement dated November 24, 2016 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Second Amended and Restated Investors' Rights Agreement dated February 15, 2018 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Third Amended and Restated Investors' Rights Agreement dated September 28, 2018 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Fourth Amended and Restated Investors' Rights Agreement dated July 31, 2019 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Fifth Amended and Restated Investors' Rights Agreement dated December 30, 2019 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Sixth Amended and Restated Investors' Rights Agreement dated June 18, 2020 by and among the Company and certain investors, which was further amended and restated pursuant to that certain Seventh Amended and Restated Investors' Rights Agreement dated February 3, 2021 by and among the Company and certain investors, and which was further amended and restated pursuant to that certain Eighth Amended and Restated Investors' Rights Agreement dated June 11, 2021 by and among the Company and certain investors (such Eighth Amended and Restated Investors' Rights Agreement, the "**Prior Agreement**");

WHEREAS, Section 1 and Section 3 of the Prior Agreement may be amended with the written consent of the Company and the holders of a majority of the Registrable Securities (such holders, the "**Requisite Parties**");

WHEREAS, the Company is contemplating an underwritten initial public offering of its Class A Ordinary Shares (as defined below) on the New York Stock Exchange (the "**IPO**"), and immediately prior to the consummation of the IPO (provided that such IPO is a "Qualified Public Offering," as such term is defined in the Prior Agreement), Section 2 of the Prior Agreement shall terminate and be of no further force or effect; and

WHEREAS, in connection with the IPO, the Company and the undersigned Shareholders, comprising the Requisite Parties, wish to amend and restate the Prior Agreement in order to accept the rights and covenants hereof in lieu of their rights and covenants under the Prior Agreement, and intend for this Agreement to become effective immediately following the termination of Section 2 of the Prior Agreement in accordance with its terms.

NOW, THEREFORE, in consideration of the foregoing premises and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the undersigned Shareholders agree that the Prior Agreement is hereby amended and restated in its entirety by this Agreement, and the parties further agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. For purposes of this Agreement:

(a) The term "**1934 Act**" means the United States Securities Exchange Act of 1934, as amended.

(b) The term "**Act**" means the United States Securities Act of 1933, as amended.

(c) The term "**Affiliate**" means, with respect to any Person, any other Person who or which, directly or indirectly, Controls, is Controlled by, or is under common Control with such specified Person, including, without limitation, any general partner, officer, director or manager of such Person and any venture capital, other investment or managed fund or registered investment company now or hereafter existing that is Controlled by one or more general partners or managing members of, or is under common investment management with, such Person. The term "**Control**" (including, with correlative meanings, the terms "**Controlling**," "**Controlled by**" and "**under common Control with**"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. For purposes of this Agreement, to be "affiliated" or "Affiliated" with a Person means to be an Affiliate (as defined in this Section 1.01(c)) of such Person. Notwithstanding the foregoing, (i) with respect to Tencent, the term "**Affiliate**" shall be deemed to refer only to each Person whose financial information or results are, or should be (under applicable accounting rules), consolidated in the consolidated financial statements of Tencent Holdings Limited (or its successor); and (ii) for the avoidance of doubt, it is acknowledged and agreed that non-Controlling investments by any Shareholder as a limited partner in investment funds that are not managed, advised or Controlled, directly or indirectly, by such Shareholder or its Affiliates shall not cause such investment funds to be considered Affiliates of such Shareholder for purposes hereof.

(d) The term "**Articles**" means the Company's Twelfth Amended and Restated Memorandum and Articles of Association, as amended and/or restated from time to time.

(e) The term "**Board**" means the Company's Board of Directors, as constituted from time to time.

(f) The term "**Business Day**" means any day on which banks are not required or authorized by law to close in the City of New York, New York, USA or in São Paulo, State of São Paulo, Brazil.

(g) The term "**Class A Ordinary Shares**" has the meaning set forth in the Articles.

(h) The term "**Class B Ordinary Shares**" has the meaning set forth in the Articles.

(i) The terms "**Dollars**" and "**US$**" mean United States Dollars.

(j) The term "**Free Writing Prospectus**" means a free-writing prospectus, as defined in Rule 405 under the Act.

(k) The terms "**Form F-3**" and "**Form S-3**" mean such forms under the Act as in effect on the date hereof or any registration form under the Act subsequently adopted by the SEC that permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(l) The term "**Holder**" means any person owning Registrable Securities or any assignee thereof in accordance with Section 2.11 hereof.

(m) The term "**Ordinary Shares**" has the meaning set forth in the Articles.

(n) The term "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

(o) The terms "**register**," "**registered**," and "**registration**" mean a registration effected by preparing and filing a registration statement or similar document in compliance with the Act, and the declaration or ordering of effectiveness of such registration statement or document.

(p) The term "**Registrable Securities**" means the Class A Ordinary Shares that are beneficially owned by the Shareholders (or any assignee thereof in accordance with Section 2.11 hereof) from time to time, whether or not held immediately following the IPO, and any securities issued or issuable directly or indirectly with respect to, in exchange for, upon the conversion of or in replacement of such Class A Ordinary Shares, whether by way of a dividend or distribution or stock split, in connection with a combination of shares, recapitalization, merger, consolidation, exchange or other reorganization or otherwise (including, for the avoidance of doubt, the Class A Ordinary Shares issuable upon conversion of any Class B Ordinary Shares and/or preferred shares of the Company that are beneficially owned by the Shareholders in accordance with the Articles and the terms of such securities); *provided*, however, that any such securities shall cease to be Registrable Securities if (i) they have been sold to the public pursuant to a registration statement or an offering conducted pursuant to Rule 144, (ii) they have been transferred by a Holder in a transaction in which the Holder's rights under this Agreement are not, or cannot be, assigned, (iii) the registration rights applicable to such securities have terminated pursuant to Section 2.15 hereof or (iv) they cease to be outstanding.

(q) The term "**Rule 144**" means Rule 144 under the Act.

(r) The term "**SEC**" means the Securities and Exchange Commission.

(s) With respect to "Subsidiaries" or "subsidiaries" of the Company, the term "**Subsidiary**" or "**subsidiary**" has the meaning ascribed to the term "Subsidiary" in the Articles.

(t) The term "**Tencent**" means Tencent Cloud Europe B.V. and its permitted assigns and successors.

ARTICLE 2
REGISTRATION RIGHTS

Section 2.01. *Registration Rights*. The Company covenants and agrees that the Holders shall be entitled to the following rights with respect to any public offering of Class A Ordinary Shares in the United States, and to analogous or equivalent rights with respect to any offering of Class A Ordinary Shares in any other jurisdiction pursuant to which the Company undertakes to offer publicly or list such securities for trading on a recognized securities exchange (and, with respect to any such offering of Class A Ordinary Shares in any other jurisdiction, references in this Agreement to laws of the United States shall be deemed to be references to any analogous or equivalent provisions of the laws of such other jurisdiction). The Holders shall be entitled to the same rights set forth in this Article 2, as applicable, in respect of the shares of any entity directly or indirectly controlled by the Company (in which case, the procedures established in this Agreement in respect of the Company and the Class A Ordinary Shares shall apply to such entity and its shares, *mutatis mutandis*).

Section 2.02. Request for Registration.

(a) Subject to the conditions of this Section 2.02, if the Company shall receive, at any time after six (6) months have elapsed following the effective date of the IPO, a written request from Shareholders holding at least a majority of the Registrable Securities that are then outstanding and held by the Shareholders (for purposes of this Section 2.02, the "**Initiating Holders**") that the Company file a registration statement under the Act covering the registration of Registrable Securities with an anticipated aggregate offering price of at least US$50,000,000, then the Company shall, within twenty (20) days of the receipt thereof, give written notice of such request to all Holders, and subject to the limitations of this Section 2.02, use all commercially reasonable efforts to effect, as soon as practicable, the registration under the Act of all Registrable Securities that the Holders request to be registered in a written request received by the Company within twenty (20) days of the mailing of the Company's notice pursuant to this Section 2.02(a).

(b) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.02(a) and the Company shall include such information in the written notice referred to in Section 2.02(a). In such event, the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by such Holder and a majority in interest of the Initiating Holders) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by a majority in interest of the Initiating Holders (which underwriter or underwriters shall be reasonably acceptable to the Company). Notwithstanding any other provision of this Section 2.02, if the underwriter(s) advises the Company that marketing factors require a limitation on the number of securities underwritten (including Registrable Securities), then the Company shall so advise the Holders of Registrable Securities that would otherwise be underwritten pursuant thereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated to the Holders of such Registrable Securities pro rata based on the number of Registrable Securities held by all such Holders (including the Initiating Holders). In no event shall any Registrable Securities be excluded from such underwriting unless all other securities are first excluded. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(c) Notwithstanding the foregoing, the Company shall not be required to effect a registration pursuant to this Section 2.02:

(i) in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act; or

(ii) after the Company has effected two (2) registrations pursuant to this Section 2.02, and such registrations have been declared or ordered effective; or

(iii) during the period starting with the date that is sixty (60) days prior to the Company's good faith estimate of the date of the filing of, and ending on the date that is one hundred and eighty (180) days following the effective date of, a Company-initiated registration subject to Section 2.03 below; *provided* that the Company is actively employing in good faith all commercially reasonable efforts to cause such registration statement to become effective; or

(iv) if the Initiating Holders propose to dispose of Registrable Securities that may be registered on Form F-3 or Form S-3 pursuant to Section 2.04 hereof; or

(v) if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 2.02 a certificate signed by the Chairman of the Board, stating that in the good faith judgment of the Board it would be seriously detrimental to the Company and its shareholders for such registration statement to be effected at such time, in which event the Company shall have the right to defer such filing for a period of not more than ninety (90) days after receipt of the request of the Initiating Holders; *provided* that such right shall be exercised by the Company not more than once in any twelve (12)-month period; and *provided further* that the Company shall not register any securities for the account of itself or any other shareholder during such ninety (90)-day period (other than a registration relating solely to the sale of securities of participants in a Company share plan, a registration relating to a corporate reorganization or transaction under Rule 145 of the Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, or a registration in which the only Ordinary Shares being registered are Ordinary Shares issuable upon conversion of debt securities that are also being registered).

Section 2.03. Company Registration.

(a) If (but without any obligation to do so) the Company proposes to register (including for this purpose a registration effected by the Company for shareholders other than the Holders) any of its Ordinary Shares or other equity securities under the Act in connection with the public offering of such securities (other than a registration relating solely to the sale of securities of participants in a Company share plan, a registration relating to a corporate reorganization or transaction under Rule 145 of the Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, a registration in which the only Ordinary Shares being registered are Ordinary Shares issuable upon conversion of debt securities that are also being registered or a registration on Form F-1 relating solely to the sale of securities upon the expiration of any lock-up period applicable to such securities in accordance with the terms of a lock-up agreement entered into with the underwriters of the IPO), the Company shall, at such time, promptly give each Holder written notice of such registration. Upon the written request of each Holder given within twenty (20) days after the mailing of such notice by the Company in accordance with Section 3.05, the Company shall, subject to the provisions of Section 2.03(c), use all commercially reasonable efforts to cause to be registered under the Act all of the Registrable Securities that each such Holder requests to be registered.

(b) The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.03 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration. The expenses of such withdrawn registration shall be borne by the Company in accordance with Section Section 2.07 hereof.

(c) In connection with any public offering of Ordinary Shares or other Company equity securities by the Company involving an underwriting, the Company shall not be required under this Section 2.03 to include any of a Holder's securities in such underwriting unless such Holder accepts the terms of the underwriting as agreed upon between the Company and the underwriters selected by the Company (or by other persons entitled to select the underwriters) and enter into an underwriting agreement in customary form with such underwriters, and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by shareholders to be included in such offering, exceeds the amount of securities to be sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, that the underwriters determine in their sole discretion will not jeopardize the success of the offering. In no event shall any Registrable Securities be excluded from such offering unless all other shareholders' securities have been first excluded. In the event that the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be apportioned pro rata among the selling Holders based on the number of Registrable Securities held by all selling Holders or in such other proportions as shall mutually be agreed to by all such selling Holders. Notwithstanding the foregoing, in no event shall the amount of Registrable Securities of the selling Holders included in the offering be reduced below thirty percent (30%) of the total amount of securities included in such offering. For purposes of the preceding sentence concerning apportionment, for any selling shareholder that is a Holder of Registrable Securities and that is a venture capital fund, partnership or corporation, the affiliated venture capital funds, partners, members, retired partners and shareholders of such Holder, or the estates and family members of any such partners, members and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of Registrable Securities owned by all such related entities and individuals.

Section 2.04. *Form F-3 or Form S-3 Registration*. In case the Company shall receive from Shareholders holding at least a majority of the Registrable Securities that are then outstanding and held by the Shareholders (for purposes of this Section 2.04, the "**Initiating Holders**") a written request or requests that the Company effect a registration on Form F-3 or Form S-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company shall:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) use all commercially reasonable efforts to effect, as soon as practicable, such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Initiating Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company, *provided*, *however*, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 2.04:

(i) if Form F-3 or Form S-3 is not available for such offering by the Holders;

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than US$5,000,000;

(iii) if the Company shall furnish to Holders requesting registration pursuant to this Section 2.04 a certificate signed by the Chairman of the Board stating that in the good faith judgment of the Board it would be seriously detrimental to the Company and its shareholders for such registration to be effected at such time, in which event the Company shall have the right to defer such registration for a period of not more than ninety (90) days after receipt of the request of the Initiating Holders; *provided* that such right may be exercised by the Company not more than once in any twelve (12)-month period; and *provided further* that the Company shall not register any securities for the account of itself or any other shareholder during such ninety (90)-day period (other than a registration relating solely to the sale of securities of participants in a Company share plan, a registration relating to a corporate reorganization or transaction under Rule 145 of the Act, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities, or a registration in which the only Ordinary Shares being registered are Ordinary Shares issuable upon conversion of debt securities that are also being registered);

(iv) if the Company has, within the twelve (12) month period preceding the date of such request, already effected one (1) registration on Form F-3 or Form S-3 for the Holders pursuant to this Section 2.04;

(v) in the circumstances described in Section 2.02(c)(iii) hereof; or

(vi) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act.

(c) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 2.04 and the Company shall include such information in the written notice referred to in Section 2.04(a). The provisions of Section 2.02(b) shall be applicable to such request (with the substitution of Section 2.04 for references to Section 2.02).

(d) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities as soon as practicable after receipt of the request or requests of the Initiating Holders. Registrations effected pursuant to this Section 2.04 shall not be counted as requests for registration pursuant to Section 2.02.

Section 2.05. *Obligations of the Company*. Whenever required under this Section 2.05 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use all commercially reasonable efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed;

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Act with respect to the disposition of all securities covered by such registration statement;

(c) furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus and a Free Writing Prospectus, in conformity with the requirements of the Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them;

(d) use all commercially reasonable efforts to register and qualify the Registrable Securities covered by such registration statement under such other securities or blue sky laws of such jurisdictions as shall be reasonably requested by the Holders, *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter(s) of such offering;

(f) notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus or Free Writing Prospectus (to the extent prepared by or on behalf of the Company) relating thereto is required to be delivered under the Act or the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made, and, at the request of any such Holder, the Company will, as soon as reasonably practicable, file and furnish to all such Holders a supplement or amendment to such prospectus or Free Writing Prospectus (to the extent prepared by or on behalf of the Company) so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made;

(g) cause all such Registrable Securities registered pursuant to this Article 2 to be listed on a national exchange or trading system and on each securities exchange and trading system on which similar securities issued by the Company are then listed; and

(h) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

Notwithstanding the provisions of this Article 2, the Company shall be entitled to postpone or suspend, for a reasonable period of time, the filing, effectiveness or use of, or trading under, any registration statement if the Company shall determine that any such filing or the sale of any securities pursuant to such registration statement would in the good faith judgment of the Board:

(i) materially impede, delay or interfere with any material pending or proposed financing, acquisition, corporate reorganization or other similar transaction involving the Company for which the negotiations have been authorized by the Board (where such authorization is required by the Articles or applicable law);

(ii) materially adversely impair the consummation of any pending or proposed material offering or sale of any class of securities by the Company; or

(iii) require disclosure of material nonpublic information that, if disclosed at such time, would be materially harmful to the interests of the Company and its shareholders; *provided*, *however*, that during any such period all executive officers and directors of the Company are also prohibited from selling securities of the Company (or any security of any of the Company's subsidiaries or affiliates).

In the event of the suspension of effectiveness of any registration statement pursuant to this Section 2.05, the applicable time period during which such registration statement is to remain effective shall be extended by that number of days equal to the number of days the effectiveness of such registration statement was suspended.

Section 2.06. *Information from Holder*. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Article 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be reasonably required to effect the registration of such Holder's Registrable Securities.

Section 2.07. *Expenses of Registration*. All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to Sections 2.02, 2.03 and 2.04 including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and the reasonable fees and disbursements of one counsel for the selling Holders (not to exceed US$30,000) shall be borne by the Company. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Sections 2.02 or 2.04 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless, in the case of a registration requested under Section 2.02, the Holders of a majority of the Registrable Securities agree to forfeit their right to demand registration pursuant to Section 2.02; *provided*, *however*, that if at the time of such withdrawal, the Holders have learned of a material adverse change in the condition, business or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall retain their rights pursuant to Sections 2.02 and 2.04.

Section 2.08. *Delay of Registration*. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Article 2.

Section 2.09. *Indemnification*. In the event any Registrable Securities are included in a registration statement:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, members, officers, directors and stockholders of each Holder, legal counsel and accountants for each Holder, any underwriter (as defined in the Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Act or the 1934 Act, against any losses, claims, damages or liabilities (joint or several) to which they may become subject under the Act, the 1934 Act, any state securities laws or any rule or regulation promulgated under the Act or the 1934 Act, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively, a "**Violation**"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus, final prospectus or Free Writing Prospectus contained therein or any amendments or supplements thereto, any issuer information (as defined in Rule 433 of the Act) filed or required to be filed pursuant to Rule 433(d) under the Act or any other document incident to such registration prepared by or on behalf of the Company or used or referred to by the Company, (ii) the omission or alleged omission to state in such registration statement a material fact required to be stated therein, or necessary to make the statements therein not misleading or (iii) any violation or alleged violation by the Company of the Act, the 1934 Act, any state securities laws or any rule or regulation promulgated under the Act, the 1934 Act or any state securities laws, and the Company will reimburse each such Holder, underwriter, controlling person or other aforementioned person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding as such expenses are incurred; *provided*, *however*, that the indemnity agreement contained in this Section 2.09(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, action or proceeding to the extent that it arises out of or is based upon a Violation that occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter, controlling person or other aforementioned person; *provided further*, *however*, that the foregoing indemnity agreement with respect to any preliminary prospectus shall not inure to the benefit of any Holder or underwriter or other aforementioned person, or any person controlling such Holder or underwriter, from whom the person asserting any such losses, claims, damages or liabilities purchased shares in the offering, if a copy of the most current prospectus was not sent or given by or on behalf of such Holder or underwriter or other aforementioned person to such person, if required by law to have been so delivered, at or prior to the written confirmation of the sale of the shares to such person, and if the prospectus (as so amended or supplemented) would have cured the defect giving rise to such loss, claim, damage or liability.

(b) To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Act, legal counsel and accountants for the Company, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages or liabilities (severally and not jointly) to which any of the foregoing persons may become subject, under the Act, the 1934 Act, any state securities laws or any rule or regulation promulgated under the Act, the 1934 Act or any state securities laws, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will reimburse any person intended to be indemnified pursuant to this Section 2.09(b) for any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding as such expenses are incurred; *provided*, *however*, that the indemnity agreement contained in this Section 2.09(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, action or proceeding if such settlement is effected without the consent of the Holder (which consent shall not be unreasonably withheld), and *provided* that in no event shall any indemnity under this Section 2.09(b) exceed the net proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.09 of notice of the commencement of any action or proceeding (including any governmental action or proceeding), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.09, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, assume the defense thereof with counsel mutually satisfactory to the parties; *provided*, *however*, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action or proceeding, if prejudicial to its ability to defend such action or proceeding, shall relieve such indemnifying party of liability to the indemnified party under this Section 2.09 to the extent of such prejudice, but the omission to so deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.09.

(d) If the indemnification provided for in this Section 2.09 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other hand in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations; *provided*, *however*, that no contribution by any Holder, when combined with any amounts paid by such Holder pursuant to Section 2.09, shall exceed the net proceeds from the offering received by such Holder. The relative fault of the indemnifying party and the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 2.09 shall survive the completion of any offering of Registrable Securities in a registration statement under this Article 2 and otherwise.

Section 2.10. *Reports Under the 1934 Act*. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell Registrable Securities of the Company to the public without registration or pursuant to a registration on Form F-3 or Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after the effective date of the IPO;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Act and the 1934 Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company in connection with the IPO), the Act and the 1934 Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form F-3 or Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to avail any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration or pursuant to such form.

Section 2.11. *Assignment of Registration Rights*. The rights to cause the Company to register Registrable Securities pursuant to this Article 2 may be assigned (but only with all related obligations) by a Holder to a transferee or assignee of such Registrable Securities that (i) is an Affiliate, subsidiary, parent, partner, limited partner, member, retired partner or stockholder of a Holder, (ii) is a Holder's family member or trust for the benefit of an individual Holder, (iii) after such assignment or transfer, would hold at least 70,800,000 Class A Ordinary Shares (on an as-converted basis and appropriately adjusted for any stock split, dividend, combination or other recapitalization), or (iv) solely in the case of the Founding Shareholder (as such term is defined in the Articles, and so long as the Founding Shareholder qualifies as a "Holder" hereunder), to an "Affiliate," as such term is defined in the Articles or other Person listed in Section 5.5(a)(3) of the Articles; *provided* that (a) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the Registrable Securities with respect to which such registration rights are being assigned; (b) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement, including, without limitation, the provisions of Section 2.13 below; and (c) such assignment shall be effective only if immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Act.

Section 2.12. *Limitations on Subsequent Registration Rights*. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company that would provide to such holder the right to include any of such securities in any registration filed under Section 2.02, Section 2.03 or Section 2.04 hereof on other than a pro rata basis or a subordinate basis with respect to the Registrable Securities.

Section 2.13. "Market Stand-Off" Agreement.

(a) Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Company's IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred and eighty (180) days) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares held immediately prior to the effectiveness of the registration statement for such offering, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Ordinary Shares, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Ordinary Shares or other securities, in cash or otherwise. The foregoing provisions of this Section 2.13 shall apply only to the IPO and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement. In addition, the foregoing obligations of the Holders shall only be applicable to the Holders if all officers, directors and greater than one percent (1%) shareholders (on an as-converted to Ordinary Shares basis) of the Company enter into similar agreements; *provided* that for the avoidance of doubt, this sentence shall not limit the rights of any Holder under this Section 2.13. The underwriters in connection with the IPO are intended third-party beneficiaries of this Section 2.13 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in the IPO that are consistent with this Section 2.13 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements. To the extent that the terms of any lock-up agreement entered into by a Holder and the underwriters in connection with the IPO are in conflict with the foregoing provisions, the provisions in such lock-up agreement shall control. In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period applicable to such Holder.

(b) Each Holder agrees that a legend reading substantially as follows (subject to adjustment as required to comport with Section 2.13(a)) shall be placed on all certificates (if any) representing all Registrable Securities of each Holder or, if the Registrable Securities are not certificated, the following note will be inserted on the pages of the register of members of the Company in which the Registrable Securities are registered (and the shares or securities of every other person subject to the restriction contained in this Section 2.13):

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FOR INITIAL PUBLIC OFFERING FILED UNDER THE ACT, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

Section 2.14. *Legend Removal*. Following the IPO, in connection with any sale of Registrable Securities permitted by this Agreement that will result in such securities no longer being Registrable Securities, the Company will cooperate with the applicable Holder to, subject to applicable laws, (i) rescind any Act transfer restrictions or notations applicable to the Registrable Securities and, if the Registrable Securities are certificated, facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive Act legends and (ii) register such Registrable Securities in such denominations and such names as such Holder may request at least two (2) Business Days prior to such sale of Registrable Securities; *provided* that the Company may satisfy its obligations hereunder without issuing physical stock certificates through the use of the Depository Trust Company's Direct Registration System.

Section 2.15. *Termination of Registration Rights*. The rights that each Holder shall be entitled to exercise under this Article 2 shall terminate upon the earlier of: (i) five (5) years following the consummation of the IPO, (ii) such earlier time after the IPO at which such Holder holds one percent (1%) or less of the Company's outstanding Ordinary Shares (on an as-converted to Ordinary Shares basis) and all Registrable Securities held by such Holder (together with any Affiliate of the Holder with whom such Holder must aggregate its sales under Rule 144) can be sold in any ninety (90)-day period without registration in compliance with Rule 144, or (iii) immediately before the consummation of a Change of Control (as such term is defined in the Articles) or the liquidation, dissolution or winding up of the Company.

ARTICLE 3
MISCELLANEOUS.

Section 3.01. *Successors and Assigns*. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties (including transferees of any shares of Registrable Securities as permitted hereunder). Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. The Company may assign this Agreement at any time in connection with a sale or acquisition of the Company, whether by merger, consolidation, sale of all or substantially all of the Company's assets, or similar transaction, without the consent of the Holders; *provided* that the successor or acquiring Person agrees in writing to assume all of the Company's rights and obligations under this Agreement. Except as set provided in Section 2.11, the Holders may not assign their rights and obligations hereunder.

Section 3.02. *Governing Law; Exclusive Jurisdiction*. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed under the laws of the Cayman Islands. The parties hereto (i) hereby irrevocably and unconditionally submit to the jurisdiction of the courts of the Cayman Islands for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the courts of the Cayman Islands, and (iii) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

Section 3.03. *Counterparts*. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.,* www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. The parties hereto irrevocably and unreservedly agree that this Agreement, and any and all exhibits hereto or documents contemplated hereby, may be executed by way of electronic signatures and the parties hereto agree that such document(s), or any part thereof, shall not be challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

Section 3.04. *Titles and Subtitles*. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

Section 3.05. *Notices*. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next Business Day, (iii) on the date certified by the post office or courier, if sent by registered or certified mail, return receipt requested, postage prepaid, or by an internationally recognized overnight courier, specifying second-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at the addresses and/or email addresses set forth on the signature pages attached hereto or, in the case of the Holders, to the respective addresses and/or email addresses set forth on Schedule A hereto (or at such other addresses or email addresses as shall be specified by notice given in accordance with this Section 3.05).

Section 3.06. *Expenses*. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 3.07. *Entire Agreement; Amendments and Waivers*. This Agreement (including the exhibits hereto, if any) amends and restates the Prior Agreement in its entirety and constitutes the full and entire understanding and agreement among the parties with regard to the subjects hereof and thereof. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities; *provided*, *however*, that in the event such amendment or waiver adversely affects the obligations or rights of a Holder in a different manner than the other Holders, such amendment or waiver shall also require the written consent of such Holder. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each holder of Registrable Securities, each future holder of all such Registrable Securities and the Company. Notwithstanding the foregoing, this Agreement may be amended by the Company alone to admit holders of any security of the Company so long as the rights of such holders hereunder are on a pro rata basis or a subordinate basis with respect to the Registrable Securities held by the Shareholders who were parties to this Agreement prior to the issuance of such security.

Section 3.08. *Third Party Rights*. Nothing in this Agreement shall confer any rights upon any other person other than the parties hereto and their respective heirs, successors and permitted assigns and the Contracts (Rights of Third Parties) Law, 2014, shall not confer on any person who is not a party to this Agreement any rights. The consent of any person not a party to this Agreement shall not be required in respect of any amendment, variation or supplement made to this Agreement.

Section 3.09. *Severability*. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

Section 3.10. *Aggregation of Shares*. All shares of Registrable Securities held or acquired by affiliated entities (including affiliated venture capital funds) or persons shall be aggregated together for the purpose of determining the availability or the exercise of any rights under this Agreement.

Section 3.11. *Confidentiality*. Each Shareholder agrees, severally and not jointly, to use the same degree of care as such Shareholder uses to protect its own confidential information for any information obtained pursuant to this Agreement or otherwise as a shareholder of the Company which the Company identifies in writing as being proprietary or confidential and such Shareholder acknowledges that it will not, unless otherwise required by law or the rules of any national securities exchange, association or marketplace, disclose such information without the prior written consent of the Company except such information that (a) was in the public domain prior to the time it was furnished to such Shareholder, (b) is or becomes (through no willful improper action or inaction by such Shareholder) generally available to the public, (c) was in its possession or known by such Shareholder without restriction prior to receipt from the Company, (d) was rightfully disclosed to such Shareholder by a third party without restriction or (e) was independently developed without any use of the Company's confidential information. Notwithstanding the foregoing, (x) each Shareholder that is a limited partnership or limited liability company may disclose such proprietary or confidential information to any former partners or members who retained an economic interest in such Shareholder, current or prospective partner of the partnership or any subsequent partnership under common investment management, limited partner, general partner, member or management company of such Shareholder (or any employee or representative of any of the foregoing), (y) each Shareholder that is not a natural person may disclose such proprietary or confidential information to any Affiliate of such Shareholder (or any employee or representative of any Affiliate of such Shareholder) and (z) each Shareholder may disclose such proprietary or confidential information to legal counsel, accountants or representatives of such Shareholder (each of the foregoing Persons, a "**Permitted Disclosee**"). Furthermore, nothing contained in this Section 3.11 shall prevent any Shareholder or any Permitted Disclosee from (i) entering into any business, entering into any agreement with a third party, or investing in or engaging in investment discussions with any other company (whether or not competitive with the Company), *provided* that such Shareholder or Permitted Disclosee does not, except as permitted in accordance with this Section 3.11, disclose or otherwise make use of any proprietary or confidential information of the Company in connection with such activities, or (ii) making any disclosures required by law, rule, regulation (including the securities and public company related regulations and rules issued by any stock exchanges, as amended and restated from time to time) or court or other governmental order.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

COMPANY:

NU HOLDINGS LTD.

By: /s/ David Vélez Osorno
Name: David Vélez Osorno
Title: Director

Address:
[***]

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

RUA CALIFORNIA LTD.

By: /s/ David Vélez Osorno
Name: David Vélez Osorno
Title: Director

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

KV NUB, LLC

By: /s/ Nicolas Carlos Szekasy
Name: Nicolas Carlos Szekasy
Title: Director

Address:
[***]

KV EOS HOLDINGS, LLC

By: /s/ Nicolas Carlos Szekasy
Name: Nicolas Carlos Szekasy
Title: Director

Address:
[***]

KASZEK VENTURES OPPORTUNITY I, L.P.

By: /s/ Nicolas Carlos Szekasy
Name: Nicolas Carlos Szekasy
Title: Director

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

SC USV XIV DE INVESTMENTS, LLC

By: /s/ Douglas M. Leone
Name: Douglas M. Leone
Title: Authorized Signatory

Address:
[***]

SC USG VI DE INVESTMENTS, LLC

By: /s/ Douglas M. Leone
Name: Douglas M. Leone
Title: Authorized Signatory

Address:
[***]

SEQUOIA GROVE II, LLC

By: /s/ Douglas M. Leone
Name:
Title:

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

SCGE FUND, L.P.

By: /s/ Kimberly Summe
Name: Kimberly Summe
Title: Chief Operating Officer and General Counsel

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

DST-NB INVESTMENTS LIMITED

By: /s/ Despoina Zinonos
Name: Despoina Zinonos
Title: Director

Address:
[***]

DST INVESTMENTS XVIII, L.P.

By: DST Managers V Limited, its general partner

By: /s/ Despoina Zinonos
Name: Despoina Zinonos
Title: Director

Address:
[***]

DST CO-INVEST-NB INVESTMENT LIMITED

By: /s/ Despoina Zinonos
Name: Despoina Zinonos
Title: Director

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

DST-NB INVESTMENTS VI LIMITED

By: /s/ Despoina Zinonos
Name: Despoina Zinonos
Title: Director

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

NIFTY DF INVESTMENTS, LP

By: /s/ Pat Robertson
Name: Pat Robertson
Title: Authorized Person

Address:
[***]

NIFTY FD HOLDINGS, LP

By: /s/ Pat Robertson
Name: Pat Robertson
Title: Authorized Person

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TCV NB CO, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, LTD.
a Cayman Islands exempted company

By: /s/ Frederic D. Fenton
Name: Frederic D. Fenton
Title: Attorney-in-fact

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TCV X (A) BLOCKER, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, LTD.
a Cayman Islands exempted company

By: /s/ Frederic D. Fenton
Name: Frederic D. Fenton
Title: Attorney-in-Fact

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TCV X (B), L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, LTD.
a Cayman Islands exempted company

By: /s/ Frederic D. Fenton
Name: Frederic D. Fenton
Title: Attorney-in-fact

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TCV X MEMBER FUND, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

TECHNOLOGY CROSSOVER MANAGEMENT X, LTD.
a Cayman Islands exempted company

By: /s/ Frederic D. Fenton
Name: Frederic D. Fenton
Title: Attorney-in-fact

Address:
[***]

TCV X, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

Technology Crossover Management X, L.P.
a Cayman Islands exempted limited partnership, acting by its general partner

Technology Crossover Management X, Ltd.
a Cayman Islands exempted company

By: /s/ Frederic D. Fenton
Name: Frederic D. Fenton
Title: Attorney-in-fact

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TIGER GLOBAL PRIVATE INVESTMENT PARTNERS IX, LP.

By: Tiger Global PIP Performance IX, LP., its general partner

By: Tiger Global PIP Management IX, Ltd., its general partner

By: /s/ Steven D. Boyd
Name: Steven D. Boyd
Title: General Counsel

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

FF BRAZIL, LLC

By: /s/ Scott Nolan
Name: Scott Nolan
Title: Partner

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

COLUMBIA INSURANCE COMPANY

By: /s/ Todd Combs
Name: Todd Combs
Title: Investment Officer

Address:
[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

RIBBIT CAPITAL VI, L.P.,
for itself and as nominee for

Ribbit Founder Fund VI, L.P.

By: Ribbit Capital GP VI, L.P.,
its general partner

By: Ribbit Capital GP VI, Ltd.,
its general partner

By: /s/ Cynthia McAdam
Name: Cynthia McAdam
Title: Attorney-in-Fact

RIBBIT CAPITAL III, L.P.,
for itself and as nominee

By: Ribbit Capital GP III, L.P.,
its general partner

By: Ribbit Capital GP III, Ltd.,
its general partner

By: /s/ Cynthia McAdam
Name: Cynthia McAdam
Title: Attorney-in-Fact

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

BULLFROG CAPITAL, L.P.,
for itself and as nominee for

Bullfrog Founder Fund, L.P.

By: Bullfrog Capital GP, L.P.,
its general partner

By: Bullfrog Capital GP, Ltd.,
its general partner

By: /s/ Cynthia McAdam
Name: Cynthia McAdam
Title: Attorney-in-Fact

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

Redpoint Omega II, L.P.,
by its General Partner

Redpoint Omega II, LLC

By: /s/ Elliot Geidt
Name: Elliot Geidt
Title: Manager

Redpoint Omega Associates II, LLC,
as nominee

By: /s/ Elliot Geidt
Name: Elliot Geidt
Title: Manager

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

CRISTINA HELENA ZINGARETTI JUNQUEIRA

/s/ Cristina Helena Zingaretti Junqueira

CHJZ INVESTMENTS LTD.

By: /s/ Cristina Helena Zingaretti Junqueira
Name: Cristina Helena Zingaretti Junqueira
Title: Director

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

SILVER ALTERNATIVE HOLDING LIMITED

By: /s/ Li Zhao Hui
Name: Li Zhao Hui
Title: Authorized Representative

Address:
[***]

with a copy to:

[***]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

[SIGNATURE PAGE TO REGISTRATION RIGHTS AGREEMENT]

TENCENT CLOUD EUROPE B.V.

By: /s/ Constant Pieter van der Merwe
Name: Constant Pieter van der Merwe
Title: Authorized Signatory

Address:
[***]

with a copy to:

[***]

SCHEDULE A

Holder	Address
31416 S.A.S.	[***]
Absoluto Partners VC Master Fund, LLC	[***]
Adam Edward Wible	[***]
Adonay de Nuccio	[***]
AEZ Hub Ltd.	[***]
AI Palau LLC	[***]
AIM Investment Fund (Invesco Investment Funds) on behalf of its series portfolio Invesco Developing Markets Fund	[***]
Alejandro Moreno Mejía	[***]
Alexandre Baldasseirine Neto	[***]
Alexandre Floriano Rodrigues da Silva	[***]
Alyson Richards Ahearn	[***]
American Funds Insurance Series – New World Fund	[***]
Amit Kumar Singh	[***]
Anantya Capital, LLC	[***]
Anderson Luis Paiva Pinto	[***]
Andre Midea Jasiskis	[***]
Andre Victor Vicentini De Oliveira	[***]
Andrew Joseph Michalik	[***]
Arthur Ferreira Valadao	[***]
Augusto Mazzoni Pierzynski	[***]
Aurora Investment Pte. Ltd.	[***]
Baco II Ltd.	[***]
Banco Regional, S.A. Institución de Banca Múltiple, Banregio Grupo Financiero as Trustee of Trust Number 851-01378	[***]
Base Select I, LLC	[***]
Base10 Partners Management, LLC	[***]
Benjamin Jason Silver	[***]
Bicalho Holding B.V.	[***]
Bizcayne Investments LP	[***]
BRK CAPITAL, LLC	[***]
Bullfrog Capital, L.P., for itself and as nominee for Bullfrog Founder Fund, L.P.	[***]
Camila Passos de Felippo	[***]
Camille Rebecca Jacobs Ramos	[***]
Capital Group New Economy Trust (US)	[***]
Carlos Eduardo Martins Relvas	[***]

Holder	Address
Carolina Yumi Taguchi de Carvalho	[***]
CHJZ Investments Ltd.	[***]
Claremount V Associates, L.P.	[***]
Claynon Augusto Ellert de Souza	[***]
Columbia Insurance Company	[***]
Constance Alicia Pfeiffer	[***]
CP Irrevocable GSTESLAT 2020 Trust	[***]
CPP Investment Board PMI-2 Inc.	[***]
Cristina Helena Zingaretti Junqueira	[***]
Daniel Allen Wible	[***]
Daniela Sorroche Belisario Da Silva	[***]
Developing Markets Fund	[***]
Disfrutar Investments Corp.	[***]
Douglas Arruda Silva	[***]
Douglas R. Scherrer, Trustee of the Douglas R. Scherrer Revocable 2019 Trust, and any amendments thereto	[***]
DST Co-Invest-NB Investments Limited	[***]
DST Investments XVIII, L.P.	[***]
DST-NB Investments Limited	[***]
DST-NB Investments VI Limited	[***]
Eduardo Cherem Cardoso	[***]
Eduardo Pires Baczynski	[***]
Emilio Andres Gonzalez Marcos	[***]
Eric Falchi Bedin	[***]
Eric Scaramozzino	[***]
Eric Torti	[***]
Evan Feinberg	[***]
Fabio Modolo Siqueira	[***]
Feju Investments Ltd.	[***]
Felipe Beline Baravieira	[***]
Felipe Da Costa Hummel	[***]
Fernando Carvalho Botelho de Miranda	[***]
Fernando De Barros Czapski	[***]
FF Brazil, LLC	[***]
Finance 1805, SA	[***]
FRJP Ltd.	[***]
Gabrielle Moura Silva	[***]
Gamvest Pte Ltd.	[***]
Gavin Bell	[***]
Glassbridge Inc.	[***]
Gondwana Capital Inc.	[***]
Greentrail Private Opportunities I LLC	[***]
Guilherme Alfredo Neumann	[***]

Holder	Address
Guilherme Eduardo Seabra Freitas	[***]
Gustavo Barrancos Hermogenes	[***]
Gustavo Franco	[***]
Harvest Alta NB, LP	[***]
Harvest Growth Capital III LLC	[***]
Helematt Ltd.	[***]
Helio Lascala Martins Padrao	[***]
Hendrik Jacob Van Veen	[***]
Hirji-Wigglesworth Partners, LP	[***]
Howard University	[***]
Igor da Silva Borges	[***]
Invesco Emerging Markets Equity Fund, LP	[***]
Invesco Emerging Markets Equity Trust	[***]
Isabella Osorno	[***]
Ivan Antonio Pisani	[***]
Ivando Junqueira Junior	[***]
Jaguar Ventures II, LP	[***]
Jariwala Living Trust	[***]
Joao Paulo Aguilera Borges	[***]
João Paulo Lemes da Costa	[***]
Jose Filipe Sabella Barciella	[***]
José Mendes de Farias	[***]
Juan Carlos Guillermety	[***]
Juan Osorno	[***]
Juliana de Barros Ferreira	[***]
Kaszek Ventures Opportunity I, L.P.	[***]
Kevin William Bird	[***]
Kisangani Limited	[***]
Konrad Georg Ethienne Scorciapino	[***]
KV EOS Holdings, LLC	[***]
KV Nub, LLC	[***]
Lilian Yassue Kazama	[***]
Lily Cormorant, LLC	[***]
Lisbontown Ltd.	[***]
Lish Lee Jung	[***]
Logan Noah Kroloff	[***]
Lucas Consolini Limao	[***]
Lucas Eduardo da Silva Rodrigues	[***]
Lucas Hervelha Gerassi Bauermann Estevam	[***]
Lucas Neumann De Antonio	[***]
Luis Alberto Moreno Mejía	[***]
Luis Felipe de Felippo Teixeira	[***]

Holder	Address
Magic Stone Special Opportunity Fund II L.P.	[***]
Manoj Pinnamaneni	[***]
Marcela Velez Osorno	[***]
Marcos Celso Ramos Simões	[***]
Marcos de Moraes Leme Jarne	[***]
Maria del Mar Velez Osorno	[***]
Maria Victoria Osorno	[***]
Marisa Ferreira Mogadouro	[***]
Mauro Velez Gonzalez	[***]
MP Irrevocable GSTESLAT 2019 Trust	[***]
Murilo Moreira Santos	[***]
Napoleon Ta	[***]
Neil Pai	[***]
Neil Ruthven and Julia Ruthven, Trustees of the Ruthven Family Trust, Dated October 1, 2012	[***]
The New Economy Fund	[***]
New World Fund, Inc.	[***]
Nifty DF Investments, LP	[***]
Nifty FD Holdings, LP	[***]
Oliver Jung	[***]
Olook Ventures Ltd.	[***]
Ono Ltd.	[***]
Oscar Rodriguez Herrero	[***]
Patrick Barth	[***]
Pedro Felipe Reyes Vásquez	[***]
Pedro Henrique Santana Mariano	[***]
Pedro Kvitko Axelrud	[***]
Pedro Milanez Siciliano	[***]
Pera Manca Tinto Ltd.	[***]
PIC ME LTD	[***]
Phillip Lopes Mates	[***]
Post House Capital LLC	[***]
Purpleheart Ltd.	[***]
QED Fund III, LP	[***]
QED LatAm Fund LP	[***]
Raghav Aggarwal	[***]
Ramon Martinez Ribeiro Neto	[***]
RED NOVEMBER PAL TECH SCS	[***]
Redpoint Omega Associates II, LLC	[***]
Redpoint Omega II, L.P.	[***]
Renato Campanholo	[***]
Ribbit Capital III, L.P.	[***]

Holder	Address
Ribbit Capital VI, L.P.	[***]
Rodrigo Perez Taboada	[***]
Roger W. Sant Revocable Living Trust	[***]
Rogério Marcos Martins de Oliveira	[***]
Rua California Ltd.	[***]
Sands Capital Global Innovation Fund II, LLC	[***]
Sands Point Consulting, LLC	[***]
SC USG VI DE INVESTMENTS, L.L.C.	[***]
SC USV XIV DE INVESTMENTS, L.L.C.	[***]
SCB Ltd.	[***]
SCGE Fund, L.P.	[***]
Scott Nolan	[***]
Sequoia Grove II, LLC	[***]
Serendipe Investments Ltd.	[***]
Silver Alternative Holding Limited	[***]
Simone de Fátima Soares de Lima	[***]
Stelutis Alpinis 11 Ltd.	[***]
Sunley House Capital Master Limited Partnership	[***]
TCCS I, LP	[***]
TCDS I, LP	[***]
TCLS I, LP	[***]
TCV NB Co, L.P.	[***]
TCV X (A) Blocker, L.P.	[***]
TCV X (B), L.P.	[***]
TCV X Member Fund, L.P.	[***]
TCV X, L.P.	[***]
Tencent Cloud Europe B.V.	[***]
Thais Starling De Padua Lamy De Miranda	[***]
Thierry Hajatiana Louis Silbermann	[***]
Thrive Capital Partners V, L.P.	[***]
TIGA (Brazil) I, LP	[***]
TIGA (Brazil) III, LP	[***]
Tiger Global Private Investment Partners IX, L.P.	[***]
Timugi Capital Ltd.	[***]
Tyler Brannen Richie	[***]
Utmost PanEurope dac	[***]
Verde Directive Fund Ltd.	[***]
Vinicius Pirani de Oliveira	[***]
Whale Rock Flagship (AI) Fund LP	[***]
Whale Rock Flagship Master Fund, LP	[***]
Whale Rock Long Opportunities Master Fund, LP	[***]
Wolf River 21, LLC	[***]

Exhibit 4.3

SHAREHOLDER'S AGREEMENT

This SHAREHOLDER'S AGREEMENT (as the same may be amended from time to time in accordance with its terms, the "**Agreement**") is entered into as of November 29, 2021, by and between Nu Holdings Ltd., an exempted company formed under the laws of the Cayman Islands (the "**Company**"), and the Shareholder (as defined below).

W I T N E S S E T H:

WHEREAS, the Company is currently contemplating an underwritten initial public offering (the "**IPO**") of shares of its Class A Ordinary Shares; and

WHEREAS, in connection with, and effective upon, the completion of the IPO (such date of completion, the "**IPO Date**"), the Company and the Shareholder wish to set forth certain understandings between such parties, including with respect to certain governance matters.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions.* (a) As used in this Agreement, the following terms have the following meanings:

"**Affiliate**" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, and (i) in the case of a natural person, shall include, without limitation, such person's spouse, domestic partner, parents, step-parents, children, step-children, grandchildren, siblings, nieces, nephews, mother-in-law and father-in-law and brothers- and sisters-in-law and sons-in-law and daughters-in-law, whether by blood, marriage or adoption or anyone residing in such person's home, a trust for the benefit of any of the foregoing, or a company, partnership or entity wholly or jointly owned by any of the foregoing, and (ii) in the case of an entity, shall include a partnership, corporation or any natural person or entity which, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such entity. For the purpose of this definition, the term "**control**" (including, with correlative meanings, the terms "**controlling**", "**controlled by**" and "**under common control with**"), as used with respect to any Person, means the ownership, directly or indirectly, of securities possessing more than fifty per cent (50%) of the voting power of the corporation, partnership or other entity (other than, in the case of a corporation, shares having such power only by reason of the happening of a contingency), or having the power to control the management or elect a majority of members to the board of directors or equivalent decision-making body of such corporation, partnership or other entity.

"**Articles of Association**" means the Amended and Restated Memorandum and Articles of Association of the Company, as the same may be amended from time to time.

"**Board**" means the board of directors of the Company.

"**Business Combination**" means a statutory amalgamation, merger, consolidation, arrangement or other reorganization involving the Company requiring the approval of the members of one or more of the participating companies as well as a short-form merger or consolidation that does not require a resolution of members.

"**Business Day**" means any day on which banks are not required or authorized by law to close in the City of New York, New York, USA or in São Paulo, State of São Paulo, Brazil.

"**Change of Control**" means (i) the merger or consolidation of the Company or any of its subsidiaries with or into another Person (other than the Company or any of its wholly owned subsidiaries) or the merger of another Person (other than the Company or any of its wholly owned subsidiaries) with or into the Company or any of its subsidiaries, (ii) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its subsidiaries taken as a whole to any Person other than a wholly owned subsidiary of the Company or (iii) any "person" or "group" (as such terms are used for purposes of Section 13(d) of the Exchange Act) is or becomes the a beneficial owner, directly or indirectly, of more than 50% of the Total Voting Power or acquires the power to direct or cause the direction of the management and policies of the Company, whether through the ownership of voting securities, by contract or otherwise.

"**Class A Ordinary Shares**" means the class A ordinary shares of a nominal or par value of US$0.000006666666667 each in the capital of the Company having the rights provided for in the Articles of Association.

"**Class B Ordinary Shares**" means the class B ordinary shares of a nominal or par value of US$0.000006666666667 each in the capital of the Company having the rights provided for in the Articles of Association.

"**Company Securities**" means (i) the Ordinary Shares and (ii) securities that entitle the holder to vote in the election of directors to the Board that are convertible into or exchangeable for Ordinary Shares.

"**Exchange**" means the New York Stock Exchange, the B3 and any other stock exchange or interdealer quotation system listed in Schedule 4 of The Companies Act (Revised) on which shares in the capital of the Company are listed or quoted.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Independent Director**" means an "independent director" as such term is used in the listing requirements of the Exchange.

"**Necessary Action**" means, with respect to a specified result, all actions (to the extent such actions are permitted by law and by the Articles of Association) necessary to cause such result, including (i) in the case of the Shareholder, voting or providing a written consent or proxy with respect to the Company Securities, (ii) in the case of the Company, calling a general meeting for the purpose of causing the passing of shareholders' resolutions, including to make amendments to the Articles of Association, (iii) executing agreements and instruments, and (iv) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result. For the avoidance of doubt, the Company shall not be required to take any Necessary Action that is contrary to or conflicting with the Articles of Association or applicable law.

"**Ordinary Shares**" means collectively, the Class A Ordinary Shares and the Class B Ordinary Shares (*provided* that in no circumstance shall such shares be counted twice).

"**Person**" means any individual, corporation, general or limited partnership, limited liability company, joint stock company, joint venture, estate, trust, association, organization or any other entity or governmental entity.

"**Permitted Assigns**" means a transferee of Shares by the Shareholder who is (i) an Affiliate of the Shareholder, (ii) a trustee of a trust established for the benefit of the Shareholder or an Affiliate of the Shareholder, (iii) an organization that is exempt from taxation under Section 501(3)(c) of the United States Internal Revenue Code of 1986, as amended (or any successor thereto), or to an organization that is exempt from taxation in Brazil under Sections 184, 377 or 378 of the 2018 Internal Tax Regulations, as amended (or any successor thereto), and that is controlled, directly or indirectly through one or more intermediaries, by the Shareholder, or (iv) a partnership, corporation or other entity owned or controlled by the Shareholder or an Affiliate of the Shareholders, in each case that agrees in writing to become party to, and be bound to the same extent as its transferor by the terms of, this Agreement, in the form of Exhibit A hereto; provided, that upon such transfer, such Permitted Assign shall be deemed to be a "Shareholder" hereto for all purposes herein.

"**Shares**" means the Ordinary Shares in issue.

"**Shareholder**" means, collectively, David Vélez Osorno, Rua California Ltd. (as long as it remains a vehicle controlled by David Vélez Osorno) and any Person (other than the Company) affiliated with David Vélez Osorno and/or any of his Permitted Assigns who shall then be a party to or bound by this Agreement, so long as such Person shall "beneficially own" (as such term is defined in Rule 13d-3 of the Exchange Act) any Company Securities.

A company is a "**Subsidiary**" of another company if that other company: (i) holds a majority of the voting rights in it; (ii) is a member of it and has the right to appoint or remove a majority of its board of directors; or (iii) is a member of it and controls alone, pursuant to an agreement with other members, a majority of the voting rights in it; or if it is a subsidiary of a company which is itself a subsidiary of that other company. For the purpose of this definition the expression "company" includes any body corporate established in or outside of the British Overseas Territory of the Cayman Islands.

"**Total Voting Power**" means the aggregate voting power of all issued Shares having the right to receive notice of, attend, speak and vote at general meetings of the Company, voting together as a single class.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Cause	2.02
Classifying Date	2.01(c)
Class I Directors	2.01(c)
Class II Directors	2.01(c)
Class III Directors	2.01(c)
Company	Preamble
Confidential Information	3.02(b)
Convertible Securities	2.05(d)
Directed Opportunity	3.04
Representatives	3.02(b)
Shareholder Directors	2.01(b)
Specified Party	3.04

Section 1.02. *Other Definitional and Interpretative Provisions.* The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule, but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Words importing the masculine gender only shall include the feminine gender. The word "or" is not exclusive. The word "may" shall be construed as permissive and the word "shall" shall be construed as imperative. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any law include all rules and regulations promulgated thereunder. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2

CORPORATE GOVERNANCE

Section 2.01. *Composition of the Board.* (a) The members of the Board shall be nominated and elected in accordance with the Articles of Association and the provisions of this Agreement. As of the IPO Date, the Board shall be composed of nine directors.

(b) From and after the date hereof, the Shareholder shall have the right, but not the obligation, to nominate a number of designees to the Board (the "**Shareholder Directors**") equal to:

(i) up to five Shareholder Directors (or if the size of the Board is increased, a majority (i.e., more than 50%) of the total number of directors, rounded upward to the nearest whole number), so long as the Shareholder and its Affiliates continue to beneficially own at least 40% of the Total Voting Power,

(ii) up to three Shareholder Directors (or if the size of the Board is increased, one-third of the total number of Directors, rounded upward to the nearest whole number), so long as the Shareholder and its Affiliates continue to beneficially own at least 25% of the Total Voting Power, and

(iii) up to one Shareholder Director (or if the size of the Board is increased, 10% of the total number of directors, rounded upward to the nearest whole number), so long as the Shareholder and its Affiliates continue to beneficially own at least 5% of the Total Voting Power.

In the event that the Shareholder has nominated less than the total number of Shareholder Directors the Shareholder is entitled to nominate pursuant to this Section 2.01(b), the Shareholder shall have the right, at any time, to nominate such additional Shareholder Directors to which it is entitled, in which case the Shareholder and the Company shall take, or cause to be taken, all Necessary Action to appoint such additional Shareholder Directors nominated by the Shareholder to the Board.

(c) In accordance with the Articles of Association, from and after the date on which the Shareholder (together with its Affiliates) no longer beneficially owns more than 50% of the Total Voting Power (the "**Classifying Date**"), the directors shall be divided into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of directors constituting the entire Board. The Board shall assign members of the Board in office at the Classifying Date to such classes. Each director shall serve for a term ending on the date of the third annual general meeting of shareholders next following the annual general meeting of shareholders at which such director was elected, *provided* that directors initially designated as Class I Directors ("**Class I Directors**") shall serve for a term ending on the date of the first annual general meeting of shareholders following the Classifying Date, directors initially designated as Class II Directors ("**Class II Directors**") shall serve for a term ending on the second annual general meeting of shareholders following the Classifying Date, and directors initially designated as Class III Directors ("**Class III Directors**") shall serve for a term ending on the date of the third annual general meeting of shareholders following the Classifying Date. The Company shall ensure that the Shareholder Directors shall be allocated to the longest duration classes, unless otherwise directed by the Shareholder.

(d) The Company agrees, to the fullest extent permitted by applicable law (including with respect to any applicable fiduciary duties under the Companies Act (as revised)), to take all Necessary Action to effectuate the above by: (A) including the persons designated pursuant to this Section 2.01 in the slate of nominees recommended by the Board for election at any meeting of shareholders called for the purpose of electing directors, (B) nominating and recommending each such individual to be elected as a director as provided herein, (C) soliciting proxies or consents in favor thereof, and (D) without limiting the foregoing, otherwise using its reasonable best efforts to cause such nominees to be elected to the Board, including providing at least as high a level of support for the election of such nominees as it provides to any other individual standing for election as a director.

(e) At any time when the number of Directors that the Shareholder is entitled to nominate pursuant to this Section 2.01 is less than the number of Shareholder Directors on the Board, the Shareholder shall cause the required number of Shareholder Directors to resign from the Board or not stand for reelection on or prior to the Company's next general meeting of shareholders at which directors of the Company are to be elected, and any vacancies resulting from such resignation shall be filled by the Board in accordance with the Articles of Association, the rules of the U.S. Securities Exchange Commission (the "**SEC**") and the rules of the Exchange then in effect.

(f) For the avoidance of doubt, the rights granted to the Shareholder to designate members of the Board are additive to, and not intended to limit in any way, the rights that the Shareholder or any of its Affiliates may have to nominate, elect or remove directors under the Articles of Association or Cayman Islands law.

Section 2.02. *Removal.* So long as the Shareholder is entitled to designate one or more nominees pursuant to Section 2.01, the Shareholder shall have the right to remove any such director (with or without Cause (as such term is defined in the Articles of Association)), from time to time and at any time, from the Board, exercisable upon written notice to the Company.

Section 2.03. *Vacancies*. In the event that a vacancy is created on the Board at any time by the death, disability, resignation or removal (whether by the Shareholder or otherwise in accordance with the Articles of Association, as may be amended or restated from time to time) of a Shareholder Director, the Shareholder shall be entitled to designate an individual to fill the vacancy so long as the total number of persons that will serve on the Board as designees of the Shareholder immediately following the filling of such vacancy will not exceed the total number of persons the Shareholder is entitled to designate pursuant to Section 2.01 on the date of such replacement designation. The Company and the Shareholder shall take all Necessary Action to cause such replacement designee to become a member of the Board. Subject to the provisions of this Agreement, the Board may nominate additional Directors to the Board, or fill any vacancy on the Board, pursuant to the terms of the Articles of Association.

Section 2.04. *Board Committees*. As of the IPO Date, the Board has designated each of the following committees: an Audit and Risk Committee, a Leadership Development, Diversity and Compensation Committee and a Stakeholders Committee. For so long as the Shareholder has the right to designate at least one (1) Shareholder Director pursuant to Section 2.01, the Shareholder shall have the right, but not the obligation, to designate its pro rata share of the total number of members of each committee of the Board that is equal to the proportion that the number of Shareholder Directors bears to the total number of directors of the Company and the Board shall take Necessary Action to appoint such designee(s) to such committee; *provided* that the right of any Shareholder Director to serve on a committee shall be subject to applicable law and the Company's obligation to comply with any applicable requirements of the Exchange.

