

Cashea: Rebuilding Consumer Credit in a Country That Lost It

A Venezuelan fintech case for our session with Pedro Vallenilla (CEO), Arnoldo Gabaldón (CFO), and Iván Montoya (NuMundo Ventures)

Updated April 2026

Read this backgrounder before class. Estimated reading time: 15–18 minutes. Discussion questions are at the end — come prepared to engage with at least two of them. We will spend the first half of the session in conversation with the founders and the second half with our investor guest exploring the capital and ecosystem questions emerging-market entrepreneurs face. Two of the most interesting developments in this case happened in the last eight months: a creative use of the Caracas Stock Exchange to solve a working-capital problem, and an alleged large-scale data breach that surfaced in February 2026. Both are worth your attention.

1. The country where credit disappeared

In 2014, Venezuela had roughly 10 million active credit cards. By 2021, formal consumer credit in the country had collapsed to a historic low of about US\$200 million in outstanding balances, down from US\$16 billion seven years earlier. For most Venezuelans, the credit card in their wallet was effectively a museum piece, frequently capped at monthly limits as low as US\$60.

How did an entire country lose access to credit? A combination of factors. Hyperinflation reached the multi-thousand-percent range. The government legally capped lending interest rates at around 28% even as annual inflation ran in the triple or quadruple digits, which made consumer lending economically suicidal for banks: a loan worth \$100 at origination might be worth \$30 a few months later, and the bank could not legally raise the repayment to compensate. In 2019, regulators tightened bank reserve requirements to fight inflation, which had the side effect of starving lending almost completely. Sanctions, the collapse of oil revenues, and a roughly 75% contraction of GDP did the rest. By the early 2020s, consumer credit represented around 2% of total bank portfolios in Venezuela — a vanishingly small sliver of an already shrunken financial system.

This is the macro environment into which Cashea launched in October 2022. Credit was not a frontier-market novelty waiting to be introduced for the first time, as it might be in parts of Africa or Southeast Asia. Venezuelans had previously enjoyed deep credit penetration. They knew what consumer credit was, missed it, and had a latent demand for it that traditional banks were structurally unable to satisfy. That distinction — reintroducing rather than introducing credit — turns out to matter a great deal for how Cashea grew and how its risk model performs. To put a sharper point on the present: by early 2026,

independent Venezuelan economists were estimating that Cashea's outstanding credit book was roughly 2.5 times the size of the entire traditional Venezuelan banking system's consumer-loan portfolio.

2. A founder shaped by failure

Pedro Julio Vallenilla Sosa is, in his own telling, an accidental fintech founder. He grew up in Caracas, graduated from Universidad Metropolitana (UNIMET) in 2008, and started his first company, TuDescuentón, at age 21. It was a Groupon-style daily-deals site and the first group-buying platform in Venezuela. The company sold roughly \$100,000 in coupons in its first 48 hours of operation, eventually moved over a million coupons, and became one of the largest e-commerce platforms in the country. Vallenilla, by his own admission, briefly developed what he calls a "Steve Jobs complex" and assumed his next ventures would be just as easy. They were not.

Several startups followed and most did not work. He founded Elemétrica, a sales and behavioral analytics tool for restaurants and retailers, which served clients including Subway, Samsung, and Burger King but never reached the scale he wanted. A hospitality-services business he was running was wiped out by COVID. By the early pandemic, Vallenilla had effectively decided to stop being an entrepreneur. He told his wife he needed a normal job, started interviewing, and accepted the only offer he received: at Colektia, a debt-collection startup founded by two fellow Venezuelans, Gabriel and Oswaldo Monroy.

Working in collections turned out to be the formative experience of his career. Combined with earlier exposure he had to consumer-credit portfolio management for large banks in Mexico, the Colektia role gave him a granular view of how credit decisions go right and wrong, what alternative data signals predict repayment, and where traditional credit scoring fails. The insight that became Cashea was simple in hindsight: in a country where credit had collapsed, the people most starved of it were not unbankable risks. Many had been excellent borrowers before the system disappeared underneath them. Modern alternative-data underwriting, applied at the right scale, could rebuild a credit graph from scratch.