Section 2.05. *Actions Requiring Consent.* For so long as the Shareholder and its Affiliates' continue to beneficially own at least 10% of the Total Voting Power, the Company shall not take any affirmative action, or permit its Subsidiaries to take any action (including any action by the Board or any committee thereof), with respect to any of the following matters without the prior written approval of the Shareholder:

(a) entering into any transaction or series of transactions that would result in a Change of Control;

(b) any merger, consolidation, reorganization (including conversion) or any other Business Combination involving the Company or any of its subsidiaries;

(c) any liquidation, dissolution, receivership, commencement of bankruptcy, insolvency or similar proceedings with respect to the Company or any of its Subsidiaries;

(d) authorizing or issuing any Shares or any security or obligation that, by its terms, directly or indirectly, is convertible into or exchangeable or exercisable for Shares (collectively, "**Convertible Securities**") and any option, warrant or other right to subscribe for, purchase or acquire Convertible Securities, other than (i) pursuant to any share plan, employee share purchase plan or equity incentive plan approved by the Board, (ii) in connection with the acquisition by the Company or any of its Subsidiaries of the securities, business, technology, property or other assets of another Person or pursuant to an employee benefit plan assumed by the Company or any of its Subsidiaries in connection with such acquisition, or the Company's joint ventures, equipment leasing arrangements, debt financings or other strategic transactions; provided that the aggregate number of Shares (or Shares underlying Convertible Securities) issued or issuable over any 12-month period under this clause (ii) shall not exceed 10% of the total number of Shares in issue on the first day of such 12-month period, (iii) in connection with the exchange or conversion of Class B Ordinary Shares into Class A Ordinary Shares, as contemplated by the Articles of Association or (iv) in compliance with the Articles of Association;

(e) the acquisition, sale, conveyance, transfer or other disposition of any asset or business of the Company or any of its Subsidiaries, in one transaction or a series of related transactions, the aggregate consideration or fair value of which is greater than or equal to 20% of the Company's net equity value on the date of such transaction, as determined by the Board in good faith;

(f) redeeming, repurchasing or otherwise acquiring any Shares or Convertible Securities of the Company (or any equivalent securities of its Subsidiaries), other than redemptions, repurchases or acquisitions of from employees, officers, directors, consultants or other Persons performing services for the Company or any of its Subsidiaries (or in connection with the cessation of such services) pursuant to agreements under which the Company or any of its Subsidiaries has the option to repurchase such Shares or Convertible Securities (or equivalents thereof) upon the occurrence of certain events, such as the termination of employment or service;

(g) paying or declaring any dividend or distribution on any Shares of the Company (or any equivalent securities or any of its Subsidiaries) except to the extent such payments are to the Company or one of its directly or indirectly wholly owned Subsidiaries;

(h) incurring, creating or assuming any indebtedness of the Company or any of its Subsidiaries in an amount greater than or equal to the Company's net equity value in the aggregate on a consolidated basis;

(i) any material change in the strategic direction or scope of the Company's business, as determined by the Board in good faith;

(j) any transaction or agreement (other than relating to the issuance or sale of Shares or Convertible Securities) between the Company and/or any of its Subsidiaries, on the one hand, and any officer, director or Affiliate of the Company, on the other (excluding, in all cases, of the Shareholder);

(k) any determination or approval of the annual compensation of an officer and/or director of the Company (excluding, in all cases, of the Shareholder); or

(l) the adoption of a shareholders' rights plan.

ARTICLE 3
CERTAIN COVENANTS AND AGREEMENTS

Section 3.01. *Access; Information; Consultation*. For so long as the Shareholder and its Affiliates continue to beneficially own at least 5% of the Total Voting Power:

(a) the Company shall, and shall cause its Subsidiaries to, (i) permit the Shareholder and its designated representatives, at reasonable times and upon reasonable prior notice to the Company, to review the books and records of the Company or any of such Subsidiaries and to discuss and provide advice and direction concerning the affairs, finances and condition of the Company or any of such Subsidiaries with the officers of the Company or any such Subsidiary, and (ii) furnish the Shareholder with such available financial and operating data and other information with respect to the business and properties of the Company and its Subsidiaries as the Shareholder may reasonably request in the format and within such time periods as the Shareholder shall request.

The Company shall permit the Shareholder and its Representatives (as defined below) to discuss the affairs, finances and accounts of the Company and its Subsidiaries with, and to make proposals and furnish advice to, the Company's senior management; *provided*, *however*, that in the case of each of clause (i) and (ii), the Company shall not be required to disclose any privileged information of the Company so long as the Company has used its best efforts to provide such information to the Shareholder without the loss of any such privilege, and notified the Shareholder that such information has not been provided; and

(b) the Shareholder shall be entitled to routinely consult with and advise the Company's senior management with respect to the Company's and its Subsidiaries' business and financial matters, including management's proposed annual operating plans, and, upon request by the Shareholder, members of the Company's senior management will meet regularly (on a quarterly basis) during each year with the Shareholder (and/or its Representatives) at mutually agreeable times and locations for such consultation and advice, including to review progress in achieving said plans. The Company agrees to give due consideration to the advice given and any proposals made by the Shareholder.

Section 3.02. *Confidentiality*. (a) The Shareholder agrees that Confidential Information furnished and to be furnished to it has been and may in the future be made available in connection with the Shareholder's investment in the Company. The Shareholder agrees that, in its capacity as a shareholder of the Company, it shall use, and that it shall cause any Person to whom Confidential Information is disclosed pursuant to clause (i) below to use, the Confidential Information only in connection with its investment in the Company and not for any other purpose (including to disadvantage competitively the Company or any of its Affiliates). The Shareholder further acknowledges and agrees that it shall not disclose any Confidential Information to any Person, except that Confidential Information may be disclosed:

(i) to the Shareholder's Representatives in the normal course of the performance of their duties or to any financial institution providing credit to such Shareholder;

(ii) to the extent required by applicable law, rule or regulation (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which the Shareholder is subject; *provided* that the Shareholder agrees to give the Company prompt notice of such request(s), to the extent practicable, so that the Company may seek an appropriate protective order or similar relief (and the Shareholder shall cooperate with such efforts by the Company, and shall in any event make only the minimum disclosure required by such law, rule or regulation));

(iii) to any regulatory authority to which the Shareholder or any of its Affiliates is subject; *provided* that such authority is advised of the confidential nature of such information; or

(iv) if the prior written consent of the Board shall have been obtained.

Nothing contained herein shall prevent the use (subject, to the extent possible, to a protective order) of Confidential Information in connection with the assertion or defense of any claim by or against the Company or the Shareholder.

(b) "**Confidential Information**" means any information concerning the Company or any Persons that are or become its Subsidiaries or the financial condition, business, operations or prospects of the Company or any such Persons in the possession of or furnished to the Shareholder (including by virtue of its present or former right to designate a director of the Company); *provided* that the term "Confidential Information" does not include information that (i) becomes known to the public through no fault of the Shareholder or its directors, officers, employees, stockholders, members, partners, agents, counsel, investment advisers or other representatives (all such persons being collectively referred to as "**Representatives**"); (ii) was available or becomes available to the Shareholder before, on or after the date hereof, without restriction, from a source other than the Company, which source is (at the time of receipt of the relevant information) not, to the best of the Shareholder's knowledge, bound by a confidentiality agreement with (or other confidentiality obligation to) the Company or another Person; or (iii) is independently developed by the Shareholder without violating any confidentiality agreement with or other obligation of secrecy to the Company, and without reference to or use of any Confidential Information.

Section 3.03. *Conflicting Agreements.* Each of the Company and the Shareholder represents and agrees that it shall not grant any proxy or enter into or agree to be bound by any voting trust or agreement with respect to the Company Securities, or enter into any agreement or arrangement of any kind with any Person with respect to any Company Securities, in each case that is inconsistent with the provisions of this Agreement. Each of the Company and the Shareholder agree that nothing hereunder shall require the Company to take any action that would breach the Articles of Association or applicable law and, to the extent of any inconsistency between this Agreement and the Articles of Association, the terms of the Articles of Association shall prevail.

Section 3.04. *Corporate Opportunities.* To the fullest extent permitted by applicable law, the Company, on behalf of itself and its Subsidiaries, waives and renounces any right, interest or expectancy of the Company and/or its Subsidiaries in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to or business opportunities of which the Shareholder or any of its officers, directors, agents, shareholders, members, partners, Affiliates and Subsidiaries (other than the Company and its Subsidiaries) (each, a "**Specified Party**") gain knowledge, even if the opportunity is competitive with the business of the Company or its Subsidiaries or one that the Company or its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and each such Specified Party shall have no duty (statutory, fiduciary, contractual or otherwise) to communicate or offer such business opportunity to the Company and, to the fullest extent permitted by applicable law, shall not be liable to the Company or any of its Subsidiaries for breach of any statutory, fiduciary, contractual or other duty, as a director or otherwise, by reason of the fact that such Specified Party pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present or communicate such business opportunity, or information regarding such business opportunity, to the Company or its Subsidiaries. Notwithstanding anything in

this Section 3.04 to the contrary, a Specified Party who is a director of the Company and who is offered a business opportunity for the Company or its Subsidiaries in his or her capacity solely as a director of the Company (a "**Directed Opportunity**") shall be obligated to communicate such Directed Opportunity to the Company; *provided*, *however*, that all of the protections of this Section 3.04 shall otherwise apply to the Specified Parties with respect to such Directed Opportunity, including the ability of the Specified Parties to pursue or acquire such Directed Opportunity, directly or indirectly, or to direct such Directed Opportunity to another person.

Section 3.05. *Stockholder Capacity.* Notwithstanding anything to the contrary, nothing in this Agreement shall limit or restrict any party from discharging any fiduciary duty, if any, and nothing herein shall be interpreted to the contrary. This Agreement shall apply to the Shareholder solely in the Shareholder's capacity as a holder or beneficial owner of voting securities of the Company. The Shareholder does not make any agreement or understanding in this Agreement in the Shareholder's capacity as a director or officer of the Company or any of its Subsidiaries (if the Shareholder holds such office).

ARTICLE 4
MISCELLANEOUS

Section 4.01. *Binding Effect; Assignability; Benefit.* (a) Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and permitted assigns. If the Shareholder ceases to beneficially own any Company Securities, it shall cease to be bound by the terms hereof (other than Sections 3.02, 4.02, 4.05, 4.06, 4.07, 4.09 and 4.10).

(b) Neither the Company nor the Shareholder shall assign or transfer all or any part of this Agreement without the prior written consent of the other party; provided, however, that the Shareholder shall be entitled to assign, in whole or in part, to any of its Permitted Assigns without such prior written consent. Any such Permitted Assignee that shall become a party to this Agreement shall (unless already bound hereby) execute and deliver to the Company an agreement to be bound by this Agreement in the form of Exhibit A hereto and shall thenceforth be deemed a "Shareholder."

(c) If the spouse of the Shareholder is not a party to this Agreement and possesses or obtains an interest in such Shareholder's Company Securities, including by reason of the application of the community property laws of any jurisdiction, such Shareholder shall promptly cause such spouse to (i) execute a Joinder Agreement and be bound by and subject to the terms of this Agreement as Shareholder, and (ii) deliver such Joinder Agreement to the Shareholder and the Company.

(d) Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 4.02. *Notices*. All notices, requests and other communications to any party shall be in writing and shall be delivered in person, mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission or email transmission so long as receipt of such email is requested and received:

if to the Company to:

Nu Holdings Ltd.
c/o Campbells Corporate Services Limited
Floor 4, Willow House, Cricket Square, KY1-9010
Grand Cayman, Cayman Islands
Attention: Legal Department
Email: [***]

with a copy to (which copy shall not constitute notice):

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, New York 10017
Attention: Byron B. Rooney
Fax: (212) 701-5658
Email: byron.rooney@davispolk.com

if to the Shareholder, to:

Rua California Ltd.
c/o Campbells Corporate Services Limited
Floor 4, Willow House, Cricket Square, KY1-9010
Grand Cayman, Cayman Islands
Attention: David Vélez Osorno
Email: [***]

All notices, requests and other communications (including those sent by electronic mail) shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt. Any notice, request or other written communication sent by facsimile transmission shall be confirmed by certified or registered mail, return receipt requested, posted within one Business Day, or by personal delivery, whether courier or otherwise, made within two Business Days after the date of such facsimile transmissions.

Any Permitted Assignee that becomes a Shareholder shall provide its address, fax number and email address to the Company.

Section 4.03. *Term; Waiver; Amendment*. (a) This Agreement shall terminate on the earlier to occur of: (i) such time as the Shareholder and its Affiliates collectively cease to beneficially own at least 5% of the Total Voting Power; (ii) the Shareholder and its Affiliates collectively cease to beneficially own any Company Securities; and (iii) upon the delivery of a written notice by the Shareholder to the Company requesting that this Agreement terminate (in each case, other than Sections 3.02, 4.02, 4.05, 4.06, 4.07, 4.09 and 4.10).

(b) This Agreement may be amended, waived or otherwise modified only by a written instrument executed by the parties hereto. In addition, any party may waive any provision of this Agreement with respect to itself by an instrument in writing executed by the party against whom the waiver is to be effective. Except as provided in the preceding sentences, no action taken pursuant to this Agreement, including any investigation by or on behalf of any party, will be deemed to constitute a waiver by the party taking such action of compliance with any covenants or agreements contained herein. The waiver by any party hereto of a breach of any provision of this Agreement will not operate or be construed as a waiver of any subsequent breach.

Section 4.04. *Fees and Expenses*. All costs and expenses incurred in connection with the preparation of this Agreement, or any amendment or waiver hereof, and the transactions contemplated hereby shall be paid by the party incurring such costs or expenses.

Section 4.05. *Governing Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the Cayman Islands.

Section 4.06. *Jurisdiction*. Each party hereto submits to the non-exclusive jurisdiction of the Cayman Islands courts for the purpose of any action arising out of or in relation to this Agreement. Each party agrees that, in any such action, it will not contest jurisdiction on the grounds that the Cayman Islands courts are an inconvenient forum or otherwise.

Section 4.07. *Specific Enforcement*. Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

Section 4.08. *Counterparts; Effectiveness*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective as delivery of a manually executed counterpart of this Agreement. Each party hereto represents that it has undertaken commercially reasonable steps to verify the identity of each individual person executing any such counterparts via electronic signature on behalf of such party and has and will maintain sufficient records of the same. This Agreement shall become effective immediately prior to the closing of the IPO on the IPO Date; *provided*, that this Agreement shall be of no force and effect if the IPO has not been consummated within thirty (30) Business Days from the date of this Agreement. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 4.09. *Entire Agreement*. Together with the Articles of Association, this Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein and in the Articles of Association. This Agreement, together with the Articles of Association, supersedes all other prior agreements and understandings between the parties with respect to such subject matter.

Section 4.10. *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner so that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized directors or officers as of the day and year first above written.

THE COMPANY:

NU HOLDINGS LTD.

By: /s/ Douglas Leone
Name: Douglas Leone
Title: Director

THE SHAREHOLDER:

RUA CALIFORNIA LTD.

By: /s/ David Vélez Osorno
Name: David Vélez Osorno
Title: Director

DAVID VÊLEZ OSORNO

/s/ David Vélez Osorno

EXHIBIT A

JOINDER TO SHAREHOLDER'S AGREEMENT

This Joinder Agreement (this "**Joinder Agreement**") is made as of the date written below by the undersigned (the "**Joining Party**") in accordance with the Shareholder's Agreement dated as of November 29, 2021 (as amended, amended and restated or otherwise modified from time to time, the "**Shareholder's Agreement**"). Capitalized terms used, but not defined, herein shall have the meaning ascribed to such terms in the Shareholder's Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to the Shareholder's Agreement as of the date hereof and shall have all of the rights and obligations of a "Shareholder" thereunder as if it had executed the Shareholder's Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Shareholder's Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date: _____ ___, _____

[NAME OF JOINING PARTY]

By: _____

Name:

Title:

Address for Notices:

Acknowledged by:

NU HOLDINGS LTD.

By: _____

Name:

Title:

Exhibit 10.1

DATED _____

(1) NU HOLDINGS LTD.

and

(2) [_____]

INDEMNIFICATION AGREEMENT

Campbells
Floor 4, Willow House, Cricket Square
Grand Cayman KY1-9010, Cayman Islands
www.campbellslegal.com
15531-24848

THIS AGREEMENT is executed as a Deed on the _____ day of _____

BETWEEN

(1) NU HOLDINGS LTD., an exempted company incorporated under the laws of the Cayman Islands whose registered office is at Campbells Corporate Services Limited, Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands (the "Company"); and

(2) _____ whose address is _____ ("Indemnitee").

WHEREAS

(A) Indemnitee performs a valuable service to the Company.

(B) The Company's Articles of Association ("Articles") provide for the indemnification of the officers, agents and directors of the Company out of the assets of the Company in certain circumstances.

(C) The Articles and the Companies Act (as revised) of the Cayman Islands by their non-exclusive nature, permit contracts between the Company and the officers or directors of the Company with respect to indemnification of such officers or directors.

(D) In order to induce Indemnitee to continue their Corporate Status, the Company has determined and agreed to enter into this contract with Indemnitee.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

For purposes of this Agreement:

"Corporate Status" describes the status of a person who is or was a director, officer, employee, partner, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the request of the Company.

"Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

"Enterprise" shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary.

"Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding.

"Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

"Proceeding" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by him or of any inaction on his part while acting as an officer or director of the Company, or by reason of the fact that he is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise; in each case whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 8 of this Agreement to enforce his rights under this Agreement.

2. INDEMNITY OF INDEMNITEE

The Company hereby agrees to hold harmless and indemnify Indemnitee to the full extent authorised or permitted by applicable law. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 2(a) if, by reason of his Corporate Status (as hereinafter defined), he is, or is threatened to be made, a party to or participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company. Pursuant to this Section 2(a), Indemnitee shall be indemnified against all Expenses (as hereinafter defined), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding or any claim, issue or matter therein, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 2(b) if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 2(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that a court of competent jurisdiction shall determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified to the maximum extent permitted by law against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) Indemnification of Appointing Shareholder. If (i) Indemnitee is or was affiliated with one or more venture capital funds that has invested in the Company (an "Appointing Stockholder"), and (ii) the Appointing Stockholder is, or is threatened to be made, a party to or a participant in any Proceeding, and (iii) the Appointing Stockholder's involvement in the Proceeding (A) arises primarily out of, or relates to, any action taken by the Company that was approved by the Company's Board of Directors, and (B) arises out of facts or circumstances that are the same or substantially similar to the facts and circumstances that form the basis of claims that have been, could have been or could be brought against the Indemnitee in a Proceeding, regardless of whether the legal basis of the claims against the Indemnitee and the Appointing Stockholder are the same or similar, then the Appointing Stockholder shall be entitled to all of the indemnification rights and remedies under this Agreement pursuant to this Agreement as if the Appointing Stockholder were the Indemnitee. The rights provided to the Appointing Stockholder under this Section 2 shall (x) be suspended during any period during which the Appointing Stockholder does not have a representative on the Company's Board of Directors, and (y) terminate on an initial public offering of the Company's Common Stock; provided, however, that in the event of any such suspension or termination, the Appointing Stockholder's rights to indemnification will not be suspended or terminated with respect to any Proceeding based in whole or in part on facts and circumstances occurring at any time prior to such suspension or termination regardless of whether the Proceeding arises before or after such suspension or termination. The Company and Indemnitee agree that the Appointing Stockholder is an express third party beneficiary of the terms of this Section 2(d).

3. ADDITIONAL INDEMNITY

In addition to, and without regard to any limitations on, the indemnification provided for in Section 2 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee to the full extent authorised or permitted by applicable law against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company, including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee). The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful under applicable law.

4. CONTRIBUTION IN THE EVENT OF JOINT LIABILITY

(a) Whether or not the indemnification provided in Sections 2 and 3 hereof is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay to the full extent authorised or permitted by applicable law, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall to the full extent authorised or permitted by applicable law contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to applicable law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless to the full extent authorised or permitted by applicable law from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

5. INDEMNIFICATION FOR EXPENSES OF A WITNESS

Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

6. ADVANCEMENT OF EXPENSES

Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within ten (10) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by an undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 6 shall be unsecured and interest free. Notwithstanding the foregoing, the obligation of the Company to advance Expenses pursuant to this Section 6 shall be subject to the condition that, if, when and to the extent that the Company determines that Indemnitee would not be permitted to be indemnified under applicable law (including for the avoidance of doubt, in the event that a final non appealable judgment is given against Indemnitee which finds them to have acted dishonestly, fraudulently or with wilful default), the Company shall be entitled to be reimbursed, within thirty (30) days of such determination, by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid; provided, however, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified, any determination made by the Company that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any advance of Expenses until a final judicial determination is made with respect thereto (and as to which all rights of appeal therefrom have been exhausted or lapsed).

7. PROCEDURES AND PRESUMPTIONS FOR DETERMINATION OF ENTITLEMENT TO INDEMNIFICATION

It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the laws and public policy of the Cayman Islands. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification (including, but not limited to, the advancement of Expenses and contribution by the Company) under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 7(a) hereof, a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case by a majority vote of the Disinterested Directors.

(c) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise (as hereinafter defined) in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 7(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under Section 7 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 7(f) shall not apply if the determination of entitlement to indemnification is to be made by the members of the Company pursuant to Section 7(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board of Directors or the Disinterested Directors, if appropriate, resolve to submit such determination to the members of the Company for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of members of the Company is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall use best endeavours to assist the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board of Directors of the Company or member of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

8. REMEDIES OF INDEMNITEE

(a) In the event that (i) a determination is made pursuant to Section 7 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 6 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 7(b) of this Agreement within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to this Agreement within ten (10) days after receipt by the Company of a written request therefor or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 7 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the Cayman Islands of his entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 8(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 7(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 8 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 7(b).

(c) If a determination shall have been made pursuant to Section 7(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 8, absent a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 8, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his behalf, in advance, any and all expenses (of the types described in the definition of Expenses in this Agreement) actually and reasonably incurred by him in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery, provided that Indemnitee shall reimburse the Company for any such payments or advances in the event that a final non appealable judgment is given against Indemnitee which finds them to have acted dishonestly, fraudulently or with wilful default. Notwithstanding the foregoing, nothing in this Agreement shall require Indemnitee to seek recovery under any such insurance policy.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 8 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement.

9. NON-EXCLUSIVITY; SURVIVAL OF RIGHTS; INSURANCE; SUBROGATION

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Articles, any agreement, a vote of members of the Company, a resolution of directors or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the law, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Articles and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, the Company shall procure that the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies to the full extent authorised or permitted by applicable law; provided, however, that nothing in this Agreement shall require Indemnitee to seek recovery under any such insurance, indemnification or advancement or otherwise. For the avoidance of doubt, nothing herein shall obligate the Company to purchase such insurance from a third-party provider, nor shall it prohibit the Company from self-insuring with respect to such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Fund Indemnitors), who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

10. EXCEPTION TO RIGHT OF INDEMNIFICATION

Notwithstanding any other provision of this Agreement, Indemnitee shall not be entitled to indemnification or advancement under this Agreement:

(a) with respect to any Proceeding brought by Indemnitee, or any claim therein, unless (a) the bringing of such Proceeding or making of such claim shall have been approved by the Board of Directors of the Company or (b) such Proceeding is being brought by Indemnitee to assert, interpret or enforce his rights under this Agreement; and

(b) where Indemnitee has acted dishonestly, fraudulently or with willful default.

For the avoidance of doubt, references in this Agreement to fraud or willful default shall mean a final non-appealable finding to such effect by a competent court in relation to the conduct of the relevant party.

11. DURATION OF AGREEMENT

All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and thereafter if the Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 8 hereof) by reason of his Corporate Status, whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

12. SECURITY

To the extent requested by Indemnitee and approved by the Board of Directors of the Company, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

13. ENFORCEMENT

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

14. SEVERABILITY

If any provision or provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, illegal or otherwise unenforceable for any reason whatsoever:

(a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law;

(b) the invalidity or unenforceability of any provision hereof as to either Indemnitee or Appointing Shareholder shall in no way affect the validity or enforceability of any provision hereof as to the other; and

(c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee and Appointing Shareholder indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. MODIFICATION AND WAIVER

No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. NOTICE BY INDEMNITEE

Indemnitee agrees within ten (10) business days to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. NOTICES

All notices, requests, demands and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (ii) mailed by certified or registered mail with postage prepaid, on the tenth business day after the date on which it is so mailed, or (iii) two (2) days after deposit with an internationally recognised overnight courier, specifying next or second day delivery, with written verification of receipt. All communications shall be sent to the respective parties at the addresses set forth on the signature pages attached hereto (or at such other addresses as shall be specified by notice given in accordance with this Section 17).

18. IDENTICAL COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

19. HEADINGS

The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. GOVERNING LAW AND JURISDICTION

The parties agree that this Agreement and any non-contractual obligations arising from or in connection with it shall be governed by, and construed and enforced in accordance with, the laws of the Cayman Islands without application of the conflict of laws principles thereof. The Parties irrevocably agree that the Cayman Islands courts are to have exclusive jurisdiction over any dispute (a) arising from or in connection with this Agreement or (b) relating to any non-contractual obligations arising from or in connection with this Agreement.

21. GENDER

Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

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IN WITNESS whereof the parties hereto have caused this Agreement to be executed as a Deed the day and year first above written.

EXECUTED and DELIVERED as a DEED)
By)
For and on behalf of) _____
NU HOLDINGS LTD.)

EXECUTED and DELIVERED as a DEED)
By)
_____) _____
)

in the presence of:

_____
Witness

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

The Company sets forth herein the terms and conditions of the Plan. The Board may adopt such supplements to the Plan as it deems necessary or appropriate to permit the grants of Awards also to foreign nationals or individuals who are employed outside of Brazil or outside of the United States or to recognize differences in local law, tax policy or custom. Any such supplement adopted by the Board will be incorporated into and deemed a part of the Plan.

1. PURPOSE

The Plan is intended to enhance the Company's and its Subsidiaries' ability to attract and retain employees, Consultants and Non-Employee Directors, and to motivate such employees, Consultants and Non-Employee Directors to serve the Company and its Subsidiaries and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company. To this end, the Plan provides for the grant of non-qualified share options and restricted share units. Any of these awards may, but need not, be made as performance incentives to reward attainment of performance goals in accordance with the terms and conditions of the Plan.

2. DEFINITIONS

For purposes of interpreting the Plan and related documents (including Award Agreements), the following definitions will apply to the maximum extent permitted under applicable law:

"**Affiliate**" means any company or other trade or business that "controls," is "controlled by" or is "under common control with" the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including any Subsidiary.

"**Amendment Date**" means the closing of the initial public offering of the Shares.

"**Annual Incentive Award**" means a cash-based Performance Award with a performance period that is the Company's fiscal year or other 12-month (or shorter) performance period as specified under the terms and conditions of the Award as approved by the Board.

"**Award**" means a grant, under the Plan, of an Option, RSUs or a Substitute Award.

"**Award Agreement**" means a written agreement between the Company and a Grantee, or notice from the Company or a Subsidiary to a Grantee that evidences and sets out the terms and conditions of an Award.

"**Beneficial Owner**" will have the meaning assigned to such term in Rules 13d-3 and 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular Person, that Person will be deemed to have beneficial ownership of all securities that the Person has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have corresponding meanings.

"**Board**" means the Board of Directors of the Company.

"**Business Combination**" means the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company.

"**Change in Control**" means, except as provided otherwise by the Board, the occurrence of any of the following events:

(1) The acquisition by any Person of Beneficial Ownership of more than 50% of the outstanding voting power, provided that (i) any acquisition directly from the Company, (ii) any acquisition by the Company or any of its Subsidiaries, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries or (iv) any acquisition by any corporation under a transaction that complies with clauses (i), (ii) and (iii) of paragraph (2) below will not constitute a Change in Control for purposes of this paragraph.

(2) Consummation of a Business Combination, unless after the Business Combination (i) all or substantially all of the Persons who were the Beneficial Owners, respectively, of the outstanding shares and outstanding voting securities immediately before the Business Combination own, directly or indirectly, more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the Company, as the case may be, of the entity resulting from the Business Combination (including an entity that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately before such Business Combination, of the outstanding voting securities (provided that for purposes of this clause (i) any ordinary shares, common shares or voting securities of such resulting entity received by such Beneficial Owners in such Business Combination other than as the result of such Beneficial Owners' ownership of outstanding shares or outstanding voting securities immediately before such Business Combination will not be considered to be owned by such Beneficial Owners for the purposes of calculating their percentage of ownership of the outstanding ordinary shares, common shares and voting power of the resulting entity), (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from the Business Combination) becomes the Beneficial Owner, directly or indirectly, of 30% or more of the combined voting power of the then outstanding voting securities of such entity resulting from the Business Combination unless such Person owned 30% or more of the outstanding shares or outstanding voting securities immediately before the Business Combination and (iii) at least a majority of the members of the Board of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or the action of the Board, providing for such Business Combination. For purposes of this paragraph, any Person who acquires outstanding voting securities of the entity resulting from the Business Combination by virtue of ownership, before such Business Combination, of outstanding voting securities of both the Company and the entity or entities with which the Company is combined will be treated as two Persons after the Business Combination, who will be treated as owning outstanding voting securities of the entity resulting from the Business Combination by virtue of ownership, before such Business Combination of, respectively, outstanding voting securities of the Company, and of the entity or entities with which the Company is combined.

(3) Approval by the Shareholders of a complete liquidation or dissolution of the Company.

Solely to the extent required by Code § 409A, an event described above will not constitute a Change in Control for purposes of the payment (but not vesting) terms and conditions of any Award subject to Code § 409A unless such event also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the Company's assets within the meaning of Code § 409A.

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**Committee**" means the Compensation Committee of the Board or any committee or other person or persons designated by the Board to administer the Plan. The Board will cause the Committee to satisfy the applicable requirements of any securities exchange on which the Ordinary Shares may then be listed. For purposes of Awards to Grantees who are subject to Exchange Act § 16, the "Committee" means all of the members of the Committee who are "non-employee directors" within the meaning of Rule 16b-3 under the Exchange Act. All references in the Plan to the Board will mean such Committee or the Board.

"**Company**" means Nu Holdings Ltd.

"**Consultant**" means any person, except an employee or Non-Employee Director, engaged by the Company or any Subsidiary, to render personal services to such entity, including as an advisor, under a written agreement and who qualifies as a consultant or advisor under Form S-8.

"**Detrimental Conduct**" means, as determined by the Company, the Grantee's serious misconduct or unethical behavior, including (1) any violation by the Grantee of a restrictive covenant agreement that the Grantee has entered into with the Company or an Affiliate (covering, for example, confidentiality, non-competition, non-solicitation and non-disparagement), (2) the commission of a criminal act by the Grantee, whether or not performed in the workplace, that subjects, or if generally known would subject, the Company or an Affiliate to public ridicule or embarrassment or other improper or intentional conduct by the Grantee causing reputational harm to the Company, an Affiliate or a client or former client of the Company or an Affiliate, (3) the Grantee's breach of a fiduciary duty owed to the Company or an Affiliate or a client or former client of the Company or an Affiliate, (4) the Grantee's intentional violation or grossly negligent disregard of the Company's or an Affiliate's policies, rules or procedures or (5) the Grantee taking or maintaining trading positions that result in a need to restate financial results in a subsequent reporting period or that result in a significant financial loss to the Company or its Affiliates.

"**Disability**" will be defined as that term is defined in the Grantee's offer letter or other applicable employment agreement. If there is no such definition, "Disability" means, as determined by the Company and unless otherwise provided in the applicable Award Agreement, the Grantee is unable to perform each of the essential duties of the Grantee's position by reason of a medically determinable physical or mental impairment that is potentially permanent in character or that can be expected to last for a continuous period of not less than 12 months.

"**Effective Date**" means January 1, 2020.

"**Exchange Act**" means the United States Securities Exchange Act of 1934.

"**Fair Market Value**" of a Share as of a particular date means the average closing price of a Share as quoted on such exchange or other comparable reporting system for the 30 consecutive trading days ending on the last business day immediately preceding the applicable date or any other reasonable period as determined by the Company or the Board. Notwithstanding the foregoing, if the Board determines that an alternative definition of Fair Market Value should be used in connection with the grant, exercise, vesting, settlement or payout of any Award, it may specify such alternative definition in the applicable Award Agreement. Such alternative definition may include a price that is based upon a valuation report prepared by an independent and specialized appraisal firm or, in the case of Shares that are listed on a securities exchange, the opening, actual, high, low or average selling prices of a Share on the applicable securities exchange on the given date, the trading date preceding the given date, the trading date next succeeding the given date, or an average of trading days, as the case may be.

"**Family Member**" means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law or sister-in-law, including adoptive relationships, of the applicable individual, any person sharing the applicable individual's household (other than a tenant or employee), a trust in which any one or more of these persons have more than 50% of the beneficial interest, a foundation in which any one or more of these persons (or the applicable individual) control the management of assets and any other entity in which one or more of these persons (or the applicable individual) own more than 50% of the voting interests.

"**GAAP**" means U.S. Generally Accepted Accounting Principles.

"**Grant Date**" means the latest to occur of (1) the date as of which the Board approves an Award, (2) the date on which the recipient of an Award first becomes eligible to receive an Award under **Section 6** or (3) such other date as may be specified by the Board in the Award Agreement.

"**Grantee**" means a person who receives or holds an Award.

"**Non-Employee Director**" means a member of the Board who is not an employee.

"**Nu Holdings Share Option Plan**" means the Nu Holdings Ltd. Share Option Plan adopted on October 17, 2016, lastly amended effective August 30, 2021, and as it may be amended from time to time.

"**Ordinary Share**" means a Class A Ordinary share of the Company.

"**Option**" means a non-qualified option to purchase one or more Shares under the Plan. No Option issued under the Plan will be considered an incentive option within the meaning of Code § 422.

"**Option Price**" means the exercise price for each Share subject to an Option.

"**Performance Award**" means an Award made subject to the attainment of performance goals (as described in **Section 11**) over a performance period established by the Board, and includes an Annual Incentive Award.

"**Person**" means a person as defined in Exchange Act § 13(d)(3).

"**Plan**" means this Nu Holdings Ltd. 2020 Omnibus Incentive Plan.

"**Restricted Period**" will have the meaning set forth in **Section 9.1**.

"**RSU**" means a bookkeeping entry representing the equivalent of Shares, awarded to a Grantee under **Section 9**.

"**Securities Act**" means the United States Securities Act of 1933.

"**Separation from Service**" means the termination of the applicable Grantee's employment with, and performance of services for, the Company and each Affiliate. Unless otherwise determined by the Company, if a Grantee's employment or service with the Company or an Affiliate terminates but the Grantee continues to provide services to the Company or an Affiliate in a non-employee director capacity or as an employee, officer or consultant, as applicable, such change in status will not be deemed a Separation from Service. A Grantee employed by, or performing services for, an Affiliate or a division of the Company or an Affiliate will not be deemed to incur a Separation from Service if such Affiliate or division ceases to be an Affiliate or division of the Company, as the case may be, and the Grantee immediately thereafter becomes an employee of (or service provider to) or member of the board of directors of the Company or an Affiliate or a successor company or an affiliate or subsidiary thereof. Approved temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Affiliates will not be considered Separations from Service. Notwithstanding the foregoing, with respect to any Award that constitutes nonqualified deferred compensation under Code § 409A, "Separation from Service" will mean a "separation from service" as defined under Code § 409A.

"**Service Provider**" means an employee, officer, Non-Employee Director or Consultant of the Company or an Affiliate.

"**Share**" means one Class A Ordinary Share of the Company or of its Affiliates.

"**Shareholder**" means a shareholder of the Company.

"**Subsidiary**" means any corporation, partnership, joint venture, affiliate or other entity in which the Company owns more than 50% of the voting shares or voting ownership interest, as applicable, or any other business entity designated by the Board as a Subsidiary for purposes of the Plan.

"**Substitute Award**" means any Award granted in assumption of or in substitution for an award of a company or business acquired by the Company or a Subsidiary or with which the Company or a Subsidiary combines.

"**Termination Date**" means the date that is ten years after the Effective Date, unless the Plan is earlier terminated by the Board under **Section 5.2**.

3. ADMINISTRATION OF THE PLAN

3.1. General. The Board will have such powers and authorities related to the administration of the Plan as are consistent with the Company's Articles of Association and applicable law. The Board will have the power and authority to delegate its powers and responsibilities under the Plan to the Committee, which will have full authority to act in accordance with its charter, and with respect to the authority of the Board to act under the Plan, all references to the Board will be deemed to include a reference to the Committee, to the extent such power or responsibilities have been delegated. Except as specifically provided in **Section 12** or as otherwise may be required by applicable law, regulatory requirement, or the Articles of Association of the Company, the Board will have full power and authority to take all actions and to make all determinations required or provided for under the Plan, any Award or any Award Agreement, and will have full power and authority to take all such other actions and make all such other determinations not inconsistent with the specific terms and conditions of the Plan that the Board deems to be necessary or appropriate to the administration of the Plan. The Committee will administer the Plan, provided that the Board will retain the right to exercise the authority of the Committee to the extent consistent with applicable law and the applicable requirements of any securities exchange on which the Ordinary Shares may then be listed. The interpretation and construction by the Board of the Plan, any Award or any Award Agreement will be final, binding and conclusive. Without limitation, the Board will have full and final authority, subject to the other terms and conditions of the Plan, to (1) designate Grantees, (2) determine the type or types of Awards to be made to a Grantee, (3) determine the number of Shares to be subject to an Award, (4) establish the terms and conditions of each Award (including the Option Price of any Option, the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer or forfeiture of an Award or the Shares subject thereto, (5) prescribe the form of each Award Agreement and (6) amend, modify or supplement the terms and conditions of any outstanding Award, including the authority, to effectuate the purposes of the Plan, to modify Awards to foreign nationals or individuals who are employed outside of Brazil or the United States or to recognize differences in local law, tax policy or custom.

To the extent permitted by applicable law, the Board may delegate its authority as identified in the Plan to any individual or committee of individuals (who need not be directors), including the authority to make Awards to Grantees who are not subject to Exchange Act § 16. To the extent that the Board delegates its authority to make Awards as provided by this **Section 3.1**, all references in the Plan to the Board's authority to make Awards and determinations with respect thereto will be deemed to include the Board's delegate. Any such delegate will serve at the pleasure of, and may be removed at any time by the Board.

3.2. No Repricing. Notwithstanding any other term or condition of the Plan, the repricing of Options is prohibited without prior approval of the Shareholders. For this purpose, a "repricing" means (1) changing an Option to lower its Option Price, (2) any other action that is treated as a "repricing" under GAAP, (3) repurchasing for cash or canceling an Option at a time when its Option Price is greater than the Fair Market Value of the underlying Shares in exchange for another Award or (4) or any other action that has the same effect as clauses (1), (2) or (3), unless the actions contemplated in clauses (1), (2), (3) or (4) occur in connection with a change in capitalization or similar change under **Section 13**. A cancellation and exchange under clause (3) would be considered a "repricing" regardless of whether it is treated as a "repricing" under GAAP and regardless of whether it is voluntary on the part of the Grantee.

3.3. Separation from Service, Clawbacks and Detrimental Conduct.

3.3.1. Separation from Service. Unless otherwise provided under an Award Agreement and to the extent permitted under applicable law, if a Grantee incurs in a Separation from Service, the Company will annul and cancel the unvested portion of any Award.

3.3.2. Clawbacks. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions. A Grantee's acceptance of an Award will be deemed to constitute the Grantee's acknowledgement of and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to the Grantee, whether adopted before or after the Effective Date, and any applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Grantee's agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

3.3.3. Detrimental Conduct. Except as otherwise provided by the Board, notwithstanding any other term or condition of the Plan, if a Grantee engages in Detrimental Conduct, whether during the Grantee's service or after the Grantee's Separation from Service for any reason, in addition to any other penalties or restrictions that may apply under the Plan, state law or otherwise, the Grantee will forfeit or pay to the Company (1) any and all outstanding Awards granted to the Grantee, including Awards that have become vested or exercisable, (2) any cash or Shares received by the Grantee in connection with the Plan within the 36-month period immediately before the date the Company determines the Grantee has engaged in Detrimental Conduct and (3) the profit realized by the Grantee from the sale or other disposition for consideration of any Shares received by the Grantee in connection with the Plan within the 36-month period immediately before the date the Company determines the Grantee has engaged in Detrimental Conduct.

3.4. Deferral Arrangement. The Board may permit or require the deferral of any Award payment into a deferred compensation arrangement, subject to such rules and procedures as it may establish and in accordance with Code § 409A, which may include terms and conditions for the payment or crediting of interest or dividend equivalents, including converting such credits into deferred units.

3.5. No Liability. No member of the Board will be liable for any action or determination made in good faith with respect to the Plan, any Award or Award Agreement.

3.6. Book Entry. Notwithstanding any other term or condition of the Plan, the Company may elect to satisfy any requirement under the Plan for the delivery of certificates through the use of book-entry.

4. SHARES SUBJECT TO THE PLAN

4.1. Authorized Number of Shares. Subject to adjustment under **Section 13**, the total number of Shares authorized to be awarded under the Plan will not exceed 933,760,320. Shares issued under the Plan will consist in whole or in part of authorized but unissued Shares, treasury Shares or Shares purchased on the open market or otherwise, all as determined by the Company from time to time. If, for any reason, the Award encompass the grant of shares from the Affiliates, the total number of Shares authorized to be awarded under the Plan will not exceed 933,760,320.

4.2. Share Counting.

4.2.1. General. Each Share granted in connection with an Award, as well as any outstanding award granted under the Nu Holdings Share Option Plan, will be counted as one Share against the limit in **Section 4.1**, subject to this **Section 4.2**. Share-based Performance Awards will be counted assuming maximum performance results (if applicable) until such time as actual performance results can be determined.

4.2.2. Cash-Settled Awards. Any Award settled in cash will not be counted as Shares for any purpose under the Plan. Awards will be settled in cash to the extent that it would not implicate the regulatory capital of any of Company's Affiliates or Subsidiaries.

4.2.3. Expired or Terminated Awards. If any Award expires or is terminated, surrendered or forfeited, in whole or in part, the unissued Shares covered by that Award will again be available for the grant of Awards. If any award previously granted under the Nu Holdings Share Option Plan expires or is terminated, surrendered or forfeited, in whole or in part, the unissued Shares covered by that award will again be available for the grant of Awards under the Plan. For the avoidance of doubt, the following will not again become available for issuance under the Plan: (i) any Shares withheld in respect of taxes relating to any Award and (ii) any Shares tendered.

4.2.4. Substitute Awards. In the case of any Substitute Award, such Substitute Award will not be counted against the number of Shares reserved under the Plan.

5. EFFECTIVE DATE, DURATION, AND AMENDMENTS

5.1. Term. The Plan will be effective as of the Effective Date, provided that it has been approved by the Board and applicable Shareholders. The Plan will terminate automatically on the ten-year anniversary of the Effective Date and may be terminated on any earlier date as provided in **Section 5.2**.

5.2. Amendment and Termination of the Plan. The Board may, at any time and from time to time, amend, suspend or terminate the Plan as to any Awards that have not been made. An amendment will be contingent on approval of the Shareholders to the extent stated by the Board, required by applicable law or required by applicable securities exchange listing requirements. Notwithstanding the foregoing, any amendment to **Section 3.2** will be contingent on the approval of the Shareholders. No Awards may be granted after the Termination Date. The applicable terms and conditions of the Plan and any terms and conditions applicable to Awards granted before the Termination Date will survive the termination of the Plan and continue to apply to such Awards. No amendment, suspension or termination of the Plan will, without the consent of the Grantee, materially impair rights or obligations under any Award theretofore awarded.

6. AWARD ELIGIBILITY AND LIMITATIONS

6.1. Service Providers. Awards may be made to any Service Provider as the Board may determine and designate from time to time.

6.2. Successive Awards. An eligible person may receive more than one Award, subject to such restrictions as are provided in the Plan.

6.3. Stand-Alone, Additional, Tandem and Substitute Awards. The Board may grant Awards either alone or in addition to, in tandem with, or in substitution or exchange for, any other Award or any award granted under another plan of the Company, any Subsidiary or any business entity to be acquired by the Company or a Subsidiary, or any other right of a Grantee to receive payment from the Company or any Subsidiary. Such additional, tandem and substitute or exchange Awards may be granted at any time. If an Award is granted in substitution or exchange for another Award, the Board will have the right to require the surrender of such other Award in consideration for the grant of the new Award. Subject to **Section 3.2**, the Board will have the right to make Awards in substitution or exchange for any other award under another plan of the Company, any Subsidiary or any business entity to be acquired by the Company or a Subsidiary. In addition, Awards may be granted in lieu of cash compensation, including in lieu of cash amounts payable under other plans of the Company or any Subsidiary, in which the value of Shares subject to the Award is equivalent in value to the cash compensation.

7. AWARD AGREEMENT

Each Award will be evidenced by an Award Agreement, in such forms as the Board will from time to time determine. Without limiting the foregoing, an Award Agreement may be provided in the form of a notice that provides that acceptance of the Award constitutes acceptance of all terms and conditions of the Plan and the notice. Award Agreements granted from time to time or at the same time need not contain similar terms and conditions but will be consistent with the terms and conditions of the Plan.

8. TERMS AND CONDITIONS OF OPTIONS

8.1. Option Price. The Option Price of each Option will be fixed by the Board and stated in the related Award Agreement. For U.S. taxpayers, the Option Price of each Option (except those that constitute Substitute Awards) will be at least the Fair Market Value on the Grant Date of a Share For non-U.S. taxpayers, the Option Price of each Option will be determined by the Board in its reasonable discretion. In no case will the Option Price of any Option be less than the par value of a Share.

8.2. Vesting. Subject to **Section 8.3**, each Option will become exercisable at such times and under such terms and conditions (including performance requirements) as may be determined by the Board and stated in the Award Agreement.

8.3. Term. Each Option will terminate, and all rights to purchase Shares thereunder will cease, upon the expiration of a period not to exceed ten years from the Grant Date or under such circumstances and on any date before ten years from the Grant Date as may be set forth in the Plan or as may be fixed by the Board and stated in the related Award Agreement.

8.4. Limitations on Exercise of Option. Notwithstanding any other term or condition of the Plan, in no event may any Option be exercised, in whole or in part, before the date the Plan is approved by the Board and applicable Shareholders as provided in the Plan or after the occurrence of an event that results in termination of the Option.

8.5. Method of Exercise. An Option that is exercisable may be exercised by the Grantee's delivery of a notice of exercise to the Company, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares. To be effective, notice of exercise must be made in accordance with procedures established by the Company from time to time.

8.6. Rights of Holders of Options. Unless otherwise stated in the related Award Agreement, an individual holding or exercising an Option will have none of the rights of a Shareholder (for example, the right to receive cash or dividend payments or distributions attributable to the subject Shares or to direct the voting of the subject Shares) until the Shares covered thereby are fully paid and issued to him. Except as provided in **Section 13** or the related Award Agreement, no adjustment will be made for dividends, distributions or other rights for which the record date is before the date of such issuance.

8.7. Nature of the Options. Except as otherwise provided in the applicable Award Agreement, to the extent permitted under applicable law, the provisions of the Plan relating to Options to purchase Shares will have a mercantile nature, be optional, onerous, will not assure any future gains, and will not be interpreted as compensation or salary.

9. TERMS AND CONDITIONS OF RSUS

9.1. Restrictions. At the time of grant, the Board may establish a period of time (a "Restricted Period") and any additional restrictions including the satisfaction of corporate or individual performance objectives applicable to an Award of RSUs in accordance with **Section 3**. Each Award of RSUs may be subject to a different Restricted Period and additional restrictions. RSUs cannot and may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period or before the satisfaction of any other applicable restrictions.

9.2. Rights of Holders of RSUs.

9.2.1. Settlement of RSUs. RSUs may be settled in cash or Shares, as determined by the Board and set forth in the Award Agreement. The Award Agreement will also set forth whether the RSUs will be settled within the time period specified for "short term deferrals" under Code § 409A or otherwise within the requirements of Code § 409A, in which case the Award Agreement will specify upon which events such RSUs will be settled.

9.2.2. Voting and Dividend Rights. Unless otherwise stated in the applicable Award Agreement and subject to **Section 15.12**, holders of RSUs will not have rights as Shareholders, including no voting or dividend or dividend equivalents rights.

9.2.3. Creditor's Rights. A holder of RSUs will have no rights other than those of a general creditor of the Company or its Affiliates. RSUs represent an unfunded and unsecured obligation of the Company of its Affiliates, subject to the applicable Award Agreement.

9.3. Delivery of Shares. Upon the expiration or termination of any Restricted Period and the satisfaction of any other terms and conditions prescribed by the Board, the restrictions applicable to RSUs settled in Shares will lapse, and, unless otherwise provided in the Award Agreement, appropriate action will be taken to deliver such Shares, free of all such restrictions, to the Grantee or the Grantee's beneficiary or estate, as the case may be.

10. FORM OF PAYMENT FOR OPTIONS

Payment of the Option Price for an Option will be made in cash or in cash equivalents acceptable to the Company or its Affiliates.

11. TERMS AND CONDITIONS OF PERFORMANCE AWARDS

The right of a Grantee to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such performance terms conditions as may be specified by the Board. The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance terms or conditions.

12. REQUIREMENTS OF LAW

12.1. General. The Company will not be required to sell or issue any Shares under any Award if the sale or issuance of such Shares would constitute a violation by the Grantee, any other individual or the Company of any law or regulation of any governmental authority, including any federal or state securities laws or regulations. If at any time the Company determines that the listing, registration or qualification of any Shares subject to an Award on any securities exchange or under any governmental regulatory body is necessary or desirable as a term or condition of, or in connection with, the issuance or purchase of Shares under the Plan, no Shares may be issued or sold to the Grantee or any other individual exercising an Option unless such listing, registration, qualification, consent or approval will have been effected or obtained free of any terms and conditions not acceptable to the Company, and any delay caused thereby will in no way affect the date of termination of the Award. Specifically, in connection with the Securities Act, upon the exercise of any Option or the delivery of any Shares underlying an Award, unless a registration statement under the Securities Act is in effect with respect to the Shares covered by such Award, the Company will not be required to sell or issue such Shares unless the Board has received evidence satisfactory to it that the Grantee or any other individual exercising an Option may acquire such Shares under an exemption from registration under the Securities Act. The Company may, but will not be obligated to, register any securities covered by the Plan under the Securities Act. The Company will not be obligated to take any affirmative action to cause the exercise of an Option or the issuance of Shares under the Plan to comply with any law or regulation of any governmental authority. As to any jurisdiction that expressly imposes the requirement that an Option will not be exercisable until the Shares covered by such Option are registered or are exempt from registration, the exercise of such Option (under circumstances in which the laws of such jurisdiction apply) will be deemed conditioned upon the effectiveness of such registration or the availability of such an exemption.

12.2. Rule 16b-3. During any time when the Company has a class of equity security registered under Exchange Act § 12, it is the intent of the Company that Awards and the exercise of Options granted to officers and directors hereunder will qualify for the exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any term or condition of the Plan or action by the Board does not comply with the requirements of Rule 16b-3, it will be deemed inoperative to the extent permitted by law and deemed advisable by the Board, and will not affect the validity of the Plan. If Rule 16b-3 is revised or replaced, the Board may modify the Plan in any respect necessary to satisfy the requirements of, or to take advantage of any features of, the revised exemption or its replacement.

13. EFFECT OF CHANGES IN CAPITALIZATION

13.1. Changes in Ordinary Shares. If (1) the number of outstanding Shares is increased or decreased or the Shares are changed into or exchanged for a different number or kind of shares or other securities of the Company on account of any recapitalization, reclassification, share split, reverse split, combination of shares, exchange of shares, share dividend or other distribution payable in ordinary shares or other increase or decrease in such Shares effected without receipt of consideration by the Company occurring after the Amendment Date or (2) there occurs any spin-off, split-up, extraordinary cash dividend or other distribution of assets by the Company, (i) the number and kinds of shares for which grants of Awards may be made, (ii) the number and kinds of shares for which outstanding Awards may be exercised or settled and (iii) the performance goals relating to outstanding Awards, will be equitably adjusted by the Company, provided that any such adjustment will comply with Code § 409A. In addition, in the event of any such increase or decease in the number of outstanding shares or other transaction described in clause (2) above, the number and kind of shares for which Awards are outstanding and the Option Price per share of outstanding Options will be equitably adjusted, provided that any such adjustment will comply with Code § 409A. The provision in this **Section 13.1** will be applicable to Shares of the Affiliates.

13.2. Change in Control. In the event of a Change of Control, all Ordinary Shares acquired under the Plan and all Awards outstanding on the effective date of the transaction will be treated in the manner described in the definitive transaction agreement (or, if there is no definitive transaction agreement with the Company, in the manner determined by the Board). Such determination does not need to treat all Awards (or all portions of an Award) in an identical manner. The treatment specified in the transaction agreement may include, without limitation, one or more of the following with respect to each outstanding Award:

(1) Continuation of the Award by the Company (if the Company is the surviving company);

(2) Assumption of the Award by the surviving company or its parent;

(3) Substitution by the surviving company or its parent of a new award;

(4) Cancellation of the Award and a payment to the Grantee of the intrinsic value, if any, of the vested portion of the Award, as determined by the Board of, in cash, cash equivalents or equity, subject to any escrow, holdback, earn-out or similar provisions in the transaction agreement;

(5) Suspension of the Grantee's right to exercise the Award during a limited period of time preceding the closing of the transaction if such suspension is administratively necessary to permit the closing of the transaction.

For the avoidance of doubt, the Board has discretion to accelerate, in whole or part, the vesting and exercisability of an Award in connection with a Change of Control, regardless of whether or not such acceleration is contemplated in the applicable Award Agreement.

13.3. Adjustments. Adjustments under this **Section 13** related to Share or other securities of the Company will be made by the Board. No fractional Shares or other securities will be issued under any such adjustment, and any fractions resulting from any such adjustment will be eliminated in each case by rounding downward to the nearest whole Share.

14. NO LIMITATIONS ON COMPANY

The grant of Awards will not affect or limit in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure or to merge, consolidate, dissolve or liquidate or to sell or transfer all or any part of its business or assets.

15. TERMS APPLICABLE GENERALLY TO AWARDS

15.1. Disclaimer of Rights. No term or condition of the Plan or any Award Agreement will be construed to confer on any individual the right to remain in the employ or service of the Company or any Subsidiary, or to interfere in any way with any contractual or other right or authority of the Company either to increase or decrease the compensation or other payments to any individual at any time, or to terminate any employment or other relationship between any individual and the Company. In addition, notwithstanding any other term or condition of the Plan, unless otherwise stated in the applicable Award Agreement, no Award will be affected by any change of duties or position of the Grantee, so long as such Grantee continues to be a Service Provider. The obligation of the Company to pay any benefits under the Plan will be interpreted as a contractual obligation to pay only those amounts described in the Plan, in the manner and under the terms and conditions prescribed in the Plan. The Plan will in no way be interpreted to require the Company to transfer any amounts to a third party trustee or otherwise hold any amounts in trust or escrow for payment to any Grantee or beneficiary under the Plan.

15.2. Nonexclusivity of the Plan. Neither the adoption of the Plan nor the submission of the Plan to applicable Shareholders for approval will be construed as creating any limitations on the right and authority of the Board to adopt such other incentive compensation arrangements (either applicable generally to classes of individuals or specifically to particular individuals), as the Board determines desirable.

15.3. Withholding Taxes and Contributions. The Company or a Subsidiary, as the case may be, will have the right to deduct from payments of any kind otherwise due to a Grantee any federal, state or local taxes and contributions of any kind required by law, in any jurisdiction, to be withheld (1) with respect to the grant of an Award, (2) the vesting of or other lapse of restrictions applicable to an Award, (3) upon the issuance or any transfer of any Shares, upon the Settlement of RSUs, upon the exercise of an Option or (4) otherwise due in connection with an Award. At the time of such grant, vesting, lapse or exercise, issuance or other event, the Grantee will pay to the Company or the Subsidiary, as the case may be, any amount that the Company or the Subsidiary may reasonably determine to be necessary to satisfy such withholding obligation. The Company or the Subsidiary, as the case may be, may require or permit the Grantee to satisfy such obligations, in whole or in part, (i) by causing the Company or the Subsidiary to withhold up to the maximum required number of Shares otherwise issuable to the Grantee as may be necessary to satisfy such withholding obligation or (ii) by delivering an amount corresponding to the tax or contribution due, in cash, so the Company or a Subsidiary, as the case may be, may levy the taxation on the Grantee's behalf. The Shares so delivered or withheld will have an aggregate Fair Market Value equal to such withholding obligations. The Fair Market Value of the Shares used to satisfy such withholding obligation will be determined by the Company or the Subsidiary as of the date that the amount of tax or contribution to be withheld is to be determined. To the extent applicable, a Grantee may satisfy his withholding obligation only with Shares that are not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements.

15.4. Other Terms and Conditions and Employment Agreements. Each Award Agreement may contain such other terms and conditions not inconsistent with the Plan as may be determined by the Board. In the event of any conflict between the terms and conditions of an employment agreement and the Plan, the terms and conditions of the employment agreement will govern.

15.5. No Guarantee of Continued Service. The granting or vesting of any Award under the Plan does not constitute an express or implied promise of continued engagement as an employee, Consultant or Non-Employee Director of the Company or its Subsidiaries for the vesting period, for any period, or at all, and will not interfere in any way with the right of the Company or any Subsidiary to effect a Separation from Service at any time, nor will it be construed to amend or modify the terms of any employment, consultancy, directorship, or other service agreement between a Grantee and the Company or any Subsidiary.

15.6. No Acquired Rights. The grant of any Award under the Plan is voluntary and occasional and does not give the Grantee any contractual or other right to receive Awards or benefits in lieu of Awards in the future, even if a Grantee has have received Awards repeatedly in the past.

15.7. Separation from Service. The Board will determine the effect of a Separation from Service on Awards, and such effect will be set forth in the appropriate Award Agreement. Without limiting the foregoing, the Board may provide in the Award Agreements at the time of grant, or any time thereafter with the consent of the Grantee, the actions that may be taken upon the occurrence of a Separation from Service, including accelerated vesting or termination, depending on the circumstances surrounding the Separation from Service.

The Company will have the exclusive discretion to determine when there has been a Separation from Service, regardless of any notice period or period of pay in lieu of such notice that may be required.

15.8. Severability. If any term or condition of the Plan or any Award Agreement is determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining terms and conditions of the Plan and the Award Agreement will be severable and enforceable, and all terms and conditions will remain enforceable in any other jurisdiction.