3. Building the founding team

Cashea was founded in late 2021 and launched in October 2022 by four cofounders, each bringing a different piece of the puzzle:

- Pedro Vallenilla, CEO. Serial Venezuelan entrepreneur with a credit-collections background and direct experience inside multiple Latin American fintech ecosystems, including a stint mentoring at Start-Up Chile. Now based primarily in Miami, with frequent travel to Caracas.
- Ramón Lange Fernández, COO. Spent five years at Rappi in operating roles that included City Manager, Head of Expansion for Colombia, and Global Head of New Business & Expansion. Brought the operational playbook for scaling a hyperlocal consumer service across Latin America.

- Nicolás Curat, CTO. Argentine-Venezuelan technologist and serial software builder. Cashea was first incorporated and built out of Argentina, where Curat is based, even though it was, in his words, "crafted for Venezuela."
- Arnoldo Gabaldón, CFO. Stanford GSB MBA and Harvard Kennedy School MPA. Former Engagement Manager at McKinsey & Company in corporate strategy and finance, and former COO of Tangelo, a fintech building digital credit products for consumers and SMBs. Brings the financial discipline and capital-markets fluency that a credit business demands. As of 2026, Arnoldo also leads the company's most ambitious capital-markets innovation, described in Section 7 below.

The team composition is worth pausing on. This is not a typical "two technical cofounders out of college" story. The median Cashea founder is in their late thirties with a decade of relevant operating experience, often outside Venezuela. They came back — or stayed connected — to build in a country most of their professional peers were leaving. By early 2026, Cashea employed approximately 700 people across more than ten nationalities, spread across 25 Venezuelan cities and remote teams throughout Latin America.

4. The regulatory gauntlet

Silicon Valley orthodoxy says move fast, ship, and ask forgiveness rather than permission. Vallenilla rejects that framing for emerging markets explicitly. His view is straightforward: if a regulator can shut your business down overnight, asking forgiveness is not a strategy, it is a suicide pact. He had learned this firsthand at TuDescuentón a decade earlier, where regulatory friction had hamstrung growth.

Cashea took the opposite approach. Before launching, the team prepared a roughly 1,500-page regulatory submission for Venezuela's Ministry of Finance and SUDEBAN, the banking regulator, explaining the business model in detail and proposing how it would operate within the existing legal framework. The submission was rejected four times. The fifth iteration, after about eight months of back-and-forth, received approval. Only then did Cashea launch.

Two structural innovations emerged directly from these regulatory constraints, and both turned out to be commercial advantages rather than burdens. First, Cashea is structurally not a lender of record, which sidestepped the interest-rate cap that had killed credit-card economics for the banks. Second, the merchant-financing architecture (described in the next section) means Cashea does not warehouse credit risk on its own balance sheet in the way a traditional consumer lender would. The regulatory cage forced a more capital-efficient model than the founders might have built if left to their own devices.

5. The business model: merchant-financed BNPL

Cashea looks to consumers like a standard buy-now-pay-later app. A user shops at one of more than 5,000 partner merchants (around 16,000 store locations across 26 cities), splits the purchase into installments

— typically a 40–60% upfront payment followed by interest-free biweekly installments — and pays nothing in interest if they pay on time. To the merchant, however, the architecture is unusual.

In a typical BNPL model (Klarna, Affirm, Afterpay), the BNPL provider raises debt capital, pays the merchant in full at the time of purchase, and carries the consumer credit on its own balance sheet. Cashea inverts this. The merchant effectively finances the installment purchase from its own working capital. Cashea handles risk scoring, collection, and the consumer-facing experience, and only steps in financially if the consumer fails to pay — at which point Cashea purchases the delinquent receivable from the merchant. The company's revenue comes from a commission charged to merchants on each transaction (merchants accept this because Cashea typically lifts the average ticket size by around 30%) plus late fees from delinquent users.

Two consequences of this design are worth highlighting. First, Cashea's capital intensity is dramatically lower than a balance-sheet lender's, which is how it has reached more than US\$300 million in monthly transaction volume on roughly US\$2.1 million in total equity raised. The CFO, Arnoldo Gabaldón, has described the model in interviews as deliberately "cash-light." Second, the company's loss exposure is bounded by the share of transactions that go delinquent and that it must absorb. As of early 2026, Cashea reported losing approximately \$0.90 for every \$100 of transaction volume — a default rate the founders describe as best-in-class globally for any consumer credit product, in any market. For comparison, Affirm reported delinquency rates of around 2.4% in 2024 and Block's Afterpay reported figures around 4% in 2023.