15.9. Governing Law. The Plan and all Award Agreements will be construed in accordance with and governed by the laws of the Cayman Islands without regard to the principles of conflicts of law that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises under the Plan, each Grantee will be subject to venue, jurisdiction and other dispute resolution provisions set forth in the applicable Award Agreement. The Plan is not intended to be subject to the United States Employee Retirement Income Security Act of 1974.

15.10. Code § 409A and § 457A . The Plan is intended to comply with Code § 409A and § 457A to the extent subject thereto, and, accordingly, to the maximum extent permitted, the Plan will be interpreted and administered to be in compliance therewith. Any payments described in the Plan that are due within the "short-term deferral period" as defined in Code § 409A will not be treated as deferred compensation unless applicable laws require otherwise. For purposes of Code § 409A, each installment payment under the Plan will be treated as a separate payment. Notwithstanding any other term or condition of the Plan, to the extent required to avoid accelerated taxation or tax penalties under Code § 409A, amounts that would otherwise be payable and benefits that would otherwise be provided under the Plan during the six-month period immediately after the Grantee's Separation from Service will instead be paid on the first payroll date after the six-month anniversary of the Grantee's Separation from Service (or the Grantee's death, if earlier). Notwithstanding the foregoing, neither the Company nor the Board will have any obligation to take any action to prevent the assessment of any additional tax or penalty on any Grantee under Code § 409A or § 457A and neither the Company nor the Board will have any liability to any Grantee for such tax or penalty.

15.11. Transferability of Awards.

15.11.1. Transfers in General. Except as provided in **Section 15.11.2**, no Award will be assignable or transferable by the Grantee to whom it is granted, other than by will or the laws of descent and distribution and, during the lifetime of the Grantee, only the Grantee personally (or the Grantee's personal representative) may exercise rights under the Plan.

15.11.2. Family Transfers. If authorized in the applicable Award Agreement and upon written consent from the Company, a Grantee may transfer, not for value, all or part of an Award to any Family Member. For the purpose of this **Section 15.11.2**, a "not for value" transfer is a transfer that is a gift, a transfer under a domestic relations order in settlement of marital property rights or a transfer to an entity in which more than 50% of the voting interests are owned by Family Members (or the Grantee) in exchange for an interest in that entity. After a transfer under this **Section 15.11.2**, any such Award will continue to be subject to the same terms and conditions as were applicable immediately before transfer. Subsequent transfers of transferred Awards are prohibited except to Family Members of the original Grantee in accordance with this S**ection 15.11.2** or by will or the laws of descent and distribution.

15.12. Dividend Equivalent Rights. If specified in the Award Agreement, the recipient of an Award may be entitled to receive dividend equivalent rights with respect to the Shares or other securities covered by an Award. The terms and conditions of a dividend equivalent right may be set forth in the Award Agreement. Dividend equivalents credited to a Grantee may be paid in cash or deemed to be reinvested in additional Shares or other securities of the Company at a price per unit equal to the Fair Market Value of a Share on the date that such dividend was paid to Shareholders. Notwithstanding the foregoing, dividends or dividend equivalents will not be paid on any Award or portion thereof that is unvested or on any Award that is subject to the achievement of performance criteria before the Award has become earned and payable.

15.13. Data Protection. Where consent is required under applicable data privacy law, a Grantee's acceptance of an Award will be deemed to constitute the Grantee's acknowledgement of and consent to the collection and processing of personal data relating to the Grantee so that the Company can meet its obligations and exercise its rights under the Plan and generally administer and manage the Plan. This data will include data about participation in the Plan and Shares offered or received, purchased, or sold under the Plan and other appropriate financial and other data (such as the date on which the Awards were granted) about the Grantee and the Grantee's participation in the Plan.

15.14. Plan Construction. In the Plan, unless otherwise stated, the following uses apply:

(1) References to a statute or law refer to the statute or law and any amendments and any successor statutes or laws, and to all valid and binding governmental regulations, court decisions and other regulatory and judicial authority issued or rendered thereunder, as amended, or their successors, as in effect at the relevant time;

(2) In computing periods from a specified date to a later specified date, the words "from" and "commencing on" (and the like) mean "from and including," and the words "to," "until" and "ending on" (and the like) mean "to and including";

(3) Indications of time of day will be based on the time applicable to the location of the principal headquarters of the Company;

(4) The words "include," "includes" and "including" (and the like) mean "include, without limitation," "includes, without limitation" and "including, without limitation" (and the like), respectively;

(5) All references to articles and sections are to articles and sections in the Plan;

(6) All words used will be construed to be of such gender or number as the circumstances and context require;

(7) The captions and headings of articles and sections have been inserted solely for convenience of reference and will not be considered a part of the Plan, nor will any of them affect the meaning or interpretation of the Plan;

(8) Any reference to an agreement, plan, policy, form, document or set of documents, and the rights and obligations of the parties under any such agreement, plan, policy, form, document or set of documents, will mean such agreement, plan, policy, form, document or set of documents as amended from time to time, and any and all modifications, extensions, renewals, substitutions or replacements thereof; and

(9) All accounting terms not specifically defined will be construed in accordance with GAAP.

15.15. Language. If the Plan or any other document related to thereto is translated into a language other than English, and if the translated version is different from the English version, the English language version will take precedence. By acceptance of the Award, the Grantee confirms having read and understood the documents relating to the Plan including, without limitation, the Plan, the Award Agreement and the RSU Terms attached to the Award Agreement, which were provided in English, and waives any requirement for the Company or its Subsidiaries to provide these documents in any other language.

[FORM AGREEMENT FOR ARGENTINIAN TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company**") grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]
Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement. The RSUs granted under this Award will entitle you at no time to receive Shares of any entity other than the Company.

Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs.
Governing Law and Dispute Resolution:	The RSU will be subject to the laws of the Cayman Islands. Any dispute arising out of or in connection with the RSU will be finally settled by arbitration, administered by the Center for Arbitration and Mediation of the Câmara de Comércio Brasil-Canadá. The seat of arbitration will be São Paulo, State of São Paulo, Brazil. The Arbitral Tribunal will consist of one arbitrator. Further details are set forth in the RSU Terms.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or its delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service or (ii) you materially breach this Agreement or (iii) you fail to meet any tax or other payment obligation under your responsibility (when applicable), as described in Section 7, all of your rights to the RSUs that have not previously been paid will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) The Company will deliver to you one Share for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

> AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law of any jurisdiction, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

In this respect, please be aware that this Agreement has not been and will not be registered with the *Comisión Nacional de Valores* of Argentina ("CNV"), and neither the Company nor any Affiliate nor the RSUs are registered with the CNV. Consequently, no public offering related to this Agreement or the RSUs is authorized in Argentina under the Argentine Capital Markets Law. No. 26,831, as amended by Decree No. 1023/2013 and relating rules issued by the CNV.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all corporate and personal income tax, payroll tax, social security tax, social wages or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) You will be required to meet any applicable tax withholding obligation in accordance with the tax withholding provisions of Section 15.3 of the Plan (or any successor provision thereto). In the event of the Shares being retained so the Company or the applicable Affiliate may fulfill Tax-Related Items obligations on your behalf, the Company may, at its sole discretion, allow you to buy Shares of the Company for the same price based on which they are granted at the vesting of the RSUs.

You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Arbitration. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to a final and binding arbitration process, under the terms established in Law no. 9,307/1996, instead of through any court. You and the Company agree that, to the maximum extent under applicable law, an arbitral award, once issued, is final, not subject to appeal, and binding on all parties involved in the arbitration ("**Arbitration Parties**") who automatically commit into observing the arbitral award. The dispute or claim brought to an arbitration under the terms of this Section 12(e), will be submitted to the Câmara de Comércio Brasil-Canadá ("**Arbitral Institution**"), as per its Arbitration Rules in force at the time of the commencement of the arbitration except as they may be modified herein or by mutual agreement of you and the Company. The arbitration will be held at the city of São Paulo, State of São Paulo, Brazil, where the arbitral award will be deemed rendered. The Arbitrator may designate other locations where specific acts may be held to assist the conducting of the arbitration. The arbitration will be conducted in Portuguese and the rules and principles of Laws of the Brazilian Federative Republic will be applied. The Arbitrator will not act as amiable compositeurs or decide the merits of the dispute ex aequo et bono. The Arbitrator will allocate the payment of the Expenses involved on the arbitration among the Arbitration Parties, observing the criteria of burden of defeat, reasonability and proportionality. For the purposes of this Section 12(e), "**Expenses**" are: (i) fees and other amounts owed, paid or reimbursed to the Arbitrator; (ii) the fees and other amounts owed, paid or reimbursed to the experts, translators, interpreters and other assistants that are eventually designated by the Arbitrator; and (iii) the loss of suit expenses established by the Arbitrator. The Arbitrator will not sentence any of the Arbitration Parties to pay or reimburse (i) contractual fees or any other amount owed, paid or reimbursed by the contrary party to its' attorneys, technical assistants, translators, interpreters and other assistants; and (ii) any other amount owed, paid or reimbursed by the adverse party in connection with the arbitration, such as expenses with copies, authentications, notarizations, travels and others. The arbitration will be conducted by a sole arbitrator ("**Arbitrator**"). The Arbitration Parties will, by agreement, nominate the Arbitrator. If the Arbitration Parties fail to nominate the Arbitrator within 15 days from the date when the claimant's request for arbitration has been received by respondent, the Arbitrator will be appointed by the Arbitral Institution. The choice of the Arbitrator is not limited to the Arbitral Institution's list of arbitrators. Any and all controversies related to the nomination of the Arbitrator by the parties will be settled by the Arbitral Institution Injunctive relief. Either one of the Arbitration Parties has the right to seek injunctive relief to the competent judicial court for protecting the rights to be discussed before the confirmation of the Arbitrator's appointment, without this being considered as a waiver of the arbitration. Any requests or injunctions granted by the judicial authority must be immediately notified to the Arbitral Institution, which will inform the Arbitrator. The Arbitrator may review, provide, keep or revoke an injunction. After the commencement of the proceeding, all urgent requests and injunctions must be submitted to the Arbitrator. For (i) the request of injunctive reliefs before the confirmation of the Arbitrator's appointment; (ii) the enforcement of a decision rendered by the Arbitrator; or (iii) other matters permitted under applicable law, the parties hereby elect the competent court of the City of São Paulo, State of São Paulo. Nothing in this Section 12(e) will preclude the ability of either party to seek enforcement of the Arbitral Award in any jurisdiction or court, in Brazil or abroad, and consent to the exclusive jurisdiction of the competent court of the City of São Paulo, State of São Paulo.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or its delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[FORM AGREEMENT FOR BRAZILIAN TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company** grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]
Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement.

Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs.
Governing Law and Dispute Resolution:	The RSU will be subject to the laws of the Cayman Islands. Any dispute arising out of or in connection with the RSU will be finally settled by arbitration, administered by the Center for Arbitration and Mediation of the Câmara de Comércio Brasil-Canadá. The seat of arbitration will be São Paulo, State of São Paulo, Brazil. The Arbitral Tribunal will consist of one arbitrator. Further details are set forth in the RSU Terms.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or their delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service or (ii) you materially breach this Agreement or (iii) you fail to meet any tax obligation under your responsibility (when applicable), as described in Section 7, all of your rights to the RSUs that have not previously been paid will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) You will receive one Share of the Company for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

> AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all corporate and personal income tax, payroll tax, social security tax, social wages or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) In spite of the above, the Company will have the option, but not the obligation, to the extent permitted by applicable law, to pay on your behalf any of the Tax-Related Items in connection with the Award, the case in which you hereby authorize the Company to withhold and retain a certain number of RSUs, which will be equivalent in value to the corresponding cash needed by the Company to meet the tax obligations performed on your behalf. The value ascribed to the share retained will be similar to the value used to calculate the Tax-Related Items. Any fractions of RSUs withheld and retained by the Company in excess to the exact amounts it used to pay on your behalf any of the Tax-Related Items in connection with the Award (e.g.: in light of rounding), will be returned to you in cash or in cash-equivalent additional fractions of RSUs upon the following grant under the Plan. In the event of the Shares being retained so the Company may fulfill Tax-Related Items obligations on your behalf, the Company may, at their sole discretion, allow you to buy Shares of the Company for the same price based on which they are granted at the vesting of the RSUs.

(c) Alternatively and at the discretion of the Company, you may be requested to submit, in cash, the amount corresponding to the Tax-Related Items due in connection with the Award, to the Company so they may pay the Tax-Related Items on your behalf. If that is the case, you will receive the full amount of the RSUs in Shares. Any amount submitted in excess to the Company in excess for the payment of taxes on your behalf shall be returned to you in cash in the same month.

You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Arbitration. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to a final and binding arbitration process, under the terms established in Law no. 9,307/1996, instead of through any court. You and the Company agree that, to the maximum extent under applicable law, an arbitral award, once issued, is final, not subject to appeal, and binding on all parties involved in the arbitration ("**Arbitration Parties**") who automatically commit into observing the arbitral award. The dispute or claim brought to an arbitration under the terms of this Section 12(e), will be submitted to the Câmara de Comércio Brasil-Canadá ("**Arbitral Institution**"), as per its Arbitration Rules in force at the time of the commencement of the arbitration except as they may be modified herein or by mutual agreement of you and the Company. The arbitration will be held at the city of São Paulo, State of São Paulo, Brazil, where the arbitral award will be deemed rendered. The Arbitrator may designate other locations where specific acts may be held to assist the conducting of the arbitration. The arbitration will be conducted in Portuguese and the rules and principles of Laws of the Brazilian Federative Republic will be applied. The Arbitrator will not act as amiable compositeurs or decide the merits of the dispute ex aequo et bono. The Arbitrator will allocate the payment of the Expenses involved on the arbitration among the Arbitration Parties, observing the criteria of burden of defeat, reasonability and proportionality. For the purposes of this Section 12(e), "**Expenses**" are: (i) fees and other amounts owed, paid or reimbursed to the Arbitrator; (ii) the fees and other amounts owed, paid or reimbursed to the experts, translators, interpreters and other assistants that are eventually designated by the Arbitrator; and (iii) the loss of suit expenses established by the Arbitrator. The Arbitrator will not sentence any of the Arbitration Parties to pay or reimburse (i) contractual fees or any other amount owed, paid or reimbursed by the contrary party to its' attorneys, technical assistants, translators, interpreters and other assistants; and (ii) any other amount owed, paid or reimbursed by the adverse party in connection with the arbitration, such as expenses with copies, authentications, notarizations, travels and others. The arbitration will be conducted by a sole arbitrator ("**Arbitrator**"). The Arbitration Parties will, by agreement, nominate the Arbitrator. If the Arbitration Parties fail to nominate the Arbitrator within 15 days from the date when the claimant's request for arbitration has been received by respondent, the Arbitrator will be appointed by the Arbitral Institution. The choice of the Arbitrator is not limited to the Arbitral Institution's list of arbitrators. Any and all controversies related to the nomination of the Arbitrator by the parties will be settled by the Arbitral Institution Injunctive relief. Either one of the Arbitration Parties has the right to seek injunctive relief to the competent judicial court for protecting the rights to be discussed before the confirmation of the Arbitrator's appointment, without this being considered as a waiver of the arbitration. Any requests or injunctions granted by the judicial authority must be immediately notified to the Arbitral Institution, which will inform the Arbitrator. The Arbitrator may review, provide, keep or revoke an injunction. After the commencement of the proceeding, all urgent requests and injunctions must be submitted to the Arbitrator. For (i) the request of injunctive reliefs before the confirmation of the Arbitrator's appointment; (ii) the enforcement of a decision rendered by the Arbitrator; or (iii) other matters permitted under applicable law, the parties hereby elect the competent court of the City of São Paulo, State of São Paulo. Nothing in this Section 12(e) will preclude the ability of either party to seek enforcement of the Arbitral Award in any jurisdiction or court, in Brazil or abroad, and consent to the exclusive jurisdiction of the competent court of the City of São Paulo, State of São Paulo.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or their delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company, the Affiliates or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[FORM AGREEMENT FOR COLOMBIAN TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company**") grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]
Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement. The RSUs granted under this Award will entitle you at no time to receive Shares of any entity other than the Company.

Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs.
Nature of the RSU	The possibility to participate in the Nu Holdings Ltd. 2020 Omnibus Incentive Plan and the recognition of the RSU's will constitute an extralegal benefit of non-salary nature for all legal purpose. Neither the amount of the RSU nor any economic benefit, payment or recognition made in virtue of this Agreement will be deemed as a payment of salary nature made to you by the Company or by Nu Colombia S.A., and, therefore, will not be included in the basis for any payment or benefit that you may be entitled to in your condition of employment by Nu Colombia S.A.
Governing Law and Dispute Resolution:	The RSU will be subject to the laws of the Cayman Islands. Any dispute arising out of or in connection with the RSU will be finally settled by arbitration, administered by the Center for Arbitration and Mediation of the Câmara de Comércio Brasil-Canadá. The seat of arbitration will be São Paulo, State of São Paulo, Brazil. The Arbitral Tribunal will consist of one arbitrator. Further details are set forth in the RSU Terms.

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or its delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service or (ii) you materially breach this Agreement or (iii) you fail to meet any tax obligation under your responsibility (when applicable), as described in Section 7, all of your rights to the RSUs that have not previously been paid will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) The Company will deliver to you one Share for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

> AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all corporate and personal income tax, payroll tax, social security tax, social wages or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. Additionally, you will be responsible for the contribution to the social security systems as an investor according to the Colombian social security applicable regulations. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) You will be required to meet any applicable tax withholding obligation in accordance with the tax withholding provisions of Section 15.3 of the Plan (or any successor provision thereto). In the event of the Shares being retained so the Company may fulfill Tax-Related Items obligations on your behalf, the Company may, at its sole discretion, allow you to buy Shares of the Company for the same price based on which they are granted at the vesting of the RSUs.

You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Arbitration. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to a final and binding arbitration process, under the terms established in Law no. 9,307/1996, instead of through any court. You and the Company agree that, to the maximum extent under applicable law, an arbitral award, once issued, is final, not subject to appeal, and binding on all parties involved in the arbitration ("**Arbitration Parties**") who automatically commit into observing the arbitral award. The dispute or claim brought to an arbitration under the terms of this Section 12(e), will be submitted to the Câmara de Comércio Brasil-Canadá ("**Arbitral Institution**"), as per its Arbitration Rules in force at the time of the commencement of the arbitration except as they may be modified herein or by mutual agreement of you and the Company. The arbitration will be held at the city of São Paulo, State of São Paulo, Brazil, where the arbitral award will be deemed rendered. The Arbitrator may designate other locations where specific acts may be held to assist the conducting of the arbitration. The arbitration will be conducted in Portuguese and the rules and principles of Laws of the Brazilian Federative Republic will be applied. The Arbitrator will not act as amiable compositeurs or decide the merits of the dispute ex aequo et bono. The Arbitrator will allocate the payment of the Expenses involved on the arbitration among the Arbitration Parties, observing the criteria of burden of defeat, reasonability and proportionality. For the purposes of this Section 12(e), "**Expenses**" are: (i) fees and other amounts owed, paid or reimbursed to the Arbitrator; (ii) the fees and other amounts owed, paid or reimbursed to the experts, translators, interpreters and other assistants that are eventually designated by the Arbitrator; and (iii) the loss of suit expenses established by the Arbitrator. The Arbitrator will not sentence any of the Arbitration Parties to pay or reimburse (i) contractual fees or any other amount owed, paid or reimbursed by the contrary party to its' attorneys, technical assistants, translators, interpreters and other assistants; and (ii) any other amount owed, paid or reimbursed by the adverse party in connection with the arbitration, such as expenses with copies, authentications, notarizations, travels and others. The arbitration will be conducted by a sole arbitrator ("**Arbitrator**"). The Arbitration Parties will, by agreement, nominate the Arbitrator. If the Arbitration Parties fail to nominate the Arbitrator within 15 days from the date when the claimant's request for arbitration has been received by respondent, the Arbitrator will be appointed by the Arbitral Institution. The choice of the Arbitrator is not limited to the Arbitral Institution's list of arbitrators. Any and all controversies related to the nomination of the Arbitrator by the parties will be settled by the Arbitral Institution Injunctive relief. Either one of the Arbitration Parties has the right to seek injunctive relief to the competent judicial court for protecting the rights to be discussed before the confirmation of the Arbitrator's appointment, without this being considered as a waiver of the arbitration. Any requests or injunctions granted by the judicial authority must be immediately notified to the Arbitral Institution, which will inform the Arbitrator. The Arbitrator may review, provide, keep or revoke an injunction. After the commencement of the proceeding, all urgent requests and injunctions must be submitted to the Arbitrator. For (i) the request of injunctive reliefs before the confirmation of the Arbitrator's appointment; (ii) the enforcement of a decision rendered by the Arbitrator; or (iii) other matters permitted under applicable law, the parties hereby elect the competent court of the City of São Paulo, State of São Paulo. Nothing in this Section 12(e) will preclude the ability of either party to seek enforcement of the Arbitral Award in any jurisdiction or court, in Brazil or abroad, and consent to the exclusive jurisdiction of the competent court of the City of São Paulo, State of São Paulo.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or its delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[FORM AGREEMENT FOR GERMAN TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company**") grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]
Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement. The RSUs granted under this Award will entitle you at no time to receive Shares of any entity other than the Company.

Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs. Section 15.7 of the Plan will not apply for this Award. Rather, the effective termination date will be the relevant date for determining the Separation of Service unless you are irrevocably released from your obligation to work up until the effective termination date in which case the beginning of the release period will be the relevant date for determining the Separation of Service.
Governing Law and Dispute Resolution:	The RSU will be subject to the laws of the Cayman Islands. Any dispute arising out of or in connection with the RSU will be finally settled by arbitration, administered by the Center for Arbitration and Mediation of the Câmara de Comércio Brasil-Canadá. The seat of arbitration will be São Paulo, State of São Paulo, Brazil. The Arbitral Tribunal will consist of one arbitrator. Further details are set forth in the RSU Terms.

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or its delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service or (ii) you materially breach this Agreement or (iii) you fail to meet any tax obligation under your responsibility (when applicable), as described in Section 7, all of your rights to the RSUs that have not previously been earned will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) The Company will deliver to you one Share for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all corporate and personal income tax, payroll tax, social security tax, social wages or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) You acknowledge and declare to comply with the provisions set forth in Section 15.3 of the Plan (or any successor provision thereto). Thereby, you will be required to meet any applicable tax withholding obligation in accordance with the tax withholding provisions of Section 15.3 of the Plan (or any successor provision thereto) and any applicable local law. In the event of the Shares being retained so the Company or a Subsidiary may fulfill Tax-Related Items obligations on your behalf, the Company may, at its sole discretion, allow you to buy Shares of the Company for the same price based on which they are granted upon the end of the Restricted Period.

(c) Alternatively and at the discretion of the Company or a Subsidiary, as the case may be, you may be requested to submit, in cash, the amount corresponding to the Tax-Related Items due in connection with the Award, to the Company or a Subsidiary, as the case may be, so it may pay the Tax-Related Items on your behalf. If that is the case and in the event that you deliver such amount, you will receive the full amount of the RSUs in Shares. Any amount submitted in excess to the Company in excess for the payment of taxes on your behalf will be returned to you in cash in the same month.

(d) You hereby acknowledge that the Company or a Subsidiary, as the case may be, will have the right to notify the competent tax office in the event that you do not comply with the aforementioned requirements and the provisions set forth in Section 15.3 of the Plan (or any successor provision thereto).

You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Arbitration. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to a final and binding arbitration process, under the terms established in Law no. 9,307/1996, instead of through any court. You and the Company agree that, to the maximum extent under applicable law, an arbitral award, once issued, is final, not subject to appeal, and binding on all parties involved in the arbitration ("**Arbitration Parties**") who automatically commit into observing the arbitral award. The dispute or claim brought to an arbitration under the terms of this Section 12(e), will be submitted to the Câmara de Comércio Brasil-Canadá ("**Arbitral Institution**"), as per its Arbitration Rules in force at the time of the commencement of the arbitration except as they may be modified herein or by mutual agreement of you and the Company. The arbitration will be held at the city of São Paulo, State of São Paulo, Brazil, where the arbitral award will be deemed rendered. The Arbitrator may designate other locations where specific acts may be held to assist the conducting of the arbitration. The arbitration will be conducted in Portuguese and the rules and principles of Laws of the Brazilian Federative Republic will be applied. The Arbitrator will not act as amiable compositeurs or decide the merits of the dispute ex aequo et bono. The Arbitrator will allocate the payment of the Expenses involved on the arbitration among the Arbitration Parties, observing the criteria of burden of defeat, reasonability and proportionality. For the purposes of this Section 12(e), "**Expenses**" are: (i) fees and other amounts owed, paid or reimbursed to the Arbitrator; (ii) the fees and other amounts owed, paid or reimbursed to the experts, translators, interpreters and other assistants that are eventually designated by the Arbitrator; and (iii) the loss of suit expenses established by the Arbitrator. The Arbitrator will not sentence any of the Arbitration Parties to pay or reimburse (i) contractual fees or any other amount owed, paid or reimbursed by the contrary party to its' attorneys, technical assistants, translators, interpreters and other assistants; and (ii) any other amount owed, paid or reimbursed by the adverse party in connection with the arbitration, such as expenses with copies, authentications, notarizations, travels and others. The arbitration will be conducted by a sole arbitrator ("**Arbitrator**"). The Arbitration Parties will, by agreement, nominate the Arbitrator. If the Arbitration Parties fail to nominate the Arbitrator within 15 days from the date when the claimant's request for arbitration has been received by respondent, the Arbitrator will be appointed by the Arbitral Institution. The choice of the Arbitrator is not limited to the Arbitral Institution's list of arbitrators. Any and all controversies related to the nomination of the Arbitrator by the parties will be settled by the Arbitral Institution Injunctive relief. Either one of the Arbitration Parties has the right to seek injunctive relief to the competent judicial court for protecting the rights to be discussed before the confirmation of the Arbitrator's appointment, without this being considered as a waiver of the arbitration. Any requests or injunctions granted by the judicial authority must be immediately notified to the Arbitral Institution, which will inform the Arbitrator. The Arbitrator may review, provide, keep or revoke an injunction. After the commencement of the proceeding, all urgent requests and injunctions must be submitted to the Arbitrator. For (i) the request of injunctive reliefs before the confirmation of the Arbitrator's appointment; (ii) the enforcement of a decision rendered by the Arbitrator; or (iii) other matters permitted under applicable law, the parties hereby elect the competent court of the City of São Paulo, State of São Paulo. Nothing in this Section 12(e) will preclude the ability of either party to seek enforcement of the Arbitral Award in any jurisdiction or court, in Brazil or abroad, and consent to the exclusive jurisdiction of the competent court of the City of São Paulo, State of São Paulo.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or its delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[FORM AGREEMENT FOR MEXICAN TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company**") grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]
Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement. The RSUs granted under this Award will entitle you at no time to receive Shares of any entity other than the Company.

Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs.
Governing Law and Dispute Resolution:	The RSU will be subject to the laws of the Cayman Islands. Any dispute arising out of or in connection with the RSU will be finally settled by arbitration, administered by the Center for Arbitration and Mediation of the Câmara de Comércio Brasil-Canadá. The seat of arbitration will be São Paulo, State of São Paulo, Brazil. The Arbitral Tribunal will consist of one arbitrator. Further details are set forth in the RSU Terms.

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed, through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or its delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service, (ii) you materially breach this Agreement or (iii) you fail to meet any tax obligation under your responsibility (when applicable), as described in Section 7, all of your rights to the RSUs that have not previously been paid will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) The Company will deliver to you one Share for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

> AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all income tax, payroll tax or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) You will be required to meet any applicable tax withholding obligation in accordance with the tax withholding provisions of Section 15.3 of the Plan (or any successor provision thereto). In the event of the Shares being retained so the Company may fulfill Tax-Related Items obligations on your behalf, the Company may, at its sole discretion, allow you to buy Shares of the Company for the same price based on which they are granted at the vesting of the RSUs. You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Arbitration. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to a final and binding arbitration process, under the terms established in Law no. 9,307/1996, instead of through any court. You and the Company agree that, to the maximum extent under applicable law, an arbitral award, once issued, is final, not subject to appeal, and binding on all parties involved in the arbitration ("**Arbitration Parties**") who automatically commit into observing the arbitral award. The dispute or claim brought to an arbitration under the terms of this Section 12(e), will be submitted to the Câmara de Comércio Brasil-Canadá ("**Arbitral Institution**"), as per its Arbitration Rules in force at the time of the commencement of the arbitration except as they may be modified herein or by mutual agreement of you and the Company. The arbitration will be held at the city of São Paulo, State of São Paulo, Brazil, where the arbitral award will be deemed rendered. The Arbitrator may designate other locations where specific acts may be held to assist the conducting of the arbitration. The arbitration will be conducted in Portuguese and the rules and principles of Laws of the Brazilian Federative Republic will be applied. The Arbitrator will not act as amiable compositeurs or decide the merits of the dispute ex aequo et bono. The Arbitrator will allocate the payment of the Expenses involved on the arbitration among the Arbitration Parties, observing the criteria of burden of defeat, reasonability and proportionality. For the purposes of this Section 12(e), "**Expenses**" are: (i) fees and other amounts owed, paid or reimbursed to the Arbitrator; (ii) the fees and other amounts owed, paid or reimbursed to the experts, translators, interpreters and other assistants that are eventually designated by the Arbitrator; and (iii) the loss of suit expenses established by the Arbitrator. The Arbitrator will not sentence any of the Arbitration Parties to pay or reimburse (i) contractual fees or any other amount owed, paid or reimbursed by the contrary party to its' attorneys, technical assistants, translators, interpreters and other assistants; and (ii) any other amount owed, paid or reimbursed by the adverse party in connection with the arbitration, such as expenses with copies, authentications, notarizations, travels and others. The arbitration will be conducted by a sole arbitrator ("**Arbitrator**"). The Arbitration Parties will, by agreement, nominate the Arbitrator. If the Arbitration Parties fail to nominate the Arbitrator within 15 days from the date when the claimant's request for arbitration has been received by respondent, the Arbitrator will be appointed by the Arbitral Institution. The choice of the Arbitrator is not limited to the Arbitral Institution's list of arbitrators. Any and all controversies related to the nomination of the Arbitrator by the parties will be settled by the Arbitral Institution Injunctive relief. Either one of the Arbitration Parties has the right to seek injunctive relief to the competent judicial court for protecting the rights to be discussed before the confirmation of the Arbitrator's appointment, without this being considered as a waiver of the arbitration. Any requests or injunctions granted by the judicial authority must be immediately notified to the Arbitral Institution, which will inform the Arbitrator. The Arbitrator may review, provide, keep or revoke an injunction. After the commencement of the proceeding, all urgent requests and injunctions must be submitted to the Arbitrator. For (i) the request of injunctive reliefs before the confirmation of the Arbitrator's appointment; (ii) the enforcement of a decision rendered by the Arbitrator; or (iii) other matters permitted under applicable law, the parties hereby elect the competent court of the City of São Paulo, State of São Paulo. Nothing in this Section 12(e) will preclude the ability of either party to seek enforcement of the Arbitral Award in any jurisdiction or court, in Brazil or abroad, and consent to the exclusive jurisdiction of the competent court of the City of São Paulo, State of São Paulo.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or its delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(m) Not Part of Compensation. The value of the Award is an extraordinary item of compensation that is outside of the scope any employment, consultancy or directorship contract or relationship. The Award is not part of normal or expected compensation or salary for purposes of calculating severance, end of service payments, bonuses, pension or retirement benefits or similar payments.

[FORM AGREEMENT FOR US TAXPAYERS]

EMPLOYEE RSU AWARD AGREEMENT

NU HOLDINGS LTD. 2020 OMNIBUS INCENTIVE PLAN

Nu Holdings Ltd. (the "**Company**") grants to the Participant named below ("**you**") the number of restricted stock units ("**RSUs**") set forth below (the "**Award**").

Plan:	Nu Holdings Ltd. 2020 Omnibus Incentive Plan
Defined Terms:	As set forth in the Plan, unless otherwise defined in this Agreement.
Participant:	[Name]
Participant Tax ID/CFP:	[########]
Participant Contact Information:	[ADDRESS] [ADDRESS] [EMAIL]
Grant Date:	[Date]
Number of RSUs Granted:	[####]

Definition of RSU:	Each RSU will entitle you to receive one Share at such future dates and subject to such terms as set forth in this Agreement. The RSUs granted under this Award will entitle you at no time to receive Shares of any entity other than the Company.
Earning and Payment Schedule:[1]	**[PERFORMANCE CYCLE AWARDS:** The RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter following the Grant Date.**]** **[SIGN-ON AWARDS:** 1/4th of the total number of RSUs will become earned and payable on **[DATE OF CLIFF VESTING]**. The remaining RSUs will become earned and payable in installments equal to 1/12th of the total number of RSUs on the first business day of each calendar quarter thereafter.**]**[2] For the avoidance of doubt, if the first day of a calendar quarter falls on a weekend or a bank holiday (as determined by the Company in its sole discretion), any RSUs that would otherwise become earned and payable for such calendar quarter will become earned and payable on the next following business day.
Separation from Service:	If you have a Separation from Service, any RSUs that have not become earned prior to your Separation from Service will be immediately cancelled and forfeited in their entirety, and you will not be entitled to any payment with respect to such RSUs.

By signing below, you agree that the Award is granted under and governed by the terms of the Plan and this RSU Award Agreement (including the attached RSU Terms) ("**Agreement**"), as of the Grant Date.

PARTICIPANT

Sign Name: _____

Print Name: _____

NU HOLDINGS LTD.

Sign Name: _____

Print Name: _____

Title: _____

1 The Company could also provide that the RSUs become payable only upon certain events, such as if the employee is continuously employed through a Change in Control or IPO or following termination of employment if the employee is a good leaver.

2 Sample language provides for quarterly vesting over a 3-year period. Other vesting schedules are also permissible.

RSU TERMS

1. Grant of RSUs.

(a) The Award is subject to the terms of the Plan. A copy of the Plan is attached to this Agreement as Exhibit A, and the terms of the Plan are incorporated into and form a part of this Agreement.

(b) You must accept the terms of this Agreement by returning a signed copy to the Company within 60 days after the Agreement is presented to you for review. The Company or its delegate may unilaterally cancel and forfeit the Award in its entirety if you do not accept the terms of this Agreement.

2. Restrictions.

(a) You will have no rights or privileges of a Shareholder as to the RSUs before settlement under Section 5 below ("**Settlement**"), including no right to vote or receive dividends or other distributions; in addition, the following provisions will apply:

(i) you will not be entitled to delivery of any Share certificates for the RSUs until Settlement (if at all), and upon the satisfaction of all other terms;

(ii) for the avoidance of doubt, RSUs are not transferrable; you cannot and you may not sell, transfer (other than by will or the laws of descent and distribution), assign, pledge, or otherwise encumber or dispose of the RSUs before Settlement; and

(iii) you will forfeit all of the RSUs and all of your rights under the RSUs will terminate in their entirety on the terms set forth in Section 4 below.

(b) No certificates will be issued by the Company to you with respect to the RSUs.

(c) Any attempt to dispose of RSUs or any interest in the RSUs in a manner contrary to the restrictions set forth in this Agreement will be void and of no effect.

3. Restricted Period and Payment. The "**Restricted Period**" is the period beginning on the Grant Date and ending on the date the RSUs, or such applicable portion of the RSUs, are deemed earned and payable under the terms set forth in table at the beginning of this Agreement.

4. Forfeiture. If, during the Restricted Period, (i) you incur a Separation from Service, (ii) you materially breach this Agreement or (iii) you fail to meet the tax withholding obligations described in Section 7, all of your rights to the RSUs that have not previously been paid will terminate immediately and be forfeited in their entirety.

5. Settlement of RSUs. Delivery of Shares or other amounts under this Agreement will be subject to the following:

(a) The Company will deliver to you one Share for each RSU that has become earned and payable and not otherwise been forfeited within 30 days after the end of the applicable Restricted Period.

(b) Any issuance of Shares under the Award may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the applicable rules of any securities exchange or similar entity.

(c) If a certificate for Shares is delivered to you under the Award, the certificate may bear the following or a similar legend as determined by the Company:

> AT THE DISCRETION OF THE COMPANY, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE SUBJECT TO A LOCK-UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

If the Shares are not certificated, the language above may be inserted on the pages of the register of members of the Company in which the Shares are registered. In addition, any certificates for Shares will be subject to any stop-transfer orders and other restrictions as the Company may deem advisable under the rules, regulations and other requirements of the SEC, any stock exchange on which the Shares are then listed and any applicable federal or state securities law, and the Company may cause legends to be placed on any certificates to make appropriate reference to these restrictions.

6. Obligation to Sell and Transfer Restrictions.

(a) If you propose to transfer the Shares after they are delivered to you pursuant to Section 5, you must promptly give the Company written notice of your intention to make the transfer (the "**Transfer Notice**"). The Transfer Notice must include (i) a description of the Shares to be transferred ("**Offered Shares**"), (ii) the names and addresses of the prospective transferees, (iii) the consideration and (iv) the material terms and conditions on which the proposed transfer is to be made. The Transfer Notice will certify that you have received a firm offer from the prospective transferees and in good faith believe a binding agreement for the transfer is obtainable on the terms set forth in the Transfer Notice. The Transfer Notice must also include a copy of any written proposal, term sheet or letter of intent or other agreement relating to the proposed Transfer. For the purpose of this Agreement, a "Transfer" will mean any direct or indirect transfer of the Shares to a third party as a consequence of any transaction, including, without limitation, an exchange of assets, a corporate reorganization or any other mechanism.

(b) The Company will have an option for a period of 20 days from delivery of the Transfer Notice to elect to purchase the Offered Shares at the same price and subject to the same material terms and conditions as described in the Transfer Notice. The Company may exercise such purchase option and purchase all or any portion of the Offered Shares by notifying you in writing before expiration of such 20-day period as to the number of such shares that it wishes to purchase. If the Company gives you notice that it desires to purchase such shares, then payment for the Offered Shares will be by check or wire transfer, against delivery of an executed instrument of transfer at a place agreed on between the parties and at the time of the scheduled closing therefor, which will be no later than 30 days after delivery to the Company of the Transfer Notice.

(c) For a period of 30 days following your Separation from Service, the Company will have the right, but not the obligation, to repurchase all or a portion of the Shares that you retain following your Separation from Service (determined in accordance with the Award) at their then-current Fair Market Value. The Company may freely assign the Company's right to buy such Shares, in whole or in part.

(d) Subject to the Company's right to repurchase the Shares pursuant to Section 6(c), you will be entitled to exercise the right to sell Shares alongside a holder of the majority of the Ordinary Shares issued and outstanding as of the date of adoption of the Plan (a "**Majority Shareholder**"), to a third party interested in acquiring control of the Company in a transaction that constitutes a liquidation event as defined in the Company's Memorandum and Articles of Association (a "**Tag-Along Right**").

You must communicate your intention to exercise your Tag Along Right to the Company and the Majority Shareholder within 10 days of receiving notice of an offer submitted by a third party interested in acquiring control of the Company. If you exercise your Tag Along Right, the offer to acquire all or part of the shares of the Majority Shareholder will be extended in the same proportion to your Shares, at the same price per share and the same conditions of the offer submitted by the third party. If the third party only agrees to purchase the originally intended amount of shares subject to the proposed acquisition of control, the Majority Shareholder and all other Participants exercising a tag along right with respect to Shares granted under the Plan, including you, may sell to the third party an amount of Shares calculated pro-rata based on the percentage of the total share capital of the Company held by each Majority Shareholder, other Participants and you.

(e) If the Majority Shareholder and all the preferred shareholders receive a good-faith binding offer with respect to a Transfer of all of their respective shares in the Company to a third party, which the Majority Shareholder and all the preferred shareholders are willing to accept and such offer is approved in accordance with the Company's Memorandum and Articles of Association, then the Majority Shareholder will have the right to require that you, and you will be obliged to, sell all of your Shares to the third party on the same terms and conditions offered to the Majority Shareholder (a "**Drag-Along Offer**"). The Majority Shareholder will provide you, each investor and the Company with written notice (the "**Drag-Along Notice**") not more than 60 days nor less than 10 days prior to the proposed closing date of the Drag-Along Offer. The Drag-Along Notice will be accompanied with the same information and documents as the Transfer Notice. For the avoidance of doubt, you acknowledge that the right of first refusal provided under Section 6(a), on one hand, and the Tag-Along Right, on the other hand, will not apply in the case of the exercise of the drag-along rights under this Section 6(e) by the Majority Shareholder or preferred shareholders.

7. Withholding.

(a) Regardless of any action the Company may take that is related to any or all income tax, payroll tax or other tax-related withholding ("**Tax-Related Items**"), the ultimate liability for all Tax-Related Items owed by you is and will remain your responsibility. The Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items under the Award and (ii) does not commit to structure the terms of the Award to reduce or eliminate your liability for Tax-Related Items.

(b) You will be required to meet any applicable tax withholding obligation in accordance with the tax withholding provisions of Section 15.3 of the Plan (or any successor provision thereto). You acknowledge that the foregoing is not, and is not intended to purport tax advice and that you may be subject to additional tax obligations all of which are your responsibility. You should consult your own tax advisor regarding the particular tax consequences of entering into the Agreement and the Award under this Agreement and exercising any rights related hereto.

8. Adjustment. Upon any event described in Section 13 of the Plan (or any successor provision) occurring after the Grant Date, the adjustment provisions of that section will apply to the Award.

9. Bound by Plan and Company Decisions. By accepting the Award, you acknowledge that you have received a copy of the Plan, have had an opportunity to review the Plan, and agree to be bound by all of the terms of the Plan. If there is any conflict between this Agreement and the Plan, the Plan will control. The authority to manage and control the operation and administration of this Agreement and the Plan is vested in the Company and its delegate. The Company and its delegate has all powers under this Agreement that it has under the Plan. Any interpretation of this Agreement or the Plan by the Company or its delegate and any decision made by the Company or its delegate related to the Agreement or the Plan will be final and binding on all persons.

10. Your Representations. You represent to the Company that you have read and fully understand this Agreement and the Plan and that your decision to participate in the Plan is completely voluntary. You also acknowledge that you are relying solely on your own advisors regarding the tax consequences of the Award.

11. Regulatory and Other Limitations. Notwithstanding anything else in this Agreement, the Company or its delegate may impose conditions, restrictions, and limitations on the issuance of Shares under the Award unless and until the Company or its delegate determines that the issuance complies with (a) all registration requirements under the Securities Act, (b) all listing requirements of any stock exchange on which the Shares are listed, (c) all Company policies and administrative rules and (d) all applicable laws.

12. Miscellaneous.

(a) Notices. Any notice that may be required or permitted under this Agreement must be in writing and may be delivered personally, by intraoffice mail or by electronic mail or via a postal service (postage prepaid) to the electronic mail or postal address and directed to the person as the receiving party may designate in writing from time to time.

(b) Waiver. The waiver by any party to this Agreement of a breach of any provision of the Agreement will not operate or be construed as a waiver of any other or subsequent breach.

(c) Entire Agreement. This Agreement and the Plan constitute the entire agreement between you and the Company related to the Award. Any prior agreements, commitments or negotiations concerning the Award are superseded.

(d) Binding Effect and Successors. The obligations and rights of the Company under this Agreement will be binding on and inure to the benefit of the Company and any successor corporation or organization resulting from the merger, consolidation, sale or other reorganization of the Company, or on any successor corporation or organization succeeding to substantially all of the assets and business of the Company. Your obligations and rights under this Agreement will be binding on and inure to your benefit and the benefit of your beneficiaries, executors, administrators, heirs and successors.

(e) Governing Law, Consent to Jurisdiction and Venue and Service of Process[3]. This Agreement will be construed and interpreted in accordance with the internal laws of the Cayman Islands without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the Cayman Islands. For purposes of resolving any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereto submit to and consent to the exclusive jurisdiction of **[STATE]** and agree that any related litigation must be conducted solely in the courts of **[COUNTY]** or [the federal courts for the United States for the **[DISTRICT]]**, where this Agreement is made or will be performed, and no other courts. You may be served with process in any manner permitted under **[STATE]** law, or by United States registered or certified mail, return receipt requested.

(f) Headings. The headings in this Agreement are for convenience of reference only and will not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

(g) Amendment. This Agreement may be amended at any time by the Company, except that no amendment may, without your consent, materially impair your rights under the Award.

(h) Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision of the Agreement, and each other provision will be severable and enforceable to the extent permitted by law.

(i) No Rights to Service. Nothing in this Agreement will be construed as giving you any right to be retained in any position with the Company or its Affiliates. Nothing in this Agreement will interfere with or restrict the rights of the Company or its Affiliates—which are expressly reserved—to remove, terminate or discharge you at any time for any reason whatsoever or for no reason, subject to the Company's certificate of incorporation, bylaws and other similar governing documents and applicable law.

(j) Further Assurances. You must, upon request of the Company or its delegate, do all acts and execute, deliver and perform all additional documents, instruments and agreements that may be reasonably required by the Company or the Committee to implement the provisions and purposes of this Agreement.

(k) Clawback. All awards, amounts or benefits received or outstanding under the Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with the terms of any Company clawback or similar policy or any applicable law related to such actions, as may be in effect from time to time. You acknowledge and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to you, whether adopted before or after the Grant Date, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission, payback or reduction of compensation, and the Company may take such actions as may be necessary to effectuate any such policy or applicable law, without further consideration or action.

3 For employees working in the United States, this provision must be revised to reflect any requirements of state law where the employee is employed. For example, some states limit the application of other governing laws or the permissible venues. Arbitration provisions may also be included, subject to the state law where the employee is employed.

(l) Electronic Delivery and Acceptance. The Company may deliver any documents related to current or future participation in the Plan by electronic means. You consent to receive those documents by electronic delivery and to participate in the Plan through any on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(m) Code § 409A. The RSUs are intended to comply with Code § 409A to the extent subject thereto, and this Agreement will be administered and interpreted consistently with that intent. For purposes of Code § 409A, each installment payment under this Agreement or the Plan, or otherwise payable to you, will be treated as a separate payment. This paragraph will not be construed as a guarantee of any particular tax effect for your benefits under this Agreement and the Company does not guarantee that any such benefits will satisfy Code § 409A or any other provision of the Code. Notwithstanding anything else in this Agreement, to the extent required to avoid accelerated taxation or tax penalties under Code § 409A, amounts that would otherwise be payable and benefits that would otherwise be provided under this Agreement during the six-month period immediately following your Separation from Service will instead be paid on the first payroll date after the six-month anniversary of your Separation from Service (or your death, if earlier) if you are a specified employee within the meaning of Code § 409A. Notwithstanding the foregoing, neither the Company nor its delegate will have any obligation to take any action to prevent the assessment of any additional tax or penalty on you under Code § 409A and neither the Company nor its delegate will have any liability to you for such tax or penalty.

NU HOLDINGS LTD.
SHARE OPTION PLAN

1. Purposes of the Plan and Investors.

1.1 Purposes. The purpose of this Share Option Plan ("Plan") is the granting of non- qualified share options ("Options") issued by Nu Holdings Ltd. ("Company") to encourage its key executives, professionals and other persons or legal entities performing bona fide services to the Company or any of its direct or indirect subsidiaries ("Investors") to invest in the Company, to promote their commitment to the Company's results and the expansion of its business in the long term, by providing Investors with the opportunity to acquire shares of the Company, subject to the terms and conditions provided herein. The formalization of the Plan shall occur upon the execution by the Company and each Investor of an Option Grant Agreement which shall specify the individual terms and conditions under which the option for subscription of shares of the Company is granted ("Option Grant Agreement" – Annex II).

1.2 Nature. The Plan has a mercantile nature, is optional, onerous, does not assure future gains, and shall not be interpreted as compensation or salary.

2. Management of the Plan.

2.1 Management. The Plan shall be managed by the Board of Directors of the Company; provided, however, that the Company's Chief Executive Officer (the "CEO") shall have the authority to manage grants to an Investor for Option Shares (as defined below) constituting one percent (1%) or less of the Company's then outstanding fully diluted capital stock (i.e., assuming full conversion and/or exercise of all Preferred Shares, as well as any shares held at Company's treasury, if applicable).

NU HOLDINGS LTD.
PLANO DE OPÇÃO DE COMPRA DE AÇÕES

1. Objetivos do Plano e Investidores.

1.1 Objetivos. Este Plano de Opção de Compra de Ações ("Plano") tem por objetivo a concessão de opções de ações de emissão da Nu Holdings Ltd. ("Sociedade"), com o intuito de incentivar seus principais executivos, profissionais e demais pessoas físicas ou jurídicas prestadoras de serviços de boa-fé para a Sociedade ou quaisquer de suas subsidiárias diretas ou indiretas ("Investidores") a investirem na Sociedade, promovendo seu compromisso com os resultados da Sociedade e a expansão de suas atividades ao longo prazo, concedendo aos Investidores a oportunidade de adquirirem ações da Sociedade, sujeito aos termos e às condições estabelecidos no presente Plano. O Plano será formalizado através da celebração pela Sociedade e por cada Investidor de um Termo de Outorga de Opção, o qual deverá especificar os termos e as condições individuais aplicáveis à concessão de sua opção para a subscrição de ações da Sociedade ("Termo de Outorga de Opção" – Anexo II).

1.2 Natureza. O Plano possui natureza mercantil, opcional, onerosa, bem como não garante ganhos futuros, e não deve ser interpretado como remuneração ou salário.

2. Administração do Plano.

2.1 Administração. O Plano será administrado pelo Conselho de Administração da Sociedade; estabelecido, no entanto, que o Diretor Presidente da Sociedade (o "Diretor Presidente") terá autoridade para administrar as outorgas de Ações da Opção (conforme definição a seguir) a um Investidor que represente 1% (um por cento) ou menos do capital social da Sociedade totalmente diluído à época em circulação (ou seja, assumindo a integral conversão e/ou exercício de todas as Ações Preferenciais, bem como quaisquer ações mantidas na tesouraria da Sociedade, se aplicável).

2.2 Authority. Subject to the terms and conditions of the Plan the directors (or the CEO, as applicable) shall have full authority to take all necessary and adequate measures for the management of the Plan.

2.2 Autoridade. Sujeito aos termos e as condições do Plano, os conselheiros (ou o Diretor Presidente, conforme aplicável) terão plena autoridade para adotar todas as medidas necessárias e adequadas à administração do Plano.

3. Shares Subject to the Plan.

3. Ações Objeto do Plano.

3.1 Limit of Share Options Granted. The options to subscribe for shares granted herein refer to the rights for the subscription of an aggregate number of Class A Ordinary Shares of the Company, as defined in the Company's Memorandum and Articles of Association, as amended from time to time ("Ordinary Shares") equal to the aggregate number of Ordinary Shares of the Company that are authorized to be awarded under the Company's 2020 Omnibus Incentive Plan. The Company shall, during the term of the Plan, at all times reserve and keep available sufficient Ordinary Shares to satisfy the requirements of the Plan. Ordinary Shares offered under the Plan may be authorized but unissued Ordinary Shares.

3.1 Limite às Opções de Ações Concedidas. As opções de subscrição de ações aqui concedidas referem-se aos direitos de subscrição de um número total de Ações Ordinárias de Classe A da Sociedade, conforme definido no Memorando e Contrato Social da Sociedade, conforme alterado de tempos em tempos ("Ações Ordinárias") igual ao número total de Ações Ordinárias da Sociedade que estão autorizadas a serem outorgadas sob o Plano de Incentivo Omnibus 2020 da Sociedade. A Sociedade deverá, durante a vigência do Plano, reservar e manter sempre disponíveis Ações Ordinárias suficientes para satisfazer as exigências do Plano. As Ações Ordinárias oferecidas sob o Plano podem ser Ações Ordinárias autorizadas mas não emitidas.

3.2 Additional Shares. In the event that an outstanding Option for any reason expires or is canceled, the Ordinary Shares allocable to the unexercised portion of such Option shall be added to the number of Ordinary Shares then available for issuance under the Plan. For the avoidance of doubt, the following will not again become available for issuance under the Plan: (i) any Ordinary Shares withheld in respect of taxes relating to any Option and (ii) any Ordinary Shares tendered or withheld to pay the exercise price of Options.

3.2 Ações Adicionais. Caso as Ações Ordinárias anteriormente emitidas sob este Plano sejam readquiridas pela Sociedade, tais Ações Ordinárias serão acrescentadas ao número de Ações Ordinárias então disponível para emissão sob este Plano. Caso uma Opção em circulação expire ou seja cancelada por qualquer motivo, as Ações Ordinárias alocáveis para a parte não exercida de tal Opção serão incluídas ao número de Ações Ordinárias disponíveis para emissão sob este Plano.

3.3 Rights of the Shares. The Option Shares subscribed for and paid up by the Investors upon the exercise of each Option shall bear all rights and obligations of the Ordinary Shares of the Company, pursuant to the Company's Memorandum and Articles of Association.

3.3 Direitos das Ações. As Ações da Opção subscritas e integralizadas pelos Investidores quando do exercício de cada Opção terão todos os direitos e obrigações inerentes às Ações Ordinárias da Sociedade, de acordo com o estatuto social da Sociedade.

4. Options.

4.1 Options. The Company may grant to each of the Investors Options to subscribe for a certain number of Ordinary Shares of the Company, as set forth on the respective Option Grant Agreement to be executed by the Company and an Investor (the "Option Shares"). The maximum number of Ordinary Shares which may be issued under this Plan shall be equal to the aggregate number of Ordinary Shares of the Company that are authorized to be awarded under the Company's 2020 Omnibus Incentive Plan

4.2 Unless otherwise set forth on the applicable Option Grant Agreement executed by the Company and an Investor, the Option Shares shall have a vesting period of five (5) years (the "Vesting Period") commencing on the date of execution of the respective Option Grant Agreement or in any other day provided therein, as follows: (a) the right to exercise 20% of the Option Shares shall vest after the completion of a period of twelve (12) months of continued Service by the applicable Investor; and (b) the right to exercise Options related to the remaining 80% of the Option Shares shall vest in equal monthly proportional installments over the following forty-eight (48) months of continued Service thereafter. "Service" shall mean the rendering of bona fide services to the Company or to a subsidiary of the Company as an officer, employee, consultant, advisor, third party legal entity rendering services to the Company or to a subsidiary of the Company.

4.2.1 In specific cases, as determined by the CEO, the Option Shares shall have a vesting period of four (4) years (the "Extraordinary Vesting Period"), commencing on the date of execution of the respective Option Grant Agreement or in any other day provided therein, as follows: (a) the right to exercise 25% of the Option Shares shall vest after the completion of a period of twelve (12) months of continued Service by the applicable Investor; and (b) the right to exercise Options related to the remaining 75% of the Option Shares shall vest in equal monthly proportional installments over the following thirty-six (36) months of continued Service thereafter.

4. Opções.

4.1 Opções. A Sociedade poderá oferecer a cada Investidor a opção (cada, uma "Opção") de subscrever certa determinada quantidade de Ações Ordinárias da Sociedade, conforme descrito no respectivo Termo de Outorga de Opção a ser celebrado pela Sociedade e por um Investidor (as "Ações da Opção"). A quantidade máxima de Ações Ordinárias que poderá ser emitidas sob este Plano será igual ao número total de Ações Ordinárias da Sociedade que estão autorizadas a serem outorgadas sob o Plano de Incentivo Omnibus 2020 da Sociedade.

4.2 Salvo se de outra forma estabelecido no Termo de Outorga de Opção aplicável celebrado pela Sociedade e por um Investidor, as Ações da Opção estarão sujeitas ao prazo de investidura de 5 (cinco) anos (o "Prazo de Investidura"), a se iniciar na data de celebração do respectivo Termo de Outorga de Opção ou em qualquer outra data nele referida, como segue: (a) o direito de exercer 20% das Ações da Opção poderá ser exercido após a conclusão de um período de 12 (doze) meses de Serviços continuados pelo Investidor aplicável; e (b) o direito de exercer os 80% remanescentes das Ações da Opção poderá ser exercido em parcelas proporcionais iguais e mensais durante os 48 (quarenta e oito) meses seguintes de prestação de Serviços continuados. "Serviço" significa os serviços de boa-fé para a Sociedade ou para uma subsidiária da Sociedade, na qualidade de diretor, empregado, consultor ou assessor, terceiro entidade jurídica que preste serviços à Sociedade ou a uma subsidiária da Sociedade.

4.2.1 Em casos específicos, conforme determinado pelo Diretor Presidente, as Ações da Opção estarão sujeitas ao prazo de investidura de 4 (quatro) anos (o "Prazo Extraordinário de Investidura"), a se iniciar na data de celebração do respectivo Termo de Outorga de Opção ou em qualquer outra data nele referida, como segue: (a) o direito de exercer 25% das Ações da Opção poderá ser exercido após a conclusão de um período de 12 (doze) meses de Serviços continuados pelo Investidor aplicável; e (b) o direito de exercer os 75% remanescentes das Ações da Opção poderá ser exercido em parcelas proporcionais iguais e mensais durante os 36 (trinta e seis) meses seguintes de prestação de Serviços continuados.

4.3 Notwithstanding the foregoing, the Board (or the CEO, as applicable) may agree with certain Investors, as set forth on the applicable Option Grant Agreement, that if the Company undergoes a Change of Control (as defined below), all of the Ordinary Shares subject to the Option that remain unvested will automatically become vested. For purposes hereof "Change of Control" shall mean (a) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the stockholders of the Company immediately prior to such consolidation, merger or reorganization, continue to hold at least a majority of the voting power of the surviving entity in substantially the same proportions (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization; (b) any transaction or series of related transactions to which the Company is a party in which in excess of fifty percent (50%) of the Company's voting power is transferred; provided that a Change of Control shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof; or (c) a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

4.3 Não obstante o que se segue, o Conselho de Administração (ou o CEO, conforme o caso) podem acordar com determinados Investidores, conforme estabelecido no Termo de Outorga de Opção aplicável, que se a empresa passar por uma Mudança de Controle (conforme definido abaixo), a totalidade das Ações Ordinárias objeto da Opção que restarem não exercidas se tornarão automaticamente exercíveis. Para fins deste contrato "Mudança de Controle" significa (a) qualquer fusão ou incorporação da Sociedade, de ou por qualquer outra companhia ou entidade ou pessoa, ou qualquer outra forma de reorganização societária, que não sejam de consolidação, fusão ou reorganização nas quais os acionistas da Sociedade imediatamente antes de tal incorporação, fusão ou reorganização, continuem a deter pelo menos a maioria do capital votante da entidade sobrevivente, substancialmente nas mesmas proporções (ou, se a entidade sobrevivente for uma subsidiária integral de sua controladora) imediatamente após a incorporação, fusão ou reorganização; (b) qualquer operação ou série de operações relacionadas das qual(is) a Sociedade for parte, em que mais de 50% (cinquenta por cento) do capital votante da Sociedade seja transferido; desde que a Mudança de Controle não inclua qualquer operação ou série de operações, principalmente para fins de financiamento de capital, de boa-fé, em que fundos sejam recebidos pela Sociedade ou qualquer sucessor ou endividamento da Sociedade seja cancelado ou convertido ou uma combinação destes; ou (c) a venda, arrendamento, licença exclusiva ou outra forma de alienação de todos ou substancialmente todos os ativos da Sociedade.