Why are default rates so low in a country with this much economic stress? The founders point to several factors: the gamified credit-line graduation system (users start with small lines and earn larger ones by paying on time, creating a strong incentive to maintain a good record); the underlying demand pent up after a decade with no credit; a culturally strong repayment norm in Venezuela; and the small initial ticket sizes that filtered out adverse selection in the early cohorts. The first products on the platform were what the team called "línea cotidiana" — phones, glasses, shoes, basic goods in the \$80–100 range — and they grew the credit graph from that base.

6. Scaling: one shopping mall at a time

Cashea did not blanket Venezuela at launch. The team picked a single shopping mall in Caracas and saturated it: yellow-shirted promoters at the entrance, signage at every store, in-mall workshops for store managers. Once the mall was running smoothly, they moved to the next one. The strategy was deliberately hyperlocal, designed to compound network effects on a manageable footprint before expanding the surface area.

It also did not work at first. According to Vallenilla, the first two weeks after launch produced effectively zero downloads and zero transactions. The team had assumed customers would migrate online to discover the app and then bring it into stores. The reverse turned out to be true: Venezuelans were already

buying offline, and the trust signal needed to live at the point of sale, not on the phone. The mall-by-mall ambassador program emerged from that early failure.

By early 2026 the company reports being installed on roughly 40% of smartphones in Venezuela, with more than 8 million users (in a country of roughly 28 million people), processing more than 1.5 transactions per second and around US\$300 million in monthly volume. Transactions running through Cashea now equal approximately 3.5% of Venezuelan GDP by Forbes Latin America's reporting, and as much as 4% by some independent estimates. The verb "cashear" has entered everyday Venezuelan Spanish — including, occasionally, in pop songs. In September 2025, Cashea's four cofounders were collectively selected as Endeavor Entrepreneurs through Endeavor Argentina, making Cashea the first Venezuelan-based company in the Endeavor network.

Pedro's stated reference company is not Klarna or Affirm but Kaspi, the Kazakh super-app that achieved a wallet-share measured as a percentage of national GDP rather than as annual revenue. Pedro has been explicit that BNPL is, for him, only the wedge: the long-term goal is to become the default consumer financial layer for Venezuela and, eventually, for other underserved Latin American markets. Geographic expansion has been deferred, however. Plans to open a second country before the third anniversary in October 2025 were postponed. The current public posture is that depth in Venezuela still has more value to capture than breadth elsewhere — though that calculus could change quickly.

7. Innovating on the capital side: the Caracas Stock Exchange

Cashea's capital-light architecture has an obvious second-order problem. If merchants are the ones effectively financing each installment plan, then a merchant's working capital becomes increasingly tied up in receivables as their Cashea volume grows. In an economy with double-digit monthly inflation and a depreciating currency, a peso of receivable today is worth meaningfully less by the time the customer's last installment arrives. As Cashea scaled, this cash-flow squeeze on its merchant base became a real strategic constraint — the success of the platform was creating the next bottleneck.

In August 2025, Cashea announced a creative response. The company began bundling merchant receivables and listing them on the Caracas Stock Exchange (Bolsa de Valores de Caracas, or BVC) — specifically through the BVC's "Other Goods Market" (Mercado de Otros Bienes), a relatively new segment of the exchange designed for non-standard financial instruments. Cashea purchases the bundled receivables from its merchants at a discount of roughly 1–5%, using a combination of its own capital and private financing, and the receivables become Stock Financing Certificates (Certificados de Financiamiento Bursátil) that can be traded among Venezuelan investors. Pedro described the move in a Bloomberg interview as the company's "next phase," framing the exchange as an instrument to invigorate the Venezuelan economy.

The strategic logic deserves a moment of reflection. The Caracas Stock Exchange has been moribund for most of the past two decades — daily trading volumes that were \$25–30 million in the late 1990s collapsed

to under \$1 million by 2000 and have only modestly recovered. Cashea is, in effect, using a piece of dormant Venezuelan capital-markets infrastructure to solve a problem that the missing private credit market would normally solve in any other country. By 2025, the BVC's president was publicly describing Cashea as one of the largest issuers in the Other Goods Market segment. This is regulatory and institutional creativity of an unusually high order, and it is the kind of move that is essentially invisible from the standard Silicon Valley fintech playbook.