4.4 Exercise of the Option. Subject to the vesting provisions set forth in Section 4.2 above, in the event that any Investor decides to exercise part or the totality of his/her Option, he/she shall send a notification to the Company (the "Option Exercise Notice" – Annex III) informing his/her intention to exercise such Option and the number of Option Shares he/she wishes to subscribe upon the exercise of such Option. The Options may be exercised within ten (10) years after the date of execution of the respective Offer of Options or after such other date as may be set forth in such Offer of Options (the "Option Exercise Period"), unless earlier terminated pursuant to Section 4.3 or Section 5 of this Plan.

4.5 Option Shares Price. For U.S. taxpayers, the price per share to be paid in cash by the Investors for the subscription for the Option Shares (the "Option Shares Price") shall be at least the fair market value of a share on the date of grant. For non-U.S. taxpayers, the Option Shares Price of each Option will be determined by the Board of Directors in its reasonable discretion. Such Option Shares Price will be set forth on the applicable Option Grant Agreement executed by the Company and such Investors.

4.6 Subscription of the Option Shares. The Investor who sent the Option Exercise Notice shall, within fifteen (15) business days of delivery thereof, pay the applicable aggregate Option Shares Price to the Company through a wire transfer to a bank account provided by the Company to such Investor within five (5) business days of receipt of the Option Exercise Notice, and such Investor shall execute the share purchase agreement for the subscription for the Option Shares subscribed by such Investor. The Company may, in its discretion, require that Investors exercising their options make payment to a subsidiary of the Company. In such circumstances, the subsidiary will purchase such number of Option Shares as are set out in the Option Exercise Notice from the Company and shall thereupon sell such number of Option Shares to the Investor for the aggregate Option Share Price.

4.4 Exercício da Opção. Sujeito às disposições de investidura estabelecidas na Cláusula 4.2 acima, se um Investidor decidir exercer sua Opção, total ou parcialmente, o Investidor deverá notificar a Sociedade (a "Notificação de Exercício da Opção" – Anexo III), informando sua intenção de exercer a referida Opção e a quantidade de Ações da Opção que o Investidor deseja subscrever com o exercício da referida Opção. As Opções poderão ser exercidas no prazo de 10 (dez) anos contados da data de celebração da respectiva Oferta de Opções ou contados da data que poderá ser prevista na respectiva Oferta de Opções (o "Prazo de Exercício da Opção"), exceto se terminado antecipadamente nos termos da Cláusula 4.3 ou Cláusula 5 deste Plano.

4.5 Preço das Ações da Opção. O preço por ação a ser integralizado em espécie pelos Investidores para a subscrição das Ações da Opção (o "Preço das Ações da Opção") corresponderá ao preço determinado pelo Conselho de Administração da Sociedade (ou pelo Diretor Presidente, conforme aplicável de acordo com a Cláusula 2.1), e esse Preço das Ações da Opção será estabelecido no Termo de Outorga de Opção aplicável celebrado pela Sociedade e pelos Investidores.

4.6 Subscrição das Ações da Opção. O Investidor que tenha enviado a Notificação de Exercício da Opção, no prazo de 15 (quinze) dias úteis contados do seu envio, deverá pagar o valor total do respectivo Preço das Ações da Opção para a Sociedade, através de transferência eletrônica para a conta corrente indicada pela Sociedade ao referido Investidor no prazo de 5 (cinco) dias úteis contados do recebimento da Notificação de Exercício da Opção e o Investidor deverá assinar o contrato de compra para a subscrição das Ações da Opção subscritas pelo referido Investidor. A Sociedade poderá, a seu critério, requerer que os Investidores que exercerão suas opções façam o pagamento para uma subsidiária da Sociedade. Nessa circunstância, a subsidiária irá adquirir a quantidade de Ações da Opção descritas na Notificação de Exercício da Opção da Sociedade e deverá então vender tal quantidade de Ações da Opção ao Investidor pelo total do Preço das Ações da Opção.

4.7 Lock-Up. In connection with any underwritten public offering by the Company of its equity securities, including, without limitation, any such offering pursuant to (i) an effective registration statement filed under the United States Securities Act of 1933, as amended (the "Securities Act") and (ii) an effective registration statement filed or any other measure as provided by Brazilian law or the laws of any jurisdiction under which such offering is carried out, as applicable, and including the Company's initial public offering, no Investor or transferee thereof shall, directly or indirectly, sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Option Shares acquired pursuant to the Plan without the prior written consent of the Company's managing underwriter. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriter. In no event, however, shall such period exceed 180 days plus such additional period as may reasonably be requested by the Company or such underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including without limitation the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules. The Market Stand-Off shall in any event terminate two (2) years after the date of the Company's initial public offering. In the event of the declaration of a share dividend, a spin off, a share split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Option Shares subject to the Market Stand-Off, or into which such Option Shares thereby become convertible, shall immediately be subject to the Market Stand- Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Option Shares acquired under the Plan until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreeme\nt set forth in this Section 4.6. This Section 4.6 shall not apply to any Option Shares registered in the public offering under the Securities Act.

4.7 Restrições à Negociação das Ações – *Lock-Up*. No que diz respeito a qualquer oferta pública pela Sociedade de seus títulos e valores mobiliários representativos de capital, incluindo, sem limitação, qualquer oferta de acordo com (i) uma declaração de registro eficaz apresentada nos termos da Lei de Valores Mobiliários dos Estados Unidos de 1933 e alterações posteriores (o "*Securities Act*"); e (ii) providenciar comprovante de registro devidamente arquivado ou qualquer outra medida prevista pela legislação brasileira ou pelas leis de qualquer jurisdição onde tal oferta ocorrer, conforme o caso, e incluindo a oferta pública inicial da Sociedade, nenhum Investidor nem seus cessionários poderão, direta ou indiretamente, vender, efetuar qualquer posição lançadora, emprestar, empenhar, caucionar, oferecer, conceder ou vender qualquer opção ou outro contrato para a compra, adquirir qualquer opção ou outro contrato para a venda, ou de outra forma alienar ou transferir ou concordar em praticar quaisquer das operações acima mencionadas com relação a quaisquer Ações da Opção adquiridas de acordo com o Plano, sem o consentimento prévio e por escrito do *managing underwriter* da Sociedade. Essa restrição (a "Restrição de Mercado") irá vigorar pelo prazo contado da data do prospecto definitivo da oferta que venha a ser solicitado pela Sociedade ou pelo referido underwriter. Entretanto, em nenhuma hipótese esse prazo será superior a 180 dias acrescido de qualquer prazo adicional que possa ser razoavelmente solicitado pela Sociedade ou pelo referido underwriter para a acomodação das restrições regulatórias (i) na publicação ou outra forma de distribuição dos relatórios de pesquisa ou (ii) nas recomendações e pareceres de analistas, incluindo, sem limitação, as restrições previstas na Regra 2711(f)(4) da Associação Nacional de Corretoras (*National Association of Securities Dealers*) e na Regra 472(f)(4) da Bolsa de Valores de Nova York, e alterações posteriores, ou quaisquer regras similares que as sucedam. Em qualquer hipótese, a Restrição de Mercado irá se encerrar 2 (dois) anos após a data da oferta pública inicial da Sociedade. Na hipótese de declaração de dividendos em ações, cisão, desdobramento de ações, ajuste de cociente de conversão, recapitalização ou de uma operação similar que afete os títulos e valores mobiliários em circulação da Sociedade sem o recebimento de uma contraprestação, quaisquer títulos e valores mobiliários novos, substitutos ou adicionais que, em virtude da referida operação, sejam distribuídos com relação a quaisquer Ações da Opção objeto da Restrição de Mercado ou nos quais essas Ações da Opção se tornem dessa forma conversíveis estarão imediatamente sujeitos à Restrição de Mercado. Para a execução da Restrição de Mercado, a Sociedade poderá impor instruções de vedação de transferência com relação às Ações da Opção adquiridas nos termos do Plano até o término do prazo da restrição aplicável. Os *underwriters* da Sociedade serão os beneficiários do acordo com o estabelecido nesta Cláusula 4.6. Esta Cláusula 4.6 não será aplicável a nenhuma Ação da Opção registrada na oferta pública nos termos do *Securities Act*.

An annotation substantially as follows shall be placed on all certificates (if any) representing all Option Shares of each Investor or, if the Option Shares are not certificated, the following annotation will be inserted on the pages of the register of members of the Company in which the Option Shares are registered:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LOCK- UP PERIOD OF UP TO 180 DAYS AFTER THE EFFECTIVE DATE OF THE ISSUER'S REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE ISSUER'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES.

Uma anotação substancialmente conforme descrita abaixo deverá ser incluída em todos os certificados (se houver) representando todas as Ações da Opção de cada Investidor ou, se as Ações da Opção não tiverem certificados, a anotação descrita abaixo será incluída nas páginas do registro de ações da Sociedade em que as Ações da Opção forem registradas:

OS TÍTULOS E VALORES MOBILIÁRIOS REPRESENTADOS POR ESTE CERTIFICADO ESTÃO SUJEITOS A RESTRIÇÃO À NEGOCIAÇÃO (*LOCK-UP*) PELO PERÍODO DE ATÉ 180 DIAS APÓS A DATA EFETIVA DO REGISTRO DA DECLARAÇÃO DO EMISSOR FEITA CONFORME O SECURITIES ACT, CONFORME ESTABELECIDO EM UM CONTRATO ENTRE A SOCIEDADE E O DETENTOR DESSES TÍTULOS E VALORES MOBILIÁRIOS, SENDO QUE UMA CÓPIA DE TAL CONTRATO PODERÁ SER OBTIDA NA SEDE DO EMISSOR. TAL PERÍODO DE RESTRIÇÃO À NEGOCIAÇÃO (*LOCK-UP*) É VINCULANTE AOS CESSINÁRIOS DE TAIS AÇÕES.

4.8 Rights as a Shareholder. An Investor shall have no rights as a Shareholder with respect to any Ordinary Shares covered by the Investor's Option until such person becomes entitled to receive such Ordinary Shares by sending an Option Exercise Notice, by paying the Option Shares Price pursuant to the terms of such Option and by being entered on the register of members of the Company as a shareholder.

4.8 Direitos como um Acionista. Um Investidor não terá direitos como um Acionista em relação às Ações Ordinárias cobertas pela Opção do Investidor até que tal pessoa tenha direito a receber tais Ações Ordinárias mediante o envio da Notificação de Exercício da Opção, mediante o pagamento do Preço das Ações da Opção de acordo com os termos de tal Opção e mediante o registro do seu nome como um acionista no registro de ações da Sociedade.

4.9 Securities Act Requirements. Ordinary Shares shall not be issued under the Plan unless, in the opinion of counsel acceptable to the Board of Directors, the issuance and delivery of such Ordinary Shares comply with (or are exempt from) all applicable requirements of law, and the Company has obtained any approval or favorable ruling from a governmental agency which the Company determines is necessary or advisable.

4.9 Requisitos do Securities Act. As Ações Ordinárias não serão emitidas sob este Plano se, na opinião de um advogado aceitável pelo Conselho de Administração, a emissão e a entrega de tais Ações Ordinárias cumpram com (e são isentas de) todas os requisitos legais, bem como a Sociedade tenha obtido qualquer aprovação ou decisão favorável de um órgão governamental que seja determinado pela Sociedade como necessário ou recomendável.

4.10 Change of Control. In the event of a Change of Control, all Ordinary Shares acquired under the Plan and all Options outstanding on the effective date of the transaction shall be treated in the manner described in the definitive transaction agreement (or, if there is no definitive transaction agreement with the Company, in the manner determined by the Board of Directors). Such determination does not need to treat all Options (or all portions of an Option) in an identical manner. The treatment specified in the transaction agreement may include, without limitation, one or more of the following with respect to each outstanding Option:

4.10 Mudança de Controle. Caso ocorra uma Mudança de Controle, todas as Ações Ordinárias adquiridas sob este Plano e todas as Opções em circulação na data efetiva da operação serão tratadas na forma descrita nos documentos definitivos da operação (ou, caso não haja qualquer documento definitivo da operação com a Sociedade, serão tratadas na forma determinada pelo Conselho de Administração). Tal determinação não precisa tratar todas as Opções (ou todas as partes de uma Opção) de forma idêntica. O tratamento especificado no documento da operação poderá incluir, sem limitação, um ou mais do quanto segue em relação a cada Opção em circulação:

(i) Continuation of the Option by the Company (if the Company is the surviving company)

(i) Continuação da Opção pela Sociedade (se a Sociedade for a entidade sobrevivente);

(ii) Assumption of the Option by the surviving company or its parent;

(ii) Assunção da Opção pela entidade sobrevivente ou sua controladora;

(iii) Substitution by the surviving company or its parent of a new option;

(iii) Substituição, pela entidade sobrevivente ou sua controladora, por uma nova opção;

(iv) Cancellation of the Option and a payment to the Investor of the intrinsic value, if any, of the vested portion of the Option, as determined by the Board of Directors, in cash, cash equivalents or equity, subject to any escrow, holdback, earn-out or similar provisions in the transaction agreement;

(iv) Cancelamento da Opção e pagamento ao Investidor do valor intrínseco, se houver, da parte exercível da Opção, conforme determinado pelo Conselho de Administração, em dinheiro, outras disponibilidades ou títulos e valores mobiliários representativos de capital, sujeitos a qualquer depósito em garantia, retenção, *earn-out* ou disposições similares no contrato da operação;

(v) Suspension of the Investor's right to exercise the Option during a limited period of time preceding the closing of the transaction if such suspension is administratively necessary to permit the closing of the transaction.

For the avoidance of doubt, the Board of Directors has discretion to accelerate, in whole or part, the vesting and exercisability of an Option in connection with a corporate transaction covered by this Section 4.10, regardless of whether or not such acceleration is contemplated in the Option Grant Agreement corresponding to such Option.

5. Termination of the Options.

5.1 Termination of the Options. Any of the Options shall be automatically terminated within the time period set forth below, without further action on the part of the Company or the applicable Investor and regardless of any formality:

(a) immediately if, before the end of the Option Exercise Period, the Investor notifies the Company in writing of his/her intention not to exercise his/her Option; or

(b) immediately if the Investor does not exercise his/her Option prior to the end of the Option Exercise Period, under the terms and conditions established herein; or

(c) if the Investor ceases to provide Service for any reason, then the date one month after the Investor ceases to provide Service (provided that, for the purposes hereof, Service shall be deemed to continue while the Investor is on a bona fide leave of absence, if such leave was approved by the Company in writing and if continued crediting of Service for this purpose is expressly required by the terms of such leave or by applicable law, as determined by the Company); or

(d) if the Investor dies or is declared incapable, unless the Investor's estate executors decide to exercise the Option (i) within six (6) months as of the date when the Investor deceases, or (ii) within twelve (12) months as of the date when the Investor is declared Incapable.

(v) Suspensão dos direitos do Investidor de exercício da Opção durante um período limitado antes do fechamento da operação caso tal suspensão seja administrativamente necessária para permitir o fechamento da operação.

Para fins de clareza, o Conselho de Administração tem discricionariedade para antecipar, no todo ou em parte, a investidura e o exercício de um Opção em conexão com a operação societária prevista nesta Cláusula 4.10, independentemente se tal antecipação estiver contemplada no Termo de Outorga de Opção relativo a tal Opção.

5. Rescisão das Opções.

5.1 Rescisão das Opções. Quaisquer Opções serão automaticamente rescindidas no prazo estabelecido abaixo, sem nenhum ato adicional por parte da Sociedade ou do Investidor aplicável e independentemente de qualquer formalidade:

(a) imediatamente, se, antes do vencimento do Prazo do Exercício da Opção, o Investidor notificar a Sociedade, por escrito, de sua intenção de não exercer sua Opção; ou

(b) imediatamente, se o Investidor não exercer sua Opção antes do vencimento do Prazo do Exercício da Opção, observados os termos e as condições estabelecidos neste Plano; ou

(c) se o Investidor deixar de prestar Serviços por qualquer motivo, então um mês após a cessação dos Serviços pelo Investidor (observado que, para estes efeitos, Serviço será considerado como em continuação enquanto o Investidor estiver em uma licença de boa fé, se tal licença tiver sido aprovada pela Sociedade por escrito e se remuneração contínua de Serviço para este fim for expressamente exigida pelos termos de tal licença ou pela legislação aplicável, conforme determinado pela Sociedade); ou

(d) se o Investidor falecer ou for declarado incapaz, salvo se o representante do espólio do Investidor ou curador do Investidor decidir exercer a Opção, (i) no prazo de 6 (seis) meses contados da data do falecimento do Investidor ou (ii) no prazo de 12 (doze) meses contados da data de declaração de incapacidade do Investidor.

5.2 The termination of any of the Investors' Options shall not affect the Options granted to the other Investors. In this event, the Options granted to the other Investors shall remain in full force and effect.

5.2 A rescisão de qualquer Opção dos Investidores não afetará as Opções concedidas a outros Investidores. Nessa hipótese, as Opções concedidas a outros Investidores permanecerão em pleno vigor e efeito.

6. Tax Matters.

The Investors hereby acknowledge and agree that they are solely responsible for any and all tax obligations arising from the subscription for the Option Shares, or from the receipt of any payment upon the sale of shares pursuant to Section 6, such as any municipal, state or federal income, employment and capital gains taxes and withholding obligations. In the event that any Investor or the Company determines that it is required to withhold any tax as a result of the Investors' subscription for shares or payment of shares pursuant to Section 6, the Investors hereby agree to any withholding arrangements satisfactory to the Company to enable it to satisfy all withholding requirements.

6. Questões Fiscais.

Pelo presente instrumento, os Investidores reconhecem e concordam que são exclusivamente responsáveis por todas e quaisquer obrigações fiscais decorrentes da subscrição das Ações da Opção ou do recebimento de qualquer pagamento em razão da venda das ações de acordo com a Cláusula 6, como, por exemplo, imposto de renda, tributos trabalhistas e sobre ganhos de capital e obrigações de recolhimento, da esfera municipal, estadual ou federal. Se um Investidor ou a Sociedade determinar que estão sujeitos a qualquer obrigação de recolhimento de tributos em decorrência da subscrição das ações ou integralização das ações pelo Investidor de acordo com a Cláusula 6, os Investidores neste ato concordam com quaisquer providências de recolhimento satisfatórias à Sociedade para permitir o cumprimento pela Sociedade de todas as suas obrigações de recolhimento de tributos.

7. Term.

The Plan shall be in force for the period of twenty (20) years as of the date of its approval.

7. Prazo de Vigência.

O Plano permanecerá em vigor pelo prazo de 20 (vinte) anos contados da data de sua aprovação.

8. General Provisions.

8.1 Filing. This Plan shall be kept with the corporate records of the Company at the registered office of the Company.

8.2 Non Commitment. This Plan constitutes a remunerated business transaction with an exclusively civil nature and does not entail any labor or social security obligation between the Company and the Investors, be them officers, employees or service providers. Nothing in the Plan or in any right or Option granted under the Plan shall confer upon the Investor any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any parent or subsidiary employing or retaining the Investor) or of the Investor, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

8.3 Notices. All notices and other communications given or made pursuant hereto shall be in writing or by electronic mail and shall be deemed effectively given: (i) upon sending if sent by electronic mail, (ii) upon personal delivery to the party to be notified, or (iii) on the delivery date acknowledged by the post office or courier, if sent by registered or certified mail, return receipt requested, postage prepaid. The occurrence of the events set forth in subsections (i), (ii) and (iii) above shall constitute "delivery" of notice. All communications shall be sent to the respective parties at the addresses set forth in the respective Option Grant Agreement executed by the Company and an Investor.

8.4 Assignment. This Plan and the rights and obligations hereunder may not be assigned or transferred, in whole or in part, at any time, by the Investors, except upon prior written approval of the Company. No Option granted under the Plan or the rights and privileges conferred thereby may be sold, pledged or otherwise transferred (whether by operation of law or otherwise) and shall not be subject to sale under execution, attachment, levy or similar process.

8. Disposições Gerais.

8.1 Averbação. O presente Plano será mantido junto aos registros societários da Sociedade em sua sede.

8.2 Inexistência de Compromisso. Este Plano constitui uma operação comercial a título oneroso, exclusivamente de natureza civil, não acarretando nenhuma obrigação trabalhista ou previdenciária entre a Sociedade e os Investidores, sejam eles diretores, empregados ou prestadores de serviços. Nada no Plano ou em qualquer direito ou Opção outorgada nos termos do Plano conferirá ao Investidor o direito de continuar a prestar Serviço por um período de duração específica ou interferirá ou de outra forma restringirá, de qualquer maneira, os direitos da Sociedade (ou qualquer controladora ou subsidiária que contratar o Investidor) ou do Investidor, cujos direitos são expressamente reservados por cada um, para terminar o seu Serviço a qualquer momento e por qualquer motivo, com ou sem justa causa.

8.3 Notificações. Todas as notificações e demais comunicações enviadas ou efetuadas de acordo com este Plano deverão ser realizadas por escrito ou por correio eletrônico, e serão consideradas como tendo sido efetivamente entregues: (i) no momento do envio se enviadas por correio eletrônico; (ii) quando entregues pessoalmente à parte a ser notificada, ou (iii) na data de entrega confirmada pelo escritório postal ou serviço de entrega expressa (courier), se enviadas por correio registrado ou certificado, com aviso de recebimento e tarifa paga. A ocorrência dos eventos estabelecidos nos itens (i), (ii) e (iii) acima constituirá "entrega" da notificação. Todas as comunicações deverão ser encaminhadas às respectivas partes nos endereços previstos no respectivo Termo de Outorga de Opção celebrado pela Sociedade e por um Investidor.

8.4 Cessão. Este Plano e os direitos e obrigações aqui previstos não poderão ser cedidos ou transferidos, total ou parcialmente, em nenhum momento, pelos Investidores, exceto com a aprovação prévia e por escrito da Sociedade. Nenhuma Opção concedida nos termos do Plano nem os direitos e prerrogativas por ela conferidos poderão ser vendidos, empenhados ou de outra forma transferidos (em virtude de lei ou de outra forma), não estando sujeitos a venda em razão de processo de execução, penhora, cobrança ou processo similar.

8.5 Waiver. Neither the failure of any party to exercise any right provided under this Plan nor to insist upon compliance by any other parties with its obligations hereunder, shall constitute a novation of its terms or as a waiver by such party of its right to exercise any such right, or to demand such compliance.

8.5 Renúncia. A falha por uma das partes em exercer qualquer direito previsto nos termos deste Plano ou em insistir no cumprimento pela outra parte de suas obrigações aqui previstas não constituirá novação dos seus termos nem renúncia pela parte em questão ao seu direito de exercer esse direito ou de demandar o seu cumprimento.

8.6 Successors. This Plan and all of the provisions hereof, shall be binding upon and inure to the benefit of the parties and their respective heirs and successors for all legal purposes.

8.6 Sucessores. Este Plano e todas as suas disposições vincularão e reverterão em benefício das partes e de seus respectivos herdeiros e sucessores para todos os fins legais.

8.7 Omissions. The Board of Directors shall have the power to decide in case of any omission relating to this Plan and shall be entitled to waive any provision of this Plan.

8.7 Omissões. O Conselho de Administração terá autoridade para resolver qualquer omissão pertinente a este Plano e terá o direito de renunciar a qualquer previsão deste Plano.

8.8 Amendments. Any amendment to this Plan is subject to the approval of the Company's Board which may amend the Plan at any time and for any reason.

8.8 Alterações. Qualquer alteração a este Plano está sujeita à aprovação do Conselho de Administração da Sociedade, que poderão alterar o Plano a qualquer momento e por qualquer motivo.

8.9 Governing Language. This Plan is written in English and in Portuguese. In the event of any inconsistency, the English language version shall govern.

8.9 Idioma Aplicável. Este Plano é redigido em inglês e português. Em caso de qualquer inconsistência, e versão em inglês prevalecerá.

8.10 Governing Law. This Plan shall be governed by and construed in accordance with the laws of the Cayman Islands.

8.10 Lei Aplicável. Este Plano será regido e interpretado de acordo com as leis das Ilhas Cayman.

8.11 Jurisdiction. The parties elect the courts of the Cayman Islands, to resolve any controversy, dispute or claim arising hereunder or otherwise relating to this Plan, with the express waiver of any other court.

8.11 Foro. As partes elegem o foro das Ilhas Cayman para dirimir qualquer controvérsia, litígio ou reivindicação decorrente ou de outra forma pertinente ao presente Plano, com a expressa renúncia a qualquer outro foro.

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ANNEX I
OFFER OF OPTIONS

Dear [*insert name of beneficiary*]

Nu Holdings Ltd. is pleased to invite you to participate in its Share Option Plan subject to the terms set forth in the attached documents.

Subject to the terms and conditions of the Share Option Plan, the number of Class A Ordinary Shares issuable by the Company in the amount, terms, timing and pricing options at which you are entitled are described below:

Date of Award: [—]
Vesting Start Date: [—]
Number of Class A Ordinary Shares: [—]
Vesting Schedule: [—] years and [—] year cliff
Exercise Price: R$ [—]
Option Exercise Period expires ten (10) years after: [—]

We ask for your attention to read carefully the Share Option Plan, as well as all accompanying documentation.

By signing the attached Option Grant Agreement, you will be contractually bound by the terms and conditions of the Share Option Pan.

The terms and expressions used herein capitalized but not defined herein shall have the meaning assigned to them in the Share Option Plan.

Best regards,

ANEXO I
OFERTA DE OPÇÕES

Prezado [*inserir nome do Beneficiário*]

Nu Holdings Ltd. tem a satisfação de onvidá-lo a participar de seu Plano de Opção e Ações sujeito aos termos dispostos nos documentos anexos.

Sujeito aos termos e às condições do Plano de Opção de Ações, o número de Ações Ordinárias Classe A de emissão da Sociedade na quantidade, termos, prazos e preços que V.Sa. terá direito estão descritos abaixo:

Data de Outorga: [—]
Data de Início da Investidura: [—]
Número de Ações Ordinárias Classe A: [—]
Prazo de Maturação: [—] anos e [—] ano cliff
Preço de Exercício: R$ [—]
Prazo de Exercício da Opção expira 10 (dez) anos a contar de: [—]

Pedimos a sua atenção para ler atentamente o Plano de Opção de Ações, bem como toda a documentação anexa.

Ao assinar o Termo de Outorga de Opção anexo, você estará contratualmente vinculado aos termos e às condições do Plano de Opção de Ações.

Os termos e expressões ora utilizados em letra maiúscula, mas aqui não definidos, terão o significado a eles atribuídos no Plano de Opção de Ações.

Atenciosamente,

Date / Data: _____

Nu Holdings Ltd.

ANNEX II

OPTION GRANT AGREEMENT

[Name of Beneficiary], [citizenship], [marital status], bearer of identity card No. [—], enrolled with the CPF under No. [—], e-mail [—], agrees to have read and fully understood the Share Option Plan of Nu Holdings Ltd. ("Share Option Plan").

Hereby declares that have also received a copy of the following documents:

(a) Offer of Options ("Offer");

(b) Notice of Exercise of Options ("Notice"), and

(c) Share Option Plan.

Having examined the documents, the signatory irrevocably states that he/she:

1. Is aware and agrees with the terms and conditions and all documents above, especially the Share Option Plan. This agreement thus binds his/her heirs and successors, in any capacity whatsoever;

2. Adheres through this act to the Share Option Plan and the other referred documents;

3. Is aware that this does not mean adherence to subscription for shares subject to the option itself, which will be effective only under the Share Option Plan and subject to the conditions precedent set forth in the Share Option Plan; and

4. Is aware of the confidentiality of all documents, being hereby bound to the confidentiality of its contents (refraining to reproduce or copy all or part of the documents relating to the Share Option Plan) and the number of shares the option that it was intended, under penalty of cancellation /revocation of the options, except for information that the beneficiary must disclose under applicable law.

ANEXO II

TERMO DE OUTORGA DE OPÇÃO

[Nome do Beneficiário], [nacionalidade], [estado civil], portador do documento de identidade nº [—], inscrito no CPF sob o nº [—], e-mail [—], declara ter lido e entendido integralmente o Plano de Opção de Ações da Nu Holdings Ltd. ("Plano de Opção de Ações").

Declara também ter recebido cópia dos seguintes documentos:

(a) Oferta de Opções ("Oferta");

(b) Notificação de Exercício de Opções ("Notificação"); e

(c) Plano de Opção de Ações.

Tendo examinado os referidos documentos, o signatário declara, de forma irrevogável e irretratável:

1. Estar ciente e de acordo com os termos e as condições e todos os documentos acima, especialmente o Plano de Opção de Ações, concordância essa que obriga aos seus herdeiros e sucessores, seja a que título for;

2. Aderir neste ato ao Plano de Opção de Ações e aos demais documentos;

3. Estar ciente de que a presente adesão não significa a subscrição de ações objeto da opção propriamente dita, a qual, só será efetiva nos termos do Plano de Opção de Ações e sujeito às condições precedentes estabelecidas no Plano de Opção de Ações; e

4. Estar ciente do caráter confidencial de todos os documentos, e obrigar-se neste ato a manter confidencialidade sobre o seu conteúdo (abstendo-se de reproduzir ou copiar total ou parcialmente os documentos relativos ao Plano de Opções de Ações) e a quantidade de ações objeto da opção de cancelamento/revogação das opções, exceto pelas informações que o beneficiário deve divulgar nos termos da legislação aplicável.

Date / Data: _____

Name /Nome: _____

Signature /Assinatura: _____

ANNEX III
NOTICE OF EXERCISE OF OPTIONS

The signatory of this Notice of Exercise of Options, as Beneficiary of the Share Option Plan of Nu Holdings Ltd. (the "Company"), hereby exercises respective options to subscribe of shares under the Share Option Plan and Option Grant Agreement, signed between the undersigned and Nu Holdings Ltd. on [**date**], quantity and price set forth below:

Number of Class A Ordinary Shares: [—]
Exercise Price per Share: R$ [—]
Total Exercise Price: R$ [—]

The undersigned undertakes to make within fifteen (15) business days after the date hereof the payment of the full exercise price above reported in respect of the Class A Ordinary Shares purchased hereunder (the "Purchased Shares") and is fully aware and agrees that in case of non performance of such obligation within the term set forth herein then this notice of exercise of Options loses its effect for all purposes.

The undersigned further declares that he/she/it agrees to sign the instrument of share transfers, compensation payments and/or other documents that may be necessary to effect the purchase of the shares.

The undersigned further acknowledges that the shares to be purchased will be subject to the terms and conditions of the Share Option Plan of Nu Holdings Ltd. (the "Plan").

The undersigned hereby represents and warrants:

1. I am acquiring and will hold the Purchased Shares for investment purposes and for an indefinite period, and not to sell or distribute them.

ANEXO III
NOTIFICAÇÃO DE EXERCÍCIO DE OPÇÕES

O signatário da presente Notificação de Exercício de Opções, na qualidade de Beneficiários Plano de Opção de Ações da Nu Holdings Ltd. ("Sociedade"), vem, neste ato, exercer suas opções de subscrição de ações, nos termos do Plano de Opção e Termo de Outorga de Opção, firmado entre o signatário e a Nu Holdings Ltd. em [**data**], na quantidade e preço abaixo estabelecidos:

Número de Ações Ordinárias Classe A: [—]
Preço de Exercício por Ação: R$ [—]
Preço de Exercício Total: R$ [—]

O signatário se compromete a efetuar, em 15 (quinze) dias úteis a contar desta data, o pagamento de exercício total no valor acima informado com relação à Ações Ordinárias Classe A adquiridas nos termos desta notificação ("Ações Adquiridas"), e tem pleno conhecimento e concorda que em não o fazendo neste prazo a presente notificação de exercício de Opções perde seu efeito para todos os fins.

O signatário declara, ainda, que se compromete a assinar os termos de transferências de ações, autorizações de compensação de pagamento e/ou outros documentos que se fizerem necessários à efetivação da compra das ações.

Ademais, o signatário reconhece que as ações a serem adquiridas estarão sujeitas aos termos e às condições constantes do Plano de Opção de Ações da Nu Holdings Ltd. (o "Plano").

O signatário, neste ato, declara e garante:

1. Estou adquirindo e irei deter as Ações Compradas para fins de investimento e por um período indeterminado, e não para alienar ou distribuir tais Ações Compradas.

2. I understand that the Purchased Shares have not been registered under any securities laws of any jurisdiction, and that the transfer of the Purchased Shares must be registered under applicable securities laws, or I must obtain an opinion of counsel (satisfactory to the Company) that registration is not required. I acknowledge that the conditions for resale under any applicable securities laws have not been satisfied, that the Company is not required to satisfy such conditions, and that the Company does not have to register the Purchased Shares or any sale or transfer thereof.

3. I have received all information necessary or appropriate for deciding whether to invest in the Purchased Shares. I had an opportunity to have all questions answered by the Company. I am able, without impairing my financial condition, to hold the Purchased Shares for an indefinite period and to suffer a complete loss of my investment. I have such knowledge and experience as to be capable of evaluating the merits and risks of my investment.

4. I acknowledge that the Purchased Shares remain subject to the Company's right of first refusal and the "lock-up" provision in the Plan.

5. I agree that the Company does not have a duty to structure or administer the Plan in a manner that minimizes my tax liabilities. I will not make any claim against the Company or any of its affiliates related to such tax liabilities.

[In particular, I acknowledge that my options are exempt from Section 409A of the Internal Revenue Code only if the exercise price per share is at least equal to the fair market value per share of the Company's Class A Ordinary Shares at the time the option was granted by the Company. There is no guarantee that the Internal Revenue Service will agree with any valuation that may have been made by the Company or its Board of Directors or any affiliate, or by an independent valuation firm.]

2. Eu entendo que as Ações Adquiridas não foram registradas sob quaisquer leis de títulos e valores mobiliários de qualquer jurisdição, e que a transferência das Ações Adquiridas deve ser registrada sob as leis aplicáveis de títulos e valores mobiliários, ou eu devo obter um parecer de um advogado (satisfatório para a Sociedade) de que o registo não é obrigatório. Eu reconheço que as condições para revenda sob quaisquer leis aplicáveis de títulos e valores mobiliários não foram satisfeitas, que a Sociedade não é obrigada a satisfazer tais condições, e que a Sociedade não tem que registrar as Ações Compradas ou qualquer venda ou transferência das Ações Compradas.

3. Eu recebi todas as informações necessárias ou apropriadas para decidir se investir nas Ações Adquiridas. Eu tive a oportunidade de ter todas as perguntas respondidas pelas Sociedade. Eu sou capaz, sem prejudicar a minha condição financeira, de deter Ações Adquiridas por um período indeterminado e de sofrer uma perda total do meu investimento. Eu tenho conhecimento e experiência para ser capaz de avaliar os méritos e riscos do meu investimento.

4. Eu reconheço que as Ações Adquiridas permanecem sujeitas ao direito de preferência da Sociedade e ao "lock-up' (período de restrição à negociação) previsto no Plano.

5. Eu concordo que a Sociedade não tem a obrigação de estruturar ou administrar o Plano de uma maneira que minimize as minhas obrigações tributárias. Eu não vou fazer qualquer reclamação contra a Sociedade ou qualquer de suas coligadas relacionada a tais obrigações tributárias.

[Em específico, eu reconheço que as minhas opções estão isentas da Seção 409A do Código da Receita Federal dos EUA somente se o preço de exercício por ação for pelo menos igual ao valor justo de mercado por ação das Ações Ordinárias Classe A da Sociedade no momento em que a opção foi outorgada pela Sociedade. Não há nenhuma garantia de que a Receita Federal dos EUA irá concordar com qualquer avaliação que tenha sido feita pela Sociedade ou pelo Conselho de Administração ou qualquer coligada, ou por uma empresa de avaliação independente.]

[above-bracketed language only for U.S. taxpayer optionees]

6. I agree to seek the consent of my spouse to the extent required by the Company to enforce the foregoing.

Date: _____

[texto acima entre colchetes aplicável somente para contribuintes dos Estados Unidos da América]

6. Eu concordo em procurar o consentimento do meu cônjuge na medida requerida pela Sociedade para fazer cumprir com o aqui previsto.

Data: _____

_____

[name of signatory]
[nome do signatário]

Exhibit 10.4

Peter Lampasona
Vice President
Franchise Development

MasterCard Worldwide
Law & Franchise Integrity
2000 Purchase Street
Purchase, NY 10577-2509

1-914-249-6288
peter_lampasona@mastercard.com
www.mastercard.com

January 29, 2014

Mr. David Velez Osorno
CEO
EO2 SOLUCOES DE PAGAMENTO SA
R California 492
Sao Paulo SP
Brasil, Postal Code 04566060

Dear Mr. Velez:

It is a pleasure to inform you that **EO2 SOLUCOES DE PAGAMENTO SA.'s** application for MasterCard Principal Participation and License for MasterCard has been approved, effective January 29, 2014. This approval is subject to the provisions of the brand's governing rules, and revocable for any violation of the MasterCard License Agreement.

Enclosed is a fully executed MasterCard License Agreement and Summary of Licenses Granted which reflects the brands for which a license has been granted and the type of participation for each. Specifically the License is limited to Issuing Credit Cards only. Additionally the license does not permit the Sponsorship of Affiliates and does not allow Extensions of Area of Use out of Brasil.

The following ICA and BINs have been **reserved** for **EO2 SOLUCOES DE PAGAMENTO SA.** for testing purposes only:

ICA: **16570**
BIN: **516220 (MCG – Gold MasterCard)**
BIN: **516230 (MPL – Platinum MasterCard)**
BIN: **537678 (MBK – MasterCard Black)**

You must contact Customer Implementation Services (CIS) to coordinate the implementation and activation of this ICA in the MasterCard production environment. CIS can proceed with the formal implementation process, pending receipt of all other required and/or optional forms. To determine which additional forms are required, and for further assistance, you may contact CIS via email:

CIS_LAC_Support@MasterCard.com

EO2 SOLUCOES DE PAGAMENTO SA. Will be fully responsible for all transactions and billing affected under these assignments and obligated to activate their ICA/BINs within a year of assignment. *A billing account must first be established and appropriately funded in order to initiate the activation process.*

To establish a billing account, the Billing Services Notification and Summary Reports Request forms must be completed. If you have already submitted these forms, then no further action is required. If you have not completed the forms, the forms have been attached to this letter. Please complete and submit the forms to CIS within 30 days. Billing and settlement will begin as soon as the ICA has been assigned in the MasterCard systems.

To assist in your understanding of MasterCard rules, policies, products and services, please visit our website at www.mastercardconnect.com.

We look forward to working with you and wish you success with all of your MasterCard programs.

Sincerely,

/s/ Peter Lampasona
Peter Lampasona

cc: Vivian Baker – MasterCard (Miami)
Luisa Nunes – MasterCard (Brasil)

SUMMARY OF LICENSES GRANTED

LICENSEE: **EO2 SOLUCOES DE PAGAMENTO SA**

ADDRESS: **R CALIFORNIA 492**

SAO PAULO SP BRAZIL

Authorized Marks	Type of License Participation	Type of activity	Geographic locations	Date after which Licensee is authorized to use this Authorized Mark
MasterCard Mark: 	• **Principal**	• **Issuing Credit Products Only, Activities within Brazil Only, and Not Sponsoring of Affiliates**	**Brazil**	**January 29, 2014**
Cirrus Mark: 	• **Principal**	• **Issuing Only**	**Brazil**	**January 29, 2014**

Upon being granted a license to use any one of the MasterCard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire MasterCard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Rules and to display the MasterCard, Maestro and Cirrus Marks at such ATMs.

DATE: January 29, 2014

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is between MasterCard International Incorporated or its undersigned affiliate ("MasterCard") and the undersigned entity ("Applicant").

Marks. Applicant acknowledges that MasterCard owns, manages, is licensee of, or otherwise controls all rights, title and interest to the trade names, trademarks, service marks and logotypes (the "Designations") set forth below. This License Agreement governs the use of the Designations identified below (each a "Mark") and other trade names, trademarks, service marks and logotypes identified from time to time in the Standards (defined below) or policies of MasterCard (each, an "Other Identified Mark" and, together with each Mark, the "Marks"). "MasterCard" shall mean and include its parent, subsidiaries and affiliates. Capitalized terms used in this license agreement shall have the meanings ascribed to them in the Standards, unless defined herein.

- *Interlocking Circles Device.* MasterCard owns all rights, title and interest to the trademark, service mark and logotype known as the Interlocking Circles Device and all variations thereof, and United States and worldwide registrations for such mark (the "Interlocking Circles Device").
- *MasterCard Marks.* MasterCard owns all right, title and interest in and to the trademark, trade name and service mark "MasterCard" and marks utilizing that designation, including MasterCard Electronic and MasterCard Cash, and United States and worldwide registrations for such marks (the "MasterCard Marks").
- *Cirrus Marks.* MasterCard owns all right, title and interest in and to the trademark, trade name and service mark "Cirrus" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Cirrus Marks"), to use and sublicense the use of the Cirrus Marks.
- *Maestro Marks.* MasterCard owns all right, title and interest in and to the trademark, trade name and service mark "Maestro" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Maestro Marks"), to use and to sublicense the use of the Maestro Marks.

Ownership of the Marks. Applicant acknowledges that:

(a) MasterCard is the Exclusive Owner (defined below) of all MasterCard Marks, the Cirrus Marks the Maestro Marks and the Interlocking Circles Device; and

(b) the applicable Exclusive Owner is the owner of any Other Identified Mark.

Applicant acknowledges the validity of the Marks and agrees to never contest such ownership, or in any way dispute the validity of any of the Marks or registrations for the Marks. Applicant agrees that, if any right has accrued or may accrue to Licensee in any of the Marks by operation of law, such right, upon termination of this License Agreement, shall revert to the owner of such Mark(s) as indicated in subsections (a), or (b), above (each such owner, as applicable, an "Exclusive Owner"). Applicant further agrees to cooperate with the Exclusive Owner to perfect such Exclusive Owner's title in any Mark(s) by written assignment of any rights which may accrue and in any other manner deemed necessary or appropriate by said Exclusive Owner. Applicant agrees that all documents, instruments, papers, letters, advertisements, and cards bearing any of the Marks shall be marked by Applicant with any notices of such Exclusive Owner's registrations that may be provided by law to preserve the Exclusive Owner's rights in the Mark(s) or that may be required by MasterCard from time to time. Applicant agrees not to obtain or attempt to obtain, and agrees not to aid any third party in obtaining or attempting to obtain, any right in any trademark, trade name, service mark, logotype or other device, designation, internet domain name, or intellectual property right that is confusingly similar to or employs any part of any Mark including, without limitation, the word "Master" or "Maestro" or any word containing the word "Master" or "Maestro" as a prefix or suffix, or "Master" or "Maestro" used in connection with any service offered by Applicant; and, upon request by MasterCard, Applicant agrees to assign, by instruments satisfactory in form and substance to MasterCard's counsel and without royalty or other payment of any kind, any and all of such rights that Licensee may obtain or may have obtained. Applicant agrees to never take any action, or permit or fail to take any action, that may injure, harm or dilute the distinctiveness or goodwill in and to any of the Marks. Applicant further acknowledges that any use of any Mark inures to the benefit of the Exclusive Owner of that Mark.

Grant of License. Applicant accepts (as granted), a non-exclusive license to use the Marks identified in the *Summary of Licenses Granted* (attached to this License Agreement and incorporated herein) in the geographic areas set forth therein, solely in connection with the Program(s). The term "Program" is defined in the Standards applicable to each Mark referenced in the *Summary of Licenses Granted* that Applicant operates in a geographic area. Upon execution by MasterCard, this License Agreement is effective as of the Effective Date set forth below and shall remain in effect until terminated in accordance with the Standards. MasterCard may, from time to time, modify the *Summary of Licenses Granted* to add a Mark, delete a Mark, change the type(s) of license participation, or change the type(s) of activity, and geographic locations that apply to Applicant for one or more Marks. Upon being granted a license to use any one of the MasterCard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire MasterCard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Standards and to display the MasterCard, Maestro and Cirrus Marks at such ATMs.

Standards. At all times, Applicant shall observe the Amended and Restated Certificate of Incorporation, Bylaws, Rules, and policies, and the operating regulations and procedures of MasterCard, including but not limited to any manuals, guides or bulletins, as may be amended from time to time (the "Standards"). **The Standards are incorporated herein by reference and made a part of this License Agreement.** MasterCard shall have the right to inspect samples of all advertising and marketing materials bearing the Marks to insure compliance with the Standards, and Applicant shall promptly correct any deficiency.

Term. Subject to the termination provisions set forth in this License Agreement and in the Standards, this License Agreement shall have an initial term of ten (10) years, commencing upon the Effective Date set forth below, and shall be automatically renewed for successive ten (10)-year renewal terms unless (i) at least thirty (30) calendar days prior to the end of the initial term or any renewal term, MasterCard notifies Applicant in writing that this License Agreement will not be renewed or (ii) this License Agreement has otherwise been terminated pursuant to its provisions or the Standards. Subject to such other License and/or Membership termination provisions set forth in this License Agreement or in the Standards that provide for termination either without notice or upon shorter notice, MasterCard shall have the right, upon no fewer than thirty (30) calendar days advance written notice to Applicant, to terminate this License Agreement at any time without cause. Applicant shall cease using the Marks upon termination of the License Agreement.

Representations and Warranties. Applicant hereby represents and warrants that the information provided in Applicant's application for this license is true and complete. Should circumstances change that would affect Applicant's continued eligibility to be a licensee, as specified in the Standards, Applicant agrees to immediately notify MasterCard in writing. Applicant shall immediately notify MasterCard in writing of any changes in the completeness or accuracy of such information or of a change in circumstances that would or could affect Applicant's continued eligibility to be a licensee in accordance with the eligibility criteria set forth in the Standards. Applicant further represents and warrants that the execution and delivery of this License Agreement and the performance by Applicant of the activities licensed hereunder will not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement applicable to Applicant. Licensee further represents and warrants that it has, and shall maintain, any and all government licenses and permits that are necessary for Applicant to be authorized to engage in the activities to be performed pursuant to this License Agreement.

Compliance with Law. For so long as this license is in effect, MasterCard and Applicant shall comply with all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements relating in any way to the privacy, confidentiality or security of personal data, including, without limitation: the EU Data Directive 95/46/EC; and the requirements of the Gramm-Leach-Bliley Act and its implementing regulations (15 U.S.C. § 6801 et seq.) (collectively, the "GLB Act"), which shall include, without limitation, the maintenance of a comprehensive information security program, that is designed to insure the security and confidentiality of non-public information about cardholders, applicants, or other customers by, among other things: (i) protecting against any anticipated threats or hazards to the security or integrity of such information; (ii) protecting against unauthorized access to or use of such information; (iii) detecting, preventing and responding to, in a prompt manner, attacks, intrusions or other system failures; (iv) ensure the proper disposal of such information; and (v) regularly testing or otherwise monitoring the effectiveness of such information safeguards.

Notice of infringement. As soon as Applicant acquires any knowledge of (i) any infringement of any Mark, (ii) any conflicting claim of third parties with respect to a Mark, or (iii) any failure of any other licensee to adhere to the Standards, Applicant shall so notify MasterCard in writing. Applicant agrees to give all lawful and reasonable aid requested by MasterCard or any other Exclusive Owner in connection with efforts to enforce, preserve and defend a Mark. All litigation carried on by Applicant at MasterCard's request shall be subject to MasterCard's control and will be at MasterCard's expense.

Assignment and Sublicense. Applicant agrees that MasterCard may assign or sublicense this license to any MasterCard direct or indirect subsidiary or affiliate. Applicant may not sell, sublicense, assign or otherwise transfer any of its rights under this license, whether by sale, consolidation, merger, amalgamation, operation of law or otherwise, without MasterCard's express written consent. This license shall be binding on Applicant's successors and assigns.

Governing Law, Payment of Taxes. All questions with respect to the interpretation, effect, and validity of this License Agreement, and the rights and obligations of the parties, shall be decided under the laws of the State of New York, without regard to its choice of laws provisions. Applicant consents to personal jurisdiction in the courts of the State of New York for all disputes arising out of this License Agreement, including but not limited to enforcement of the License Agreement. Notwithstanding the foregoing, if Applicant is an entity in the Europe Region (as defined in the Standards) then this license shall be governed in all respects and construed in accordance with the laws of England and Wales without regard to conflict of law provisions. Applicant agrees to pay all taxes that might be charged by any country or other jurisdiction in which Applicant conducts activities authorized by this License Agreement against any of the amounts due under the Standards, and such payments shall be made to MasterCard by Applicant without deduction for any such taxes.

Certification. Applicant certifies that it meets all requirements to be a licensee for each Mark set forth on the attached *Summary of Licenses Granted,* and is fully authorized and empowered to perform all of the functions it has elected to perform, and that the application for this license has been duly authorized by appropriate corporate action.

This License Agreement is the entire agreement between Applicant and MasterCard pertaining to the subject matter hereof and supersedes any prior agreements or representations, whether oral or written.

Applicant further certifies that Applicant is chartered as CREDIT CARD AND PAYMENT INSTITUTION [type of institution] under the laws of BRAZIL [country].

Legal Name of Applicant: EO2 SOLUCOES DE PAGAMENTO SA

The signing officer must be duly authorized to execute the application

Officer Name:	DAVID VELEZ OSORNO	Officer Title:	CEO
Officer Signature:	/s/ David Velez Osorno	Date:	19/DEC/2013
MasterCard Entity:	MASTERCARD INTERNATIONAL INCORPORATED		
MasterCard Signature:	/s/ Ajay Banga	*Effective Date:*	29/JAN/2014
Title:	AJAY BANGA PRESIDENT & CEO		

CONFIDENTIAL

SUPPLEMENT TO MASTERCARD LICENSE AGREEMENT

This Supplement to MasterCard License Agreement (the "Supplement") is effective Date set forth below and is entered into by and between EO2 Soluções de Pagamento S.A. ("Licensee") and MasterCard International Incorporated ("MasterCard") and constitutes a supplement to the MasterCard License Agreement entered into by and between Licensee and MasterCard (the "License Agreement") pursuant to which MasterCard granted to Licensee a license (the "License") to use the Marks subject to the terms and conditions set forth in the License Agreement.

PRELIMINARY STATEMENTS

WHEREAS, Licensee has received the License from MasterCard authorizing Licensee to engage in the MasterCard business and use the Marks; and,

WHEREAS, such License is subject to certain additional terms and conditions as forth in this Supplement;

NOW THEREFORE, incorporating the above preliminary statements, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MasterCard and Licensee further agree as follows:

1. Terms and Conditions upon License. With respect to its participation in the MasterCard business in the Federative Republic of Brazil ("Brazil") pursuant to the License, notwithstanding anything in the License Agreement or Rules to the contrary and in addition to any other obligations Licensee may owe MasterCard under the License Agreement or Rules, Licensee hereby further acknowledges and agrees, throughout the term of the License (the "Term"), that:

a. **Financial Reporting.** Licensee will deliver to MasterCard (i) quarterly within 45 days following the end of the first three fiscal quarters of each fiscal year of Licensee, consolidated and consolidating balance sheets, income statements and statements of cash flow of Licensee for such quarterly period and for the period from the end of the last fiscal year of Licensee, and (ii) within 90 days following the end of each fiscal year of Licensee audited comparative consolidated and unaudited comparative consolidating balance sheets, income statements and statements of cash flows, certified, in the case of consolidated annual statements by independent public accountants of recognized standing, and in the case of quarterly and consolidating annual statements, by a financial officer of Licensee for such period.

b. **Audits.** Licensee will submit to as many audits or investigations, as MasterCard may determine, and conducted as MasterCard deems appropriate, to determine Licensee's compliance with the provisions of this Supplement, the License Agreement and the MasterCard Bylaws and Rules (the "Rules"). Such audits or investigations may also include, without limitation, Licensee's anti-money laundering practices and procedures, OFAC rules compliance, financial soundness, corporate governance and operating standards and controls. MasterCard may at its discretion engage the services of independent third parties to assist in the conduct of such audits or investigations. Such audit will be conducted at Licensee's expense. Licensee will cooperate, and cause the cooperation of its independent auditors and other necessary agents and personnel, in the conduct of any such audit or investigation by MasterCard or such independent third party.

c. **Credit Products Only; Program Registration Requirement.** Licensee acknowledges and agrees that the License authorizes Licensee to engage solely in the issuing of MasterCard Credit Products, and under no circumstances shall the Licensee issue, or attempt to issue, by direct or indirect means, any MasterCard Debit Products or MasterCard Prepaid Products without the prior written consent of MasterCard. Also, all such MasterCard Credit Product programs to be issued by Licensee, pursuant to this License, shall be pre-approved in writing by, and registered as a Special Issuer Program with, MasterCard prior to issuing such payment cards.

d. **No Sponsorship of Affiliates.** Licensee shall not sponsor any other entity to be an Affiliate member or licensee of MasterCard.

e. **Brazil Only; No Extensions of Area of Use.** Licensee shall issue MasterCard Credit Products only within the national territory of Brazil. Licensee shall not be permitted to request and shall not be entitled to receive an extension of area of use. Notwithstanding the above, the MasterCard Credit Products to be issued by Licensee pursuant to the License may have international (i.e., outside of Brazil) acceptance and other functionalities.

f. **Exclusivity; Agreements Respecting Competing Brands.** Licensee shall refrain from entering into any agreement or arrangement that will have the effect of marketing, promoting, publicizing, issuing, acquiring, or facilitating the issuance, acquisition, or use of any payment card, or similar device, issued under, or in association with, a Competing Brand. For purposes of this subsection, the term "Competing Brand" shall include Visa, American Express, Discover, Diners Club, JCB, Carte Blanche, CarNet or any other brand that MasterCard determines to be in competition with MasterCard.

g. **Card Retention (Non-Conversion).** Licensee shall cause all MasterCard payment cards issued by Licensee during the Term to remain MasterCard-branded payment cards and shall ensure that no such MasterCard-branded payment cards are converted to a brand other than the MasterCard® brand for the duration of the cardholders' relationship with Licensee (the "Non-Conversion Period"). Licensee further acknowledges and agrees that if, during the Non-Conversion Period, Licensee in any way divests itself (including, without limitation, by way of sale of any MasterCard-branded payment cards, by voluntary or involuntary transfer, by operation of law or otherwise) of one or more MasterCard-branded payment cards that would have been subject to the terms of the Supplement had no such divestiture occurred, then Licensee shall guarantee to MasterCard the continued observance by the entity acquiring such MasterCard-branded payment cards of the provisions and obligations of this subsection following such divestiture with respect to the divested MasterCard-branded payment cards. The provisions of this subsection shall survive termination of this Supplement.

h. **Switching Exclusivity.** Licensee hereby agrees that all of its MasterCard-branded payment card transactions will be routed for authorization, clearing and settlement through the Global Clearing Management System (GCMS), the centralized clearing facility owned and operated by MasterCard for the daily processing and routing of financial transactions between MasterCard and its members.

i. **Legal and Regulatory Compliance; Indemnification.** Licensee hereby represents and warrants to MasterCard that the execution and delivery of the License Agreement (as modified by this Supplement), and the performance of the MasterCard limited issuing business in Brazil contemplated in such documents, do not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement of any kind or character applicable to Licensee. Licensee hereby further represents and warrants to MasterCard that Licensee's activities to be performed pursuant to the License shall not constitute banking activity under applicable Brazilian law or regulation. In addition to any other indemnification obligation Licensee may owe to MasterCard under the License Agreement, Rules or otherwise, Licensee shall indemnify and hold harmless MasterCard, and its stockholders, directors, officers, employees, agents and affiliates, from and against any and all actions, proceedings, losses, costs, expenses (including, without limitation, the fees and expenses of counsel for MasterCard at both trial and all appellate and bankruptcy levels), claims and/or demands in any way arising out of the acts or omissions and/or the performance or failure to perform by Licensee in connection with the representations and/or warranties made by Licensee to MasterCard under this subsection, including, without limitation, in the event that any of such representations and/or warranties are not true.

2. Miscellaneous. Except as expressly supplemented or amended herein, the License Agreement shall continue in full force and effect as in effect on the date of this License Supplement. To the extent that any such terms of the License Agreement conflict with the terms of this Supplement, the terms of this Supplement shall govern. All capitalized terms not defined herein shall have the meanings given to them in the License Agreement or Rules. For purposes of this Supplement: (i) the term "MasterCard Credit Product(s)" means a MasterCard-branded credit card that has the characteristics approved by MasterCard's Franchise Department in authorizing the issuance of such a product in accordance with the Rules; (ii) the term "MasterCard Debit Product(s)" means a MasterCard-branded debit card that has the characteristics approved by MasterCard's Franchise Department in authorizing the issuance of such a product in accordance with the Rules; and, (iii) the term "MasterCard Prepaid Product(s)" means a MasterCard-branded prepaid card that has the characteristics approved by MasterCard's Franchise Department in authorizing the issuance of such a product in accordance with the Rules. Nothing herein is, or shall be construed as, a waiver or release of any right or privileged held by, or obligation Licensee may owe to, MasterCard under the License Agreement or Rules. All such rights and privileges are affirmatively retained by MasterCard.

IN WITNESS WHEREOF, the parties have negotiated and agreed upon each and every one of the provisions in this Supplement for which reason this Supplement cannot under any circumstances be considered an adhesion contract and have executed this Supplement as of the date first written above.

MASTERCARD INTERNATIONAL INCORPORATED

By: /s/ Ajay Banga
Name: AJAY BANGA
Title: PRESIDENT & CEO

Effective Date: 29/JAN/2014

EO2 SOLUÇÕES DE PAGAMENTO S.A.

By: /s/ Cristina Junqueira
Name: CRISTINA JUNQUEIRA
Title: DIRECTOR

Date: 19/DEC/2013

Exhibit 10.5

Franchise Development

Mastercard Worldwide
Regional Licensing, Standards & Business Enablement
Carrera 11 # 85A-09 Ed, Amadeus Of. 801
Bogotá D.C. - Colombia

(315) 492-9856
www.mastercard.com

August 24th. 2020

Juan Carlos Guillermety
Head of Strategy, Business Development and M&A
Nu Pagamentos S.A.
Rua Capote Valente 39
Sao Paulo

Dear Mr Juan Carlos Guillermety

It is a pleasure to inform you that Mastercard International Incorporated has approved Nu Pagamentos S.A.'s request to use the Mastercard, Maestro, and Cirrus brand mark in Colombia, on a non-exclusive basis, effective immediately. Enclosed is a revised Schedule A which reflects the addition of Extension Area of Use into Colombia to the Mastercard License Agreement.

The following ICA and BIN have been assigned for Nu Pagamentos S.A.. for the Extension Area of Use into Colombia:

ICA:	30447 – Mastercard
BIN:	555825 (MCG – Mastercard Gold)
	555829 (MPL – Mastercard Platinum)

You must contact Customer Implementation Services (CIS) to coordinate the implementation and activation of this ICA in the Mastercard production environment. CIS can proceed with the formal implementation process, pending receipt of all other required and/or optional forms. To determine which additional forms are required, and for further assistance, you may contact CIS via email as follows:

CIS LAC Support@Mastercard.com

Nu Pagamentos S.A. will be fully responsible for all transactions and billing affected under these assignments and obligated to activate their ICA/BINs within a year of assignment. A billing account must first be established and appropriately funded in order to initiate the activation process.

To establish a billing account, the Billing Services Notification and Summary Reports Request forms must be completed. If you have already submitted these forms, then no further action is required. If you have not completed the forms, the forms have been attached to this letter. Please complete and submit the forms to CIS within 30 days.

Billing and settlement will begin as soon as the ICA has been assigned in the MasterCard systems. On behalf of Mastercard, we extend our best wishes for continued success with all of your Mastercard programs! We look forward to working with you and wish you success with all of your Mastercard programs.

Sincerely,

/s/ David Fernando Martínez
David Fernando Martínez
Franchise Core – LAC

C.C. Carlos Marin - Account Manager (Bogotá)
Bogotá File

SUMMARY OF LICENSES GRANTED

LICENSEE: Nu Pagamentos S.A.

ADDRESS: RUA CAPOTE VALENTE 39 – Sao Paulo, Brasil

Authorized Marks	Type of License Participation	Type of activity	Geographic locations	Date after which Licensee is authorized to use this Authorized Mark
MasterCard Mark: 	• Principal	• Issuing activities Only	LAC - Colombia	*08/24/2020*

Upon being granted a license to use any one of the Mastercard Brand Mark, Applicant shall also be granted a limited license to acquire Mastercard at ATMs operated or sponsored by Applicant in accordance with the applicable Rules and to display the Mastercard Brand Marks at such ATMs.

DATE: 08/24/2020

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is between Mastercard International Incorporated or its undersigned affiliate ("Mastercard") and the undersigned entity, Nu Pagamentos S.A. ("Applicant").

Marks. Applicant acknowledges that Mastercard owns, manages, is licensee of, or otherwise controls all rights, title and interest to the trade names, trademarks, service marks and logotypes (the "Designations") set forth below. This License Agreement governs the use of the Designations identified below (each a "Mark") and other trade names, trademarks, service marks and logotypes identified from time to time in the Standards (defined below) or policies of Mastercard (each, an "Other Identified Mark" and, together with each Mark, the "Marks"). "Mastercard" shall mean and include its parent, subsidiaries and affiliates. Capitalized terms used in this license agreement shall have the meanings ascribed to them in the Standards, unless defined herein.

- *Interlocking Circles Device.* Mastercard owns all rights, title and interest to the trademark, service mark and logotype known as the Interlocking Circles Device and all variations thereof, and United States and worldwide registrations for such mark (the "Interlocking Circles Device").
- *Mastercard Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Mastercard" and marks utilizing that designation, including Mastercard Electronic and Mastercard Cash, and United States and worldwide registrations for such marks (the "Mastercard Marks").
- *Cirrus Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Cirrus" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Cirrus Marks"), to use and sublicense the use of the Cirrus Marks.
- *Maestro Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Maestro" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Maestro Marks"), to use and to sublicense the use of the Maestro Marks.

Ownership of the Marks. Applicant acknowledges that:

(a) Mastercard is the Exclusive Owner (defined below) of all Mastercard Marks, the Cirrus Marks the Maestro Marks and the Interlocking Circles Device; and

(b) the applicable Exclusive Owner is the owner of any Other Identified Mark.

Applicant acknowledges the validity of the Marks and agrees to never contest such ownership, or in any way dispute the validity of any of the Marks or registrations for the Marks. Applicant agrees that, if any right has accrued or may accrue to Licensee in any of the Marks by operation of law, such right, upon termination of this License Agreement, shall revert to the owner of such Mark(s) as indicated in subsections (a), or (b), above (each such owner, as applicable, an "Exclusive Owner"). Applicant further agrees to cooperate with the Exclusive Owner to perfect such Exclusive Owner's title in any Mark(s) by written assignment of any rights which may accrue and in any other manner deemed necessary or appropriate by said Exclusive Owner. Applicant agrees that all documents, instruments, papers, letters, advertisements, and cards bearing any of the Marks shall be marked by Applicant with any notices of such Exclusive Owner's registrations that may be provided by law to preserve the Exclusive Owner's rights in the Mark(s) or that may be required by Mastercard from time to time. Applicant agrees not to obtain or attempt to obtain, and agrees not to aid any third party in obtaining or attempting to obtain, any right in any trademark, trade name, service mark, logotype or other device, designation, internet domain name, or intellectual property right that is confusingly similar to or employs any part of any Mark including, without limitation, the word "Master" or "Maestro" or any word containing the word "Master" or "Maestro" as a prefix or suffix, or "Master" or "Maestro" used in connection with any service offered by Applicant; and, upon request by Mastercard, Applicant agrees to assign, by instruments satisfactory in form and substance to Mastercard's counsel and without royalty or other payment of any kind, any and all of such rights that Licensee may obtain or may have obtained. Applicant agrees to never take any action, or permit or fail to take any action that may injure, harm or dilute the distinctiveness or goodwill in and to any of the Marks. Applicant further acknowledges that any use of any Mark inures to the benefit of the Exclusive Owner of that Mark.

Grant of License. Applicant accepts (as granted), a non-exclusive license to use the Marks identified in the *Summary of Licenses Granted* (attached to this License Agreement and incorporated herein) in the geographic areas set forth therein, solely in connection with the Program(s). The term "Program" is defined in the Standards applicable to each Mark referenced in the *Summary of Licenses Granted* that Applicant operates in a geographic area. Upon execution by Mastercard, this License Agreement is effective as of the Effective Date set forth below and shall remain in effect until terminated in accordance with the Standards. Mastercard may, from time to time, modify the *Summary of Licenses Granted* to add a Mark, delete a Mark, change the type(s) of license participation, or change the type(s) of activity, and geographic locations that apply to Applicant for one or more Marks. Upon being granted a license to use any one of the Mastercard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire Mastercard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Standards and to display the Mastercard, Maestro and Cirrus Marks at such ATMs.

Standards. At all times, Applicant shall observe the Amended and Restated Certificate of Incorporation, Bylaws, Rules, and policies, and the operating regulations and procedures of Mastercard, including but not limited to any manual, guide and/or bulletin, as may be amended from time to time (the "Standards"). **The Standards are incorporated herein by reference and made a part of this License Agreement.** Mastercard shall have the right to inspect samples of all advertising and marketing materials bearing the Marks to insure compliance with the Standards, and Applicant shall promptly correct any deficiency.

Term. Subject to the termination provisions set forth in this License Agreement and in the Standards, this License Agreement shall have an initial term of ten (10) years, commencing upon the Effective Date set forth below, and shall be automatically renewed for successive ten (10)-year renewal terms unless (i) at least thirty (30) calendar days prior to the end of the initial term or any renewal term, Mastercard notifies Applicant in writing that this License Agreement will not be renewed or (ii) this License Agreement has otherwise been terminated pursuant to its provisions or the Standards. Subject to such other License and/or Membership termination provisions set forth in this License Agreement or in the Standards that provide for termination either without notice or upon shorter notice, Mastercard shall have the right, upon no fewer than thirty (30) calendar days advance written notice to Applicant, to terminate this License Agreement at any time without cause. Applicant shall cease using the Marks upon termination of the License Agreement.

Representations and Warranties. Applicant hereby represents and warrants that the information provided in Applicant's application for this license is true and complete. Should circumstances change that would affect Applicant's continued eligibility to be a licensee, as specified in the Standards, Applicant agrees to immediately notify Mastercard in writing. Applicant shall immediately notify Mastercard in writing of any changes in the completeness or accuracy of such information or of a change in circumstances that would or could affect Applicant's continued eligibility to be a licensee in accordance with the eligibility criteria set forth in the Standards. Applicant further represents and warrants that the execution and delivery of this License Agreement and the performance by Applicant of the activities licensed hereunder will not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement applicable to Applicant. Licensee further represents and warrants that it has, and shall maintain, any and all government licenses and permits that are necessary for Applicant to be authorized to engage in the activities to be performed pursuant to this License Agreement.

Compliance with Law. For so long as this license is in effect, Mastercard and Applicant shall comply with all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements relating in any way to the privacy, confidentiality or security of personal data, including, without limitation: **the EU/2016/679 General Data Protection Regulation;** and the requirements of the Gramm-Leach-Bliley Act and its implementing regulations (15 U.S.C. § 6801 et seq.) (collectively, the "GLB Act"), which shall include, without limitation, the maintenance of a comprehensive information security program, that is designed to insure the security and confidentiality of non-public information about cardholders, applicants, or other customers by, among other things: (i) protecting against any anticipated threats or hazards to the security or integrity of such information; (ii) protecting against unauthorized access to or use of such information; (iii) detecting, preventing and responding to, in a prompt manner, attacks, intrusions or other system failures; (iv) ensure the proper disposal of such information; and (v) regularly testing or otherwise monitoring the effectiveness of such information safeguards.

Notice of infringement. As soon as Applicant acquires any knowledge of (i) any infringement of any Mark, (ii) any conflicting claim of third parties with respect to a Mark, or (iii) any failure of any other licensee to adhere to the Standards, Applicant shall so notify Mastercard in writing. Applicant agrees to give all lawful and reasonable aid requested by Mastercard or any other Exclusive Owner in connection with efforts to enforce, preserve and defend a Mark. All litigation carried on by Applicant at Mastercard's request shall be subject to Mastercard's control and will be at Mastercard's expense.

Assignment and Sublicense. Applicant agrees that Mastercard may assign or sublicense this license to any Mastercard direct or indirect subsidiary or affiliate. Applicant may not sell, sublicense, assign or otherwise transfer any of its rights under this license, whether by sale, consolidation, merger, amalgamation, operation of law or otherwise, without Mastercard's express written consent. This license shall be binding on Applicant's successors and assigns.

Governing Law, Payment of Taxes. All questions with respect to the interpretation, effect, and validity of this License Agreement, and the rights and obligations of the parties, shall be decided under the laws of the State of New York, without regard to its choice of laws provisions. Applicant consents to personal jurisdiction in the courts of the State of New York for all disputes arising out of this License Agreement, including but not limited to enforcement of the License Agreement. Notwithstanding the foregoing, if Applicant is an entity in the Europe Region (as defined in the Standards) then this license shall be governed in all respects and construed in accordance with the laws of England and Wales without regard to conflict of law provisions. Applicant agrees to pay all taxes that might be charged by any country or other jurisdiction in which Applicant conducts activities authorized by this License Agreement against any of the amounts due under the Standards, and such payments shall be made to Mastercard by Applicant without deduction for any such taxes.

Certification. Applicant certifies that it meets all requirements to be a licensee for each Mark set forth on the attached *Summary of Licenses Granted,* and is fully authorized and empowered to perform all of the functions it has elected to perform, and that the application for this license has been duly authorized by appropriate corporate action.

This License Agreement is the entire agreement between Applicant and Mastercard pertaining to the subject matter hereof and supersedes any prior agreements or representations, whether oral or written, including, without limitation, the License Agreement entered into by and between Mastercard and the Applicant (then named EOS Soluções de Pagamento S.A.) on January 19, 2014.

Applicant further certifies that Applicant is chartered as a corporation under the laws of Brazil.

[Signatures follow in the next page.]

Legal Name of Applicant: Nu Pagamentos S.A.
The signing officer must be duly authorized to execute the application.

Officer Name: Guilherme Marcos do Lago
Officer Title: Director
Officer Signature: /s/ Guilherme Marcos do Lago
Date:

Mastercard Entity: AJAY BANGA
Mastercard Signature: /s/ Ajay Banga *Effective Date:* 04/24/2020
Title: PRESIDENT & CEO

[*Signature Page of the License Agreement entered into by and between Mastercard International Incorporated and Nu Pagamentos S.A.]*

CONFIDENTIAL

First Amendment to
License Agreement

This amendment to the License Agreement ("Amendment") is entered into as of the Effective Date set forth below by and between Mastercard International Incorporated or its undersigned affiliate ("Mastercard") and the undersigned entity ("Licensee").

PRELIMINARY STATEMENTS

A. WHEREAS, Mastercard and Licensee have entered into that certain License Agreement, dated as of January 29th, 2014 (the "License");

B. WHEREAS, Licensee and Mastercard have decided and agreed to amend the *Summary of Licenses Granted* attached to the License;

C. WHEREAS, the parties seek to evidence such amendment in a mutually acceptable writing, which shall amend the License;

NOW, THEREFORE, for good and valuable consideration of the mutual promises and benefits contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mastercard and Licensee agree to modify and amend the License as follows:

1. AMENDMENTS

(a) The parties hereby agree to replace the *Summary of Licenses Granted* attached to the License in its entirety with the *Summary of Licenses Granted* attached as Exhibit A to this Amendment.

2. GENERAL

(a) Definitions. Capitalized terms used herein but not defined herein shall have the meanings given to such terms in the License.

(b) Effect of Amendment; Effective Date. This Amendment amends and supplements certain provisions of the License. The provisions of this Amendment and the License shall be read together and viewed as a single document. To the extent that there is any inconsistency, ambiguity or conflict between this Amendment and the License, the provisions of this Amendment shall prevail. This Amendment is limited as specified and shall not constitute a modification, acceptance or waiver of any other provision of the License. Except as otherwise expressly provided in this Amendment, the provisions of the License shall remain in full force and effect. Unless a provision specifically provides otherwise, the terms and conditions of this Amendment shall be effective as of the Effective Date. Upon termination of the License, this Amendment shall also terminate and be of no further force or effect.

(c) Binding Commitment; Execution. The provisions of this Amendment shall constitute binding commitments and agreements on the part of both Mastercard and Licensee immediately upon execution of this Amendment by both parties and shall be effective as of the Effective Date. This Amendment may be executed in counterparts, including via facsimile signatures, which as combined, shall be fully binding and effective.

[signatures on the following page]

IN WITNESS WHEREOF, Mastercard and Licensee have executed this Amendment as of the date first written above.

MASTERCARD INTERNATIONAL INCORPORATED

By: /s/ Ajay Banga
Name: AJAY BANGA
Title: PRESIDENT & CEO
Effective Date: 04/24/2020

NU PAGAMENTOS S.A.

By: /s/ Guilherme Marcos do Lago
Name: Guilherme Marcos do Lago
Title: Director
Date:

CONFIDENTIAL

SUPPLEMENT TO MASTERCARD LICENSE AGREEMENT

This Supplement to Mastercard License Agreement (the "Supplement") is effective as of Effective Date set below and is entered into by and between Nu Pagamentos S.A. ("Licensee") and Mastercard International Incorporated ("Mastercard") and constitutes a supplement to the Mastercard License Agreement entered into by and between Licensee and Mastercard (the "License Agreement") pursuant to which Mastercard granted to Licensee a license (the "License") to use the Marks subject to the terms and conditions set forth in the License Agreement.

PRELIMINARY STATEMENTS

WHEREAS, Licensee has received the License from Mastercard authorizing Licensee to use the Marks and engage only in Mastercard issuing Activity in Brazil and any other country or jurisdiction for which Licensee receives an extension of area of use as outlined in Section 1(e) below (the "Area of Use"); and,

WHEREAS, such License is subject to certain additional terms and conditions as forth in this Supplement;

NOW THEREFORE, incorporating the above preliminary statements, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Mastercard and Licensee further agree as follows:

1. Terms and Conditions upon License. With respect to its participation in the issuing or acquiring Mastercard business in the Area of Use pursuant to the License, notwithstanding anything in the License Agreement or the Mastercard Standards as defined in the License Agreement, including, but not limited to the Mastercard Rules, to the contrary and in addition to, and not in lieu of, any other obligations Licensee may owe Mastercard under the License Agreement or Standards, Licensee hereby further acknowledges and agrees, throughout the term of the License (the "Term"), that:

a. **Financial Reporting.** At Mastercard's written request, Licensee will deliver to Mastercard (i) quarterly within 45 days following the end of the first three fiscal quarters of each fiscal year of Licensee, consolidated and consolidating balance sheets, income statements and statements of cash flow of Licensee for such quarterly period and for the period from the end of the last fiscal year of Licensee, and (ii) within 90 days following the end of each fiscal year of Licensee audited comparative consolidated and unaudited comparative consolidating balance sheets, income statements and statements of cash flows, certified, in the case of consolidated annual statements by independent public accountants of recognized standing, and in the case of quarterly and consolidating annual statements, by a financial officer of Licensee for such period.

b. **Audits.** At Mastercard's written request, Licensee will submit to periodic audits or investigations, as Mastercard may determine, and conducted as Mastercard deems appropriate, to determine Licensee's compliance with the provisions of this Supplement, the License Agreement and the Mastercard Rules and other standards (the "Rules"). Such audits or investigations may also include, without limitation, Licensee's anti-money laundering practices and procedures, OFAC rules compliance, financial soundness, corporate governance and operating standards and controls. Mastercard may at its discretion engage the services of independent third parties to assist in the conduct of such audits or investigations. Such audit will be conducted at Licensee's expense. Licensee will cooperate, and cause the cooperation of its independent auditors and other necessary agents and personnel, in the conduct of any such audit or investigation by Mastercard or such independent third party.

c. **Approved Products Only; Program Registration Requirement.** Licensee acknowledges and agrees that the License authorizes Licensee to engage solely in the issuing of the Mastercard products or acquiring of Mastercard transactions detailed in the *Summary of Licenses Granted* (attached to the License Agreement) and under no circumstances shall the Licensee issue or acquire, or attempt to issue or acquire, by direct or indirect means, any other Mastercard products or transactions, without the prior written consent of Mastercard. Also, all such authorized Mastercard products to be issued or transactions to be acquired by Licensee, pursuant to this License, shall be pre-approved in writing by, and registered with, Mastercard prior to issuing such payment cards or acquiring such transactions.

d. **No Sponsorship of Affiliates.** Licensee shall not sponsor any other entity to be an Affiliate licensee of Mastercard.

e. **Extensions of Area of Use.** Licensee shall seek Mastercard's prior written consent before any extension of area of use into every country or jurisdiction into which Licensee desires to issue, or will issue, permitted Mastercard-branded products or desires to acquire, or will acquire Mastercard transactions in accordance with the Mastercard Rules. Mastercard may or may not grant any such extension of area of use request, at its sole discretion.

f. **Legal and Regulatory Compliance; Indemnification.** Licensee hereby represents and warrants to Mastercard that the execution and delivery of the License Agreement (as modified by this Supplement), and the performance of the Mastercard issuing or acquiring business in the Area of Use contemplated in such documents, do not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement of any kind or character applicable to Licensee. Licensee hereby further represents and warrants to Mastercard that (i) Licensee's activities to be performed pursuant to the License shall not constitute unlawful banking or other activity under applicable law or regulation and (ii) Licensee has performed the requisite due diligence to ensure the performance of Licensee's Mastercard issuing or acquiring business in the Area of Use is and at all times will be in compliance with applicable local laws and regulations. In addition to any other indemnification obligation Licensee may owe to Mastercard under the License Agreement, Standards or otherwise, Licensee shall protect, indemnify and hold harmless Mastercard, and its stockholders, directors, officers, employees, agents and affiliates, from and against any and all actions, proceedings losses, costs, liability and/or expenses (including, without limitation, the fees and expenses of counsel for Mastercard at both trial and all appellate and bankruptcy levels, costs of investigation, and disbursement), actual and threatened claims and/or demands in any way arising out of the acts or omissions and/or the performance or failure to perform by Licensee in connection with the representations and/or warranties made by Licensee to Mastercard under this subsection, including, without limitation, in the event that any of such representations and/or warranties are proven to not be true.

g. **Compliance with Anti-Bribery and Corruption Laws.** Licensee shall comply, and shall ensure that each of its subcontractors and personnel complies, with all applicable anti-bribery and corruption laws. Licensee warrants, represents and covenants to Mastercard that Licensee (and each of its employees, subcontractors and personnel) has not and shall not, in connection with the activities contemplated by this Supplement or in connection with any other business activities involving Mastercard, make, promise or offer to make any payment or transfer of anything of value or any other advantage directly or indirectly through a representative, intermediary agent or otherwise to any person for the purpose of improperly influencing any act, omission to act or decision of such individual or securing an improper advantage to assist the Licensee in obtaining or retaining business. Licensee also warrants, represents and covenants to Mastercard that Licensee and each of its employees, subcontractors and personnel shall not, in connection with any business activities involving Mastercard, accept anything of value from any third party seeking to influence any act or decision of Licensee or in order to secure an improper advantage to that third party.

2. **Miscellaneous.** Except as expressly supplemented or amended herein, the License Agreement shall continue in full force and effect as in effect on the date of this License Supplement. To the extent that any such terms of the License Agreement conflict with the terms of this Supplement, the terms of this Supplement shall govern. All capitalized terms not defined herein shall have the meanings given to them in the License Agreement or Standards. If applicable local law and/or regulation within Licensee's Area of Use impose a greater or a conflicting obligation on Licensee's Activities, such applicable local law and/or regulation shall govern. Nothing herein is, or shall be construed as, a waiver or release of any right or privilege held by, or obligation Licensee may owe to, Mastercard under the License Agreement or Standards. All such rights and privileges are affirmatively retained by Mastercard.

[Signature on the following page]

IN WITNESS WHEREOF, the parties have negotiated and agreed upon each and every one of the provisions in this Supplement for which reason this Supplement cannot under any circumstances be considered an adhesion contract and have executed this Supplement as of the date first written above.

MASTERCARD INTERNATIONAL INCORPORATED

By: /s/ Ajay Banga
Name: AJAY BANGA
Title: PRESIDENT & CEO
Effective Date: 04/24/2020

NU PAGAMENTOS S.A.

By: /s/ Guilherme Marcos do Lago
Name: Guilherme Marcos do Lago
Title: Director
Date:

[Signature Page of the Supplement to Mastercard License Agreement entered into by and between Mastercard International Incorporated and Nu Pagamentos S.A.]

Exhibit 10.6

Vivian Baker
Franchise Development Head,
Licensing, Standards & Business Enablement
Latin America and the Caribbean Region

MasterCard | MasterCard Worldwide
801 Brickell Avenue, Suite #1300 | Miami, FL 33131

1-305-539-2366
vivian_baker@mastercard.com

January 3, 2019

Mr. David Velez Osorno
Legal Representative
NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE.
Paseo de las Palmas 1702- 405
03100 Ciudad de Mexico

Dear Mr. Velez.

It is a pleasure to inform you that **NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE.CV.** Application for MasterCard Principal Participation and License for MasterCard has been approved, effective January 3, 2019. This approval is subject to the provisions of the brand's governing rules, and revocable for any violation of the MasterCard License Agreement.

Enclosed is a fully executed MasterCard License Agreement, Supplement Agreement, and a Summary of Licenses Granted which reflects the brands for which a license has been granted and the type of participation for each. **NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE.** License is limited to Issuing Card Activities only in Mexico, and cannot Sponsor Affiliates.

The following ICA and BINs have been assigned for **NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE,** for testing purposes only:

ICA: 20891
BIN: 230899 (MCS — Mastercard Standard)
BIN: 230909 (MCG — Gold Mastercard)
BIN: 230950 (MPL — Platinum Mastercard)

You must contact Customer Implementation Services (CIS) to coordinate the implementation and activation of this ICA in the MasterCard production environment. CIS can proceed with the formal implementation process, pending receipt of all other required and/or optional forms. To determine which additional forms are required, and for further assistance, you may contact CIS via email:

CIS_LAC_Support@MasterCard.com

NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE. will be fully responsible for all transactions and billing affected under these assignments and obligated to activate their ICA/BINs within a year of assignment. *A billing account must first be established and appropriately funded in order to initiate the activation process.*

To establish a billing account, the Billing Services Notification and Summary Reports Request forms must be completed. If you have already submitted these forms, then no further action is required. If you have not completed the forms, the forms have been attached to this letter. Please complete and submit the forms to CIS within 30 days. Billing and settlement will begin as soon as the ICA has been assigned in the MasterCard systems.

To assist in your understanding of MasterCard rules, policies, products and services, please visit our website at www.mastercardconnect.com.

We look forward to working with you and wish you success with all of your MasterCard programs.

Sincerely,

/s/ Vivian Baker
Vivian Baker

cc: Carlos Aguilar – MasterCard (Mexico)
Salvador Salgado – MasterCard (Mexico)

SUMMARY OF LICENSES GRANTED

LICENSEE: **NU BN MEXICO SOCIEDAD ANONIMA DE CAPITAL VARIABLE.**

ADDRESS: **Paseo de las Palmas 1702- 405**

03100 Ciudad de Mexico

Authorized Marks	Type of License Participation	Type of activity	Geographic locations	Date after which Licensee is authorized to use this Authorized Mark
MasterCard Mark: 	• **Principal**	• **Issuing card activities**	**México**	**January 3, 2019**
Cirrus Mark: 	• **Principal**	• **Issuing card activities**	**México**	**January 3, 2019**

Upon being granted a license to use any one of the MasterCard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire MasterCard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Rules and to display the MasterCard, Maestro and Cirrus Marks at such ATMs.

DATE: January 3, 2019

CONFIDENTIAL

SUPPLEMENT TO MASTERCARD LICENSE AGREEMENT

This Supplement to MasterCard License Agreement (The "Supplement") is effective as of Effective Date set below and is entered into by and between NU BN MEXICO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE("Licensee") and MasterCard International Incorporated ("MasterCard") and constitutes a supplement to the MasterCard License Agreement entered into by and between Licensee and MasterCard (the "License Agreement") pursuant to which MasterCard granted to Licensee a license (the "License") to use the Marks subject to the terms and conditions set forth in the License Agreement.

PRELIMINARY STATEMENTS

WHEREAS, Licensee has received the License from MasterCard authorizing Licensee to use the Marks and engage in the limited acquiring-only MasterCard business in Mexico (the "Area of Use"); and,

WHEREAS, such License is subject to certain additional terms and conditions as forth in this Supplement;

NOW THEREFORE, incorporating the above preliminary statements, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, MasterCard and Licensee further agree as follows:

1. Terms and Conditions upon License. With respect to its participation in the limited acquiring-only MasterCard business in the Area of Use pursuant to the License, notwithstanding anything in the License Agreement or Rules to the contrary and in addition to, and not in lieu of, any other obligations Licensee may owe MasterCard under the License Agreement or Rules, Licensee hereby further acknowledges and agrees, throughout the term of the License (the "Term"), that:

a. **Financial Reporting.** At MasterCard's written request, Licensee will deliver to MasterCard (i) quarterly within 45 days following the end of the first three fiscal quarters of each fiscal year of Licensee, consolidated and consolidating balance sheets, income statements and statements of cash flow of Licensee for such quarterly period and for the period from the end of the last fiscal year of Licensee, and (ii) within 90 days following the end of each fiscal year of Licensee audited comparative consolidated and unaudited comparative consolidating balance sheets, income statements and statements of cash flows, certified, in the case of consolidated annual statements by independent public accountants of recognized standing, and in the case of quarterly and consolidating annual statements, by a financial officer of Licensee for such period.

b. **Audits.** At MasterCard's written request, Licensee will submit to periodic audits or investigations, as MasterCard may determine, and conducted as MasterCard deems appropriate, to determine Licensee's compliance with the provisions of this Supplement, the License Agreement and the MasterCard Rules and other standards (the "Rules"). Such audits or investigations may also include, without limitation, Licensee's anti-money laundering practices and procedures, OFAC rules compliance, financial soundness, corporate governance and operating standards and controls. MasterCard may at its discretion engage the services of independent third parties to assist in the conduct of such audits or investigations. Such audit will be conducted at Licensee's expense. Licensee will cooperate, and cause the cooperation of its independent auditors and other necessary agents and personnel, in the conduct of any such audit or investigation by MasterCard or such independent third party.

c. **Anti-Money Laundering Program.** Licensee acknowledges and agrees to comply with the MasterCard Anti-Money Laundering Program. The AML Program requires that each Customer have policies, procedures and controls in place to protect against the use of MasterCard systems for money laundering and terrorism financing. Such policies, procedures, and controls must apply to all activity and include, at minimum the AML program requirements as defined by the MasterCard Rules.

d. **Issuing and Acquiring Only.** Licensee acknowledges and agrees that the License authorizes Licensee to engage Issuing Only in Mexico.

e. **Credit and Prepaid Products Only; Program Registration Requirement.** Licensee acknowledges and agrees that the License authorizes Licensee to engage solely in the limited issuing of MasterCard Credit and Prepaid Products, and under no circumstances shall the Licensee issue, or attempt to issue, by direct or indirect means, any MasterCard Products without: 1) the prior written consent of MasterCard and 2) the proper authority approval, as applicable. Also, all such MasterCard Prepaid Product programs to be issued by Licensee, pursuant to this License, shall be pre-approved in writing by, and registered as a Special Issuer Registration Program with MasterCard prior to issuing such payment cards. Also, notwithstanding anything herein to the contrary. Licensee represents and warrants to MasterCard and agrees that any MasterCard Prepaid Products issued pursuant to the License will not have access to ATM nor cash redemption that may be understood by the proper regulator as a violation of the applicable Law

f. **No Sponsorship of Affiliates.** Licensee shall not sponsor any other entity to be an Affiliate member or licensee of MasterCard.

g. **Area of Use Only; No Extensions of Area of Use.** Licensee shall acquire merchants only within the Area of Use. Licensee shall not be permitted to request and shall not be entitled to receive an extension of area of use.

h. **Transaction Switching.** Licensee hereby agrees that all of its MasterCard-branded payment card transactions will be routed for authorization, clearing and settlement through the Global Clearing Management System (GCMS), the centralized clearing facility owned and operated by MasterCard for the daily processing and routing of financial transactions between MasterCard and its members.

i. **Minimum Authorization, Clearing and Settlement Information.-** In the event Licensee decides to switch its MasterCard-brand Mexico domestic transactions through a switch (Cámara de Compensación) other than MasterCard Mexico, S de R.L. de C.V., the Licensee shall provide to MasterCard, through MasterCard Mexico, S de R.L. de C.V., the following minimum information to allow MasterCard and/or MasterCard Mexico, S de R.L. de C.V. to properly manage the intra-day liquidity and the settlement guarantees associated with such transactions as required by the General Rules for Payment Networks (Disposiciónes de Carácter General Applicable a las Redes de Medios de Disposición) published in the Federal Official Gazette on March 11, 2014:

j.

1. Daily Net Settlement Advisement
2. On line and real time the Authorization Messages
3. Daily Cleared Records (1st Presentments)

Such authorization messages and clearing records must be provided in accordance with the specifications defined by MasterCard and at the Licensee's expense. Failure to provide such information as detailed herein may lead to MasterCard imposing fines and assessments on Licensee and/or the suspension or termination of the License, at MasterCard's sole discretion.

k. **Transaction Blocking Capabilities –** In the event Licensee decides to switch its MasterCard-brand Mexico domestic transactions through a switch (Cámara de Compensación) other than MasterCard Mexico, S de R.L. de C.V., the Licensee or its chosen switch shall have the capability to block transactions as follows at MasterCard's direction:

1. Where MasterCard's assessment of an individual transaction authorization request requires it, block the authorization of an individual transactions in real-time (i.e. within the real-time authorization request/response flow for the transaction);

2. At MasterCard's direction, block authorizations for BIN ranges identified by MasterCard within 90 minutes of receiving direction from MasterCard to do so.

l. **Legal and Regulatory Compliance; Indemnification.** Licensee hereby represents and warrants to MasterCard that the execution and delivery of the License Agreement (as modified by this Supplement), and the performance of the MasterCard acquiring business in the Area of Use contemplated in such documents, do not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement of any kind or character applicable to Licensee. Licensee hereby further represents and warrants to MasterCard that Licensee's activities to be performed pursuant to the License shall not constitute banking activity under applicable law or regulation. In addition to any other indemnification obligation Licensee may owe to MasterCard under the License Agreement, Rules or otherwise, Licensee shall indemnify and hold harmless MasterCard, and its stockholders, directors, officers, employees, agents and affiliates, from and against any and all actions, proceedings, losses, costs, expenses (including, without limitation, the fees and expenses of counsel for MasterCard at both trial and all appellate and bankruptcy levels), claims and/or demands in any way arising out of the acts or omissions and/or the performance or failure to perform by Licensee in connection with the representations and/or warranties made by Licensee to MasterCard under this subsection, including, without limitation, in the event that any of such representations and/or warranties are not true.

m. **Compliance with Anti-Bribery and Corruption Laws.** Licensee shall comply, and shall ensure that each of its subcontractors and personnel complies, with all applicable anti-bribery and corruption laws. Licensee warrants, represents and covenants to MasterCard that Licensee (and each of its employees, subcontractors and personnel) has not and shall not, in connection with the activities contemplated by this Supplement or in connection with any other business activities involving MasterCard, make, promise or offer to make any payment or transfer of anything of value or any other advantage directly or indirectly through a representative, intermediary agent or otherwise to any person for the purpose of improperly influencing any act, omission to act or decision of such individual or securing an improper advantage to assist the Licensee in obtaining or retaining business. Licensee also warrants, represents and covenants to MasterCard that Licensee and each of its employees, subcontractors and personnel shall not, in connection with any business activities involving MasterCard, accept anything of value from any third party seeking to influence any act or decision of Licensee or in order to secure an improper advantage to that third party. Violation of this clause will constitute a material breach of this Supplement.

n. **Term and Termination of Agreement.** This Agreement shall he effective as of the date executed by duly authorized representatives of both NU BN MEXICO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE and MasterCard, in that order. Either party may terminate this Agreement by delivering to the non-terminating party no less than sixty (60) days prior written notice of its intent to terminate.

o. **Governing Law and Venue.** This Agreement shall be interpreted by, and enforced pursuant to, the substantive laws of the State of New York save for such jurisdiction's choice of law provisions. Exclusive venue for any claim or controversy concerning this Agreement shall be in the federal and state courts in and for Westchester County, New York.

2. Miscellaneous. Except as expressly supplemented or amended herein, the License Agreement shall continue in full force and effect as in effect on the date of this License Supplement. To the extent that any such terms of the License Agreement conflict with the terms of this Supplement, the terms of this Supplement shall govern. All capitalized terms not defined herein shall have the meanings given to them in the License Agreement or Rules. Nothing herein is, or shall be construed as, a waiver or release of any right or privileged held by, or obligation Licensee may owe to. MasterCard under the License Agreement or Rules. All such rights and privileges are affirmatively retained by MasterCard.

IN WITNESS WHEREOF, the parties have negotiated and agreed upon each and every one of the provisions in this Supplement for which reason this Supplement cannot under any circumstances be considered an adhesion contract and have executed this Supplement as of the date first written above.

MASTERCARD INTERNATIONAL INCORPORATED

By: /s/ Ajay Banga
Name: AJAY BANGA
Title: PRESIDENT & CEO

Effective Date: 01/03/2019

NU BN MEXICO, SOCIEDAD ANONIMA DE CAPITAL VARIABLE

By: /s/ David Velez
Name: David Velez
Title:

Date: 30/10/18

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is between Mastercard International Incorporated or its undersigned affiliate ("Mastercard") and the undersigned entity ("Applicant").

Marks. Applicant acknowledges that Mastercard owns, manages, is licensee of, or otherwise controls all rights, title and interest to the trade names, trademarks, service marks and logotypes (the "Designations") set forth below. This License Agreement governs the use of the Designations identified below (each a "Mark") and other trade names, trademarks, service marks and logotypes identified from time to time in the Standards (defined below) or policies of Mastercard (each, an "Other Identified Mark" and, together with each Mark, the "Marks"). "Mastercard'' shall mean and include its parent, subsidiaries and affiliates. Capitalized terms used in this license agreement shall have the meanings ascribed to them in the Standards, unless defined herein.

- *Interlocking Circles Device.* Mastercard owns all rights, title and interest to the trademark, service mark and logotype known as the Interlocking Circles Device and all variations thereof, and United States and worldwide registrations for such mark (the "Interlocking Circles Device").
- *Mastercard Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Mastercard" and marks utilizing that designation, including Mastercard Electronic and Mastercard Cash, and United States and worldwide registrations for such marks (the "Mastercard Marks").
- *Cirrus Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Cirrus'' and marks utilizing that designation and United States and worldwide registrations for such marks (the "Cirrus Marks"), to use and sublicense the use of the Cirrus Marks.
- *Maestro Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Maestro" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Maestro Marks"), to use and to sublicense the use of the Maestro Marks.

Ownership of the Marks. Applicant acknowledges that:

(a) Mastercard is the Exclusive Owner (defined below) of all Mastercard Marks, the Cirrus Marks the Maestro Marks and the Interlocking Circles Device; and

(b) the applicable Exclusive Owner is the owner of any Other Identified Mark.

Applicant acknowledges the validity of the Marks and agrees to never contest such ownership, or in any way dispute the validity of any of the Marks or registrations for the Marks. Applicant agrees that, if any right has accrued or may accrue to Licensee in any of the Marks by operation of law, such right, upon termination of this License Agreement, shall revert to the owner of such Mark(s) as indicated in subsections (a), or (b), above (each such owner, as applicable, an "Exclusive Owner"). Applicant further agrees to cooperate with the Exclusive Owner to perfect such Exclusive Owner's title in any Mark(s) by written assignment of any rights which may accrue and in any other manner deemed necessary or appropriate by said Exclusive Owner. Applicant agrees that all documents, instruments, papers, letters, advertisements, and cards bearing any of the Marks shall be marked by Applicant with any notices of such Exclusive Owner's registrations that may be provided by law to preserve the Exclusive Owner's rights in the Mark(s) or that may be required by Mastercard from time to time. Applicant agrees not to obtain or attempt to obtain, and agrees not to aid any third party in obtaining or attempting to obtain, any right in any trademark, trade name, service mark, logotype or other device, designation, internet domain name, or intellectual property right that is confusingly similar to or employs any part of any Mark including, without limitation, the word "Master" or "Maestro" or any word containing the word "Master" or "Maestro" as a prefix or suffix, or "Master" or "Maestro" used in connection with any service offered by Applicant; and, upon request by Mastercard, Applicant agrees to assign, by instruments satisfactory in form and substance to Mastercard's counsel and without royalty or other payment of any kind, any and all of such rights that Licensee may obtain or may have obtained. Applicant agrees to never take any action, or permit or fail to take any action that may injure, harm or dilute the distinctiveness or goodwill in and to any of the Marks. Applicant further acknowledges that any use of any Mark inures to the benefit of the Exclusive Owner of that Mark.

Grant of License. Applicant accepts (as granted), a non-exclusive license to use the Marks identified in the *Summary of Licenses Granted* (attached to this License Agreement and incorporated herein) in the geographic areas set forth therein, solely in connection with the Program(s). The term "Program" is defined in the Standards applicable to each Mark referenced in the *Summary of Licenses Granted* that Applicant operates in a geographic area. Upon execution by Mastercard, this License Agreement is effective as of the Effective Date set forth below and shall remain in effect until terminated in accordance with the Standards. Mastercard may, from time to time, modify the *Summary of Licenses Granted* to add a Mark, delete a Mark, change the type(s) of license participation, or change the type(s) of activity, and geographic locations that apply to Applicant for one or more Marks. Upon being granted a license to use any one of the Mastercard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire Mastercard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Standards and to display the Mastercard, Maestro and Cirrus Marks at such ATMs.

Standards. At all times, Applicant shall observe the Amended and Restated Certificate of Incorporation, Bylaws, Rules, and policies, and the operating regulations and procedures of Mastercard, including but not limited to any manual, guide and/or bulletin, as may be amended from time to time (the "Standards"). **The Standards are incorporated herein by reference and made a part of this License Agreement.** Mastercard shall have the right to inspect samples of all advertising and marketing materials bearing the Marks to insure compliance with the Standards, and Applicant shall promptly correct any deficiency.

Term. Subject to the termination provisions set forth in this License Agreement and in the Standards, this License Agreement shall have an initial term of ten (10) years, commencing upon the Effective Date set forth below, and shall be automatically renewed for successive ten (10)-year renewal terms unless (i) at least thirty (30) calendar days prior to the end of the initial term or any renewal term, Mastercard notifies Applicant in writing that this License Agreement will not be renewed or (ii) this License Agreement has otherwise been terminated pursuant to its provisions or the Standards. Subject to such other License and/or Membership termination provisions set forth in this License Agreement or in the Standards that provide for termination either without notice or upon shorter notice, Mastercard shall have the right, upon no fewer than thirty (30) calendar days advance written notice to Applicant, to terminate this License Agreement at any time without cause. Applicant shall cease using the Marks upon termination of the License Agreement.

Representations and Warranties. Applicant hereby represents and warrants that the information provided in Applicant's application for this license is true and complete. Should circumstances change that would affect Applicant's continued eligibility to be a licensee, as specified in the Standards, Applicant agrees to immediately notify Mastercard in writing. Applicant shall immediately notify Mastercard in writing of any changes in the completeness or accuracy of such information or of a change in circumstances that would or could affect Applicant's continued eligibility to be a licensee in accordance with the eligibility criteria set forth in the Standards. Applicant further represents and warrants that the execution and delivery of this License Agreement and the performance by Applicant of the activities licensed hereunder will not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement applicable to Applicant. Licensee further represents and warrants that it has, and shall maintain, any and all government licenses and permits that are necessary for Applicant to be authorized to engage in the activities to be performed pursuant to this License Agreement.

Compliance with Law. For so long as this license is in effect, Mastercard and Applicant shall comply with all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements relating in any way to the privacy, confidentiality or security of personal data, including, without limitation: the EU Data Directive 95/46/EC; and the requirements of the Gramm-Leach-Bliley Act and its implementing regulations (15 U.S.C. § 6801 et seq.) (collectively, the "GLB Act"), which shall include, without limitation, the maintenance of a comprehensive information security program, that is designed to insure the security and confidentiality of non-public information about cardholders, applicants, or other customers by, among other things: (i) protecting against any anticipated threats or hazards to the security or integrity of such information; (ii) protecting against unauthorized access to or use of such information; (iii) detecting, preventing and responding to, in a prompt manner, attacks, intrusions or other system failures; (iv) ensure the proper disposal of such information; and (v) regularly testing or otherwise monitoring the effectiveness of such information safeguards.

Notice of infringement. As soon as Applicant acquires any knowledge of (i) any infringement of any Mark, (ii) any conflicting claim of third parties with respect to a Mark, or (iii) any failure of any other licensee to adhere to the Standards, Applicant shall so notify Mastercard in writing. Applicant agrees to give all lawful and reasonable aid requested by Mastercard or any other Exclusive Owner in connection with efforts to enforce, preserve and defend a Mark. All litigation carried on by Applicant at Mastercard's request shall be subject to Mastercard's control and will be at Mastercard's expense.

Assignment and Sublicense. Applicant agrees that Mastercard may assign or sublicense this license to any Mastercard direct or indirect subsidiary or affiliate. Applicant may not sell, sublicense, assign or otherwise transfer any of its rights under this license, whether by sale, consolidation, merger, amalgamation, operation of law or otherwise, without Mastercard's express written consent. This license shall be binding on Applicant's successors and assigns.

Governing Law, Payment of Taxes. All questions with respect to the interpretation, effect, and validity of this License Agreement, and the rights and obligations of the parties, shall be decided under the laws of the State of New York, without regard to its choice of laws provisions. Applicant consents to personal jurisdiction in the courts of the State of New York for all disputes arising out of this License Agreement, including but not limited to enforcement of the License Agreement. Notwithstanding the foregoing, if Applicant is an entity in the Europe Region (as defined in the Standards) then this license shall be governed in all respects and construed in accordance with the laws of England and Wales without regard to conflict of law provisions. Applicant agrees to pay all taxes that might be charged by any country or other jurisdiction in which Applicant conducts activities authorized by this License Agreement against any of the amounts due under the Standards, and such payments shall be made to Mastercard by Applicant without deduction for any such taxes.

Certification. Applicant certifies that it meets all requirements to be a licensee for each Mark set forth on the attached *Summary of Licenses Granted,* and is fully authorized and empowered to perform all of the functions it has elected to perform, and that the application for this license has been duly authorized by appropriate corporate action.

This License Agreement is the entire agreement between Applicant and Mastercard pertaining to the subject matter hereof and supersedes any prior agreements or representations, whether oral or written.

Applicant further certifies that Applicant is chartered as Corporation [type of institution] under the laws of Mexico [country].

Legal Name of Applicant: Nu Bn Mexico S.A de C.V

The signing officer must be duly authorized to execute the application

Officer Name:	David Velez Osorno	Officer Title:	Legal Representative
Officer Signature:	/s/ David Velez Osorno	Date:	01/03/2019
Mastercard Entity:	MASTERCARD INTERNATIONAL INCORPORATED		
Mastercard Signature:	/s/ Ajay Banga	*Effective Date:*	01/03/2019
Title:	PRESIDENT & CEO		

Exhibit 10.7

Daniel Paula
Business Leader
Franchise Development

MasterCard
Avenida Nações Unidas 14171 | 20th floor - Crystal Tower
São Paulo - SP | 04534-011

tel +55 11 5508-0359
mobile +55 11 94374-9113
daniel.paula@mastercard.com

August 19, 2019

Rafael Ignacio Soto
General Manager
Nu Argentina SA
Tucumán 1, piso 4 – Buenos Aires
Argentina

Dear Mr. Soto

It is a pleasure to inform you that Nu Argentina SA application for Mastercard principal participation has been approved, effective 08/19/2019. Enclosed is a fully executed Mastercard License Agreement and Schedule A which reflects the brands for which a license has been granted and the type of participation for each.

The following ICA and BINs have been **reserved** for Nu Argentina SA for testing purposes only:

ICA 23489
514113 – MPL - Platinum MasterCard
514577 - MCS - Mastercard Standard
556899 - MCG - Gold Mastercard

Please note the following identification number that has been assigned for the Cirrus brand license(s):

ID: 82635 (Cirrus)

You must contact Customer Implementation Services (CIS) to coordinate the implementation and activation of this ICA in the MasterCard production environment. CIS can proceed with the formal implementation process, pending receipt of all other required and/or optional forms. To determine which additional forms are required, and for further assistance, you may contact CIS via email or fax as follows:

CIS_LAC_Support@mastercard.com

Nu Argentina SA will be fully responsible for all transactions and billing affected under these assignments and obligated to activate their ICA/BINs within a year of assignment. *A billing account must first be established and appropriately funded in order to initiate the activation process.*

To establish a billing account, the Billing Services Notification and Summary Reports Request forms must be completed. If you have already submitted these forms, then no further action is required. If you have not completed the forms, the forms have been attached to this letter. Please complete and submit the forms to CIS within 30 days. Billing and settlement will begin as soon as the ICA has been assigned in the Mastercard systems.

To assist in your understanding of MasterCard rules, policies, products and services, please visit our website at www.mastercardconnect.com.

We look forward to working with you and wish you success with all of your MasterCard programs.

Sincerely,

/s/ Daniel Paula
Daniel Paula
Franchise Development

cc: Vivian Baker – Vice President, Mastercard Miami Office
Rodrigo Rodrigues – Account Manager

LICENSE AGREEMENT

THIS LICENSE AGREEMENT is between Mastercard International Incorporated or its undersigned affiliate ("Mastercard") and the undersigned entity ("Applicant").

Marks. Applicant acknowledges that Mastercard owns, manages, is licensee of, or otherwise controls all rights, title and interest to the trade names, trademarks, service marks and logotypes (the "Designations") set forth below. This License Agreement governs the use of the Designations identified below (each a "Mark") and other trade names, trademarks, service marks and logotypes identified from time to time in the Standards (defined below) or policies of Mastercard (each, an "Other Identified Mark" and, together with each Mark, the "Marks"). "Mastercard" shall mean and include its parent, subsidiaries and affiliates. Capitalized terms used in this license agreement shall have the meanings ascribed to them in the Standards, unless defined herein.

- *Interlocking Circles Device.* Mastercard owns all rights, title and interest to the trademark, service mark and logotype known as the Interlocking Circles Device and all variations thereof, and United States and worldwide registrations for such mark (the "Interlocking Circles Device").
- *Mastercard Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Mastercard" and marks utilizing that designation, including Mastercard Electronic and Mastercard Cash, and United States and worldwide registrations for such marks (the "Mastercard Marks").
- *Cirrus Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Cirrus" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Cirrus Marks"), to use and sublicense the use of the Cirrus Marks.
- *Maestro Marks.* Mastercard owns all right, title and interest in and to the trademark, trade name and service mark "Maestro" and marks utilizing that designation and United States and worldwide registrations for such marks (the "Maestro Marks"), to use and to sublicense the use of the Maestro Marks.

Ownership of the Marks. Applicant acknowledges that:

(a) Mastercard is the Exclusive Owner (defined below) of all Mastercard Marks, the Cirrus Marks the Maestro Marks and the Interlocking Circles Device; and

(b) the applicable Exclusive Owner is the owner of any Other Identified Mark.

Applicant acknowledges the validity of the Marks and agrees to never contest such ownership, or in any way dispute the validity of any of the Marks or registrations for the Marks. Applicant agrees that, if any right has accrued or may accrue to Licensee in any of the Marks by operation of law, such right, upon termination of this License Agreement, shall revert to the owner of such Mark(s) as indicated in subsections (a), or (b), above (each such owner, as applicable, an "Exclusive Owner"). Applicant further agrees to cooperate with the Exclusive Owner to perfect such Exclusive Owner's title in any Mark(s) by written assignment of any rights which may accrue and in any other manner deemed necessary or appropriate by said Exclusive Owner. Applicant agrees that all documents, instruments, papers, letters, advertisements, and cards bearing any of the Marks shall be marked by Applicant with any notices of such Exclusive Owner's registrations that may be provided by law to preserve the Exclusive Owner's rights in the Mark(s) or that may be required by Mastercard from time to time. Applicant agrees not to obtain or attempt to obtain, and agrees not to aid any third party in obtaining or attempting to obtain, any right in any trademark, trade name, service mark, logotype or other device, designation, internet domain name, or intellectual property right that is confusingly similar to or employs any part of any Mark including, without limitation, the word "Master" or "Maestro" or any word containing the word "Master" or "Maestro" as a prefix or suffix, or "Master'' or "Maestro" used in connection with any service offered by Applicant; and, upon request by Mastercard, Applicant agrees to assign, by instruments satisfactory in form and substance to Mastercard's counsel and without royalty or other payment of any kind, any and all of such rights that Licensee may obtain or may have obtained. Applicant agrees to never take any action, or permit or fail to take any action that may injure, harm or dilute the distinctiveness or goodwill in and to any of the Marks. Applicant further acknowledges that any use of any Mark inures to the benefit of the Exclusive Owner of that Mark.

Grant of License. Applicant accepts (as granted), a non-exclusive license to use the Marks identified in the *Summary of Licenses Granted* (attached to this License Agreement and incorporated herein) in the geographic areas set forth therein, solely in connection with the Program(s). The term "Program" is defined in the Standards applicable to each Mark referenced in the *Summary of Licenses Granted* that Applicant operates in a geographic area. Upon execution by Mastercard, this License Agreement is effective as of the Effective Date set forth below and shall remain in effect until terminated in accordance with the Standards. Mastercard may, from time to time, modify the *Summary of Licenses Granted* to add a Mark, delete a Mark, change the type(s) of license participation, or change the type(s) of activity, and geographic locations that apply to Applicant for one or more Marks. Upon being granted a license to use any one of the Mastercard, Maestro or Cirrus Marks, Applicant shall also be granted a limited license to acquire Mastercard, Maestro and Cirrus transactions at ATMs operated or sponsored by Applicant in accordance with the applicable Standards and to display the Mastercard, Maestro and Cirrus Marks at such ATMs.

Standards. At all times, Applicant shall observe the Amended and Restated Certificate of Incorporation, Bylaws, Rules, and policies, and the operating regulations and procedures of Mastercard, including but not limited to any manual, guide and/or bulletin, as may be amended from time to time (the "Standards"). **The Standards are incorporated herein by reference and made a part of this License Agreement.** Mastercard shall have the right to inspect samples of all advertising and marketing materials bearing the Marks to insure compliance with the Standards, and Applicant shall promptly correct any deficiency.

Term. Subject to the termination provisions set forth in this License Agreement and in the Standards, this License Agreement shall have an initial term of ten (10) years, commencing upon the Effective Date set forth below, and shall be automatically renewed for successive ten (10)-year renewal terms unless (i) at least thirty (30) calendar days prior to the end of the initial term or any renewal term, Mastercard notifies Applicant in writing that this License Agreement will not be renewed or (ii) this License Agreement has otherwise been terminated pursuant to its provisions or the Standards. Subject to such other License and/or Membership termination provisions set forth in this License Agreement or in the Standards that provide for termination either without notice or upon shorter notice, Mastercard shall have the right, upon no fewer than thirty (30) calendar days advance written notice to Applicant, to terminate this License Agreement at any time without cause. Applicant shall cease using the Marks upon termination of the License Agreement.

Representations and Warranties. Applicant hereby represents and warrants that the information provided in Applicant's application for this license is true and complete. Should circumstances change that would affect Applicant's continued eligibility to be a licensee, as specified in the Standards, Applicant agrees to immediately notify Mastercard in writing. Applicant shall immediately notify Mastercard in writing of any changes in the completeness or accuracy of such information or of a change in circumstances that would or could affect Applicant's continued eligibility to be a licensee in accordance with the eligibility criteria set forth in the Standards. Applicant further represents and warrants that the execution and delivery of this License Agreement and the performance by Applicant of the activities licensed hereunder will not violate any law, statute, ordinance, regulation, judgment, writ, injunction, rule, decree, order, or any other restriction or requirement applicable to Applicant. Licensee further represents and warrants that it has, and shall maintain, any and all government licenses and permits that are necessary for Applicant to be authorized to engage in the activities to be performed pursuant to this License Agreement.

Compliance with Law. For so long as this license is in effect, Mastercard and Applicant shall comply with all applicable international, federal, state, provincial and local laws, rules, regulations, directives and governmental requirements relating in any way to the privacy, confidentiality or security of personal data, including, without limitation: **the EU/2016/679 General Data Protection Regulation;** and the requirements of the Gramm-Leach-Bliley Act and its implementing regulations (15 U.S.C. § 6801 et seq.) (collectively, the "GLB Act"), which shall include, without limitation, the maintenance of a comprehensive information security program, that is designed to insure the security and confidentiality of non-public information about cardholders, applicants, or other customers by, among other things: (i) protecting against any anticipated threats or hazards to the security or integrity of such information; (ii) protecting against unauthorized access to or use of such information; (iii) detecting, preventing and responding to, in a prompt manner, attacks, intrusions or other system failures; (iv) ensure the proper disposal of such information; and (v) regularly testing or otherwise monitoring the effectiveness of such information safeguards.

Notice of infringement. As soon as Applicant acquires any knowledge of (i) any infringement of any Mark, (ii) any conflicting claim of third parties with respect to a Mark, or (iii) any failure of any other licensee to adhere to the Standards, Applicant shall so notify Mastercard in writing. Applicant agrees to give all lawful and reasonable aid requested by Mastercard or any other Exclusive Owner in connection with efforts to enforce, preserve and defend a Mark. All litigation carried on by Applicant at Mastercard's request shall be subject to Mastercard's control and will be at Mastercard's expense.

Assignment and Sublicense. Applicant agrees that Mastercard may assign or sublicense this license to any Mastercard direct or indirect subsidiary or affiliate. Applicant may not sell, sublicense, assign or otherwise transfer any of its rights under this license, whether by sale, consolidation, merger, amalgamation, operation of law or otherwise, without Mastercard's express written consent. This license shall be binding on Applicant's successors and assigns.

Governing Law, Payment of Taxes. All questions with respect to the interpretation, effect, and validity of this License Agreement, and the rights and obligations of the parties, shall be decided under the laws of the State of New York, without regard to its choice of laws provisions. Applicant consents to personal jurisdiction in the courts of the State of New York for all disputes arising out of this License Agreement, including but not limited to enforcement of the License Agreement. Notwithstanding the foregoing, if Applicant is an entity in the Europe Region (as defined in the Standards) then this license shall be governed in all respects and construed in accordance with the laws of England and Wales without regard to conflict of law provisions. Applicant agrees to pay all taxes that might be charged by any country or other jurisdiction in which Applicant conducts activities authorized by this License Agreement against any of the amounts due under the Standards, and such payments shall be made to Mastercard by Applicant without deduction for any such taxes.

Certification. Applicant certifies that it meets all requirements to be a licensee for each Mark set forth on the attached *Summary of Licenses Granted,* and is fully authorized and empowered to perform all of the functions it has elected to perform, and that the application for this license has been duly authorized by appropriate corporate action.

This License Agreement is the entire agreement between Applicant and Mastercard pertaining to the subject matter hereof and supersedes any prior agreements or representations, whether oral or written.

Applicant further certifies that Applicant is chartered as Nu Argentina S.A. [type of institution] under the laws of Argentina [country].