It is also worth noting what this initiative is and is not. It is not a public listing of Cashea equity. It is the issuance of fixed-income-like instruments backed by Cashea-curated merchant receivables. It expands the universe of capital available to Cashea's merchant network without forcing Cashea to take that credit onto its own balance sheet. It is, in spirit, structurally consistent with the founding capital-light philosophy — Cashea is again the orchestrator of a flow of credit it does not itself warehouse.

8. The investor view: capital in frontier markets

In 2023, Iván Montoya — a Colombian-born, US-raised operator-turned-investor based in Silicon Valley, and the managing partner of NuMundo Ventures — met Pedro on what was probably the least conventional fundraising path in fintech. NuMundo focuses on pre-seed and seed-stage Latin American founders and provides the kind of operational support typically reserved for Series A or B portfolios: introductions, GTM advice, board-level coaching, and active fundraising help. Montoya has been on record describing his investment in Cashea as one of the most important bets of his career.

The conviction question is non-trivial. When NuMundo wrote its check, the audience for "BNPL fintech in Venezuela" was, charitably, small. Montoya has described pitching the deal in rooms where almost no investors would raise their hands when asked whether they would invest in fintech in Venezuela. By late 2025, with US\$120 million in ARR and roughly US\$2.1 million of equity raised since inception, Cashea was being widely cited inside Latin American venture circles as one of the most important companies started in the region in the past decade — a sharp shift from the institutional skepticism it faced two years earlier. Montoya has used the company as a case study for what he calls the "laws of startup physics": obsession with product-market fit before scaling, sound unit economics from day one, and humility plus a defensible market insight in the founder.

For our class, Iván's presence raises a different set of questions than the founders' presence. How does a frontier-market VC build conviction when the comparables are absent and the macro looks like a nightmare? How should founders in similar contexts find and evaluate capital partners? What is the role of diaspora networks, Silicon Valley relationships, and downstream capital availability in shaping which emerging-market companies actually scale?

9. Stress test: the alleged February 2026 breach

On February 21, 2026, a user on the cybercrime forum BreachForums posted what was claimed to be a Cashea database dump: roughly 79 million transaction records, approximately 30 million store records

(including bank details, account numbers, phone numbers, and payment methods), and the profile data of about 15,000 partner merchants. The dump was reportedly 46.5 GB compressed and shared in JSON format. Sample records circulated by the threat actor included full names, national identification numbers, and timestamped purchase and installment histories. If authentic, the leak would rank among the largest fintech data exposures in Latin American history.

As of the most recent public reporting available at the time of this case, Cashea has not officially confirmed or denied the incident. Independent Venezuelan security researchers and outlets, including Caracas Chronicles in late March 2026, have treated the dump as credible based on the structure and recency of the sample data, and have placed it in the context of a broader pattern of inadequate cybersecurity investment across Venezuela's fastest-growing consumer technology companies — a pattern they argue reflects the cost of optimizing for distribution and growth in a market where data-protection regulation is comparatively underdeveloped. A separate breach affecting Yummy, the country's leading super-app, surfaced shortly after, reinforcing the pattern.

We will not pre-judge the technical specifics of the incident in this case. What is genuinely worth asking is the strategic and institutional question it raises. Cashea's most important asset is trust — both consumer trust in the integrity of the platform and merchant trust in the data flows that underpin the credit graph. Building that trust took three years of careful operational work. A breach of this scale, if confirmed, is the kind of stress test that asks whether a fast-growing emerging-market fintech can institutionalize the security maturity that Western analogues took a decade or more to develop, while simultaneously scaling product, geography, and capital markets. It also raises a harder question for the broader ecosystem: when local data-protection frameworks are weak, who in the system carries the obligation to set the bar?

This is genuinely live in the news as we meet on Thursday. Treat the breach as a real but still-unresolved data point, ask the founders about it directly if you choose to, and engage with the strategic and institutional questions it raises rather than the narrower technical questions of attribution and scope.

10. Strategic crossroads

Cashea now faces the kind of strategic choices that define what it becomes over the next decade:

- Depth versus breadth. Venezuela is a market where a small, focused company can capture a meaningful share of GDP. Latin America at large is more competitive, with Klarna, Mercado Pago, Addi, Aplazo, and dozens of others already operating. Should Cashea expand regionally now or compound deeper into Venezuela first? Plans to open a second country by late 2025 were deferred.
- From BNPL wedge to super-app. The Kaspi vision implies layering deposits, lending, marketplace, payments, and possibly travel and bill-pay onto the existing user base. Each of those products has a different regulatory profile and a different capital structure. Which to add first, and in what order?