Legal Name of Applicant:	Nu Argentina S.A.		
The signing officer must be duly authorized to execute the application			
Officer Name:	Rafael Ignacio Soto	Officer Title:	General Manager
Officer Signature:	/s/ Rafael Ignacio Soto	Date:	June 12th, 2019
Mastercard Entity:	Peter Goldenberg		
Mastercard Signature:	/s/ Peter Goldenberg	*Effective Date:*	08/19/2019
Title:	Senior Vice President - Franchise		

SCHEDULE A TO MASTERCARD LICENSE AGREEMENT

LICENSEE: Nu Argentina SA
ADDRESS: Tucumán 1, piso 4 – Buenos Aires
Argentina

Authorized Marks	Type of membership or other type of participation and sponsor, if applicable	Type of activity	Geographic locations	Date after which Licensee is authorized to use this Authorized Mark
	• Principal	• Issuing	Argentina	*August 19, 2019*
	• Principal	• Issuing	Argentina	*August 19, 2019*

Date: *August 19, 2019*

/s/ Daniel Paula
Daniel Paula
Director
Franchise Development

City of Buenos Aires, August 19, 2019

Sirs
MASTERCARD CONO SUR S.R.L.
Olga Cossettini 771, 2° floor
City of Buenos Aires Att. Daniel Paula
Present
Re: Offer of Services.

Our best regards:

Nu Argentina S.A. (the "CLIENT"), domiciled in Buenos Aires, in accordance with the conversations held, we are writing to you, in order to formulate this request for the provision of services which, if accepted, shall be governed by the terms and conditions (the "Terms and Conditions") described in Attachment I (the "Offer").

For the purposes of the Offer, Mastercard Cono Sur S.R.L. ("MASTERCARD CONO SUR") and the CUSTOMER shall be collectively referred to as the "Parties".

In case MASTERCARD CONO SUR decides to accept the Offer, the obligations and rights of the Parties shall be strictly those resulting from the Terms and Conditions.

The Offer is irrevocable for 60 (sixty) days from the date hereof and shall be deemed accepted in its entirety when MASTERCARD CONO SUR sends the first invoice to the CUSTOMER for Services (as defined in the Offer).

Sincerely,

By: Rafael Soto

Position: General Manager

Receipt of this document does not imply conformity with its contents.

Received by:

Date:

ATTACHMENT I

CLAUSE ONE - OBJECT

1.1. The Parties agree that MASTERCARD CONO SUR will provide to the CUSTOMER, by itself or through related companies (indistinctly and/or jointly with MASTERCARD CONO SUR) the services described below (the "Mastercard Services"): i) the services necessary for the CUSTOMER to issue credit, debit and/or payment cards under the Mastercard Brands (the "Mastercard Services"). (i) the services necessary for the CUSTOMER to issue credit, debit and/or payment cards of the Mastercard Brands (as defined below), and offer them to its customers, in accordance with the provisions of: (a) the Mastercard License Agreement dated July 12, 2019 between CUSTOMER and Mastercard International Incorporated ("Mastercard International") (the "License Agreement"), and (b) the Mastercard Rules of Mastercard International (the "Mastercard Rules"); and (ii) Brand Development and Marketing services.

1.2. The CUSTOMER declares to know and to have received from MASTERCARD CONO SUR the "*Mastercard Consolidated Billing System Manual"* and the *Mastercard Rules,* serving herein as sufficient proof.

CLAUSE TWO - ADDITIONAL SERVICES

2.1. The CUSTOMER may request the provision of additional services to the Mastercard Services (the "Additional Services" and jointly with the Mastercard Services, the "Services"), provided that these services are related to the object of the present Terms and Conditions and are approved by MASTERCARD CONO SUR, at its sole discretion.

2.2. The provision of Additional Services must be agreed in writing between the Parties and, if approved by MASTERCARD CONO SUR, the obligation to provide the Additional Services will come into effect within 30 (thirty) calendar days from its approval, unless otherwise agreed by the Parties.

CLAUSE THREE - FEES FOR THE RENDERING OF THE SERVICES, MODIFICATIONS AND READJUSTMENTS

3.1. For the rendering of the Services, the CUSTOMER shall pay to MASTERCARD CONO SUR, the fees for services that MASTERCARD CONO SUR establishes by the "*Mastercard Consolidated Billing System Manual"* or by any other means, applicable to all issuers and acquirers in Argentina of credit cards of the Mastercard Brands. The "Mastercard Marks" are defined as the "MASTERCARD®", "MASTERCARD ELECTRONICT", "MASTERCARD MAESTRO™", "MAESTRO®" and/or "CIRRUS®" marks, in their various versions.

The Parties acknowledge and agree that: (i) the products, programs, services and prices defined in the "*MastercardConsolidated Billing System Manual"* and in the *Mastercard Rules,* and (ii) the Services and their prices, may be modified at any time at the discretion of MASTERCARD CONO SUR, taking into account changes in international costs, the decisions of Mastercard International's management, or by any other competent body of Mastercard International (the "Modifications"). The Parties agree that the Modifications shall be deemed to be notified to the CUSTOMER with their sole publication in the Mastercard International Newsletter or its affiliates, and shall become effective and shall apply to the CUSTOMER after 30 (thirty) calendar days from their publication in the Newsletter or their notification to the CUSTOMER in writing, provided that the CUSTOMER has not objected to them during that period. In case the CUSTOMER does not accept the Modifications, the provisions of Clause 5.5 hereof shall apply.

3.3. The Parties further agree that the values and other terms and conditions of the "*Mastercard Consolidated Billing System Manual"* and of the Services may be modified in the event of changes in the current tax legislation in Argentina or in the United States of America that cause the creation, extension or reduction of taxes to which MASTERCARD CONO SUR is subject as a consequence of the rendering of the Services and that affect MASTERCARD CONO SUR's costs with respect to the Services. In this case, the value of the readjustment or reduction will be transferred to the CUSTOMER and will be charged or applied in the first invoice following such tax modification.

3.4. Exceptionally, under certain conditions, and at its sole discretion, MASTERCARD CONO SUR may temporarily offer promotional rates for the Services.

3.5. The amounts owed by the CUSTOMER to MASTERCARD CONO SUR for the provision of the Services and any other amount owed under these Terms and Conditions, will be charged (plus the corresponding Value Added Tax) by means of invoices issued weekly by MASTERCARD CONO SUR to the CUSTOMER, due on the 10th (tenth) business day after receipt of the respective invoice. Together with the weekly invoices, MASTERCARD CONO SUR will send to the CUSTOMER a weekly report, containing the description of the Services rendered in the corresponding week and their respective details and values.

3.6. In the event that the CUSTOMER does not make full payment of the amounts or prices set forth in this Clause Three, in the manner and under the conditions established, the CUSTOMER shall be liable for the applicable penalties and liabilities detailed in these Terms and Conditions and in the "*Mastercard Consolidated Billing System Manual",* except when the lack of payment is due to the failure of MASTERCARD CONO SUR and/or Mastercard International to make the debit as set forth in Clause 4.3 herein.

3.7. The Parties agree that the debits of the amounts of the invoices for Services due under the present Terms and Conditions, which MASTERCARD CONO SUR makes through the COELSA system, shall be net of the tax withholdings that, as withholding agent, the CUSTOMER must make in respect of national, provincial or municipal taxes. Likewise, the CUSTOMER undertakes to: (i) pay these withholdings to the tax authorities in due time and form, and (ii) make available to MASTERCARD CONO SUR the corresponding withholding certificates, within 72 hours after the debits of the Services giving rise to the withholdings have occurred.

3.8. In the event that one of the Parties makes a claim to the other Party for errors or differences in relation to any debit made or invoice issued in accordance with these Terms and Conditions, the Parties, as the case may be, undertake to use their best efforts to analyze the claim and, if applicable, to reimburse the corresponding amounts within 15 (fifteen) calendar days from the date of receipt in writing of the claim.

3.9. The CUSTOMER undertakes to deliver every month to MASTERCARD CONO SUR, together with the corresponding payment, the withholding certificates for the following taxes: value added tax, single social security system, income tax and gross income.

CLAUSE FOUR - FORM OF PAYMENT

4.1. Pending the implementation of the collection system via COELSA and until further notice from MASTERCARD CONO SUR, as set forth in Clause 4.2 below, all payments to be made under the Services shall be made by bank transfer or deposit to [***] below, all payments to be made under the Services shall be made via bank transfer or deposit to [***] owned by Mastercard Cono Sur S.R.L. with the Citibank N.A. Branch established in the Republic of Argentina, established in the Republic of Argentina.

4.2. The CUSTOMER authorizes and instructs MASTERCARD CONO SUR to debit, on each payment date, from the account with BCRA Number 016 (Citibank Argentina account) and through the settlement system of Compensadora Electronica S.A. ("COELSA"), to debit the account of Mastercard Cono Sur S.R.L. ("Mastercard Cono Sur S.R.L."), through the settlement system of Compensadora Electrónica S.A. ("COELSA"). ("COELSA"), all amounts owed for Services. Likewise, and for the purpose of making effective the payment of the Services, the CUSTOMER undertakes to maintain sufficient funds in its settlement account with the BCRA, affected to COELSA's system, to meet the debits agreed in this Clause and to provide the settlement guarantee set forth in Point II.4.1) of the BCRA's regulations on the National Payment System (SINAP).

4.3. Notwithstanding the provisions of Clauses 4.1. and 4.2., where MASTERCARD CONO SUR accepts that the Services are paid in Argentine pesos at the selling exchange rate for U.S. dollars banknotes, published by the National Bank of Argentina on the business day prior to the date of payment; subject to the suspensive condition that the BCRA modifies the regulations in force so that the CUSTOMER has access to the Single and Free Exchange Market of Argentina to acquire U.S. dollars, and/or transfer them abroad for the payment of Services to MASTERCARD CONO SUR, the CUSTOMER irrevocably authorizes Mastercard International Inc, acting on behalf of MASTERCARD CONO SUR, to debit from the bank account that the CUSTOMER maintains abroad with Silicon Valley Bank, [***], any amount owed by the CUSTOMER to MASTERCARD CONO SUR for the Services or otherwise under these Terms and Conditions.

CLAUSE FIVE - TERMS AND CONDITIONS AND TERMINATION

5.1. The present Terms and Conditions shall remain in force for a term of 5 (five) years, as from their acceptance by the CUSTOMER and shall be automatically renewed for equal periods and indefinitely, unless otherwise decided by any of the Parties, which shall be notified in a reliable manner to the other Party 90 (ninety) days prior to the expiration of the period in question.

5.2. In case the CUSTOMER fails to comply with any of the payments for the provision of the Services or any other amount due under the Terms and Conditions or fails to comply with any of the obligations assumed under the Terms and Conditions and does not remedy the breach within 15 (fifteen) calendar days of notice to that effect; MASTERCARD CONO SUR shall have the right to unilaterally and immediately terminate these Terms and Conditions, and the CUSTOMER shall not be entitled to any indemnity or claim whatsoever against MASTERCARD CONO SUR and/or its affiliates.

5.3. In the event that MASTERCARD CONO SUR breaches any of the obligations assumed under these Terms and Conditions and does not remedy its breach within 30 (thirty) calendar days of notification by the CUSTOMER, the CUSTOMER shall have the right to terminate these Terms and Conditions by sending a notice without MASTERCARD CONO SUR being entitled to any indemnity or claim against the CUSTOMER.

5.4. These Terms and Conditions shall be terminated without any right of indemnity for the CUSTOMER, in the event of termination of the License Agreement, for any reason whatsoever, or in the event that the CUSTOMER ceases to be a member of Mastercard International, for any reason whatsoever.

5.5. In the event that the CUSTOMER does not accept the Modifications, as established in Clause 3.2 hereof, MASTERCARD CONO SUR shall have the right to terminate these Terms and Conditions by giving the CUSTOMER not less than 90 (ninety) calendar days' notice (during which period MASTERCARD CONO SUR shall be obliged to continue providing the Services under the agreed conditions) without the termination in such circumstances generating liability for any of the Parties. In no event shall MASTERCARD CONO SUR be liable or obliged to continue to provide the Services under the conditions prior to the Modifications in question, after the aforementioned notice period has elapsed.

5.6. Whatever the cause for termination and/or termination of these Terms and Conditions, MASTERCARD CONO SUR undertakes to provide, at no additional cost to the CUSTOMER, all cooperation and information reasonably requested by the CUSTOMER to ensure an orderly transition and an adequate migration process to a new service provider, in order to avoid interruptions or deterioration of the service, loss of data or confidential information of the CUSTOMER or its customers, as well as any other loss, paralyzation, hindrance or interruption in the provision of the Services.

CLAUSE SIX - CONFIDENTIALITY

6.1. The Parties shall at all times keep confidential and secret all information and documents relating to these Terms and Conditions and shall not disclose them. "Confidential Information" means the terms of these Terms and Conditions, the detailed information contained in these Terms and Conditions, the detailed information contained in these Terms and Conditions and the information contained in these Terms and Conditions. the information detailed in the "*Mastercard Consolidated Billing System Manual"* and all information (oral, written and in any format) disclosed to or discovered by either Party, during the course of negotiations or during the course of a subsequent contractual relationship (including, without limitation, business plans, ideas, marketing concepts, financial information and projects); noting, however, that Confidential Information does not include information that is or becomes publicly known without any violation of the Law or these Terms and Conditions.

6.2. Neither Party may directly or indirectly, on its own behalf or in the name or on behalf of third parties, either during the negotiation period and/or thereafter and even in the event of abandonment of the negotiations or termination of this contractual relationship, (i) sell, offer to sell, transfer, disclose, publish or otherwise make the Confidential Information available to third parties, (ii) use the Confidential Information for purposes other than those specific purposes for which it was disclosed, (iii) use the Confidential Information for promotional or marketing purposes, or take advantage of it in any way to obtain a benefit from it, or (iv) modify, reproduce or copy the Confidential Information in any way, except as provided in these Terms and Conditions or as expressly authorized by the other Party.

6.3. The right of ownership over the Confidential Information and its supports shall at all times remain with the Party that disclosed and/or generated it, and all material elements containing or constituting Confidential Information provided to a Party by the other Party shall be returned to the owning Party upon request of the latter within 15 (fifteen) calendar days, together with all existing copies thereof.

6.4. The Parties agree that unauthorized disclosure of Confidential Information received from the other Party may cause serious damage to the other Party. Consequently, each Party agrees that the other Party shall have the right to take the necessary measures to obtain the cessation of the conduct that violates the provisions of this Clause and the reparation of its consequences, damages and prejudices, including, without limitation, the right to request precautionary measures, measures of anticipated proof, or any other measure or action that may be pertinent.

6.5. If by judicial request either Party is required to disclose Confidential Information of the other Party, the requested Party shall immediately notify the other of such request, so that the owner of the requested information may arbitrate the necessary measures that best provide for the defense of its rights and interests. In all cases, the disclosure of such Confidential Information shall only be provided to the judicial authority that requested it by requesting such judicial authority to keep the file confidential.

SEVENTH CLAUSE - GENERAL PROVISIONS

7.1. Applicable Law; Jurisdiction. These Terms and Conditions shall be governed by and construed in accordance with the laws of the Republic of Argentina, excluding conflict of laws rules. Any dispute arising between the Parties in connection herewith, its existence, validity, interpretation or performance shall be submitted to the ordinary commercial courts of the City of Buenos Aires.

7.2. Binding Nature. These Terms and Conditions shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns with respect to the subject matter hereof, and may not be modified, revoked, or amended except expressly in writing. The Parties irrevocably agree not to assert or rely on any oral modification of these Terms and Conditions.

7.3. No Waiver. The failure of either Party to assert at any time any provision or term of these Terms and Conditions, or any right with respect thereto, or the exercise or failure of either Party to exercise any right or any election contemplated hereby, shall not be deemed a waiver of such provision, term, right or election or in any way affect the validity of these Terms and Conditions.

7.4. Invalidity and Non-Enforceability of Provisions. If any provision of these Terms and Conditions, or any part thereof, is held to be invalid or unenforceable under any applicable law or rule of law, it shall be deemed omitted from these Terms and Conditions in relevant part and the remaining provisions of these Terms and Conditions shall remain in full force and effect.

7.5. Termination. The CUSTOMER may not assign these Terms and Conditions or any of the rights granted or obligations imposed herein to any natural or legal person without the prior written consent of MASTERCARD CONO SUR. MASTERCARD CONO SUR may assign these Terms and Conditions and its rights and obligations to any of its related companies, without the consent of the CLIENT.

Exhibit 10.8

The redacted information has been excluded because it is both (i) not material and (ii) of the type that the registrant customarily and actually treats as private or confidential

INVESTMENT AGREEMENT AND OTHER COVENANTS

---

entered between, on one side,

CARLOS AUGUSTO LUZ AVIAN

JOSÉ MENDES DE FARIAS

MARCIO MARTINS CARDOSO

AMERSON GALHARDO MAGALHÃES

PAULO AVIAN

ATLAS INVESTIMENTOS FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRATÉGIA

and, on the other side,

NU FINANCEIRA S.A. - SOCIEDADE DE CRÉDITO, FINANCIAMENTO E INVESTIMENTO

NU HOLDINGS LTD.

and, in the capacity of Guarantor of the Investor's obligations,

NU PAGAMENTOS S.A.

and also, in the capacity of Intervening Consenting Parties,

EASYNVEST HOLDING FINANCEIRA S.A.

EASYNVEST TÍTULO CORRETORA DE VALORES S.A.

EASYNVEST PARTICIPAÇÕES S.A.

EASYNVEST CORRETORA DE SEGUROS LTDA.

EASYNVEST GESTÃO DE RECURSOS LTDA.

September 10, 2020

INVESTMENT AGREEMENT AND OTHER COVENANTS

This Investment Agreement and Other Covenants ("Agreement") is entered into on September 10, 2020 ("Signature Date"') between the following parties (individually, "Party" and jointly "Parties"):

I. On one side (referred to individually as "Easynvest Shareholder" and, jointly, as "Easynvest Shareholders"):

1.1 **CARLOS AUGUSTO LUZ AVIAN**, [***] ("Carlos Avian");

1.2 **JOSÉ MENDES DE FARIAS**, [***] ("José Mendes");

1.3 **MÁRCIO MARTINS CARDOSO**, [***] ("Mareio");

1.4 **AMERSON GALHARDO MAGALHÃES**, [***] ("Amerson");

1.5 **PAULO AVIAN**, [***] ("Paulo");

1.6 **ATLAS INVESTIMENTOS FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRATÉGIA**, equity investment fund, enrolled with CNPJ/ME under No. 23.834.911/0001-10, represented by its administrator, **BRL TRUST INVESTIMENTOS LTDA**., limited-liability company, headquartered in the City of São Paulo, State of São Paulo, at Rua Iguatemi, No. 151, 19th floor, Itaim-Bibi, Zip Code 01451-011, enrolled with CNPJ/ME under No. 23.025.053/0001-62, herein represented by its undersigned legal representatives ("Atlas").

II. On the other side:

2.1 **NU FINANCEIRA S.A. - SOCIEDADE DE CRÉDITO, FINANCIAMENTO E INVESTIMENTO**, corporation, headquartered in the city of São Paulo, State of São Paulo, at Rua Capote Valente, No. 120, 3rd and 4th floors, Pinheiros, Zip Code 05409-000, enrolled with CNPJ/ME under No. 30.680.829/0001-43, herein represented pursuant to its Bylaws ("Nu Financeira" or "Investor").

2.2 **NU HOLDINGS LTD.**, a corporation headquartered at Cayman Islands, at Campbells, Floor 4, Willow House, Cricket Square, Grand Cayman, KY1-9010, enrolled with CNPJ/ME under No. 24.410.913/0001-44, herein represented pursuant to its organizational documents ("Nu Holdings").

III. And, in the capacity of Guarantor of the Investor's obligations and Nu Holdings:

3.1 **NU PAGAMENTOS S.A.**, corporation, headquartered in the city of São Paulo, State of São Paulo, at Rua Capote Valente, No. 39, Pinheiros, Zip Code 05409-000, enrolled with CNPJ/ME under No. 18.236.120/0001-58, herein represented pursuant to its Bylaws ("Nu Pagamentos" or "Guarantor").

IV. And also, in the capacity of Intervening Consenting Parties (hereinafter jointly referred to as "Intervening Consenting Party" and, jointly, as "Intervening Consenting Parties"):

4.1. **EASYNVEST HOLDING FINANCEIRA S.A.**, a corporation, duly incorporated and validly existing under the laws of Brazil headquartered in the City of São Paulo, State of São Paulo, at Av. Brigadeiro Faria Lima, No. 3,311, 9th floor, suite D, Itaim-Bibi, Zip Code 04538-133, enrolled with CNPJ/ME under No. 36.023.120/0001-51, herein represented pursuant to its bylaws ("Easvnvest Holding Financeira");

4.2. **EASYNVEST TÍTULO CORRETORA DE VALORES S.A.**, a corporation, duly incorporated and validly existing under the laws of Brazil, headquartered in the City of São Paulo, State of São Paulo, at Av. Doutor Cardoso de Mello, No. 1,608, 4th, 9th, 12th and 14th floors, Vila Olímpia, Zip Code 04548- 005, enrolled with CNPJ/ME under No. 62.169.875/0001-79, herein represented pursuant to its bylaws ("Broker");

4.3. **EASYNVEST PARTICIPAÇÕES S.A.**, a corporation duly incorporated and validly existing under the laws of Brazil, headquartered in the City of São Paulo, State of São Paulo, at Av. Doutor Cardoso de Mello, No. 1,608, 9th floor, Vila Olímpia, enrolled with CNPJ/ME under No. 35.857.749/0001-34, herein represented pursuant to its bylaws ("Easynvest Participações"):

4.4. **EASYNVEST CORRETORA DE SEGUROS LTDA.**, limited liability company, duly incorporated and validly existing under the laws of Brazil, headquartered in the City of São Paulo, State of São Paulo, at Av. Doutor Cardoso de Mello, No. 1,608, 15th floor, Suite 31, Vila Olímpia, Zip Code 04548-005, enrolled with CNPJ/ME under No. 33.866.966/0001-65, herein represented pursuant to its bylaws ("Easynvest Corretora de Seguros"'): and

4.5. **EASYNVEST GESTÃO DE RECURSOS LTDA.**, limited liability company, duly incorporated and validly existing under the laws of Brazil, headquartered in the City of São Paulo, State of São Paulo, at Av. Doutor Cardoso de Mello, No. 1.608, 13th floor, Conjunto 132 B, Vila Olímpia, Zip Code 04548-005, enrolled with CNPJ/ME under No. 33.824.050/0001-42, herein represented pursuant to its bylaws ("Easynvest Gestão de Recursos").

WHEREAS:

(i) The Broker is a securities broker authorized by BACEN and CVM to perform the activities, whose share capital, on the Signature Date, is eighty-seven million, one hundred and sixty seven thousand, three hundred and seventy reais (R$87,167,370.00), divided into fourteen million, nine hundred and six thousand, two hundred and sixty four (14,906,264) shares, of which seven million, four hundred and fifty-three thousand, one hundred and thirty-two (7,453,132) are registered common shares with no par value ("Broker Common Shares") and seven million, four hundred and fifty-three thousand, one hundred and thirty-two (7,453,132) are registered preferred shares with no par value ("Broker Preferred Shares" and, in conjunction with the Broker Common Shares, the "Broker Shares"), representing one hundred percent (100%) of the Broker's capital, on a fully diluted basis (except for the Easynvest Option Plan), divided amongst the Easynvest Shareholders and Easynvest Holding Financeira in the proportions described in "**Annex I.I**". For the purposes of clarification, on April 14, 2020, the Broker's capital increase was approved, in the amount of forty million reais (R$40,000,000.00), upon issuance of three hundred and seventy-nine thousand, seven hundred and seventy-eight (379,778) Broker Shares, of which (i) one hundred and eighty-nine thousand, eight hundred and eighty-nine (189.889) are Broker Common Shares; and (ii) one hundred and eighty nine thousand, eight hundred and eighty-nine (189,889) are Broker Preferred Shares, noting that (a) such corporate resolution is pending approval by BACEN, (b) the amount of twenty million reais (R$20,000,000.00) has already been paid by the Easynvest Shareholders; and (c) the remaining amount of twenty million reais (R$20,000,000.00) shall be paid by the Easynvest Shareholders through the Closing Date;

(ii) Easynvest Corretora de Seguros is an insurance company duly authorized by SESEP to perform its activities, whose share capital, on the Signature Date, is one hundred thousand reais (R$100,000.00), divided into one hundred thousand (100,000) quotas, in the amount of one real (R$1.00) each, fully subscribed and paid, representing one hundred percent (100%) of the total capital, on a fully diluted basis, held by Easynvest Participações;

(iii) Easynvest Gestão de Recursos is a fund manager, duly authorized by CVM to perform its activities, whose share capital, on the Signature Date, is nine hundred thousand reais (R$900,000.00), divided into nine hundred thousand (900,000) quotas, in the amount of one real (R$1.00) each, fully subscribed and paid, representing one hundred percent (100%) of the total capital, on a fully diluted basis, held by Easynvest Participações;

(iv) Easynvest Holding Financeira is a corporation, whose share capital, on the Signature Date, is two hundred and fifteen million, eight hundred and ninety thousand, one hundred and fifty reais (R$215,890,150.00), divided in two hundred and fifteen million, eight hundred and ninety thousand, one hundred and fifty (215,890,150.00) registered common shares, with no par value, representing one hundred percent (100%) of the total capital, on a fully diluted basis ("Easynvest Holding Financeira Shares"), fully subscribed and paid, held by Atlas;

(v) Easynvest Participações is a non-financial holding, whose share capital, on the Signature Date, is one million and two thousand reais (R$1,002,000.00), divided into one million and two thousand (1,002,000) shares, of which (a) five hundred and one thousand (501,000) are common shares, and (b) five hundred and one thousand (501,000) are preferred shares, all registered and with no par value, representing one hundred percent (100%) of the total capital, on a fully diluted basis ("Easynvest Participações Shares" and, in conjunction with the Easynvest Holding Financeira Shares, the Broker Shares and, in the event the establishment of Easycred is approved by BACEN through the Closing Date, the Easycred's total shares, the "Easynvest Shares"), divided amongst the Easynvest Shareholders in the proportions described in "**Annex I.I**";

(vi) Easycred Sociedade de Crédito Direto S.A. shall be a direct credit company, whose establishment, on the Signature Date, is subject to the BACEN's authorization ("Easycred") and, upon BACEN's authorization before the Closing Date, shall be included in this Agreement as an Intervening Consenting Party, through the signature of an amendment to this Agreement by the Parties and, in addition, shall be included, for all purposes of this Agreement, in the definition of Easynvest Companies, in which case "**Annex I.I**" shall be adjusted to reflect the equity interests held by the Easynvest Shareholders;

(vii) through the Closing Date, the Easynvest Shareholders shall conclude the corporate reorganization, as described in detail in "**Annex I.II**" ("Corporate Reorganization");

(viii) Nu Holdings is a company established in accordance with applicable Laws, whose capital, on a fully diluted basis, is described in detail in "**Annex I.III**";

(ix) Nu Distribuidora de Títulos e Valores Mobiliários Ltda. is a securities distribution company, being established ("DTVM Nubank"), according to the request filed before BACEN on August 16, 2019, which was approved by BACEN on April 19, 2020, supported by the protocol of the establishment of DTVM Nubank before BACEN on August 20, 2020, provided that, upon approval of the establishment of DTVM Nubank by BACEN, and in the event such approval takes place through the Closing Date, (i) DTVM Nubank (or any Affiliate of DTVM Nubank) shall assume the Investor's contractual position, through the Closing Date, automatically, not subject to any authorization by the Easynvest Shareholders, and (ii) Nu Financeira shall act, in conjunction with Nu Pagamentos, as the guarantor, under the terms set forth in Clause 14.1, of the obligations assumed by DTVM Nubank, subject to an amendment to this Agreement;

(x) under the terms and subject to the conditions set forth herein, (A) the Investor intends to acquire from the Easynvest Shareholders, and the Easynvest Shareholders intend to sell to the Investor, all, and not less than all, the Easynvest Shares, free and clear of any Encumbrances; and, subsequently to the abovementioned purchase and sale, (B) the Easynvest Shareholders, signatories of this Agreement, intend to subscribe; and Nu Holdings intends to issue and deliver, certain shares representing the Nu Holdings' capital, free and clear of any Encumbrances (except as expressly set forth in this Agreement), under the terms and conditions set forth below (collectively (A) and (B), the "Operation"').

ACCORDINGLY, RESOLVED the Parties to enter into this Agreement, which shall be governed by the following clauses and conditions:

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions. The terms in capital letters used in this Agreement, including the respective Annexes, shall have the following meanings attributed in "**Annex 1.1**".

1.2. Interpretation Rules. Except as expressly indicated otherwise, in the interpretation of this Agreement:

(i) the headings and titles shall not limit or impact, on any account, the interpretation of the text, which were included, therefore, solely for purposes of convenience and reference;

(ii) the terms "including", "inclusive", "includes", "included" and related and similar terms shall be construed as accompanied by the expression "among others" and, therefore, for purposes of clarification and never for purposes of limitation;

(iii) the term "or" and similar terms shall be construed as "and/or" and, therefore, on a non-exclusive basis;

(iv) the references to any documents or instruments include all respective amendments, replacements, restatements and supplements, except if otherwise expressly indicated;

(v) the references to the provisions of any Laws shall be construed as references to such provisions and respective amendments or restatements;

(vi) the references to sections, clauses and annexes include the sections, clauses and annexes hereof;

(vii) the terms "herein", "hereof" and other terms with similar meanings refer to this Agreement as a whole, including the annexes hereto, rather to any chapter, clause or another specific subdivision;

(viii) all references to Persons include, as applicable, also the successors, heirs, beneficiaries and authorized assignees;

(ix) for purposes of the declarations and guarantees granted to the knowledge of a certain Person, "knowledge" means any information that is known or, in relation to a legal entity, any information that is known or should be known by the directors, executive officers or shareholders of such Person in compliance with the fiduciary obligations imposed by the Law;

(x) all definitions used in this Agreement shall be applicable in the singular or plural form, regardless of the gender;

(xi) all accounting terms shall be construed in accordance with the Accounting Principles; and

(xii) all terms set forth herein or arising herefrom shall be calculated as set forth in article 123, of the Civil Code, that is, excluding the initial day and including the maturity date, upon postponement of any term that ends on any day other than a Business Day to the immediately subsequent Business Day, not subject to any interest.

2. PURCHASE AND SALE OF EASYNVEST SHARES

2.1. Purchase and Sale of Easynvest Shares. Under the terms and conditions set forth in this Agreement, specifically the verification and performance of the Suspensive Conditions, the Easynvest Shareholders hereby sell, transfer, assign and deliver to the Investor, and the Investor purchases, receives and acquires from the Easynvest Shareholders, all, and not less than all, the Easynvest Shares, representing one hundred percent (100%) of the capital of Easynvest Participações, Easynvest Holding Financeira, the Broker and Easycred, in the event such company has been established through the Closing Date, in the proportion indicated in "**Annex I.I**" ("Purchase and Sale of the Easynvest Shares"').

2.2. Encumbrances. The Easynvest Shares shall be transferred, on the Closing Date, by the Easynvest Shareholders to the Investor, free and clear of any Encumbrances, including all rights inherent thereto (including the equity rights).

2.3. Exercise of the Easynvest Options. On the Submission Date of the Notice, the Easynvest Shareholders shall submit to the Investor an update of "**Annex I.I**", reflecting (i) the beneficiaries of the Easynvest Option Plan and the Carlos Option Agreement, as indicated in "**Annex 2.3**", who exercised the respective options (the "Beneficiaries of the Exercised Options"), or (ii) in the event such transfer is authorized by the Investor, the identification of the Easynvest Shareholders that have acquired the stock options of the Easynvest Companies from the beneficiaries of the Easynvest Option Plan, as applicable. The Beneficiaries of the Exercised Options shall comprise this Agreement as the Easynvest Shareholders, for all purposes and effects of this Agreement (except if otherwise determined in Clause 9.1), through the signature of the adhesion term hereto, according to the model included in "**Annex 5.3(iv)(b)**", and the shares in connection with such exercise shall be incorporated to the definition of the Easynvest Shares for all purposes and effects of this Agreement. Any and all payments performed by the Easynvest Companies between August 30, 2020 and the Closing Date by virtue of the exercise and/or cancellation of the options granted in the context of the Easynvest Option Plan, the Easynvest Phantom Share Plan and/or the Carlos Option Agreement, including possible Taxes and expenses, shall be considered as an Authorized Withdrawal for all purposes and effects of this Agreement.

3. ACQUISITION PRICE; PAYMENT METHOD; PRICE ADJUSTMENT

3.1. Acquisition Price. Under the terms and conditions set forth herein, specifically the verification and performance of the Suspensive Conditions, and in conformity with the provisions set forth in Clauses 3.2, 3.3 and 3.5, as compensation for the acquisition of the Easynvest Shares, the Investor hereby agrees, on an unconditional and irrevocable basis, to pay to the Easynvest Shareholders, on the Closing Date, the base value of one billion and five hundred and ten million reais (R$1,510,000,000.00) (the "Base Acquisition Price"), as detailed in "**Annex 3.1**", provided that:

(i) the Base Acquisition Price shall be added, in the proportion of Real per Real, (i) based on the capital increases performed in any of the Easynvest Companies through the Submission Date of the Notice, provided that in conformity with the provisions set forth in Clause 5.10(iii) or expressly approved by the Investor, and such capital increase is effectively paid (available funds in the bank account of the respective Easynvest Company or in public notes, duly registered with SELIC, pending authorization by BACEN) by the respective Easynvest Shareholder, considering that such payments are not considered twice in the event of any transfer, by means of capital increase, from one Easynvest Company to the other Easynvest Company, and/or (ii) by virtue of the exercise of the Easynvest Option Plan between August 30, 2020 and the Submission Date of the Notice, and which exercise prices have been settled by the respective holders, in Brazilian reais, on behalf of the respective Easynvest Companies. For the purposes of clarification, (i) the payments performed in connection with the Broker's capital increase on April 14, 2020 shall not be considered for the purposes of this Clause; and (ii) in the event, due to any reason, BACEN has not approved the respective capital increase, the amounts deposited in public notes shall be returned to the respective Easynvest Shareholders that have performed the payment, and shall be deemed as Authorized Withdrawals, for all purposes and effects of this Agreement.

(ii) one hundred percent (100%) of the Base Acquisition Price, duly adjusted to reflect the possible capital increases arising from the provisions set forth in Clause 3.1(i) above, shall be adjusted based on the positive variation of the CDI rate, on a *pro rata die* basis ("Adjustment for Inflation") between (a) the Signature Date and the Submission Date of the Notice, in relation to the Base Acquisition Price; and (b) the date on which the Easynvest Shareholders have acquired the respective public notes bound to the capital increase or have performed the respective payment, as applicable, whichever takes place firstly, and the Submission Date of the Notice, in the event of capital increases of the Easynvest Companies performed under the terms set forth in Clause 3.1(i) above, except, in relation to item (a), based on the value equivalent to the Base Acquisition Price to be used by the Easynvest Shareholders for the payment of the Nubank Shares , under the terms set forth in Clause 4 of this Agreement, provided that such portion shall not be subject to any Adjustment for Inflation; and

(iii) within up to three (3) days before the Closing Date ("Submission Date of the Notice"), Easynvest Shareholders shall submit to the Investor (a) the notice informing possible additions to the Base Acquisition Price, arising from the adjustment referred to in item "i" of Clause 3.1 above, (b) the minutes of the partners' meeting and/or shareholders' meeting, as applicable, including (i) the approval, by unanimous decision and without any exceptions or restrictions, or (ii) upon performance of the rules for request and holding set forth in applicable Law, the capital increases set forth in item "i" of Clause 3.1 above, (c) the calculation spreadsheet of the Adjustment for Inflation, under the terms set forth in item "ii" of Clause 3.1 above; (d) the update of "**Annex I.I**", reflecting (i) the Beneficiaries of the Exercised Options; or (ii) Easynvest Shareholders that, as previously authorized by the Investor, have acquired the beneficiaries' options of the Easynvest Option Plan and the Carlos Option Agreement, as applicable; (e) the update of "**Annex 3.4**", reflecting the bank accounts of the Beneficiaries of the Exercised Options, if applicable; and (f) the update of "**Annex 8.2(ii)**".

3.2. Assumptions for definition of the Base Acquisition Price. The Parties acknowledge and agree that the Base Acquisition Price was defined based on the assumption that, on August 31, 2020, the Easynvest Companies, the Easynvest Operational Companies and the Broker, however the case may be, have defined the Minimum Own Funds, the Maximum Debt, the Minimum Equity and the Minimum Basel Index. In the event any of these assumptions are not verified, the Base Acquisition Price shall be adjusted, in conformity with the procedure set forth in Clause 3.5.

3.3. Withdrawal. The Easynvest Shareholders and the Easynvest Companies acknowledge that they have not performed, and are not obligated to perform and guarantee the performance, of any Withdrawals between August 31, 2020 and the Closing Date, except for the Authorized Withdrawals, which were performed or could be performed, however they should be deemed as Withdrawals for all purposes and effects of this Agreement.

(i) The Easynvest Shareholders and the Easynvest Companies shall (i) notify the Investor in writing immediately after becoming aware of any Withdrawal or that any Withdrawal may probably take place between the Signature Date and the Closing Date and (ii) deliver a certificate in writing to the Investor on the Closing in connection with any Withdrawals and/or Authorized Withdrawals between August 31, 2020 and the Closing Date, under the terms set forth in Clause 6.2(xvi) hereunder.

(ii) Upon performance of any Withdrawals and/or Authorized Withdrawals, between August 31, 2020 and the Closing Date, and without prejudice to the other fines set forth in this Agreement (except for the Authorized Withdrawals), the Closing Acquisition Price, shall be reduced based on the Withdrawals and/or the Authorized Withdrawals, as applicable, performed through the Closing Date (inclusive).

(iii) The Closing Acquisition Price shall be adjusted, even after the Closing Date, in the event the Investor identifies the occurrence of any Withdrawals and/or Authorized Withdrawals between August 31, 2020 and the Closing Date.

(iv) In the event of any conflict between the Parties with respect to the price adjustment arising from any Withdrawals and/or Authorized Withdrawals performed between August 31, 2020 and the Closing Date, the procedure set forth in Clause 8.6 shall be adopted.

(v) Any Withdrawal or Authorized Withdrawal shall be adjusted for inflation, from the date of the Withdrawal and/or Authorized Withdrawal through the effective payment on behalf of the Investor or any Investor Indemnified Parties.

3.4. Payment of the Closing Acquisition Price. On the Closing Date, in conformity with the provisions set forth in Clause 4.2(ii)(1) and Clause 6.4, the Investor shall pay the Base Acquisition Price, duly adjusted based on the provisions set forth in Clauses 3.1(i) and 3.1(ii), *less* any Withdrawals and/or Authorized Withdrawals performed between August 31, 2020 and the Closing Date (calculated under the terms set forth in Clause 3.3) ("Closing Acquisition Price") on behalf of the Easynvest Shareholders through the transfer of immediately available funds to the bank accounts of the Easynvest Shareholders informed in "**Annex 3.4**". The Closing Acquisition Price shall be paid and allocated amongst the Easynvest Shareholders in conformity with the proportions described in "**Annex 3.1**", as adjusted to reflect (i) the Beneficiaries of the Exercised Options; or (ii) the Easynvest Shareholders that, upon the Investor's previous authorization, have acquired the options from the beneficiaries of the Easynvest Option Plan, provided that the Investor indicates, on the Closing Date, the acquisition price attributable to the Easynvest Participações Shares, the Easynvest Holding Financeira Shares, the Broker Shares and the Easycred's Shares, if applicable, according to the appraisal reports prepared by the Investor, based on the Closing Acquisition Price and the proportion indicated in "**Annex 3.1**", as updated under the terms set forth in this Agreement.

(i) The Parties agree that, by virtue of the adjustments to the Base Acquisition Price, as set forth (i) in items "i" and "ii" of Clause 3.1, and (ii) in Clause 3.3, on the Submission Date of the Notice, the Easynvest Shareholders shall submit to the Investor an update of "**Annex I.I**" "**Annex 3.1**", "**Annex 3.4**" and "**Annex 8.2(ii)**", inclusive, for the purposes of information of the total number of Easynvest Shares to be acquired by the Investor, as well as inclusion of the names, identification, bank accounts and proportions of the Closing Acquisition Price entitled to (i) the Beneficiaries of the Exercised Options; and/or (ii) the Easynvest Shareholders that have, as previously authorized by the Investor, acquired the options of the beneficiaries under the Easynvest Option Plan.

(ii) The Parties acknowledge that the respective transfer receipts, provided that such receipts properly reflect the information included in "**Annex 3.1**" and "**Annex 3.4**", as adjusted under the terms set forth in this Agreement, shall be used as an unconditional and irrevocable evidence of the settlement of the Closing Acquisition Price for all purposes and effects of applicable law in force.

3.5. Adjustment to the Closing Acquisition Price after Closing. The Easynvest Companies shall prepare the combined financial statements (including the balance sheets and the statements of profit and loss) of the Easynvest Companies as at August 31, 2020 ("Adjustment Base Date"), which shall be concluded and delivered to the Parties within ninety (90) days as from the Signature Date, in conformity with the Accounting Principles ("Adjustment Balance Sheet"), for the purposes of verification of the possible Adjustment to the Base Acquisition Price, as set forth in this Clause, and without prejudice to the provisions set forth in Clause 3.3. In conjunction with the Adjustment Balance Sheet, the Easynvest Companies shall provide to the Parties the statement indicating the Own Funds (of the Easynvest Companies), the Debt of the Easynvest Companies), the Equity (of the Easynvest Operational Companies), the Reference Equity (of the Broker) and the Basel Index (of the Broker) on the Adjustment Base Date, on a combined basis and, as applicable, prepared based on the Adjustment Balance Sheet ("Adjustment Statement" and, in conjunction with the Adjustment Balance Sheet, the "Adjustment Documents"). Within ninety (90) days as from (i) the receipt of the Adjustment Documents or (ii) the Closing Date, whichever takes place later, the Investor shall submit to the Easynvest Shareholders the notice ("Adjustment Notice") including the calculation of the Acquisition Price Adjustment, under the terms set forth in Clause 3.5.1 below ("Acquisition Price Adjustment"). The Parties agree to cooperate with the Easynvest Companies and the Investor in the preparation of the Adjustment Documents and the Adjustment Notice, under the terms set forth in this Clause 3.5. Alternatively, the Easynvest Shareholders may deliver to the Investor, at any time as from the Signature Date, the Adjustment Documents (considering that, in this case, the Adjustment Balance Sheet shall be audited), in which case the Adjustment Notice shall be submitted by the Investor to the Easynvest Shareholders within thirty (30) days as from the receipt of such notice, including the Acquisition Price Adjustment. Regardless of the (i) submission of the Adjustment Notice by the Investor, and (ii) the eventual agreement between the Parties with respect to the amount payable as the Acquisition Price Adjustment, (a) the Investor or any Indemnified Party of the Investor may consider the assumption referred to in Clause 8.1 of the Agreement, upon verification of the events set forth therein, and (b) possible discussions or disagreements between the Parties in the context of this Clause 3.5, before the Closing Date, shall not jeopardize or extend the Operation Closing, which shall be performed under the terms and conditions set forth in this Agreement. The Parties agree that the events that generate possible adjustments shall not be considered twice (*bis in idem*) and, therefore, the Acquisition Price Adjustment shall be equivalent to the minimum value of the potential capital increase on the Adjustment Base Date in the Easynvest Companies, which would be necessary for simultaneous verification of the Minimum Own Funds, the Maximum Debt, the Minimum Equity and the Minimum Basel Index. For purposes of clarification, any possible indemnity payable under the terms set forth in Clause 8.1(i), by virtue of the violation of Section 7.2, item (xxxv), of the Easynvest's Disclosure Letter (*Minimum Own Funds, Maximum Debt, Minimum Equity and Minimum Basel Index*) shall solely be payable in the event (i) the Acquisition Price Adjustment is not performed, as set forth in this Clause 3.5; or (ii) the Acquisition Price Adjustment is not concluded as set forth in Clause 3.5.5 or as agreed by the Parties. In the event the indemnity procedure is applicable (that is, the Acquisition Price Adjustment has not been performed or concluded), the provisions set forth in Clause 3.5 shall be adopted in the calculation of the indemnity under discussion, inclusive with respect to the impossible consideration of the double adjustments *(bis in idem*), as set forth herein.

3.5.1. The Acquisition Price Adjustment shall be calculated by the Investor in conformity with the following parameters:

(i) On the Adjustment Base Date, the Easynvest Companies shall have, collectively, Own Funds of, at least, forty-five million reais (R$45,000,000.00) ("Minimum Own Funds"): in the event the Minimum Own Funds are not verified in the Adjustment Documents, the Base Acquisition Price shall be reduced by the same amount of the difference as price adjustment;

(ii) On the Adjustment Base Date, the Easynvest Companies shall have, collectively, Debt of, at most, zero reais (R$0.00) ("Maximum Debt"): in the event the Maximum Debt is not verified in the Adjustment Documents, the Base Acquisition Price shall be reduced by the same amount of the difference as price adjustment;

(iii) On the Adjustment Base Date, the Easynvest Operational Companies shall have, collectively, Equity of, at least, forty-eight million reais (R$48,000,000.00) ("Minimum Equity"); in the event the Minimum Equity of the Easynvest Operational Companies is not verified in the Adjustment Documents, the Acquisition Price shall be reduced by the same amount of the difference as price adjustment; and

(iv) On the Adjustment Base Date, the Broker shall have the Basel Index of, at least, eleven percent (11%) ("Minimum Basel Index") based on the assumption that the Broker may use twenty million reais (R$20,000,000.00) already paid by the Easynvest Shareholders and subject to approval by BACEN for calculation basis; in the event the Minimum Basel Index is not verified in the Adjustment Documents, the Base Acquisition Price shall be reduced by the amount that the Reference Equity should be increased so that the Minimum Basel Index had been verified on the Adjustment Base Date.

3.5.2. As set forth in Clause 3.5.3 below, in the event Easynvest Shareholders holding more than sixty-five percent (65%) of the Easynvest Shares disagree with respect to the contents of the Adjustment Documents and/or the Adjustment Notice, the Easynvest Shareholders may, within forty-five (45) days after the receipt of the Adjustment Notice ("Review Term"), deliver to the Investor a notice informing, in detail, the reason for such disagreement, in conjunction with the supporting documents of such disagreement ("Price Disagreement Notice"). In the event no Price Disagreement Notice has not been received by the Investor through the last day of the Review Term, the Acquisition Price Adjustment included in the Adjustment Notice shall be deemed final, representing a valid and enforceable obligation against the Parties. The Investor may execute the guarantee granted to the Investor by the Easynvest Shareholders in relation to the Nubank Shares, under the terms of the Guarantee Agreement of the Nubank Shares, in the event the Easynvest Shareholders have not paid such amount to the Investor within fifteen (15) Business Days counted as from the submission of the notice by the Investor, in the proportion defined in "**Annex 3.1**" hereof, upon electronic transfer to the current account informed by the Investor.

3.5.3. In the event Easynvest Shareholders holding more than sixty-five percent (65%) of the Easynvest Shares on the Signature Date have timely delivered to the Investor the Price Disagreement Notice under the terms set forth in Clause 3.5.2 above, (i) the unquestionable amount of the Acquisition Price Adjustment included in the Adjustment Notice shall be final), to which each of the Parties shall be bound, representing a valid and enforceable obligation. The Acquisition Price Adjustment shall be paid by the Easynvest Shareholders to the Investor within fifteen (15) Business Days in the proportion defined in "**Annex 3.1**" hereof, upon electronic transfer of funds to the current account indicated by the Investor; and (ii) the Investor and the Easynvest Shareholders shall undertake best efforts, in good faith, to resolve the matter addressed in the Price Disagreement Notice within ten (10) Business Days after the receipt, by the Investor, of such Price Disagreement Notice. In the event the Investor and the Easynvest Shareholders holding more than sixty-five percent (65%) of the Easynvest Shares on the Signature Date have achieved an agreement with respect to the Price Disagreement Notice, any payment from one Party to the other shall be performed under the terms and conditions set forth in such agreement.

3.5.4 In the event the Investor and the Easynvest Shareholders holding more than sixty-five percent (65%) of the Easynvest Shares on the Signature Date are not able to resolve any matter under discussion within ten (10) Business Days, the Investor shall select one of the following audit firms to resolve the matters under discussion (and solely the matters under discussion): (i) BDO; (ii) Grant Thornton, or (iii) Mazars ("Auditor of the Price Adjustment"). The Easynvest Shareholders and the Investor, hereby, agree to provide to the Auditor of the Price Adjustment the documentation and information, as possible, as deemed necessary by the Auditor of the Price Adjustment, at the Auditor's discretion. The Auditor of the Price Adjustment, by assuming the attributions to be performed under the terms set forth herein, shall act as the expert rather than the arbitrator. The Auditor of the Price Adjustment, as soon as possible, however under any circumstance within sixty (60) days after the acceptance date of the contracting, shall deliver to the Parties the report ("Price Adjustment Report") in which the Auditor of the Price Adjustment shall present the calculations of the changes, if any, in the Adjustment Documents and/or the Adjustment Notice, as applicable. The Auditor of the Price Adjustment shall rely on the same assumptions set forth in Clause 3.5.1 above. The Auditor of the Price Adjustment shall solely analyze the items challenged by the Easynvest Shareholders. The Parties shall disregard any additional analysis included in the Adjustment Documents and/or the Adjustment Notice.

3.5.5 The Price Adjustment Report, except in the event of express error or fraud, is final and shall bind the Parties, which shall not be entitled to any lawsuit or appeal before any proper authority. In the event the Price Adjustment Report has determined the Adjustment to the Base Acquisition Price, the Easynvest Shareholders shall pay the amount indicated in the Price Adjustment Report to the Investor in the proportion defined in "**Annex 3.1**" hereto, upon electronic transfer of the funds to the current account indicated by the Investor within, at most, fifteen (15) Business Days counted as from the issuance date of the Price Adjustment Report.

3.5.6. Any fees and expenses relating to the work conducted by the Auditor of the Price Adjustment shall be paid by the Party that has received the unfavorable decision in relation to the matter under discussion. In the event both Parties have received favorable and unfavorable decisions in relation to the matter under discussion, the costs shall be paid proportionally to the unfavorable decisions received by each Party.

3.6. Payment of Taxes. Each of the Easynvest Shareholders (except for Atlas) shall be responsible for the delivery to the Investor of the Federal Income Collection Document (DARF) confirming the payment of the income tax levied on the capital gain accrued in connection with the sale of the Easynvest Shares, within five (5) days after the legal term for the payment of such tax. Without prejudice to the provisions set forth above, each of the Easynvest Shareholders shall, individually and not jointly or collectively, be the sole responsible for the income tax levied on the capital gain accrued arising from the sale of the Easynvest Shares, if applicable.

4. SUBSCRIPTION OF NUBANK SHARES

4.1. Subscription of the Nubank's New Shares. As set forth in Clause 4.2(ii)(1) and Clause 6.4, on the Closing Date, the Easynvest Shareholders (or any Affiliate or Advent Affiliate) shall subscribe, and Nu Holdings shall issue and transfer to the respective Easynvest Shareholders (or Affiliate or Advent Affiliate), certain number of Series F-2 preferred shares (Series F-2 Preferred Shares), representing the capital of Nu Holdings ("Nubank Shares"), all free and clear of any Encumbrances, except for the provisions set forth in the Investment Documents of Nubank's Shares, which mainly reproduce the documents to be signed on the Closing Date upon the issuance of the Nubank Shares to the respective Easynvest Shareholders or Affiliates or Advent Affiliates, if applicable. The portion of the Closing Acquisition Price to be used by the Easynvest Shareholders for the payment of the Nubank Shares is defined in "**Annex 3.1**" of this Agreement, provided that such Easynvest Shareholders shall not use such funds for any purpose other than the payment of the Nubank Shares, as set forth in this Chapter 4.

4.2. Evaluation of the Nubank Shares and Procedure for Issuance and Registry of Ownership. The Parties agree that, for the purposes of evaluation and definition of the number of Nubank Shares to be subscribed by the Easynvest Shareholders, the following terms and conditions are applicable:

(i) Number of Nubank Shares and Unit Value. The number of Nubank Shares to be issued by Nu Holdings and subscribed by the Easynvest Shareholders on the Closing Date shall be defined in accordance with the formula included in "**Annex 4.2(i)**", considering that par value per Nubank's Share of US$14.884676 ("Par Value"). The total number of Nubank Shares shall be duly adjusted to reflect any and all split-offs, groupings and bonuses or any other similar event before the effective transfer of the Nubank Shares to the respective Easynvest Shareholders. On the Business Day before the Closing Date, the Investor shall submit the notice to the Easynvest Shareholders, under the terms set forth in Clause 13.1, indicating the number of Nubank Shares to be issued by Nu Holdings on the Closing Date, to be calculated under the terms of "**Annex 4.2(i)**".

(ii) Payment of the Nubank's Shares. Except if otherwise set forth in item (ii)(1) below, the Nubank Shares subscribed by the Easynvest Shareholders shall be paid on the Closing Date, upon deposit of the funds, in US dollars, in the current account informed by Nu Holdings corresponding to the Par Value multiplied by the Nubank Shares to be issued to the Easynvest Shareholders on the Closing Date, in conformity with the formula included in "**Annex 4.2(i)**" and the allocation defined in "**Annex 3.1**" (the "Payment of the Nubank's Shares").

(1) As set forth in item (2) below, in the event that, after the receipt of the Closing Acquisition Price by the Easynvest Shareholders, any Easynvest Shareholder has not performed the payment of the Nubank Shares on the Closing Date, and the Investor has elected to perform the Closing, although without the Closing Act, under the terms set forth in Clause 6.4, the following procedure shall be applied in relation to the respective Easynvest Shareholder that violated the obligation relating to the Payment of the Nubank Shares: the Easynvest Shareholder that has not transferred the funds in US dollars to Nu Holdings on the Closing Date, (aa) shall, within ten (10) days, resolve such situation and shall deposit such funds to Nu Holdings in the bank account indicated in "**Annex 4.2(ii)(2)**" ("Resolution Term"), subject to the application of the Adjustment for Inflation on the amount not transferred, from the Closing Date to the date of the effective deposit in the bank account indicated by Nu Holdings, provided that, in relation to Atlas or any Advent Affiliate, the Resolution Term shall be one (1) Business Day as from the Closing Date and, after such date, the fines set forth in item (bb) of this Clause shall be applied; (bb) in the event the Easynvest Shareholder (or any Easynvest Shareholder (or any Advent Affiliate) on behalf of the Easynvest Shareholder that violated the obligation of Payment of the Nubank's Shares) has not transferred such funds within the Resolution Term, the respective Easynvest Shareholder that violated the obligation of Payment of the Nubank's Shares shall be subject to the daily, non-compensatory fine equivalent to one percent (1%) of the Closing Acquisition Price received by such Easynvest Shareholder until resolution of the matter, limited to, under any circumstance, twenty percent (20%) of the Closing Acquisition Price that has been received by such Easynvest Shareholder, (cc) the Nubank Shares that should have been subscribed by such Easynvest Shareholder on the Closing Date shall not be transferred by Nu Holdings to the respective Easynvest Shareholder until the effective transfer of the funds to the current account indicated by Nu Holdings, under the terms set forth in "**Annex 4.2(ii)(2)**". In the event the Operation Closing takes place and such funds are not transferred to Nu Holdings within twenty (20) days counted from the termination of the Resolution Term (except for Atlas or Advent Affiliates, which term is counted after one (1) Business Day as from the Closing Date), the Investor may be entitled to the right to inform the respective Easynvest Shareholder that violated the obligation of Payment of the Nubank's Shares and also inform that the Nubank Shares shall be cancelled, in which case the respective Easynvest Shareholder shall no longer be authorized to subscribe such Nubank Shares, without prejudice to the payment obligation of the fines set forth in this Agreement and the other losses and damages eventually incurred by the Investor.

(2) For purposes of clarification, (i) the provisions set forth in Clause 4.2(ii)(1) shall not be applicable to the Easynvest Shareholder that has timely performed the Payment of the Nubank's Shares on the Closing Date, considering that, in relation to the non-defaulting Easynvest Shareholder, the provisions set forth in this Agreement shall be adopted in connection with the subscription of the Nubank Shares, including, but not limited to, the provisions set forth in Clauses 6.2(v) and 6.2(vi); and (ii) the Investor shall not be entitled to the option to not perform the Closing, under the terms set forth in Clause 6.4, in the event Atlas (or any Advent Affiliate) performs the Payment of the Nubank's Shares on the Closing Date, in which case the Closing shall be carried out as set forth in this Agreement, regardless of the default of the other Easynvest Shareholders, without prejudice to the procedures and fines, under the terms of this Clause 4.2(ii)(1) and Clause 6.4, applicable to the Easynvest Shareholders that have not complied with the obligation of Payment of the Nubank's Shares.

(3) The current account informed by Nu Holdings for deposit of the funds in US dollars for purposes of payment of the Nubank Shares is indicated in "**Annex 4.2(ii)(2)**".

(iii) Rights of the Nubank's Shares. The Nubank Shares attributable to the Easynvest Shareholders shall be entitled to the rights described in the Investment Documents of Nubank's Shares, which mainly reproduce the documents to be signed upon the issuance of the Nubank Shares.

5. SUSPENSIVE CONDITIONS; APPROVALS; BUSINESS CONDUCTION

5.1. Suspensive Conditions to the Parties' Obligations. The Parties' obligations to undertake the Closing Acts, as set forth in this Agreement, for the completion of the Operation, are bound and subject to the verification and performance of the following Suspensive Conditions through the Closing Date, inclusive ("Parties' Suspensive Conditions"), contracted under the terms set forth in articles 125 and 126 of the Civil Code:

(i) *Absence of Legal Restrictions*. No measure, Law or legal decision, although temporary, issued by a proper Governmental Authority to prohibit or prevent the consumption of the Operation in connection with this Agreement, in conformity with the terms and conditions set forth herein (according to the provisions set forth in Clause 5.9) shall be effective on the Closing Date, provided that, however, the Party affected by any such order or preliminary injunction shall undertake the best efforts to revoke, annul or suspend such order or preliminary injunction before the Closing Date.

(ii) *BACEN's Approvals*. The Parties' obligation to complete the Operation is subject to the obtaining of the BACEN's Approvals, as set forth in Clause 5.9.

(iii) *CADE's Approvals*. The Parties' obligation to complete the Operation is subject to the obtaining of the CADE's Approval, as set forth in Clause 5.9.

(1) Under applicable legislation, the Parties shall wait for fifteen (15) days counted from the publication of the decision of the General Superintendent (i.e., the termination of the legal term for appeal filed by third parties or notification by the Court) to proceed with the Closing. Upon confirmation of the absence of any appeal within such term, provided that CADE has issued the respective certificate for filing of the respective concentration act, the Parties shall have complied with the suspensive condition described in this Clause.

5.2. Suspensive Conditions to the Obligations of the Easynvest Companies and Easynvest Shareholders. The obligations of the Easynvest Companies, as applicable, and the Easynvest Shareholders to undertake the Closing Acts attributed thereto, as set forth in this Agreement, for the purposes of completion of the Operation, are bound and subject to the verification and performance (or respective waiver in writing, as applicable) of the following Suspensive Conditions through the Closing Date, inclusive ("Easynvest's Suspensive Conditions"), contracted under the terms provided for articles 125 and 126 of the Civil Code:

(i) *Performance of the Obligations*. The Investor, Nu Holdings and the Guarantor (and any of the Affiliates, as applicable) shall have complied with and performed, in all material respects, all respective obligations set forth in this Agreement, as applicable, through the Closing Date (inclusive).

(ii) *Representations and Guarantees*. The Essential Representations and Guarantees provided by the Investor are correct, true, accurate and updated, as of the date hereof and on the Closing Date. The other representations and guarantees provided by the Investor shall, in all material respects, be true, correct, accurate and updated as of the date hereof and on the Closing Date, except for the representations and guarantees relating to any specific date, which shall be deemed true on the respective date, provided that the Investor is entitled to the right to update the Disclosure Letter under the terms set forth in Clause 7.5.

(iii) *Absence of Material Adverse Effect*. No Material Adverse Effect relating to the Investor, Nu Holdings and/or the Guarantor shall have taken place between the Signature Date and the Closing Date.

5.3. Suspensive Conditions to the Investor's Obligations. The obligations assumed by the Investor and Nu Holdings (and its Affiliates, including the Guarantor, as applicable) to undertake the Closing Acts attributed thereto, as set forth in this Agreement, for the completion of the Operation, are bound to and subject to the verification and performance (or respective waiver in writing, when applicable) of the following Suspensive Conditions through the Closing Date, inclusive ("Investor's Suspensive Conditions"), contracted under the terms of articles 125 and 126 of the Civil Code:

(i) *Performance of the Obligations*. The Easynvest Shareholders and the Easynvest Companies shall have complied and performed, in all material respects, the respective obligations set forth in this Agreement, however the case may be, through the Closing Date (inclusive).

(ii) *Representations and Guarantees*. The Essential Representations and Guarantees provided by the Easynvest Shareholders are correct, true, accurate and updated, as of the date hereof and on the Closing Date. The other representations and guarantees provided by the Easynvest Shareholders shall, in all material respects, be true, correct, accurate and updated as of the date hereof and on the Closing Date, except for the representations and guarantees relating to any specific date, which shall be deemed true on the respective date, provided that the Easynvest Shareholders is entitled to the right to update the Disclosure Letter under the terms set forth in Clause 7.5.

(iii) *Corporate Reorganization*. Up to the Closing Date, the Corporate Reorganization shall have been duly concluded, upon the registry before the proper bodies, including JUCESP, of all procedures and corporate acts relating to the Corporate Reorganization.

(iv) *Easynvest Option Plan, Easynvest's Phantom Share Plan and Carlos Option Agreement*. Through the Submission Date of the Notice, all, and not less than all, notes and marketable securities convertible into, exchangeable for or bound to the shares or quotas of the Easynvest Companies shall have been exercised or cancelled, including the Easynvest Option Plan, the Easynvest's Phantom Share Plan and the Carlos Option Agreement, as described in the "**Annex 5.3(iv)(a)**", in which case, on the Closing Date, there shall be no notes and marketable securities convertible into, exchangeable for or bound to the shares or quotas of the Easynvest Companies to be exercised or exchanged, including any stock options and phantom share plans. In addition, for purposes of clarification, (i) the Easynvest Companies shall ensure that the beneficiaries that have elected for the exercise of the options in the context of the Easynvest Option Plan and the Easynvest's Phantom Share Plan have fully settled the exercise price of the respective options on behalf of the Easynvest Companies, however the case may be; and (ii) the Beneficiaries of the Exercised Options shall be included as parties to this Agreement as the Easynvest Shareholders (in accordance, under any circumstance, with the provisions set forth in Clause 9.1), through the signature of the adhesion term hereto, according to the model included in the form of "**Annex 5.3(iv)(b)**" and the shares in connection with such exercise shall be included in the definition of the Easynvest Shares for all purposes and effects of this Agreement. Any and all payments that may be performed by the Easynvest Companies, between August 30, 2020 and the Closing Date, by virtue of the exercise and/or cancellation of the options granted in the context of the Easynvest Option Plan, the Easynvest's Phantom Share Plan and the Carlos Option Agreement, including the possible Taxes and expenses, shall be considered as an Authorized Withdrawal for all purposes and effects of this Agreement.

(v) *Termination of the Shareholders' Agreement and the Pledge Agreement*. The Easynvest Shareholders and the Easynvest Companies, however the case may be, shall have delivered to the Investor the receipt of release of any Encumbrance imposed on or that may bind the Easynvest Shares, including the termination of the Easynvest Shareholders' Agreement and the Pledge Agreement involving the shares in relation to the shares of the Easynvest Companies.

(vi) *Absence of Material Adverse Effect*. No Material Adverse Effect relating to the Easynvest Companies and/or the Easynvest Shareholders shall have taken place between August 30, 2020 and the Closing Date.

(vii) *Broker's Capital Increase*. The Easynvest Shareholders shall have fully paid the Broker's capital increase, in the total amount of forty million reais (R$40,000,000.00), as approved by the Easynvest Shareholders at the Extraordinary Shareholders' Meeting held on April 14, 2020.

5.4. Material Adverse Effect Notice. The Easynvest Shareholders and/or the Investor, however the case may be, shall immediately notify in writing the other Party(ies), under the terms set forth in Clause 13.1, with respect to the occurrence of any Material Adverse Effect that would impact the Easynvest Companies, the Easynvest Shareholders and/or the Investor and/or Nu Holdings and/or the Guarantor, as applicable.

5.5. Joint Cooperation. The Parties shall undertake commercially reasonable efforts and jointly cooperate with each other to perform the Suspensive Conditions, as soon as possible.

5.6. Deadline. The Parties agree that, for the purposes of the Operation set forth herein, the deadline for verification and performance of the Suspensive Conditions shall take place after the period of twelve (12) months counted as from the Signature Date (the "Deadline"), provided that the Deadline may be extended for an additional period of six (6) months after the first (1st) anniversary of the Signature Date, upon request of any of the Parties, provided that the requesting party is compliant with the obligations set forth in this Agreement. The non-requesting Party shall accept the extension for the additional period in the event of the performance of the obligations set forth in this Agreement. In the event that, through the Deadline, the Closing has not taken place by virtue of the non-verification of the Suspensive Conditions (and provided that the Suspensive Conditions that have not been verified have not been waived, as set forth herein), the Easynvest Companies and the Easynvest Shareholders, on one side, and always jointly, and the Investor, Nu Holdings and the Guarantor, on the other side, and always jointly, may submit a simple notice to the other Party(ies) and terminate this Agreement, not subject to any other charge or fine, in conformity with the provisions set forth in article 129 of the Civil Code, provided that, in addition, the right to terminate this Agreement, in conformity with the provisions set forth in this Clause 5.6, shall not be entitled to the Party(ies) which violation of any declaration, guarantee or agreement in connection with this Agreement has caused the non-performance of the Closing through the Deadline.

5.7. BACEN's Approval. Within fifteen (15) days counted from the Signature Date, the Parties shall submit to BACEN the request for previous approval ("BACEN's Notice"), relating to the change in the Broker's shareholding control, by means of the request accompanied by all documents deemed necessary or convenient for the analysis by such authority ("BACEN's Approvals"). For purposes of clarification, the BACEN's Notice shall not include any request relating to the corporate reorganization of the Investor or its Affiliates, except for the request for approval of the capital increases for the payment of the Closing Acquisition Price or any other corporate act already authorized or provided for in this Agreement, including, but not limited to, the assumption of the obligations and rights set forth in this Agreement by DTVM Nubank.

(i) Cooperation by the Parties. The Parties shall cooperate in the preparation of the BACEN's Notice and the Annexes thereto, as well as the performance of any subsequent requests by the proper authorities, including the timely presentation of the information and documents deemed necessary for the submission or performance of any possible additional measures. The coordination of the work relating to the submission shall be under the Investor's responsibility, however, provided that (i) the submission and the works, including the definition of the best strategy for approval, shall be jointly performed by the Parties; and (ii) the Investor and its respective advisors shall ensure full and unconditional access and participation, however the case may be, by the advisors of the Easynvest Shareholders with respect to all information, communications, interactions and meetings with BACEN.

(ii) Costs. All costs relating to the registry of the BACEN's Notice, including the applicable registry fees, if eventually applicable in connection with the protocol of the BACEN's Notice, shall be paid in the proportion of fifty percent (50%) by the Investor and fifty percent (50%) by the Easynvest Shareholders. However, each Party shall assume the costs incurred with the attorneys' fees of the respective legal advisors.

5.8. CADE's Approval. Within thirty (30) consecutive days as from the signature of this Agreement, the Easynvest Shareholders and the Investor, directed by the Investor, shall prepare and present the notice ("CADE's Notice") deemed necessary for obtaining the necessary approval for performance of the Operation with CADE ("CADE's Approval"). The Parties hereby agree to abstain from the performance of the Operation and protect the competition conditions until CADE's final decision, including lapse of the period for request of suspension of fifteen (15) days after the publication of such approval, as set forth in applicable Law in force. For purposes of clarification, the Investor and the respective advisors shall ensure full and unconditional access and participation, however the case may be, by the advisors of the Easynvest Shareholders with respect to all information, communications, interactions and meetings with BACEN.

(i) Cooperation between the Parties. The Parties shall cooperate with each other in the preparation of the CADE's Notice and shall deliver each other all information and documentation deemed reasonably required in this regard, in order to comply, on a timely basis, with the requests submitted by CADE. The Parties shall provide, as soon as possible, however, under any circumstance, within the term defined by CADE, all information and inquiries presented by CADE.

(ii) Disclosure Commitment. The Investor shall disclose to the other Parties immediately after the registry of the CADE's Notice and upon obtaining of the CADE's Approval, and shall also maintain the other Parties always informed with respect to the progress of the process and any communications submitted to CADE in relation to the Operation (including the provision of copies of the respective request and such communications, provided that requested by the respective Party).

(iii) Registry Costs. All costs in connection with the registry of the CADE's Notice, including the applicable registry fees, shall be assumed in the proportion of fifty percent (50%) by the Investor and fifty percent (50%) by the Easynvest Shareholders. However, each Party shall assume the costs relating to the attorneys' fees incurred with the respective legal advisors.

5.9. Regulatory Approvals. Without prejudice to the provisions set forth in Clauses 5.7 and 5.8 above, in the event of a final decision issued by CADE and/or BACEN not approving the Operation in connection with this Agreement, the provisions set forth in Clause 11.2(ii) shall be adopted; however, provided that, in the event CADE and/or BACEN has bound the approval of the Operation to the compliance with or performance of, however the case may be, measures (in terms of structure or behavior), obligations or commitments that are not deemed Material Changes, the Parties and/or the Intervening Consenting Parties or the other signatories of this Agreement, however the case may be, as deemed responsible for the performance of such measures, obligations or commitments, shall implement them under the terms and conditions established by the Governmental Authority, for the purposes of obtaining of the regulatory approvals, not subject to the termination of the Agreement or any other adjustment to the Closing Acquisition Price. In the event the decision issued by CADE and/or BACEN has bound the approval of the Operation to the performance of or compliance with, however the case may be, the conditions deemed Material Changes, the Easynvest Shareholders, holding more than sixty-five percent (65%) of the Easynvest Shares on the Signature Date and the Investor shall, in good faith, discuss the possible performance of such measures, obligations or commitments, by undertaking the best efforts focused on the completion of the Operation, taking into consideration, however, if an agreement is not achieved after the undertaking of reasonably commercial efforts, any of the Parties may terminate this Agreement under the terms set forth in Clause 11.2(ii) below. Under any circumstance, in the event the Party subject to the performance of such conditions (or is directly or indirectly impacted by the performance of such conditions) has elected, at the Party's exclusive discretion, to accept the conditions imposed by CADE and/or BACEN, however the case may be, so that the Operation is approved by the respective body, the provisions set forth in Clause 11.2(ii) below are not applicable.

5.10. Business Conduction. Between the Signature Date and the Closing Date or termination of this Agreement ("Transition Period"), in conformity with the provisions set forth in applicable Laws in force, the Easynvest Shareholders agree to ensure that the Easynvest Companies are able to conduct the activities in the Normal Course of Business, without any relevant changes in the activities in relation to the past practices, not including any operation (or perform any act or activity) not commonly carried out in the course of business, including the payment of all Taxes and performance of all other obligations relating to the businesses and activities of the Easynvest Companies. In addition, without prejudice to the provisions set forth in this Clause 5.10, during the Transition Period, except as expressly set forth in this Agreement, the Easynvest Shareholders agree to ensure that, during the Transition Period, the Easynvest Companies abstain from performing or carrying out one of the following corporate acts:

(i) spin-off, merger, transformation, incorporation, incorporation of shares, corporate operation similar to the abovementioned operations that is structured by means of acquisition or disposal of assets (including the businesses conducted by any Person), or any other type of corporate reorganization involving, directly or indirectly, the Easynvest Companies, except if otherwise set forth in this Agreement (including the Corporate Reorganization);

(ii) acquisition, transfer, creation of Encumbrance, subscription and/or payment of any equity interest and/or marketable securities or establishment of joint ventures, consortia or associations of any type, except for the acquisition of Vérios, provided that such operation is closed in the form previously set forth in SPA Vérios;

(iii) issuance of new notes representing the capital of the Easynvest Companies or marketable securities, except for (a) any possible capitalization of the earnings through the Closing Date, in line with the last balance sheet or trial balance sheet of the Easynvest Companies; (b) exercise of the Easynvest Option Plan to be exercised or cancelled through the Closing Date; and (c) capital increases in the amount of up to twelve million reais (R$12,000,000.00) relating to SPA Vérios, except for the capital increases arising from the regulatory requirements set forth in applicable Law in force;

(iv) any change in the accounting methods or accounting practices adopted by the Easynvest Companies, except as set forth in applicable Laws in force and the Accounting Principles;

(v) contracting of any loan or financing or assumption of any debt, financing, loan or obligation exceeding fifty thousand reais (R$50,000.000), limited to a period of thirty (30) days, considering a single act or operation or a number of related acts or operations;

(vi) acquisition or disposal of any fixed assets or any investment or capital expenditure exceeding, individually or in conjunction with related operations, fifty thousand reais (R$50,000.00), except if (x) performed in the Normal Course of Business of the Easynvest Companies and also limited to three hundred thousand reais (R$300,000.00), limited to a period of thirty (30) days; or (y) arising from the obligations assumed in SPA Vérios, provided that limited, under any circumstance, to twelve million reais (R$12,000,000.00);

(vii) approval of the corporate acts that imply waiver and/or restriction of the rights, considering a single act or operation or a number of related acts or operations;

(viii) performance of any Withdrawal, except for the Authorized Withdrawals;

(ix) signature, termination or amendment to any agreements entered into between the Easynvest Companies, the Easynvest Shareholders and/or any of the Related Parties;

(x) performance of any payment or assumption of any debt or obligation on behalf of any Easynvest Shareholder and/or any of the Related Parties thereof;

(xi) reduce or extend the term for payment of any receivables or settle the obligations of the Easynvest Companies differently from the provisions set forth in the respective agreements;

(xii) any distribution of dividends, payment of interest on capital, bonuses, or any type of cash distribution, including any distribution and payment to the shareholders, by virtue of redemption, amortization, repurchase of shares and/or capital reduction of the Easynvest Companies;

(xiii) any change in the financial and tax policies, except for the changes for purposes of compliance with the requirements resulting from the changes in applicable Laws in force;

(xiv) change in the current contractual terms with the external auditor;

(xv) creation of any type of Encumbrance in relation to any assets, properties or rights of the Easynvest Companies or the shares or quotas held by the Easynvest Companies, as applicable;

(xvi) provision or concession of any guarantee to Third Parties or any Related Parties of the Easynvest Companies;

(xvii) signature of any accord, instrument or agreement, orally or in writing, documented or not, between the Easynvest Companies and any third parties (including the Governmental Authorities), which would represent any significant restriction to the Businesses or any other activities performed by the Easynvest Companies, including, but not limited to, exclusivity, non-competition and/or non-competition with third parties;

(xviii) signature, termination, cancellation, suspension or change, directly or indirectly, of any accord, instrument or agreement, orally or in writing, documented or not, between the Easynvest Companies and any third parties (including the Governmental Authorities), which represent obligations to any of the Easynvest Companies in an amount equivalent to or above ten thousand reais (R$10,000.00), or that would significantly impact the activities carried out by the Easynvest Companies. In the event such operations are carried out in the Normal Course of Business of the Easynvest Companies, the limit set forth herein shall be (a) one hundred thousand reais (R$100,000.00) per accord, instrument or agreement, and (b) one million reais (R$1,000,000.00) in the same period of thirty (30) days based on the sum of the accords, instruments or agreements;

(xix) (a) increase, or announcement of increase, of the salaries/compensation, bonus, incentives, payments or any other type of benefit or compensation payable by the Easynvest Companies to any of the respective employees, executive officers, directors, consultants or service providers; and (b) signature of any collective agreement or any other agreement or accord that addresses the compensation of the Easynvest Companies' employees, in both case, except if in the Normal Course of Business or as set forth in applicable Law in force;

(xx) any amendment to the bylaws or articles of association of the Easynvest Companies, as applicable, except for the Corporate Reorganization;

(xxi) increase or decrease of the Easynvest Companies' capital, except for the capital increase in the amount of up to two million reais (R$12,000,000.00) relating to SPA Vérios, and provided that the capital increases resulted from the regulatory requirements set forth in applicable Law in force;

(xxii) dissolution, liquidation or request for judicial or extrajudicial recovery, or declaration of self-bankruptcy of the Easynvest Companies, considering that, in the event the Investor has not expressly prohibited such acts during the Restriction Period, the Investor shall not refer to the provisions set forth in Clause 11.2(iv);

(xxiii) any expenses incurred with marketing in an individual or combined value (more than one operation within the period of thirty (30) days) in an amount equivalent to or higher than four million and five hundred thousand reais (R$4,500,000.00);

(xxiv) free settlement of any debt or third-party obligation with the Easynvest Companies, including any Related Party;

(xxv) change of the fiscal year of any of the Easynvest Companies;

(xxvi) transfer, licensing, burden or concession of any rights or licenses of the Intellectual Property Rights owned by Easynvest;

(xxvii) signature of any agreement, or filing of any appeal or claim in connection with any dispute involving the Easynvest Companies or any asset, property or right relating to the Easynvest Companies, (a) except for the Normal Course of Business; and/or (b) limited to one hundred thousand reais (R$100,000.00) in the total during the period of thirty (30) days;

(xxviii) any promise or commitment to undertake any of the acts set forth in this Clause 5.10.

5.11. Exceptions. The Parties agree that the following shall not be deemed acts, actions and/or resolutions subject to the limitation set forth in Clause 5.10 and, therefore, shall not be subject to any previous approval by the Investor: (i) the provisions set forth in Clause 5.10(iii), in relation to the exercise of the stock options that shall be settled through the Closing Date, under the terms of the Easynvest Option Plan; and (ii) the provisions set forth in Clauses 5.10(v), 5.10(xv), in relation to the following acts, provided that carried out in the Normal Course of Business, as set forth in applicable Laws to which the Easynvest Companies are subject (including the Risk Management Guide of B3's Settlement and Liquidation Chamber): (a) the acquisition, assignment, loan, transfer and/or disposal of the marketable securities; (b) the provision of guarantees by the Easynvest Companies in conformity with applicable Law in force to which the Easynvest Companies are subject to or, in addition, on behalf of the clients, provided that limited to thirty million reais (R$30,000,000.00).

5.12. Approval by the Investor. The Investor may approve, on an extraordinary basis, the practice of any of the corporate acts described in Clause 5.10. The approval by the Investor shall always be granted in writing, within five (5) Business Days as from the delivery of the request in writing, under the terms set forth in Clause 13.1. Such approval shall not be refused, postponed or bound to any condition without any reasonable reason. In the event the Investor is not able to respond during the abovementioned period, the Easynvest Companies may perform the respective act, provided that the performance of such act is not considered a violation of the obligations set forth in this Agreement.

5.13. Access to Information. As from the Signature Date and through the Closing Date or termination of this Agreement (inclusive), exclusively for purposes of monitoring of the activities of the Easynvest Companies, preparation of the Closing and verification of the performance by the Easynvest Companies and the Easynvest Shareholders of the obligations relating to the conduction of the abovementioned businesses, and always in conformity with the criteria and limitations imposed by the applicable Laws in force, the Easynvest Shareholders shall ensure that the Easynvest Companies: (i) grant, to the Investor and representatives thereof, access, during business hours, to the facilities, books and records, so that the Investor is able to begin the planning with respect to the synergies of the activities of the Easynvest Companies, and the operations of the Investor and its Affiliates; (ii) submit, as requested, on a reasonable basis, the financial, legal and operational information of the Easynvest Companies; and (iii) provide possible communication submitted by BACEN relating to the approval of the Corporate Reorganization. Similarly, the Parties agree that, as from the Signature Date to the Closing Date or termination of this Agreement (inclusive), Nu Holdings, the Investor and the Guarantor shall submit, on a monthly basis, to the Easynvest Shareholders, the copies of the same materials that are currently provided to the Nu Holdings' shareholders qualified as major investors in the Nu Holdings' corporate documents.

(i) Independence. The Parties agree that, notwithstanding the provisions set forth in Clause 5.13 above, the Investor shall not have any management power, or influence over the management or administration of the Easynvest Companies before the Closing Date. In addition, the Parties and the Intervening Consenting Parties agree to not exchange sensitive information and that the Investor and the Guarantor, on one side, and the Easynvest Companies and the Easynvest Shareholders, on the other side, shall remain fully independent.

(i) Confidentiality. The information obtained under the terms set forth in Clause 5.13 above shall be subject to the rules set forth in Clause 10.1, and shall not be used for purposes other than those provided for in this Agreement.

6. CLOSING

6.1. Closing. The effective and valid implementation and completion of the Operation ("Closing") shall take place within fifteen (15) days counted as from the performance (or waiver, as applicable) of the last of the Suspensive Conditions, as informed by any of the Parties, which shall be preferably on the last day of the respective month, or on any other date as jointly agreed by the Parties ("Closing Date"), at the head office of law firm Pinheiro Neto Advogados, at Rua Hungria, 1100, or any other location jointly agreed by the Parties.

6.2. Closing Acts. In the Closing, the Parties shall perform and ensure the performance of the following acts ("Closing Acts"):

(i) delivery, by the Easynvest Shareholders to the Investor, of the statement in writing declaring that: as set forth in Clause 7.5, (i) the Essential Representations and Guarantees provided by the Easynvest Shareholders are true, correct and complete, in all material respects, on the Closing Date, except for the representations and guarantees in relation to any specific date (which shall remain true, correct and complete, in all material respects, on such date); (ii) the other representations and guarantees provided by the Easynvest Shareholders in conformity with the provisions set forth in Clauses 7.1 and 7.2 are true, correct and complete, in all material respects, on the Closing Date, except for the representations and guarantees in relation to any specific date (which shall remain true, correct and complete, in all material respects, on such date); and (iii) the Parties' Suspensive Conditions, under the terms set forth in Clause 5.1, and the Investor's Suspensive Conditions described in Clause 5.3, were complied with or waived, however the case may be;

(ii) delivery, by the Investor to the Easynvest Shareholders, of the statement in writing declaring that: as set forth in Clause 7.5, (i) the Essential Representations and Guarantees provided by the by the Investor, Nu Holdings and the Guarantor are true, correct and complete, in all material respects, on the Closing Date, except for the representations and guarantees in relation to any specific date (which shall remain true, correct and complete, in all material respects, on such date); (ii) the other representations and guarantees provided by the Investor, Nu Holdings and the Guarantor in conformity with the provisions set forth in Clauses 7.3 and 7.4 are true, correct and complete, in all material respects, on the Closing Date, except for the representations and guarantees in relation to any specific date (which shall remain true, correct and complete, in all material respects, on such date); and (iii) the Parties' Suspensive Conditions, under the terms set forth in Clause 5.1, and the Easynvest's Suspensive Conditions described in Clause 5.2, were complied with or waived, however the case may be.

(iii) *Termination of agreements.* The Easynvest Shareholders' Agreements and the Pledge Agreement shall be terminated by the Easynvest Shareholders, subject to full, general, complete and irrevocable settlement of any outstanding obligation to the Easynvest Companies, the Investor and any of the Affiliates, in which case the respective Encumbrances imposed on any shares and/or quotas of the Easynvest Companies shall be cancelled.

(iv) *Payment of the Closing Acquisition Price*. In conformity with the provisions set forth in Clause 4.2(ii)(1) and Clause 6.4, the Investor shall perform the full payment of the Closing Acquisition Price, in cash, on the Closing Date, upon transfer of the immediately available funds to the bank accounts of the Easynvest Shareholders, considering the amounts and proportions described in Clause 3.4.

(v) *Issuance of the Nubank Shares*. As set forth in Clause 4.2(ii)(1) and Clause 6,4, Nu Holdings shall issue the Nubank Shares, as well as register the ownership on behalf of the Easynvest Shareholders, upon the Payment of the Nubank's Shares by the Easynvest Shareholders, under the terms set forth in item (vii) below, including the adoption of all applicable and necessary measures to ensure the effective transfer and registry of the ownership of the Nubank Shares on behalf of the Easynvest Shareholders.

(vi) Investment Documents of Nubank's Shares. As set forth in Clause 4.2(ii)(1) and Clause 6.4, the following documents shall be signed on the Closing Date: (i) Series F-2 Preferred Share Purchase Agreement, mainly under the terms set forth in the draft included in the form of "**Annex 6.2(vi)(1)**", (ii) Investor's Right Agreement mainly under the terms set forth in the draft included in the form of "**Annex 6.2(vi)(2)**", and (iii) Shareholders' Agreement, mainly under the terms set forth in the draft included in the form of "**Annex 6.2(vi)(2)**" (collectively, the "Investment Documents of Nubank's Shares"). Similarly, Nu Holdings shall deliver to the Easynvest Shareholder the 10th Amended and Restated Memorandum and Articles of Association, mainly under the terms set forth in the draft included in the form of "**Annex 6.2(vi)(4)**", valid and in effect.

(vii) *Payment of the Nubank Shares*. Each of the Easynvest Shareholders shall perform the payment relating to the payment of the Nubank Shares, in US dollar, as set forth in Clause 4.2(ii)(1) of this Agreement.

(viii) *Transfer of the Easynvest Shares*. The signature of the terms for the transfer of the shares in the Transfer Book of Registered Shares of Easynvest Participações, Easynvest Holding Financeira, the Broker and Easycred, if applicable, reflecting the transfer of the Easynvest Shares by the Easynvest Shareholders to the Investor, and the registry, in the Registry Book of Registered Shares of Easynvest Participações, Easynvest Holding Financeira, the Broker and Easycred, if applicable, of the Easynvest Shares on behalf of the Investor.

(ix) *Resignation and Settlement*. Delivery of the resignation and settlement terms of the directors and executive officers of the Easynvest Companies mentioned in "**Annex 6.2(ix)(1)**" in relation to the respective positions, under the terms set forth in the draft attached hereto in the form of "**Annex 6.2(ix)**".

(x) *Election of the new members*. Election and signature of all documents deemed necessary so that the persons indicated by the Investor are appointed and elected as the Executive Officers of the Easynvest Companies.

(xi) *Revocation of proxies*. Through the Closing Date, except if otherwise expressly indicated by the Investor, the Easynvest Shareholders shall provide to the Investor the confirmation of the revocation of all public or private proxies granted by the Easynvest Companies, as described in "**Annex 6.2(xi)**".

(xii) *Corporate and accounting books*. The Easynvest Shareholders shall deliver to the Investor all corporate books, reflecting the ownership of the Easynvest Shareholders with respect to the Easynvest Shares, and the accounting books of the Easynvest Companies.

(xiii) *Charge over Shares in Nu Holdings Ltd. and Purchase Deed*. Signature of the Charge Over Shares in Nu Holdings Ltd., included herein in the form of **Annex 6.2(xiii)(1)**, whereby the Easynvest Shareholders shall pledge the percentages indicated in "**Annex 6.2(xiii)(2)**" of the Nubank Shares on behalf of the Investor in order to guarantee any Losses in connection with this Agreement and that have been incurred by any Investor Indemnified Party ("Charge Over Shares in Nu Holdings Ltd.").

(xiv) *Approval of the Accounts*. The Easynvest Shareholders shall present to the Investor the following corporate acts approving the management accounts for the year ended 2019, base date of August 31, 2020, of the Easynvest Companies, duly registered with JUCESP.

(xv) *Related Parties' Obligations*. Except for the provisions set forth in "**Annex 6.2(xv)**", on the Closing Date, there shall be no instruments, agreements or accords in effect, or outstanding obligations, between the Easynvest Companies, on one side, and/or any Related Parties, on the other side. All accords, agreements, amendments, current accounts, loans and other obligations between the Easynvest Companies and any of the Related Parties, documented or not, have been duly settled, without resulting, from the settlement of these obligations, in any contingency or negative impact against the Easynvest Companies or the Investor, including any accounting, tax, labor or social security contingency or impact.

(xvi) *Certificate of Withdrawals*. The Easynvest Shareholders shall deliver a certificate to the Investor informing the Withdrawals and/or Authorized Withdrawals between August 31, 2020 and the Closing Date, including a detailed description of the nature and corresponding values.

(xvii) *Other Measures*. The Parties shall enter into any other documents and shall undertake any and all measures deemed necessary or convenient to perform the Closing and the implementation of the Operation as set forth herein.

6.3. Concurrent Acts in the Closing. As set forth in Clause 4.2(ii)(1) and Clause 6.4, all acts and events set forth in this Chapter 6 shall be considered as concurrently performed, in which case the omission of any of these acts shall invalidate all other acts, in which case, the Parties shall enter into any and all documents, as well as undertake any act to reverse such act to the previous condition, including, but not limited to, the immediate return of any amounts eventually transferred by the Investor for the payment of the Closing Acquisition Price, taking into account that, in the event such transfer is not performed on the same day, the Adjustment for Inflation shall be applied on the amount transferred through the effective date of return of the funds to the Investor, without prejudice to the application of the other fines set forth in this Agreement. In addition, the Parties agree that no act or event of the Closing shall be deemed valid until performance of all Suspensive Conditions (or otherwise lawfully waived).

6.4. Closing, at the Investor's discretion, and violation of the Closing Acts by the Easynvest Shareholders. As set forth in Clause 6.4.1 below, in the event of non-payment of the Payment of the Nubank's Shares by any of the Easynvest's Shareholder, the Investor may perform, however is not obligated to, the Operation Closing upon the payment of the Closing Acquisition Price to the Easynvest Shareholders as set forth in this Agreement, although all Closing Acts have not been performed, in conformity with the provisions set forth in this Agreement. In this case, the event of default, for all purposes and effects of this Agreement, shall be deemed realized and (1) the Investor (a) shall maintain all rights and assumptions set forth in this Agreement against the Easynvest Shareholders that have violated the obligations of Payment of the Nubank's Shares, without considering the Closing as a novation or any change in the commitments and obligations set forth in this Agreement; (b) shall be the sole and exclusive holder of the Easynvest Shares, without any Encumbrances, including all rights inherent thereto, upon the signature of the respective transfer terms, under the terms set forth in Clause 6.2(viii); and (c) the Easynvest Shareholders that have not performed any of the Closing Acts shall be subject to (aa) the obligation to perform such acts and commitments, under the terms set forth in this Agreement, and (bb) the fines set forth in this Agreement, including, but not limited to, the provisions set forth in Clause 4.2(ii)(1), not subject to any additional notice by the Investor in this regard, except if otherwise set forth in Clause 4.2(ii)(1); and (2) (aa) Nu Holdings shall not issue the Nubank Shares to the respective Shareholder until the Payment of the Nubank's Shares has been performed in the bank account of Nu Holdings, under the terms set forth in "**Annex 4.2(ii)(2)**", limited to, under any circumstance, to the term of twenty (20) days counted as from the termination of the Resolution Term (except in the event of Atlas or any Advent Affiliate, in which case the term shall be counted as from the Closing Date), in which case the Easynvest Shareholder that has not performed the obligation of Payment of the Nubank's Shares shall no longer be entitled to the right to subscribe the Nubank Shares, at the Investor's discretion, under the terms set forth in Clause 4.2(ii)(1), and (bb) the Investment Documents of Nubank's Shares shall not be signed, until the respective Easynvest Shareholder has performed the Payment of the Nubank's Shares. For purposes of clarification, the provision set forth in this Clause 6.4 shall not be applicable to the Easynvest Shareholder that has complied with the respective obligations, as set forth in this Agreement, on the Closing Date.

6.4.1 The Investor shall not be entitled to the right to not perform the Closing, under the terms set forth in Clause 6.4 above, in the event Atlas (or any Advent Affiliate) has performed the payment, in which case the Closing shall be performed as set forth in this Agreement, regardless of the default by the other Easynvest Shareholders, without prejudice to the applicable procedures and fines, under the terms of this Clause 4.2(ii)(1) and Clause 6.4, to the Easynvest Shareholders that have not complied with the obligation of Payment of the Nubank's Shares.

6.5. Proxy for Transfer of Shares. As set forth in Clause 6.2(viii) and Clause 6.4 above, subject to the effective payment of the Closing Acquisition Price, the Easynvest Shareholders appoint, on an unconditional and irrevocable basis, the Investor as the attorney-in-fact thereof, under the terms set forth in article 684 of the Civil Code, regardless of the authorization of or consultation to the Easynvest Shareholders, to represent the Easynvest Shareholders, inclusive in the signature of the transfer term and other documents deemed necessary to the documentation of the Acquisition of the Easynvest Shares on the Closing Date, as well as undertake all other necessary acts for purposes of performance of the provisions set forth in this Clause, including the signature of any documents prepared for purposes of compliance with any requirement relating to the registry of the corporate acts set forth in this Agreement. The Easynvest Companies and the executive officers thereof agree to perform, on the Closing Date, all applicable acts for the performance of such transfer, and the Easynvest Shareholders agree to undertake all necessary acts in order to ensure that the Easynvest Companies are able to perform the transfer.

7. REPRESENTATIONS AND GUARANTEES

7.1. Representations and guarantees of the Easynvest Shareholders before each other and the Agreement. The Easynvest Shareholders, individually and not jointly, acknowledge and ensure to the Investor that the representations and guarantees provided in "**Annex 7.1**" are true, complete and correct as of the date hereof and on the Closing Date, in all material respects.

7.2. Representations and guarantees of the Easynvest Shareholders before the Easynvest Companies. The Easynvest Shareholders, individually and not jointly, acknowledge and ensure to the Investor that the representations and guarantees provided in "**Annex 7.2**" are true, complete and correct as of the date hereof and on the Closing Date, in all material respects.

7.3. Representations and guarantees of the Guarantor before Nu Holdings and the Investor. The Investor acknowledges and ensures to the Easynvest Shareholders that the representations and guarantees provided in "**Annex 7.3**" are true, complete and correct as of the date hereof and on the Closing Date, in all material respects.

7.4. Representations and operational guarantees of the Investor before the Guarantor, Nu Holdings and the Investor. The Investor acknowledges and ensures to the Easynvest Shareholders that the representations and guarantees provided in "**Annex 7.4**" are true, complete and correct as of the date hereof and on the Closing Date, in all material respects.

7.5. Update of the Disclosure Letter. To the extent that any subsequent fact or circumstance takes place after the Signature Date, and provided that the occurrence of such fact or circumstance has not resulted from the violation of the obligations described in Clause 5.10, (i) by the Easynvest Shareholders, under the terms set forth in Clauses 7.1 and 7.2; or (ii) by the Investor, under the terms set forth in Clauses 7.3 and 7.4; and before the Closing Date, which would represent a change to the respective representation and guarantee, or any section of the Disclosure Letter or inclusion of a new section of the Disclosure Letter (in the event of absence of any original section), the Easynvest Shareholders or the Investor, however the case may be, may update the respective sections of the Disclosure Letter, so that these sections are true and correct, in all material respects, on the Closing Date.

8. INDEMNITY OBLIGATIONS

8.1. Responsibility of the Easynvest Shareholders. As set forth in this Clause 8.1, the Easynvest Shareholders, in conformity with the proportions described in Clause 8.2, shall indemnify, protect, exempt and hold harmless the Investor and, after the Closing, the Easynvest Companies, the Affiliates thereof (including, but not limited to, Nu Holdings), as well as the respective shareholders, executive officers, directors, employees, and authorized successors and assignees ("Investor Indemnified Party"), for Losses incurred and/or suffered by an Investor Indemnified Party, provided that exclusively related to the following acts:

(i) false, omitted, incorrect, inaccurate or violated representations and guarantees provided under the terms set forth in Clauses 7.1 and 7.2 above. The Easynvest Shareholders acknowledge and agree that any condition set forth in the representations and guarantees provided for in Clauses 7.1 and 7.2 above (including materiality, knowledge and similar conditions) shall be disregarded for the purposes of this Clause 8.1, provided that, for the purposes set forth in this Clause 8.1, the representations and guarantees provided in such Clauses shall be read as if the conditions were not written;

(ii) total or partial non-compliance with the obligations, covenants and commitments assumed by the Easynvest Shareholders or the Easynvest Companies in this Agreement and/or any other document expressly referred to in this Agreement as part of the Operation;

(iii) acts, facts, events and omissions relating to the Easynvest Companies, or the respective activities thereof, which generating event has taken place through (inclusive) the Closing Date, regardless of being reflected in the Annexes hereto or the Disclosure Letter, or informed to the Investor (inclusive in the context of the audit conducted by the Investor in the Easynvest Companies);

(iv) implementation of the Corporate Reorganization and acquisition of Vérios (regardless of the closing of the acquisition of Vérios to be performed before or after the Closing Date) in the event that, in relation to the acquisition of Vérios, an Investor Indemnified Party is not able to receive the applicable indemnities, as set forth in SPA Vérios;

(v) liabilities or contingencies relating to the Easynvest Shareholders and/or Affiliates thereof (except for the Easynvest Companies before the Closing), including, but not limited to, Startz Tecnologia e Comunicação Ltda., which may be required by any Investor Indemnified Parties, if deemed jointly responsible for such liability or contingency under applicable Law in force.

8.2. Individual or Proportional Indemnity Responsibility. The Parties agree that the obligation assumed by the Easynvest Shareholders to indemnify an Investor Indemnified Party shall be:

(i) individually, and not jointly, in relation to the eventually payable indemnities (a) under the terms set forth in Clauses 8.1(ii) and 8.1(v) above, in which case each of the Easynvest Shareholders shall respond individually for the possible violation of the obligations or contingencies, under the terms set forth in this Agreement; and (b) in relation to the respective individual representations, under the terms set forth in Clause 8.1(1);

(ii) proportionally, according to the percentages described in **Annex 8.2(ii)**, (a) in relation to the indemnities under the terms set forth in Clause 8.1(ii), solely with respect to the violation of the obligations by the Easynvest Companies; (b) in relation to the indemnities under the terms set forth in Clause 8.1(iv); and (c) in relation to the indemnities payable under the terms set forth in Clause 8.1(i), in relation to the representations and guarantees provided in relation to the Easynvest Companies, and Clause 8.1(iii).

8.3. Limitations of the Indemnity Obligations. The obligation assumed by the Easynvest Shareholders to indemnify an Investor Indemnified Party in conformity with Clause 8.1 shall be subject to the following rules:

(i) *De Minimis*. The Easynvest Shareholders shall solely indemnify any Loss if and when the individual value of such Loss (or in conjunction with similar matters related to the same event or cause) exceeds the amount of ten thousand reais (R$10,000.00) ("*De Minimis*"). For purposes of clarification, no Loss, which individual value is below the *De Minimis*, shall be indemnified under the terms set forth in Clause 8.1 hereof.

(ii) *Basket*. The Investor Indemnified Party shall not be entitled to any indemnity until the total value of indemnifiable Loss payable by the Easynvest Shareholders exceeds the total value of one million and five hundred reais (R$1,500,000.00) ("Basket Amount"). When the Basket Amount is exceeded, the Investor Indemnified Party may recover all Losses, considering the first Real, in which case the payment shall be performed each time the total accumulated Losses has achieved the value of the Basket Amount. The Parties agree that, although the Basket Amount has not been achieved, the Investor Indemnified Parties shall recover all Losses, considering the first Real, after the first (1st) anniversary of the Closing Date, which procedure shall be adopted on an annual basis, in the event the Basket Amount has not been achieved in such period.

(iii) *Cap*. Notwithstanding any opposite provision set forth in this Agreement, the maximum indemnity value requested by the Investor Indemnified Parties shall be limited to the value of one hundred million reais (R$100,000,000.00) ("*Cap*"), except for the Losses arising from default or bad faith of the Easynvest Shareholders or violation of the Essential Representations of the Easynvest Shareholders, in which case the Cap shall be equivalent to the Closing Acquisition Price. For purposes of clarification, in the event any Investor Indemnified Party has incurred any Loss arising from default or bad faith of the Easynvest Shareholders or violation of the Essential Representations of the Easynvest Shareholders, the value payable to the Investor (i) shall not be calculated for purposes of achievement of the Cap, and (ii) under no circumstance, including the Losses calculated for purposes of Cap, the maximum indemnity value payable by each Easynvest Shareholder shall exceed the Closing Acquisition Price effectively received by the respective Easynvest's Shareholder.

(iv) *Proportionality to the Closing Date*. In the event the Investor or any Investor Indemnified Party incurs any indemnifiable Loss under the terms set forth in Clause 8.1, which generating event has taken place before the Closing Date and has been maintained after the Closing Date, the indemnity payable by the Easynvest Shareholders for such Loss shall always be proportional to the period up to the Closing Date (inclusive).

(v) *Time*. The obligation to indemnify assumed by the Easynvest Shareholders, as determined under the terms set forth in Clause 8.1, shall remain valid for three (3) years as from the Closing Date, except for Losses relating to any tax and/or social security matters relating to the Easynvest Option Plan and/or the Easynvest's Phantom Share Plan and/or the Carlos Option Agreement, considering the term of six (6) years as from the Closing Date. For purposes of clarification, the indemnity obligations of the Easynvest Shareholders for any Loss in relation to which an Indemnity Notice or Third Party's Indemnity Notice has been delivered before the end of the respective survival term shall remain valid to the final resolution of the indemnity under discussion.

(vi) *Adjustment to Inflation*. *De Minimis*, Basket Amount and Cap shall be subject to Adjustment for Inflation, on an annual basis, as from the Signature Date.

(vii) *Fine and Interest in Arrears*. The interest in arrears imposed on the payment of the indemnities within the terms set forth herein shall subject the Easynvest Shareholders to the payment of the respective indemnity, plus fine of two percent (2%) on the outstanding and unpaid amount, in addition to the Adjustment for Inflation based on the positive variation of the IPCA rate (from the payment date of the respective Loss to the effective payment date) and interest in arrears of one percent (1%) per month (from the payment date of the respective Loss to the effective payment date). For purposes of clarification, the fine and adjustment for inflation referred to herein are not applicable in the event any amounts are not payable by virtue of any inquiry of the amount or obligation, provided that such inquiry has been reasonable submitted in good faith, in conformity with the legal procedures set forth in this Agreement. Accordingly, the charges set forth herein shall solely be applied if, as from the date such inquiry has been duly resolved, according to the procedures established under the terms set forth in this Agreement, the Parties have not complied with the payment obligations.

8.4. Investor's Responsibility. As set forth in this Clause 8.4, specifically in relation to the limitations set forth in Clause 8.5, the Investor, Nu Holdings and the Guarantor shall be jointly responsible to indemnify the Easynvest Shareholders, the Affiliates thereof, as well as the respective shareholders, executive officers, directors, employees, and successors and authorized assignees ("Easynvest Indemnified Party"), for the Losses incurred and/or suffered by the Easynvest Shareholders or any Easynvest Indemnified Party by virtue of:

(i) false, omitted, incorrect, inaccurate or violated representations and guarantees provided under the terms set forth in Clauses 7.3 and 7.4 above, considering any condition set forth in the representations and guarantees provided for in Clauses 7.3 and 7.4 above (including materiality, knowledge and similar conditions) shall be disregarded for the purposes of this Clause 8.4, provided that, for the purposes set forth in this Clause 8.4, the representations and guarantees provided in such Clauses shall be read as if the conditions were not written;

(ii) total or partial non-compliance with the obligations assumed by the Investor, Nu Holdings or the Guarantor in this Agreement and/or any other document expressly referred to in this Agreement as part of the Operation;

(iii) liabilities or contingencies relating to the Investor, Nu Holdings and/or Affiliates thereof, which may be required directly by any Easynvest Indemnified Parties (excluding, under any circumstance, any indirect Losses or Losses arising from the fact that the Easynvest Shareholders became the shareholders of Nu Holdings and/or upon verification of indemnifiable Losses by the Easynvest Shareholders under the terms set forth in Clause 8.1), in the event the Easynvest Shareholders are deemed jointly responsible for such liability or contingency under applicable Law in force.

8.5. Limitations of the Indemnity Obligations. Notwithstanding anything to the contrary in this Agreement, the indemnification obligations assumed by Investor shall be subject, *mutatis mutandis*, to the provisions of Clause 8.3, above.

(i) *Fine and Interest in Arrears*. The interest in arrears imposed on the payment of the indemnities within the terms set forth herein shall subject the Investor, Nu Holdings and the Guarantor, on a jointly basis, to the payment of the respective indemnity, plus fine of two percent (2%) on the outstanding and unpaid amount, in addition to the Adjustment for Inflation based on the positive variation of the IPCA rate (from the payment date of the respective Loss to the effective payment date) and interest in arrears of one percent (1%) per month (from the payment date of the respective Loss to the effective payment date). For purposes of clarification, the fine and adjustment for inflation referred to herein are not applicable in the event any amounts are not payable by virtue of any inquiry of the amount or obligation, provided that such inquiry has been reasonable submitted in good faith, in conformity with the legal procedures set forth in this Agreement. Accordingly, the charges set forth herein shall solely be applied if, as from the date such inquiry has been duly resolved, according to the procedures established under the terms set forth in this Agreement, the Parties have not complied with the payment obligations.

8.6. Procedure for Direct Indemnity between the Parties. In the event any Party ("Indemnified Party", which means the Easynvest Indemnified Parties or the Investor Indemnified Parties, however the case may be) is entitled to the right to request a direct indemnity ("Direct Claim") from the Easynvest Shareholders, or the Investor, Nu Holdings or the Guarantor, however the case may be ("Indemnifying Party"), the payment of the amounts due by the Indemnifying Party shall be performed according to the procedures set forth in this Clause 8.6 and subitems.

(i) The Indemnified Party shall notify the Indemnifying Party, informing, in reasonable detail, the reasons based on which the Indemnified Party believes to have incurred or suffered any Loss, and shall attach to the notice all documents and information that support such understanding ("Indemnity Notice"). The Indemnifying Party shall, within thirty (30) days as from the receipt of the Indemnity Notice, respond to the notice, in writing, informing to the Indemnified Party if and to what extent: (a) the Indemnifying Party agrees with the responsibility for the payment of the Loss under discussion; or (b) the Indemnifying Party does not agree with the responsibility for the payment of the Loss under discussion. Whenever the Indemnifying Party has submitted a notice informing the disagreement with the responsibility for the payment of the Loss, the Parties shall meet, within the following ten (10) Business Days, to achieve, in good faith, an agreement with respect to the claim relating to such Loss. In the event the Parties are not able to achieve an amicable agreement with respect to the responsibility for the payment of the Loss, the Indemnified Party may file an arbitration proceeding, under the terms set forth in this Agreement. The arbitration award shall be final and binding to the Parties. In the event the Indemnifying Party has failed to submit any comment within thirty (30) days as from the receipt of the Indemnity Notice, the Indemnifying Party shall be deemed to have fully accepted the responsibility for the Loss.

(ii) The Loss by the Indemnifying Party to the Indemnified Party shall be paid within, at most, fifteen (15) Business Days from the (a) submission of the response to the Indemnity Notice, in the event the Indemnifying Party agrees with the responsibility for the payment of the Loss or has not submitted any comment within the term defined in Clause 8.6(i) above; or (b) amicable agreement entered into by the Parties; or (c) final arbitration award attributing the responsibility for the payment of the Loss to the Indemnifying Party, whichever takes place firstly.

8.7. Indemnity Procedure for Third-party Claims. In the event any Claim that could generate an indemnifiable Loss under the terms set forth in Clauses 8.1 or 8.4, however the case may be, is filed against any Indemnified Party by a Third Party ("Third-party Claim"), the Indemnified Party shall notify the Indemnifying Party ("Third Party's Indemnity Notice") so that the Indemnifying Party becomes aware of such Claim and, in this case, files the respective appeal, provided that, in relation to those cases in which the Claim involves the Easynvest Companies, the Broker shall notify the Indemnifying Party and the Indemnified Party under the terms set forth herein. The procedure defined in this Clause 8.7 shall not be applicable to the Third-party Claims in progress on the Closing Date, considering that, in relation to such Third-party Claims, (i) the Easynvest Shareholders shall be, as of the date hereof, notified, upon the signature of this Agreement, with respect to the indemnity obligation for possible Losses arising from such Third-party Claims, as set forth in this Agreement; and (ii) the appeal shall be filed by the Easynvest Companies, without prejudice of the responsibility attributed to the Easynvest Shareholders for all Losses related to such Third-party Claims. The Third Party's Indemnity Notice shall be submitted in the shortest period between (i) ten (10) Business Days counted as from the communication of the Third-party Claim under discussion; or (ii) the period equivalent to one third (1/3) of the legal term defined for response or appeal of such Claim.

(i) The omission or delay of any Indemnified Party to deliver the Third Party's Indemnity Notice, on a timely basis, shall release the Indemnifying Party from the indemnity obligations under the terms of this Chapter 8 in relation to the applicable Third-party Claim to the extent that such omission or delay has significantly impacted the defense in the Third-party Claim.

(ii) The Third Party's Indemnity Notice shall include a copy of all documents eventually received by the Indemnified Party (or to whom the Third Party's Indemnity Notice shall be submitted, however the case may be) in relation to the Claim under discussion.

(iii) The Indemnifying Party shall respond to the Indemnified Party (or to whom the Third Party's Indemnity Notice shall be submitted, however the case may be) with respect to the decision to assume or not the defense against the Claim within the shortest term between: (a) five (5) days counted as from the receipt of the Third Party's Indemnity Notice; or (b) the period equivalent to one third (1/3) of the legal term defined for response or appeal of the Claim. In the event the Indemnifying Party has not issued any comment within the abovementioned term or in the event the Indemnifying Party has refused to assume the defense of such Claim, the Indemnified Party (or to whom the Third Party's Indemnity Notice shall be submitted, however the case may be) shall conduct the defense. In the event the Third-party Claim is conducted by the Indemnified Party (or to whom the Third Party's Indemnity Notice shall be submitted, however the case may be), the Indemnified Party (or to whom the Third Party's Indemnity Notice shall be submitted, however the case may be) shall assume all costs (including legal costs, attorneys' fees, expenses and costs of appeal), which amounts shall be included in the value of the Loss if and when the indemnity is payable under the terms set forth in this Chapter 8.

(iv) In the event the Indemnifying Party assumes the defense of the Claim, the Indemnified Party shall cooperate with the Indemnifying Party in all requests reasonably presented, including the access, however the case may be, to the information and documents deemed necessary to the preparation of the defense, as well as the grant of specific proxies to a law firm with expertise in the subject matter of the Third-party Claim indicated by the Indemnifying Party for defense of the Claim. The representatives of the Indemnifying Party shall submit all information reasonably requested by the Indemnified Party in connection with the defense of the Claim under discussion, including a copy of the main court records, in which case the Indemnified Party shall be entitled to the right, at its expenses, to monitor the progress of the lawsuits referred to in this Clause 8.7, including the appointment, at its own expenses, of lawyers to monitor the work performed by the attorneys-in-fact indicated by the Indemnifying Party.

(v) Except for the cases that the Indemnifying Party has elected to conduct the defense of the Third-party Claim, the Indemnified Party shall be obligated to, on a diligent and professional basis, to conduct and control, through skilled and experienced lawyers, the defense of the Third-party Claim.

(viii) Under any circumstance, the Indemnifying Party shall prevent that any Third-party Claim relating to the Losses subject to indemnity under the terms set forth herein results in the pledge of any relevant property, right or asset owned and/or held by the Indemnified Party or the Easynvest Companies that would prevent or limit the daily and normal conduction of the operations of the Indemnified Party and/or the Easynvest Companies, in which case the Indemnifying Party agrees to perform the judicial deposit or provide the pledge, offer another guarantee that is deemed acceptable by the proper Governmental Authority or undertake any other necessary measure to prevent any restriction to the properties or activities of any Indemnified Party and/or the Easynvest Companies, which would prevent or limit the daily and normal condition of the operations of the Indemnified Party and/or the Easynvest Companies. In the event the Indemnifying Party has failed to comply with the obligations, the Indemnified Party may perform the deposit and/or provide the guarantee, and the respective costs shall be deemed Losses subject to indemnity, under the terms set forth in this Agreement.

(ix) Entering into Settlement Agreement. In the event the Defense of the Third-party Claim is conducted by the Indemnified Party, the Indemnified Party shall not enter into any agreement, waiver, reorganization, transaction, adhesion to any amnesty program or payment in installment relating to any Taxes or similar acts ("Settlement Agreement") in relation to the Third-party Claim without the previous and express consent of the Indemnifying Party. In the event the Defense of the Third-party Claim is conducted by the Indemnifying Party or certain contingency, not materialized, is confessed in the context of a Settlement Agreement, the Indemnifying Party shall request the previous consent of the Indemnified Party to sign any Settlement Agreement, considering that such consent shall not be denied in the event such Settlement Agreement (i) implies the irrevocable and unconditional settlement of the counterparty, (ii) does not involve any confession of default, (iii) does not represent any risk to the image of the respective Indemnified Party and Affiliates thereof, and (iv) does not represent any unfavorable precedent against the Indemnified Party.

(vi) Payment of Losses. The amount relating to the indemnity obligation arising from any Third-party Claim shall solely be paid by the Indemnifying Party to the Indemnified Party within fifteen (15) Business Days as from the final decision or arbitration award, not subject to appeal; or judicial agreement or extrajudicial transaction that has been duly approved or signed, in which case such agreements shall comply with the provisions set forth in item (vi) of this Clause 8.7.

8.8. Integral Recovery. Any indemnity determined under the terms set forth in this Chapter 8: (i) shall not be subject to the Taxes related thereto (that is, be added by the Taxes that the Indemnified Party may incur by virtue of the receipt of the indemnity); and (ii) shall cover any Loss effectively and directed incurred by an Indemnified Party, in which case the Indemnified Party shall return to the condition that the Indemnified Party would be if the Loss had not occurred.

8.9. Return of Amounts. The Parties agree that any amounts relating to the (i) costs that may be paid by the Indemnifying Party and, therefore, reversed on behalf of the Indemnified Party, including, but not limited to, reversal or release of the deposits and guarantees; (ii) amounts recovered before Third Parties, inclusive, however not solely the payment of the security coverage or indemnity paid by Third Parties, shall be fully returned by the Indemnified Party to the Indemnifying Party.

8.10. Non-cooperating with Third-party Claims. The Parties and the Easynvest Companies agree to not denounce or induce, directly or indirectly, Third Parties to file, after the Closing Date, any Third-party Claim that could represent any Loss to be indemnified under the terms set forth in Clauses 8.1 or 8.4, however the case may be.

8.11. Obligation to Reduce Losses. Upon occurrence of any Loss or any Third-party Claim, the Parties agree to undertake the best efforts to mitigate, in good faith and as possible, the Loss to be eventually indemnified by the Indemnifying Party, however the case may be, in conformity with the provisions set forth in this Agreement.

8.12. Exclusive Remedy. The Parties agree that the provisions set forth in this Chapter 8 shall represent the sole and exclusive remedy of the Parties, except for default or fraud.

9. NON-COMPETITION

9.1. Non-competition. Each of the Easynvest Shareholders, except for the individuals indicated in "**Annex 9.1**", during the period of two (2) years counted as from the Closing Date, agrees, as owner, shareholder, quota holder, Investor, partner, director, partner in joint venture, operator, consultant, executive officer or employee, to not develop, participate or invest in any activity included in any Restricted Business, in Brazil. The Easynvest Shareholders confirm that the payment of the Closing Acquisition Price is a fair and adequate compensation for purposes of compliance with the non-competition obligation set forth in this Clause 9.1.

(i) Exception. Without prejudice to the abovementioned provisions, the violations of the provisions set forth in Clause 9.1 shall not include (a) the ownership of the marketable securities publicly traded, issued by the companies listed in any Brazilian stock exchange and that conduct the activities in the Restricted Business, provided that the respective Easynvest Shareholder holds an equity interest in such company in an amount that does not exceed five percent (5%) of the outstanding voting capital and the total capital of such company; provided that, although the respective Easynvest Shareholder solely holds such equity interest, such Easynvest Shareholder shall not hold the specific governance rights with respect to the company's business or operations (including by means of the indication (individually or in conjunction with others, through shareholders' agreement or voting agreement) of any management member); and/or (b) participation, on any account, of the current Easynvest Shareholders, in any Person that operates in the Restricted Business, however in which the revenues arising from the Restricted Business does not account for thirty percent (30%) of the annual income of the respective Person.

(ii) Information on Atlas. [***].