- Capital structure and the BVC initiative. The Caracas Stock Exchange financing program is genuinely novel — but it is also tied to a single domestic market's capital infrastructure. How portable is this innovation if Cashea expands regionally? And what is the right way to layer institutional debt facilities, equity capital, and securitized merchant receivables as the company scales?
- Trust, security, and operational maturity. The alleged February 2026 breach raises the bar on what investments in cybersecurity, data governance, and incident response Cashea must make to keep its trust franchise intact. Doing this in Venezuela, where local regulation provides only limited scaffolding, is harder than doing it in markets with mature data-protection regimes.
- Talent and remote organization. With approximately 700 employees across 10+ nationalities and 25 Venezuelan cities, plus remote teams across the region, Cashea is building a category-defining technology company while most of its senior leaders are scattered across Caracas, Bogotá, Buenos Aires, Miami, and Silicon Valley. How do they make that work as the company doubles or triples in size?

Discussion questions for class

Pick at least two of the following questions and come to class ready to share your view. The most useful preparation is to form a position rather than to memorize facts.

1. In Vallenilla's telling, the "ask permission, not forgiveness" stance was central to Cashea's success in Venezuela. When does that calculus invert? Are there industries or geographies — even within the U.S. — where founders should be more deferential to regulators than current Silicon Valley orthodoxy suggests?
2. Cashea's merchant-financed architecture was, in part, a workaround to regulatory and capital constraints. Constraints often look like obstacles *ex ante* and like advantages *ex post*. Identify a constraint in your own (real or hypothetical) startup context that, if you leaned into it rather than around it, might produce a structurally better business.
3. The Caracas Stock Exchange initiative uses a piece of dormant capital-markets infrastructure to solve a problem that ordinary private credit markets would solve elsewhere. What other "dormant institutions" — in Venezuela, in other emerging markets, or in mature markets — could be re-purposed by a creative founder? What is the general pattern of identifying these opportunities?
4. Pedro went through several failed startups, took a "real job" in collections, and almost left entrepreneurship entirely before founding Cashea. How does this trajectory complicate or refine the standard narrative of the "successful founder"? What would the field of entrepreneurship research look like if we treated career-interruption-and-return paths as the modal case rather than the exception?

5. NuMundo Ventures invested in Cashea when most LatAm-focused investors would not touch Venezuela. What is the right framework for evaluating frontier-market opportunities where the macro environment is genuinely difficult? Where is the line between contrarian-and-correct and contrarian-and-wrong?
6. Cashea reports default losses of roughly 0.9% of transaction volume — substantially better than most consumer credit products in stable economies. What features of the Venezuelan context (cultural, structural, technological) make this possible, and which of those features would and would not travel to other markets if Cashea expanded regionally?
7. The founders explicitly cite Kaspi (Kazakhstan) rather than Klarna or Affirm as their model. What does that choice of reference company tell you about how they think about the long-run shape of the business, and what would have to be true for the Kaspi playbook to actually work in a Latin American context?
8. The alleged February 2026 data breach raises questions about how fast-growing emerging-market fintechs should institutionalize cybersecurity and data governance maturity. If you were advising the Cashea board this quarter, what would your top recommendation be, and how would you sequence security investment against the company's other strategic priorities?
9. If you were advising Cashea on what to do in the next 18 months — geographic expansion, product expansion, fundraising, regulatory engagement, security investment, talent strategy — what would your top recommendation be and why?

Sources and further reading

This backgrounder draws on reporting from Caracas Chronicles, Forbes Latin America, Bloomberg, PYMNTS, the Realistic Optimist, the Startupeable podcast (Enzo Cavalié's interview with Pedro Vallenilla), the Fintech Leaders podcast (Miguel Armaza's interview with Vallenilla), the Burkland Startup Success podcast (Iván Montoya), Endeavor Argentina, NuMundo Ventures, Últimas Noticias and other Venezuelan financial press, and public materials from Cashea. The August 2025 Bloomberg piece on the BVC initiative and Iván Montoya's NuMundo Substack post on Cashea reaching \$120M ARR are the two best single sources for going deeper. For the alleged February 2026 breach, the most substantive reporting is in the Caracas Chronicles March 2026 piece on Venezuelan startup cybersecurity and the Darknetsearch and VECERT analyses; treat technical details as preliminary pending company confirmation.