(iii) Fines. Upon occurrence of any violation of the obligations described in Clause 9.1, the Investor shall submit to the respective Easynvest Shareholder a notice including the information on such default, provided that the Easynvest Shareholder shall have thirty (30) days to resolve such default. In the event the default is not resolved within such period, and without prejudice to possible losses and damages, the non-compensatory fine shall be applied in the amount equivalent to fifteen thousand reais (R$15,000.00) per day of violation, limited to twenty million reais (R$20,000,000.00), or the amount received by the respective Easynvest Shareholder on the Closing Date, whichever is the lowest, except for Atlas, in which case the value per day shall be equivalent to seventy-five thousand reais (R$75,000.00), with a limit of one hundred million reais (R$100,000,000.00).

9.2. Non-contracting of Employees. Each of the Easynvest Shareholders, during the period of two (2) years as from the Closing Date, agrees to, directly or indirectly, not contact, contract or employ, or otherwise enter into any service agreement or consulting agreement or similar instrument with any employee of the Easynvest Companies to act as the coordinator, executive officer, CEO, expert, manager or superintendent, in addition to the persons listed in "**Annex 9.2**" (collectively, the "Key Persons"). The Parties acknowledge and agree that the following activities shall not be considered as a violation of the non-contracting obligation: (i) the publication of general notices or other actions (including the contracting of recruiting firms) for the effective contracting of employees that are not exclusively directed to Key Persons; and (ii) the contracting of Key Persons after twelve (12) months from the termination of the relationship with the Easynvest Companies, provided that there is no request or influence over the Key Persons to terminate the relationship.

10. SPECIFIC OBLIGATIONS

10.1. Confidentiality. The Parties and the Intervening Consenting Parties, themselves and by the representatives thereof (any executive officers, directors, employees, advisors, auditors, lawyers, consultants and/or contracted parties, on any account) agree to maintain strict confidentiality of the contents included in this Agreement and the Operation, as well as all private information provided by one Party to the other before the signature of this Agreement or during the effective period of the Agreement for purposes of performance of the transactions set forth herein ("Confidential Information") for a period of two (2) years as from the Closing Date or termination date of this Agreement, whichever takes place firstly.

(i) Any disclosure of Confidential Information shall solely be performed if agreed by all Parties, provided that Atlas is authorized to disclose the Confidential Information, as determined by applicable Law in force or to its Investors or advisors, in compliance with the obligations of disclosure of information, as set forth in the respective regulation. The Confidential Information, for the purposes of this Agreement, shall not include the information that: (a) was or may be disclosed to the public, provided that such disclosure has not violated any confidentiality obligation applicable to the Parties; or (b) is disclosed in compliance with legal provisions or as requested by the proper Governmental Authority, under the terms of applicable Law in force, provided that, in this case, the disclosing Party shall (x) immediately notify the owner of the Confidential Information so that the owner is able to adopt the necessary measures to lawfully prevent the disclosure; and (y) limit the disclosure of the Confidential Information to the extent deemed necessary for the compliance with the provisions set forth by applicable Law in force or as requested by proper Governmental Authority.

10.2. Press Releases. The Parties shall not issue or disclosure any press release or communication related to this Agreement or the Operation without the previous approval in writing of the other Parties hereto, which approval shall not be denied or postponed without reasonable reason, except if the disclosure is otherwise required by applicable Laws or the proper Governmental Authority, in which case the Parties shall consult each other and undertake the best commercial efforts to include the comments of the other Party in such communication or disclosure.

10.3. Notice of Certain Events. (i) The Easynvest Shareholders and the Easynvest Companies, on one side, and (ii) the Investor, Nu Holdings and the Guarantor, on the other side, agree to notify the other Party, as applicable and within a reasonable frequency, with respect to the following: (a) any notice or any other communication of any Person that alleged that the consent of such Person is or may be required in connection with the Operation set forth in this Agreement; (b) any notice or another communication of any Governmental Authority in relation to the Operation set forth in this Agreement; (c) any Claims or investigations relating to or that would involve or impact the Parties or this Agreement or the Operation; (d) any significant inaccuracy of any declaration or guarantee included in this Agreement (although the inaccuracy may have resulted by elapse of time or occurrence of new events), at any time, which could be reasonably expected to not comply with the conditions set forth in this Agreement; and (e) any act, event or circumstance that would prevent any of the Parties to comply or perform any obligation, condition or agreement to be performed or complied by the Parties, as set forth in this Agreement.

11. TERMINATION

11.1. Term. This Agreement shall become effective as of the date hereof and shall remain effective until compliance with all obligations set forth herein.

11.2. Termination. Notwithstanding the irrevocable and unconditional nature, this Agreement may be terminated, at any time, before the Closing Date:

(i) by an agreement in writing entered into by the Parties; or

(ii) by any of the Parties, in the event any Governmental Authority has issued, enacted or approved any Law, regulation, judgment, order, decision or decree, on a permanent basis, in effect and that is not reversed through the Deadline, which would make the Operation unlawful or otherwise would prevent the completion of the Operation, or would subject the approval of the Operation to the performance or compliance, however the case may be, with measures (in terms of structure or behavior), obligations or commitments that would impact the Investor's original purposes with the completion of the Operation, in accordance, under any circumstance, with the provisions set forth in Clause 5.9; or

(iii) by any of the Parties, in the event the Closing has not been performed through the Deadline, as set forth in Clause 5.6; or

(iv) by the Investor, in the event the Easynvest Companies is subject to bankruptcy, reorganization, insolvency, liquidation or judicial or extrajudicial recovery (including extrajudicial intervention and liquidation, as set forth in Law 6,024, of March 13, 1974, and temporary administration system, in conformity with Decree Law 2,321, of February 25, 1987, in both cases, as amended or replaced from time to time); or

(v) by the Easynvest Shareholders, in the event the Investor, Nu Holdings Ltd. or the Guarantor is subject to bankruptcy, reorganization, insolvency, liquidation or judicial or extrajudicial recovery (including extrajudicial intervention and liquidation, as set forth in Law 6,024, of March 13, 1974, and temporary administration system, in conformity with Decree Law 2,321, of February 25, 1987, in both cases, as amended or replaced from time to time); or

(vi) by any of the non-defaulting Parties, in the event the other Party has significantly violated the obligations set forth in this Agreement, even after the term of thirty (30) days to resolve the default, without prejudice to the provisions set forth in Clause 14.6.

11.3. For the purposes of clarification, it is hereby certain and agreed that the termination of this Agreement based on:

(i) Items (i) and (ii) of Clause 11.2 above, shall occur on the date of signature of the agreement between the Parties, or the issuance, enactment or approval of a Law or order making it illegal or preventing the consummation of the Operation, as the case may be, regardless of a court order or arbitration award, or even upon conditioning the approval of the Operation to the fulfillment or compliance, as the case may be, with measures (structural or behavioral), obligations or commitments that compromise the Investor's original objectives with the consummation of the Operation, subject, in any case, to the provisions of Clause 5.9, therefore waiving with any other measure.

(ii) Item (iii) of Clause 11.2 above, shall occur on the date of sending a notice of termination by the innocent Party(ies) to the other Party(ies), regardless of court order or arbitration award, therefore waiving any other measure.

(iii) Items (iv) and (v) of Clause 11.2 above, if exercised by the innocent Party, shall occur on the date of decree or occurrence of any of the events listed therein, regardless of a court or arbitration award determining the termination, therefore waiving any other measure.

(iv) Item (vi) of Clause 11.2 above, shall occur by sending a notice of termination by the innocent Party to another Party. Upon sending the notice, in case the act, fact, event or circumstance giving rise to the right of termination may be remedied, the innocent Party shall grant the other Party(ies) a cure period of 30 (thirty) days, at the end of which, unless the Parties by mutual agreement decide otherwise, the innocent Party may choose to immediately terminate this Agreement or waive its right of termination based on the act, fact, event or circumstance in question.

11.4. Effects of Termination. In the event of termination of this Agreement without the Operation being consummated, the Parties shall be released from completing the Operation, without prejudice to any losses and damages due by the infringing Party to the innocent Party, and all obligations of the Parties provided for in this Agreement shall be terminated, except for the obligations under Chapter 8 (*Indemnification*), Clause 10.1 (*Confidentiality*), Chapter 12 (*Governing Law and Dispute Resolution*), Chapter 13 (*Notice*) and Clause 14.15 (*Commissions and Fees*), which shall survive; provided, however, that the respective rights and obligations of the Parties with respect to any prior breach or failure to comply with this Agreement shall also survive any termination of this Agreement.

11.5. Cancellation of Acts due to Termination of this Agreement. If this Agreement is terminated as provided for herein, all filings, applications and other submissions related to the acts provided for herein and made before any Governmental Authority shall, to the extent possible, be cancelled. All other obligations under this Agreement shall no longer be binding upon any of the Parties, except that such termination shall not constitute a waiver by any of the Parties to any claim that it may have for damages caused by any reason, or mitigate any liability of any of the Parties for breach of this Agreement prior to its termination.

12. GOVERNING LAW AND DISPUTE RESOLUTION

12.1. Governing Law. This Agreement shall be governed by and construed pursuant to the laws of the Federative Republic of Brazil.

12.2. Arbitration Clause. The Parties agree that any litigations, claims or disputes arising out of this Agreement and/or its Annexes and/or relating thereto, including any issues related to the existence, validity, effectiveness or performance of the Agreement, shall be mandatory, exclusive and ultimately submitted and resolved by arbitration to be conducted by the Arbitration and Mediation Center of the Brazil-Canada Chamber of Commerce – CAM-CCBC ("Arbitration Chamber"). The arbitration shall be established and processed in accordance with the Arbitration Chamber Regulation ("Arbitration Regulation") and in compliance with Law No. 9,307/1996 ("Arbitration Law"). The Arbitration Court shall not have the power to settle disputes submitted to it by equity.

12.3. Arbitration Court. The Arbitration Court ("Arbitration Court") shall be composed of 03 (three) arbitrators, 01 (one) of them to be appointed by the claimant(s) and the other appointed by the respondent(s), pursuant to the Arbitration Regulation. The third arbitrator, who shall be the president of the Arbitration Court, shall be appointed by the 02 (two) arbitrators chosen by the parties to the arbitration, within 15 (fifteen) days of the appointment of the last arbitrator. If the parties to the arbitration do not appoint their respective arbitrators within the period stipulated by the Arbitration Chamber, or if the president of the Arbitration Court is not appointed by the co-arbitrators within a maximum period of 15 (fifteen) days from the appointment of the second arbitrator, the President of the Arbitration Chamber shall appoint the missing arbitrators pursuant to the Arbitration Regulation. In the event that there are multiple parties with different interests, which may not be combined as groups of claimants and/or respondents, the 03 (three) arbitrators shall be appointed by the President of the Arbitration Chamber, under the terms of the Arbitration Regulation.

(i) In addition to the restrictions established under the Arbitration Regulation and the Arbitration Law, no member of the Arbitration Court may be an employee, representative, consultant or service provider (or former employee, former representative, former consultant or former service provider) of a part to the arbitration or any of its Related Parties.

12.4. Place. The venue of the arbitration shall be the city of São Paulo, State of São Paulo, wherein the award shall be issued.

12.5. Language. The official language for all arbitration acts agreed hereunder shall be Portuguese.

12.6. Confidentiality. The Parties agree that the arbitration shall be kept in secrecy and confidential, and the elements thereof (including the statements of claim of the parties, evidence, expert reports and any other statements of third parties, and any other documents submitted or exchanged in the course of the arbitration proceeding) shall be disclosed only to the Arbitration Court, to the parties to the arbitration, their attorneys and to any person required for conducting the arbitration, except when such disclosure is required for the fulfillment of obligations imposed by Law or by any Governmental Authority, and the provisions hereof shall be deemed as proof of confidentiality agreed to between the parties, under article 189, item IV, of the Code of Civil Procedure.

12.7. Binding Effect. The arbitration award shall be final and unappealable, and shall bind the parties to the arbitration, their successors and assignees, who undertake to comply with it voluntarily.

12.8. Charges. The arbitration award shall fox the arbitration charges, including, but not limited to, attorney's contractual fees, and shall decide which of the parties shall bear the payment thereof, or the proportion to be shared between the parties, according to the loss of suit of the parties in relation to the merits of the dispute submitted to arbitration. The Arbitration Court shall not have the power to arbitrate attorney fees for loss of suit.

12.9. Court Remedies. The parties may request for urgent and provisional remedies to the Judiciary Branch before the establishment of the Arbitration Court. As from the establishment thereof, all urgent or provisional relief shall be directly sought before the Arbitration Court, which may have powers to uphold, revoke or modify any such measures previously requested to the Judiciary Branch.

12.10. Arbitration Support Courts. Provisional and urgent measures, when applicable, and acts for compliance, including any decision or arbitration award, whether partial or final, may be sough before the judicial district where the domicile or assets of any of the parties to the arbitration are located, or before the judicial district of the city of São Paulo, State of São Paulo. For other court remedies authorized by the Arbitration Law, the Parties elect the central courts of the judicial district of the São Paulo, State of São Paulo, excluding any other court having a judicial nature. The filing of any court remedies shall not be deemed as a waiver of the rights provided for in this Clause or to the arbitration as the sole method of resolution of disputes. Without prejudice to this Clause, the parties agree that the Emergency Arbitrator Procedure, provided for in Administrative Resolution No. 32/2018 of the Arbitration Chamber, may be initiated, at the request of the interested party, before the establishment of the Arbitration Court.

12.11. Consolidation. Before the signing of the arbitration term, the Arbitration Chamber may, upon the request of any of the parties to the arbitration, consolidate simultaneous arbitration proceedings, involving (a) any of the parties, even if not all of them are part to both proceedings, and (b) this Agreement and/or other related instruments signed by the Parties and their respective successors. After the signing of the arbitration term, the consolidation shall be determined by the Arbitration Court, subject to the same criteria above, the compatibility of arbitration clauses that provide for the application of the Arbitration Regulation, and provided that there is no prejudice to the right to adversary proceedings of any of the parties thereto, and provided further that the equality of the parties is respected. In this event, the first Arbitration Court established shall have the power to consolidate, and its decision shall be binding upon all parties to the consolidated arbitrations.

12.12. Enforceable Arbitration Provisions. A breach of this Agreement by a Party shall not affect the agreement under this Chapter 12 regarding the submission of any dispute to an arbitration proceeding. In addition, the obligations of the Parties under this arbitration clause shall survive the termination of this Agreement. The invalidity or unenforceability of any provision of this Chapter 12 shall not affect the validity or enforceability of the Parties' obligation to submit their claims to the binding arbitration or the other provisions of this Chapter 12.

12.13. Fine for Violation of this Arbitration Clause. Any party that, without a legal grounding, makes difficult or prevents the establishment of the Arbitration Court, either by not taking the necessary measures in due time, or by forcing the other party to adopt the measures provided for in article 7 of the Brazilian Arbitration Law, or even by not complying with all the terms of the arbitration award, shall pay a monetary fine equivalent to five thousand Reais (R$5,000.00) per day of delay, applicable, as appropriate, from the date on which the Arbitration Court should have been established, to be reasonably defined in the arbitration award and after hearing the Parties. In addition, a monetary fine equivalent to five thousand Reais (R$5,000.00) shall be legally levied to the detriment of the Party responsible, under the terms set forth in the arbitration award, for fulfilling the obligations provided for, within the deadlines designated in the arbitration award, and such fine may be added to the request to be made in any procedure for enforcement of the arbitration award, without prejudice to the decisions and penalties included in such arbitration award.

13. NOTICES

13.1. Notices. Any notices, letters, consents, requests or other communications under this Agreement shall be sent to the Parties as indicated in "**Annex 13.1**", and shall be made in writing and sent by: (i) registered letter with confirmation of receipt; (ii) delivered in person, with confirmation of receipt; (iii) by email followed by delivery by courier or with written confirmation of email transmission and receipt; or (iv) by judicial or extrajudicial notice. Notices delivered as provided for in this Clause shall be deemed to have been delivered (a) on the date shown in the acknowledgment of receipt, if sent by mail; (b) on the delivery date, if delivered in person; (c) on the date shown on the acknowledgment of receipt, if sent by email; or (d) on the date of delivery, if delivered by judicial or extrajudicial notice.

13.2. Change of Contact Information. Any Party may change the contact information and the addresses to which notices shall be sent, by giving notice to the other Parties in writing in accordance with the terms of this Clause. If any communication of change of contact or address information is not made, any notices, letters, consents, requests and/or other communications sent to the address mentioned in "**Annex 13.1**", or to any address that may be notified later in writing, shall be deemed to be valid and binding on the receiving Party.

14. GENERAL PROVISIONS

14.1. Joint and Several Warranty. The Guarantor warrants, jointly and severally and without benefit of order, irrevocably and irreversibly, for all purposes, the proper and timely performance of the obligations undertaken by the Investor under this Agreement, its Annexes and any agreements or instruments referred to herein.

14.2. No Right to Offset. The Parties, their successors and assigns hereby unconditionally and irrevocably waive any rights to offset that such Parties, or any of their Affiliates, successors and assigns, have or may have in respect of any payments to be made by the respective Party pursuant to this Agreement.

14.3. Entire Agreement; Annexes. The Annexes to this Agreement, the Easynvest's Disclosure Letter and the Investor's Disclosure Letter are an integral part of this instrument, and this Agreement, together with any of the other agreements contemplated in this Agreement, constitutes the entire agreement between the Parties regarding the Operation, and supersedes all other prior agreements made by either of them in this regard. There is no now and there has not existed restrictions, promises, representations, warranties, covenants, commitments or statements, oral or in writing, which have been taken as a basis by any Party hereof, except those expressly provided for in this Agreement, in its Annexes, in the Easynvest's Disclosure Letter and in the Investor's Disclosure Letter.

14.4. Heirs, Successors and Assigns. This Agreement shall bind upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.

14.5. Inexistence of Third Party Beneficiary. The terms and conditions of this Agreement are intended solely for the benefit of each Party hereto, as applicable, and their respective successors, heirs or authorized assigns, and they are not intended by the Parties, as applicable, to confer rights on Third Party beneficiaries, and this Agreement does not confer any such rights on any other Person.

14.6. Specific Performance. Subject to the provisions of this Agreement, the Parties acknowledge that the award of damages, although due and determined in accordance with the applicable Law, shall not constitute a sufficient remedy for the non-compliance with the obligations set forth in this Agreement, and any Party may seek in court the specific performance with the defaulted obligation, including both the main and ancillary obligations provided for herein.

14.7. Extrajudicial Execution Instrument. This Agreement, as signed by 02 (two) witnesses, constitutes an extrajudicial execution instrument for all purposes and effects of the Code of Civil Procedure.

14.8. Binding Effect. This Agreement (and all its terms and conditions) is entered into irrevocably and irreversibly (except as otherwise expressly provided for herein), and constitutes legal, valid and binding obligations, binding and remaining in force for the benefit of the Parties and the intervening consenting parties hereto, and of their respective heirs, successors and authorized assigns.

14.9. Assignment. Except as otherwise provided for in this Agreement, any assignment of this Agreement or the rights and obligations arising therefrom by any Party shall require the prior written consent of the other Parties. Any assignment or other type of unauthorized transfer made without the consent of the other Parties shall be null and void.

14.10. Amendments. Any amendments to or termination of this Agreement, or any of its Annexes, as well as the waiver of any obligations set forth herein, shall only be deemed valid and if they are made in writing and signed by all the Parties.

14.11. Waivers. No waiver, release or termination of this Agreement or any terms or provisions hereof shall be binding on any Party hereof, unless it is confirmed in writing. No waiver by any of the Parties of any term or provision of this Agreement or any non-compliance with the terms hereof shall affect the rights of such Party to subsequently execute such term or provision, or to exercise any right or require any court remedy, in the event of any other non-compliance, whether similar or not.

14.12. Joint Efforts. Except as otherwise provided for in this Agreement, the Parties hereby agree that they shall take all necessary measures for the full compliance with the obligations set forth herein, thereby signing all instruments, certificates and other documents necessary to carry out the Operation contemplated herein.

14.13. Severability. In the event that any Chapter, Clause, Annex, term or provision of this Agreement is declared null or unenforceable under the terms set forth in Law, such nullity or unenforceability shall not affect any other Chapters, Clauses, Annexes, terms or provisions of this Agreement, which shall remain in full force and effect. Upon determination that a term or provision of this Agreement is null or unenforceable, the Parties shall negotiate following the principles of good faith, in order to integrate this Agreement to bring it, as close as possible, to the actual intention of the Parties, in a mutually acceptable manner, so that the Operation contemplated herein may be consummated as originally stipulated, to the fullest extent possible.

14.14. Joint Writing. The Parties agree and understand that all Clauses of this Agreement were drafted collaboratively between and by the Parties, and the interpretation of this Agreement shall in no way be affected by the fact that a certain Clause is considered to be drafted by any of the Parties.

14.15. Commissions and Fees. Each Party shall be responsible for the payment of commissions and fees due to its respective legal, financial, accounting and technical intermediaries, advisors and consultants in connection with the negotiation of this Agreement ("Operation Costs"). Except for the Authorized Withdrawals, the Easynvest Companies shall not pay, reimburse or guarantee the Operation Costs and, if they make any payment of the Operation Costs in breach of this Clause, the Easynvest Shareholders shall fully reimburse the Easynvest Companies for such costs and expenses.

14.16. Initials. The Parties and the Intervening Consenting Parties authorize the persons indicated in "**Annex 14.16**" to put their initials, independently, in their name and behalf, this Agreement and the Annexes to this Agreement.

In witness whereof, the Parties, the Intervening Consenting Parties, together with two witnesses, sign 7 (seven) counterparties of this instrument of equal content and form, for a single purpose.

São Paulo, September 10, 2020

CARLOS AUGUSTO LUZ AVIAN

/s/ Carlos Augusto Luz Avian

JOSÉ MENDES DE FARIAS

/s/ José Mendes de Farias

MARCIO MARTINS CARDOSO

/s/ Marcio Martins Cardoso

AMERSON GALHARDO MAGALHÃES

/s/ Amerson Galhardo Magalhães

PAULO AVIAN

/s/ Paulo Avian

ATLAS INVESTIMENTOS FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES MULTIESTRATÉGIA

P. /s/ Alfredo Sandes Sampaio
Name: Alfredo Sandes Sampaio
Position: Attorney-in-fact

P.
Name:
Position:

[*Signature Page (2/3) of the Investment Agreement entered into on September 10, 2020*]

NU HOLDINGS LTD.

By:	/s/ David Velez Osorno
Name:	David Velez Osorno
Position:	Executive Officer

NU FINANCEIRA S.A. – SOCIEDADE DE CRÉDITO, FINANCIAMENTO E INVESTIMENTO

By:	/s/ Guilherme Lago
Name:	Guilherme Lago
Position:	

NU PAGAMENTOS S.A.

By:	/s/ David Velez Osorno
Name:	David Velez Osorno
Position:	Director

[*Signature Page (3/3) of the Investment Agreement entered into on September 10, 2020*]

EASYNVEST TÍTULO CORRETORA DE VALORES S.A.

By:	/s/ Fernando Miranda/Anderson Magachães
Name:	Fernando Miranda/Anderson Magachães
Position:	Executive Officer/Executive Officer

EASYNVEST HOLDING FINANCEIRA S.A.

By:	/s/ Eric Bodin/Anderson Magachães
Name:	Eric Bodin/Anderson Magachães
Position:	Executive Officer/Executive Officer

EASYNVEST PARTICIPAÇÕES S.A.

By:	/s/ Fernando Miranda/Eric Bodin
Name:	Fernando Miranda/Eric Bodin
Position:	Executive Officer/Executive Officer

EASYNVEST CORRETORAS DE SEGUROS LTDA.

By:	/s/ Eric Bodin/Anderson Magachães
Name:	Eric Bodin/Anderson Magachães
Position:	Director/Director

EASYNVEST GESTÃO DE RECURSOS LTDA.

By:	/s/ Carlos Anais/Anderson Magachães
Name:	Carlos Anais/Anderson Magachães
Position:	Director/Director

[*Witnesses' Signature Page of the Investment Agreement entered into on September 10, 2020*]

Witnesses:

1. /s/ Marina de Freitas Andrade
   Name: Marina de Freitas Andrade
   CPF: [***]
   ID: [***]

2. /s/ Adriana Martins Scaleão Brasil
   Name: Adriana Martins Scaleão Brasil
   ID: [***]
   CPF: [***]

* * * * *

Annex 1.1
to the
Investment Agreement and Other Covenants
dated
September 10, 2020

Definitions

The terms in capital letters used in this Agreement shall have the following meanings attributed to them below:

"Easynvest Shareholder" and/or "Easynvest Shareholders" has the meaning set forth in the Preamble.

"Broker Shares" has the meaning set forth in Whereas Clause (i).

"Easynvest Shares" has the meaning set forth in Whereas Clause (v).

"Easynvest Holding Financeira Shares" has the meaning set forth in Whereas Clause (iv).

"Easynvest Participações Shares" has the meaning set forth in Whereas Clause (v).

"Nubank Shares" has the meaning set forth in Clause 4.1.

"Broker Common Shares" has the meaning set forth in Whereas Clause (i).

"Broker Preferred Shares" has the meaning set forth in Whereas Clause (i).

"Settlement Agreement" has the meaning set forth in Clause 8.7(ix).

"Easynvest Shareholders' Agreements" means (i) the Broker's Shareholders' Agreement entered into on March 6, 2018 between Carlos Avian, José Mendes, Mareio, Amerson, Paulo and Nyx Participações S.A. and, as intervening consenting party, the Broker; (ii) the Broker's Shareholders' Agreement, entered into on March 6, 2018 between Carlos Avian, José Mendes, Mareio, Amerson, Paulo and, as intervening consenting party, the Broker; and (iii) in the event the authorization for establishment of Easycred is granted by BACEN before the Closing Date, the Easycred's Shareholders' Agreement to be entered into between Carlos Avian, José Mendes, Mareio, Amerson, Paulo and Easynvest Holding Financeira and, as intervening consenting party, Easycred, shall be included in this definition for all purposes and effects of this Agreement.

"Affiliates" means, collectively or individually, (a) in relation to an individual, his/her direct or collateral descendants or ascendants up to the second degree, biological or not (adopted) (except for the Withdrawals, which collateral shall refer up to the third degree); and (b) in relation to a legal entity, any Person that, directly or indirectly, Controls, is Controlled by, or is under the common Control of such Person.

"Advent Affiliates" means, in relation to Atlas, any Affiliates or any Persons managed or administered, directly or indirectly, by Advent International Corporation.

"Acquisition Price Adjustment" has the meaning set forth in Clause 3.5.

"Amerson" has the meaning set forth in the Preamble.

"Material Change" means any measure, remedy or condition for the performance of the Operation that significantly impact the activities, products, strategies and businesses of the Easynvest Companies, the Investor, the Guarantor and/or the Affiliates based on the existing conditions on the Signature Date, which impact is demonstrated to the other party, on a reasonable basis. For purposes of clarification, the following situations are not Material Changes: (i) requirements for individual performance by any regulated institution (including the Broker) or compliance with the Basel Index of up to fourteen percent (14%), as agreed with the Central Bank of Brazil on the inception date of Nu Financeira); and/or (ii) matters related to the technical capacity of the Broker's management members; and/or (iii) matters on the vehicle or entity of the Investor's economic group to be used in the Operation or any corporate operations carried out by the Investor in connection with the Operation.

"ANBIMA" means the Brazilian Association of Financial and Capital Market Entities.

"BACEN's Approvals" has the meaning set forth in Clause 5.7.

"CADE's Approval" has the meaning set forth in Clause 5.8.

"Atlas" has the meaning set forth in the Preamble.

"Closing Acts" has the meaning set forth in Clause 6.2.

"Auditor of the Price Adjustment" has the meaning set forth in Clause 3.5.4.

"Governmental Authority" means any authority, government or governmental body (federal, state, municipal or another political subdivision) with executive, legislative, judiciary, regulatory or administrative functions, including any authority, agency, department, board, commission, governmental agency or organization, any court or arbitration court, any stock exchanges or organized over-the-counter markets.

"B3" means B3 S.A. – Brasil, Bolsa, Balcão.

"BACEN" means the Central Bank of Brazil.

"Adjustment Balance Sheet" has the meaning set forth in Clause 3.5.

"BSM" means BSM Supervisão de Mercados.

"Beneficiaries of the Exercised Options" has the meaning set forth in Clause 2.3.

"CADE" means the Administrative Council of Economic Defense.

"Arbitration Chamber" has the meaning set forth in Clause 12.2.

"Cap" has the meaning set forth in Clause 8.3(iii).

"Working Capital" means the accounting balances (i) of the current assets, less (ii) the current liabilities.

"Minimum Working Capital" has the meaning set forth in Clause 3.5.1(ii).

"Carlos Avian" has the meaning set forth in the Preamble.

"Disclosure Letter" means the Easynvest's Disclosure Letter or the Investor's Disclosure Letter.

"Easynvest's Disclosure Letter" means the letter delivered by Easynvest Companies to the Investor concurrently to the signature of this Agreement and accepted and acknowledged by the Investor, including specific information on this Agreement.

"Investor's Disclosure Letter" means the letter delivered by the Investor and the Guarantor to the Easynvest Shareholders concurrently to the signature of this Agreement and accepted and acknowledged by the Easynvest Shareholders, including specific information on this Agreement.

"CDI" means the daily average rate for transactions with Interbank Deposit Certificate, expressed on an annual basis, based on two hundred and fifty-two (252) days, calculated by B3 and daily disclosed by the Operational Department of the Open Market – DEMAB of the Central Bank of Brazil, or any subsequent rate normally used for the offset of interbank deposit certificates.

"Circular 3,590/12" means BACEN Circular 3,590, of April 26, 2012, as amended, which sets forth the analysis of the concentration acts in the National Financial System by BACEN.

"Circular 3,611/12" means BACEN Circular 3,611, of October 31, 2012, as amended, which sets forth the procedures for election and appointment for the exercise of positions in the statutory bodies of the financial institutions.

"Circular 3,649/13" means BACEN Circular 3,649, of March 11, 2013, as amended, which sets forth the procedures for changes in the Control and corporate reorganization of the financial institutions, including other matters.

"CMN" means the National Monetary Council.

"Civil Code" means Law 10,406, of January 10, 2002, as amended.

"Code of Civil Procedure" means Law 13,105, of March 16, 2015, as amended.

"Purchase and Sale of the Easynvest Shares" has the meaning set forth in Clause 2.2.

"Suspensive Conditions" means, collectively, the Parties' Suspensive Conditions, the Easynvest's Suspensive Conditions and the Investor's Suspensive Conditions.

"Parties' Suspensive Conditions" has the meaning set forth in Clause 5.1.

"Easynvest's Suspensive Conditions" has the meaning set forth in Clause 5.2.

"Investor's Suspensive Conditions" has the meaning set forth in Clause 5.3.

"Agreement" has the meaning set forth in the Preamble.

"Guarantee Agreement of Nubank's Shares" has the meaning set forth in Clause 6.2(xiii).

"Carlos Option Agreement" means, collectively, the "Private Option Agreement, entered into between Carlos Avian and Fabio Eduardo Macedo de Oliveira, on August 15, 2017", the "Private Option Agreement, entered into between Carlos Avian and Roger Ribeiro Ono, on August 15, 2017, the "Private Option Agreement, entered into between Carlos Avian and Alexandre Baldasseirine Neto, on August 15, 2017" and the "Private Option Agreement, entered into between Carlos Avian and Anderson Luis Paiva Pinto, on August 15, 2017.

"Pledge Agreement" means the Share Pledge Agreement entered into between Carlos Avian, José Mendes, Mareio and Amerson, as debtors, and Nyx Participações S.A., as creditor, on March 6, 2018.

"Control" (and related terms) has the meaning set forth in article 116 of the Brazilian Corporate Law.

"Adjustment for Inflation" has the meaning set forth in Clause 3.1(ii).

"Broker" has the meaning set forth in the Preamble.

"Normal Course of Business" means any operation or activity that represents a daily and common activity, carried out on a reasonable and professional basis, in conformity with past practices and procedures, and applicable Law in force, not subject to approval by the shareholders' meeting, partners' meeting, board of directors, executive board's meeting or similar bodies.

"Operation Costs" has the meaning set forth in Clause 14.15.

"CVM" means the Brazilian Securities and Exchange Commission.

"Personal Data" means any information relating to an identified or identifiable individual that refers to data subject to protection under applicable Law in force.

"Adjustment Base Date" has the meaning set forth in Clause 3.5.

"Signature Date" has the meaning set forth in the Preamble.

"Submission Date of the Notice" has the meaning set forth in Clause 3.1(iii).

"Closing Date" has the meaning set forth in Clause 5.1.

"Deadline" has the meaning set forth in Clause 5.6.

"De Minimis" has the meaning set forth in Clause 8.3(i).

"Essential Representations and Guarantees" means (A) in relation to the Easynvest Shareholders and the Easynvest Companies, the representations and guarantees provided under the terms set forth in Clauses 7.1(1) (Authority), 7.1(ii) (Absence of Conflict), 7.1(iii) (Approvals and Consents), 7.1(v) (Ownership of Shares), 7.1(vi) (Share Right), 7.1(vii) (Claims), 7.1(ix) (Advisors), 7.2(i) (Existence), 7.2(ii) (Authority), 7.2(iii) (Absence of Conflict), 7.2(iv) (Approvals and Consents), 7.2(v) (Claims), 7.2(vi) (Capitalization), 7.2(viii) (Subsidiaries); and (B) in relation to the Investor, the representations and guarantees provided under the terms set forth in Clauses 7.3(i) (Authority), 7.03(ii) (Absence of Conflict), 7.3(iii) (Approvals and Consents), 7.3(iv) (Claims), 7.4(i) (Existence), 7.4(ii) (Capitalization).

"Claim" means any demand, lawsuit, proceeding, claim, investigation, inquiry, arbitration, mediation, or any other type the lawsuit, arbitration or administrative proceeding, individual or collective and/or any claim that may represent a Loss.

"Third-party Claim" has the meaning set forth in Clause 8.7.

"Direct Claim" has the meaning set forth in Clause 8.6.

"Adjustment Statement" has the meaning set forth in Clause 3.5.

"Easynvest's Intellectual Property Rights" has the meaning set forth in "**Section 7.2(xxiii)**" of the Easynvest's Disclosure Letter.

"Adjustment Documents" has the meaning set forth in Clause 3.5.

"Investment Documents of Nubank's Shares" has the meaning set forth in Clause 6.2(vi).

"DTVM Nubank" has the meaning set forth in Whereas Clause (ix).

"Business Day" means any day other than Saturday, Sunday or another day on which the banks are authorized or obligated to be closed in the City of São Paulo, State of São Paulo.

"Easycred" has the meaning set forth in Whereas Clause (vi).

"Easvnvest Corretora de Seguros" has the meaning set forth in the Preamble.

"Easvnvest Gestão de Recursos" has the meaning set forth in the Preamble.

"Easvnvest Holding Financeira" has the meaning set forth in the Preamble.

"Easvnvest Participações" has the meaning set forth in the Preamble.

"Material Adverse Effect" means, (A) in relation to the Easynvest Companies, any event, change or development that represents material effects against the business, financial condition, properties, assets, liabilities or operational results of the Easynvest Companies, taken as a whole, resulting in (i) net withdrawals (gross deposits deducted from gross withdrawals) of the assets under the custody of the Broker (Asset Under Custody – AUC) in an amount equivalent to or above ten percent (10%) of the assets under the custody of the Broker on the Signature Date (in which case, after such net withdrawals, the total assets under the custody of the Broker, not considering the changes in prices of the financial prices in the Market, are equivalent to or less than ninety percent (90%) of the assets under the custody of the Broker on the Signature Date); and/or (ii) any damage to the image of the Easynvest Companies and/or the Easynvest Shareholders holding an equity interest above five percent (5%) of the capital of any of the Easynvest Companies by virtue of any investigation, proceeding or procedure related to the determination of any possible violation to the Anticorruption Law; (B) in relation to the Investor, the Guarantors and Nu Holdings, means, any event, change or development that represents material effects against the business, financial condition, properties, assets, liabilities or operational results of the Investor, the Guarantors and Nu Holding, taken as a whole, resulting in (i) net withdrawals (gross deposits deducted from gross withdrawals) of the amounts deposited in Nucontas in an amount equivalent to or above ten percent (10%) of the amounts held or deposited in Nucontas on the Signature Date; and/or (ii) any damage to the image of the Investor, Nu Holdings and/or the Guarantors, or any shareholder of the abovementioned parties, provided that holding an equity interest above five percent (5%) of the capital of any of the abovementioned parties by virtue of any investigation, proceeding or procedure related to the determination of any possible violation to the Anticorruption Law. For purposes of definition of Material Adverse Effect, "Nucontas" means (i) the prepaid payment accounts with Nu Pagamentos; and (ii) the funds deposited by the clients in Nu Financeira in Bank Deposit Receipts (RDB) and Bank Deposit Certificates (CDB).

Provided that any material effects arising, derived or resulting from:

(i) this Agreement or the operation set forth herein, or the corresponding announcement to the press or disclosure under the regulatory requirements;

(ii) the change in the Brazilian and/or global economic and/or political conditions and/or capital, financial and/or foreign exchange markets and/or market where the Parties operate; and

(iii) the beginning or maintenance of natural disasters, wars, social and political events, terrorism practices (or similar practices), pandemic or any other *force majeure* event,

shall not be considered as a Material Adverse Event and shall not be considered in the determination whether any Material Adverse Effect effectively took place and/or could reasonably take place.

"Debts" means, in relation to the Easynvest Companies, the sum of the debts with individuals and/or legal entities, except for accounts payable to suppliers and Taxes in the Normal Course of Business (except for amounts not paid and/or in dispute), including, but not limited to, loans and financing with third parties and related parties, issuance of fixed income notes, convertible or not, in the local and/or international capital market, sum of pledges, sureties and guarantees provided to third parties (not including the guarantees provided to third parties in the Normal Course of Business), advanced receivables, assignment and/or discount of receivables with recourse, advanced foreign exchange contracts, as well as amounts payable to shareholders, net of balance receivable (or added by the balance payable) from derivative agreements, including hedge and/or swap. For purposes of clarification, Debt, for the purposes of this Agreement, shall not include the payment obligations of Easynvest Participações set forth in SPA Vérios, which shall not be, under any circumstance, greater than twelve million reais (R$12,000,000.00).

"Maximum Debt" has the meaning set forth in Clause 3.5.1(ii).

"Closing" has the meaning set forth in Clause 6.1.

"Guarantor" has the meaning set forth in the Preamble.

"Encumbrances" means, in relation to a specific property, right or asset, not subject to any burden, secured guarantee or personal guarantee, including, but not limited to, pledge, conditional sale, pledge, attachment, mortgage, use in confession of debts, lease, sublease, licensing, way of pass, borrowing, charge, any type of judicial or administrative restriction or encumbrance of any nature, as well as any Third-party rights, including, but not limited to, usufruct, repurchase right, stock option, preemptive right or tag along right, voting agreement or any other similar right that, on any account, binds, limits, restricts or subjects or that could bind, limit, restrict or subject, directly or indirectly, the ownership, holding and/or free use and disposal of a specific property, right or asset and/or all and any related rights.

"IBRACOR" means the Brazilian Institute of Self-Regulation of the Market of Insurance Brokers.

"Basel Index" means, in relation to the Broker, the Basel Index calculated in accordance with article 7, item I, of BACEN Circular 3,930, of February 14, 2019.

"Minimum Basel Index" has the meaning set forth in Clause 3.5.1(v).

"Confidential Information" has the meaning set forth in Clause 10.1.

"Intervening Consenting Parties" has the meaning set forth in the Preamble.

"Investor" has the meaning set forth in the Preamble.

"IPCA" means the Extended Consumer Price Index, as disclosed by the Brazilian Institute of Geography and Statistics (IBGE).

"José Mendes" has the meaning set forth in the Preamble.

"LAPEF VI" has the meaning set forth in Clause 9.1(ii).

"Law" means any law, decree, regulation, regulatory requirement, rule, direction, instruction, resolution, mandate, decision, judicial order, corrective measure, determination or requirement by any Governmental Authority, including the tax, legal and monetary authorities, regardless of determined by a formal law or not.

"Brazilian Corporation Law" means Law 6404, of December 15, 1976, as amended.

"Arbitration Law" has the meaning set forth in Clause 12.2.

"Anticorruption Law" means any applicable Brazilian Laws in force for prevention and fight against corruption, money laundering, administrative improbity, and other similar violations, including, but not limited to, the Anticorruption Law (Law 12,846/2013, as amended), the Criminal Code (Decree Law 2,848/1940, as amended), the Bidding and Administrative Agreement Law (Law 8,666/93, as amended), the Tax Order Crime Law (Law 8,137/90, as amended), the Anticorruption Law of Foreign Public Officers in International Commercial Transactions (Decree 3,678/00, as amended), the Administrative Improbity Law (Law 8,429/92, as amended), the Money Laundering Law (Law 12,683/2012, as amended) and, as applicable, the US Foreign Corrupt Practice Act - FCPA".

"Mareio" has the meaning set forth in the Preamble.

"Basket Amount" has the meaning set forth in Clause 8.3(ii).

"Restricted Business" means the development and/or operation of the retail investment platform in Brazil, including the following activities (always mainly directed to the retail market): (a) intermediation, distribution and brokerage of marketable securities, including pension plan products; and/or (b) manager exclusively related to robot advisor or management of net asset funds, which quotas are mainly distributed in its own retail platform.

"BACEN's Notice" has the meaning set forth in Clause 5.7.

"CADE's Notice" has the meaning set forth in Clause 5.8.

"Adjustment Notice" has the meaning set forth in Clause 3.5.

"Price Disagreement Notice" has the meaning set forth in Clause 3.5.2.

"Indemnity Notice" has the meaning set forth in Clause 8.6(i).

"Third Party's Indemnity Notice" has the meaning set forth in Clause 8.7.

"Nu Financeira" has the meaning set forth in the Preamble.

"Nu Holdings" has the meaning set forth in the Preamble.

"Nu Pagamentos" has the meaning set forth in the Preamble.

"Operation" has the meaning set forth in Whereas Clause (x).

"Payment of the Nubank's Shares" has the meaning set forth in Clause 4.2(ii).

"Party" and/or "Parties" has the meaning set forth in the Preamble.

"Indemnifying Party" has the meaning set forth in Clause 8.6.

"Indemnified Party" has the meaning set forth in Clause 8.6.

"Investor Indemnified Party" has the meaning set forth in Clause 8.1.

"Easynvest Indemnified Party" has the meaning set forth in Clause 8.4.

"Related Parties", in relation to one Party, the Person that is: (A) the subsidiary and/or Affiliate; (B) Controls, is Controlled or is under common Control; (C) the associate; (D) the shareholder, director and/or member of the fiscal council, including subsidiaries and/or Affiliates; (E) in relation to an individual, the direct or collateral descendants or ascendants up to the second degree, biological or not (adopted) (except for the Withdrawals, which collateral shall refer up to the third degree); (F) in relation to investment funds, the managers or administrators or other funds and/or investment vehicles managed and/or administered by such managers.

"Reference Equity" means, in relation to the Broker, the Reference Equity calculated in accordance with CMN Resolutions 4,192 and 4,193, of March 1, 2013.

"Equity" means, in relation to the Easynvest Operational Companies, the total equity of the Easynvest Operational Companies.

"Minimum Equity" has the meaning set forth in Clause 3.5.1(iii).

"Paulo" has the meaning set forth in the Preamble.

"Loss" means, without duplicity, any losses, disbursements, fines, rates, penalties, damages, costs, expenses, responsibilities or obligations (including fees and reasonable legal costs, accountants' fees and other professional fees), effectively incurred or suffered by any Person, provided that the Losses under the terms set forth in this instrument shall not include the losses relating to loss of profits (except for Third-party Claims) or Losses relating exclusively to the evaluation of the Easynvest Companies (i.e. "multiple of income", "multiple of cash flow", "multiple of earnings").

"Review Term" has the meaning set forth in Clause 3.5.2.

"Transition Period" has the meaning set forth in Clause 5.10.

"Person" means, however the case may be, any individual or legal entity, of any nature, including, but not limited to, any corporation or limited-liability company, association, foundation, consortium, company, company without legal personality, investment fund, condominium, pension fund and Governmental Authority.

"Key Person" has the meaning set forth in Clause 9.2.

"Easynvest Option Plan" means, collectively, the 1st Option Plan and the 2nd Option Plan.

"1st Option Plan" means the Broker's 1st Stock Option Plan, as approved at the Extraordinary Shareholders' Meeting held on April 30, 2019.

"2nd Option Plan" means the Broker's 2nd Stock Option Plan, as approved at the Extraordinary Shareholders' Meeting held on February 3, 2020, based on which the following programs were implemented (i) the 1st Stock Option Plan, with total volume of three hundred and two thousand, six hundred and thirty-five (302,635) Broker's Class A preferred shares; and (ii) the 2nd Stock Option Plan, with total volume of three hundred and two thousand, six hundred and thirty-five (302,635) Broker's Class B preferred shares."

"Easynvest's Phantom Share Plan" means the Broker's Shared-based Payment Program with Settlement in Cash – Phantom Shares, as approved at the Extraordinary Shareholders' Meeting held on February 3, 2020, which beneficiaries are described in "**Annex 5.3(iv)(a)**" hereof.

"Base Acquisition Price" has the meaning set forth in Clause 3.1.

"Closing Acquisition Price" has the meaning set forth in Clause 3.4.

"Accounting Principles" means the accounting principles generally accepted and in effect in Brazil or in the Cayman Islands, however the case may be, based on Law 6,404/76, the rules issued by the Brazilian Securities and Exchange Commission (CVM), the accounting standards defined by the Federal Accounting Council and the Brazilian Institute of Independent Auditors (IBRACON), the resolutions undertaken by the Federal Accounting Council (CFC), the Accounting Plan of the Institutions of the National Financial System (Cosif) and the International Financial Reporting Standards (IFRS), however the case may be.

"PTAX" means, on a specific Business Day, the foreign exchange rate used as reference for the US sales quotation, published by BACEN on such Business Day, mainly referred to as Sales PTAX (or any other foreign exchange rate published by BACEN that may replace this rate).

"Own Funds" means, in relation to the Easynvest Companies, the difference between (1) the funds and other financial assets comprised of (i) cash and cash equivalents, (ii) interbank investments, (iii) marketable securities; and (iv) other immediately available financial assets; and (2) the liabilities representing (i) the negotiation and intermediation of funds, (ii) the balance of clients; and (iii) the taxes and guarantees from clients. For purposes of clarification, the sub items of items (1) and (2) shall not be considered twice.

"Minimum Own Funds" has the meaning set forth in Clause 3.5.1(i).

"KYC/AML's Regulation" has the meaning set forth in Section 7.2(xxviii) of the Easynvest's Disclosure Letter.

"Arbitration Regulation" has the meaning set forth in Clause 12.2.

"Price Adjustment Report" has the meaning set forth in Clause 3.5.4.

"Post Closing Report" has the meaning set forth in Clause 3.5.4.

"Corporate Reorganization" has the meaning set forth in Whereas Clause (vii).

"Resolution 2,723/00" means CMN Resolution 2,723, of May 31, 2000, as amended, which set forth the rules, conditions and procedures for the establishment of facilities overseas and the direct or indirect investment in Brazil or overseas, by financial institutions and other institutions authorized to operate by BACEN.

"Resolution 4,122/12" means CMN Resolution 4,122, of August 2, 2012, as amended, which provides for the requirements and procedures for changes in shareholding control, corporate reorganizations and conditions for the exercise of positions in statutory bodies of the financial institutions, amongst other matters.

"Withdrawal" means, except for the Authorized Withdrawals: (i) any dividend, distribution (in currency or in cash), capital reduction, redemption, amortization or interest on capital; (ii) any payment performed or agreed (in currency or in cash, including bonus, payment of loans, payments or accumulated interest on commissions or amounts payable as management, monitoring, services, management fees, charges or other payments), as well as any asset transferred, sold or disposed, or including any transfer, sale or disposal accepted/agreed by the Easynvest Companies to the Easynvest Shareholders or any Affiliates (except for the compensation for the services provided and benefits received by the Easynvest Shareholders in the Ordinary Course of Business); (iii) any guarantee, indemnity, responsibility, obligation or Encumbrance assumed or incurred by or on behalf of the Easynvest Companies on behalf of the Easynvest Shareholders or any of the Affiliates, materialized or contingent; (iv) any bonus or another payment performed exclusively by virtue of the Operation paid or subject to payment by the Easynvest Companies to any member of the board of directors, executive officer, administrator, manager, employee or consultant of the Easynvest Companies, or any Person related to any of such Persons or Easynvest Shareholders or any of the Affiliates thereof; (v) the waiver, deferral or disbursement of any amount payable by the Easynvest Shareholders or the Affiliates thereof to the Easynvest Companies; (vi) the signature or amendment of the terms of any loan or debt from or to any Easynvest Shareholder or the Affiliates thereof to or from any Easynvest Companies; (vii) any cost or expense incurred in connection with the Operation paid or incurred by the Easynvest Companies that, for any reason, is not reimbursed by the Easynvest Shareholders to the Easynvest Companies, including any cost relating to the Corporate Reorganization; and (viii) any Tax, cost or expense paid, incurred or payable by the Easynvest Companies by virtue of any of the payments or matters referred to in items (i) to (vii) above. Any payment performed by the Easynvest Companies between August 30, 2020 and the Closing Date by the virtue of the exercise and/or cancellation of the options granted in the context of the Easynvest Option Plan, the Easynvest's Phantom Share Plan and the Carlos Option Agreement, including possible Taxes and expenses, shall be considered as an Authorized Withdrawal for all purposes and effects of this Agreement.

"Authorized Withdrawal" means, exclusively (i) the payments performed to the advisors that participated in the Operation, in the amount of up to thirty million reais (R$30,000,000.00), (ii) the bonus and extraordinary payments performed to employees and/or associates of the Easynvest Companies in connection with this Operation, limited to three million reais (R$3,000,000.00), and provided that the amounts paid do not exceed four hundred thousand reais (R$400,000.00) per person; and (iii) the possible payments that may be performed by Easynvest Companies by virtue of the exercise and/or cancellation of the options granted in the context of the Easynvest Option Plan and the Easynvest's Phantom Share Plan, up to the limit of five hundred thousand reais (R$500,000.00).

"Sanctions" means economic or financial sanctions, or commerce restrictions imposed, managed or applied, from time to time, by (a) the European Union and implemented by the State members; (b) the Organization Security Council of the United Nations; (c) the Her Majesty's Treasury of the United Kingdom; or (d) the US government, including those administered by the U.S. Treasury, Office of Foreign Assets Control.

"SPA Vérios" means the Share Purchase and Sale Agreement and Other Covenants, entered into between Easynvest Participações, Vérios and other, on August 19, 2020, for purposes of acquisition of 100% of Vérios by Easynvest Participações.

"Easynvest Companies" means, collectively, Easynvest Holding Financeira, Easynvest Participações, Easynvest Corretora de Seguros, Easynvest Gestão de Recursos and the Broker, provided that (i) in the event the authorization for establishment of Easycred has been granted by BACEN before the Closing Date, and/or (ii) in the event the acquisition of Vérios is concluded before the Closing Date, such definition shall also include Vérios and/or Easycred, as applicable, for all purposes and effects of this Agreement.

"Easynvest Operational Companies" means, collectively, Easynvest Corretora de Seguros, Easynvest Gestão de Recursos and the Broker.

"SUSEP" means the Superintendent of Private Insurance.

"Third Party" means any Person other than the Parties and/or the Easynvest Companies.

"Arbitration Court" has the meaning set forth in Clause 12.3.

"Taxes" means any tax, social contribution, social security contribution, fee or other rates imposed by any Governmental Authority, including taxes on income, gross income, consumption, ownership, sales, gains, use, license, customs rights, transfer, payroll, withholding tax, pension fund, income, donations, labor indemnity, added value, credit, services, lease, employment, seal and other taxes, including, but not limited to State Sales Tax (ICMS), Excise Tax (IPI), taxes on income (COFINS and PIS), Social Contribution on Net Income (CSLL), Tax on Services (ISS), Urban Property Tax (IPTU), Rural Property Tax (ITR), Tax on Real Estate Transmission (ITBI), Tax on Causa Mortin Transmission and Donation (ITCMD), Tax on Vehicles (IPVA), Income Tax (IR), Withholding Income Tax (IR-Withholding), National Institute of Social Security (INSS), Brazilian Government Severance Indemnity Fund (FGTS) and Tax on Financial Operations (IOF), including interest, fines or additions attributable thereto or attributable to any omission in the performance of any obligation relating to tax returns.

"Par Value" has the meaning set forth in Clause 4.2(i).

"Vérios" means Vérios Gestão de Recursos S.A., company headquartered in the City of São Paulo, at Avenida Angélica, 2529, 2nd floor, InovaBra Habitat, Bela Vista, Zip Code 01227-200, enrolled with CNPJ/ME 23.351.397/0001-61.

* * * * *

Exhibit 12.1

CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Vélez Osorno, certify that:

1. I have reviewed this annual report on Form 20-F of Nu Holdings Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. [Reserved];

c. Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April, 20, 2022

By: /s/ David Vélez Osorno
Name: David Vélez Osorno
Title: Chairman and Chief Executive Officer

Exhibit 12.2

CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Guilherme Marques do Lago, certify that:

1. I have reviewed this annual report on Form 20-F of Nu Holdings Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the company and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. [Reserved];

c. Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.

5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 20, 2022

By:	/s/ Guilherme Marques do Lago
Name:	Guilherme Marques do Lago
Title:	Chief Financial Officer

Exhibit 13.1

CERTIFICATION BY THE PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with the Annual Report on Form 20-F of Nu Holdings Ltd. (the "Company") for the fiscal year ended December 31, 2021 (the "Report"), I, David Vélez Osorno, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 20, 2022

By: /s/ David Vélez Osorno
Name: David Vélez Osorno
Title: Chairman and Chief Executive Officer

Exhibit 13.2

CERTIFICATION BY THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with the Annual Report on Form 20-F of Nu Holdings Ltd. (the "Company") for the fiscal year ended December 31, 2021 (the "Report"). I, Guilherme Marques do Lago, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 20, 2022

By: /s/ Guilherme Marques do Lago
Name: Guilherme Marques do Lago
Title: Chief Financial Officer

Exhibit 21.1

Subsidiaries of the Registrant

The following are the subsidiaries of the Registrant:

#	Entity	Principal activities	Functional currency	Country
1	Nu 1-B, LLC (“Nu 1-B”)	Holding Company	US$	USA
2	Nu 2-B, LLC (“Nu 2-B”)	Holding Company	US$	USA
3	Nu 3-B, LLC (“Nu 3-B”)	Holding Company	US$	USA
4	Nu 1-A, LLC (“Nu 1-A”)	Holding Company	US$	USA
5	Nu 2-A, LLC (“Nu 2-A”)	Holding Company	US$	USA
6	Nu 3-A, LLC (“Nu 3-A”)	Holding Company	US$	USA
7	Nu Payments, LLC (“Nu Payments”)	Holding Company	US$	USA
8	Nu MX LLC (“Nu MX”)	Holding Company	US$	USA
9	Nu Cayman Ltd (“Nu Cayman”)	Investment company	US$	Cayman
10	Nu Finanztechnologie GmbH (“Nu Finanz”)	Technology E-Hub	EUR	Germany
11	Nu BN México, S.A. de CV (“Nu México”)	Multiple purpose financial company	MXN	México
12	Nu BN Servicios México, S.A. de CV (“Nu Servicios”)	Credit card operations	MXN	México
13	Nu BN Tecnologia, S.A de CV (“Nu Tecnologia”)	Computer consulting service	MXN	México
14	Nu Colombia S.A. (“Nu Colombia”)	Credit card operations	COP	Colombia
15	Nu Argentina S.A. (“Nu Argentina”)	Talent E-Hub	ARS	Argentina
16	Cognitect, Inc. (“Cognitect”)	Technology E-Hub	US$	USA
17	Internet – Fundo de Investimento em Participações Multiestratégia (“Internet FIP”)	Investment company	BRL	Brazil
18	Nu Pagamentos S.A. – Instituição de Pagamentos (“Nu Pagamentos”)	Credit card and prepaid account operations	BRL	Brazil
19	Nu Financeira S.A. – SCFI (“Nu Financeira”)	Loan operations	BRL	Brazil
20	Nu Asset Management Ltda. (“Nu Asset”) – former “Nu Investimentos”	Fund manager	BRL	Brazil
21	Nu Distribuidora de Títulos e Valores Mobiliários Ltda. (“Nu DTVM”)	Securities distribution	BRL	Brazil
22	Nu Produtos Ltda. (“Nu Produtos”)	Insurance commission	BRL	Brazil
23	Nu Participações Financeiras S.A (“Nu Participações Financeiras”) – former “Easynvest Holding Financeira”	Holding Company	BRL	Brazil
24	Nu Invest Corretora de Valores S.A (“Nu Invest”) former “Easynvest TCV”	Investment platform	BRL	Brazil
25	Nu Participações S.A. (“Nu Participações”) – former “Easynvest Participações”	Holding Company	BRL	Brazil
26	Nu Corretora de Seguros Ltda. (“Nu Corretora de Seguros”) – former “Easynvest Corretora”	Insurance commission	BRL	Brazil
27	Easynvest Gestão de Recursos Ltda. (“Easynvest Gestão”)	Fund manager	BRL	Brazil
28	Vérios Gestão de Recursos S.A. (“Vérios”)	Fund manager	BRL	Brazil
29	Nu Plataformas – Intermediação de Negocios e Serviços Ltda (“Nu Plataforma”)	Services platform	BRL	Brazil
30	Nu Tecnologia S.A (“Nu Tecnologia”)	Multiple purpose financial company	UYU	Uruguay
31	Nu México Financiera, S.A. de C.C., - former(“Akala”)	Multiple purpose financial company	MXN	México
32	Nuplat S.A. ("Nuplat")	Talent E-Hub	UYU	Uruguay

33	Spin Pay Serviços de Pagamentos Ltda. ("Spin Pay")	Payment Hub	BRL	Brazil
34	Olivia AI, Inc ("Olivia Inc")	Services platform	US$	USA
35	Olivia AI do Brasil Participações Ltda. ("Olivia Participações")	Services platform	BRL	Brazil
36	Olivia AI do Brasil - Instituição de Pagamento Ltda. ("Olivia IP")	Services platform	BRL	Brazil

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement on Form S-8 (333-261924) of Nu Holdings Ltd. of our report dated April 20, 2022, with respect to the consolidated financial statements of Nu Holdings Ltd.

/s/ KPMG Auditores Independentes Ltda.

São Paulo, Brazil
April 20, 2022