NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES
ONE STATE STREET
NEW YORK, NEW YORK 10004

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In the Matter of :

ORDER EXPRESS, INC. :

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CONSENT ORDER

The New York State Department of Financial Services (the "Department") and Order Express, Inc. ("Order Express" or the "Company") are willing to resolve the matters described herein without further proceedings.

WHEREAS, Order Express is a money service business that has its principal place of business in Chicago, Illinois, and is licensed by the Department to operate a money transmission business in New York State;

WHEREAS, August 29, 2017, marked the initial effective date of New York's first-in-the-nation cybersecurity regulation, 23 NYCRR Part 500 (the "Cybersecurity Regulation");[1]

[1] Unless otherwise noted, citations and other references to 23 NYCRR Part 500 herein refer to the Cybersecurity Regulation as it read prior to November 1, 2023.

WHEREAS, pursuant to 23 NYCRR §§ 500.1(c) and 500.19(a)(2), Order Express is both a "Covered Entity" and exempt from certain requirements of the Cybersecurity Regulation; and

WHEREAS, the Department conducted an investigation of Order Express's cybersecurity program after the Company experienced a Cybersecurity Event, as defined by 23 NYCRR § 500.1(d), in September 2022, and found multiple violations of the Cybersecurity Regulation.

NOW THEREFORE, in connection with an agreement to resolve this matter without further proceedings, the Department finds as follows:

THE DEPARTMENT'S FINDINGS

Introduction

1. The Department is the primary financial services regulator in the State of New York, and the Superintendent of Financial Services (the "Superintendent") is responsible for ensuring the safety, soundness, and prudent control of the various financial services businesses under the Department's supervision.

2. The Superintendent has the authority to conduct investigations, bring enforcement proceedings, levy monetary penalties, and order injunctive relief against parties who have violated relevant laws and regulations.

3. Among the Superintendent's many obligations to the public is a consumer protection function, which includes the critical protection of individuals' private and personally sensitive data from exposure by licensees of the Department.

4. To support this critical obligation, the Cybersecurity Regulation places on all Covered Entities, including Covered Entities with limited exemptions such as Order Express,[2] a

[2] At the time of the Cybersecurity Event, Order Express's gross revenue exempted the Company from complying with certain sections of the Cybersecurity Regulation. 23 NYCRR § 500.19(a)(2). Order Express continues to qualify for the limited exemption under the revised Cybersecurity Regulation. 23 NYCRR § 500.19(a)(2) (as revised in 2023).

duty to implement and maintain a cybersecurity program with cybersecurity policies and procedures based on a risk assessment and designed to protect the confidentiality, integrity, and availability of their Information Systems, as defined by 23 NYCRR § 500.1(e), as well as any Nonpublic Information ("NPI") contained on their Information Systems. 23 NYCRR §§ 500.1(c), 500.1(e), 500.1(g), 500.1(k), 500.2(b), 500.3, 500.19(a).

5. The Cybersecurity Regulation requires that each Covered Entity conduct periodic risk assessments of its Information Systems sufficient to inform the design of the entity's cybersecurity program and update such risk assessments as necessary to address changes to the Covered Entity's Information Systems, NPI, or business operations. 23 NYCRR § 500.9(a).

6. The results of the risk assessment should inform the design of the Covered Entity's cybersecurity program and policies and procedures. 23 NYCRR §§ 500.2(b), 500.3.

Events at Issue

7. On September 7, 2022, Order Express discovered problems with server connectivity. The Company shut down its network on the same day to investigate further.

8. Two days later, Order Express found a text file on one of its servers claiming encryption of, and exfiltration of data from, the Company's network. The Company's subsequent investigation revealed that just over half of its servers had been encrypted by ransomware.

9. Order Express timely reported to the Department that the Company had been the subject of a ransomware attack.

10. Thereafter, the Department commenced an investigation, which revealed deficiencies in the Company's cybersecurity program.

11. Section 500.9(a) of the Cybersecurity Regulation requires a Covered Entity to conduct a periodic risk assessment that, *inter alia*, "consider[s] the particular risks of the

Covered Entity's business operations related to cybersecurity, [NPI] collected or stored, Information Systems utilized and the availability and effectiveness of controls to protect [NPI] and Information Systems."

12. Section 500.2(b), in turn, requires a Covered Entity to maintain a cybersecurity program that is based on this risk assessment and designed to perform certain core cybersecurity functions, including identification and assessment of "internal and external cybersecurity risks that may threaten the security or integrity of [NPI] stored on the Covered Entity's Information Systems."

13. Although Order Express's annual risk assessment considered operational and information technology risks, the risk assessment failed to consider cybersecurity risks and threats specific to the Company. Moreover, the risk assessment did not consider the adequacy of the controls the Company did have in place. These failures violated § 500.9(a).

14. Because Order Express's annual risk assessment did not sufficiently address cybersecurity risks to Information Systems and NPI, the Company's cybersecurity program was not based on an adequate risk assessment and not designed to identify and assess risks to NPI, in violation of § 500.2(b).

15. Finally, § 500.3 of the Cybersecurity Regulation requires a Covered Entity to implement and maintain written policies that set forth policies and procedures for the protection of the Covered Entity's Information Systems and the NPI stored thereon. The policies must address specified areas as applicable to the Covered Entity's operations, including systems and network security. 23 NYCRR § 500.3(g).

16. Order Express's policies and procedures relating to application and system updates, including deployment of patches, covered only a small number of the third-party

applications and software products Order Express uses. The failure to address updates for all applications and products in use left the Company exposed to known vulnerabilities that could be exploited by threat actors, in violation of § 500.3(g).

Violations of Law and Regulations

17. Order Express failed to conduct a risk assessment sufficient to inform the design of its cybersecurity program, in violation of 23 NYCRR § 500.9(a).

18. Order Express failed to design a cybersecurity program based on the Company's risk assessment and sufficient to identify and assess risks to NPI, in violation of 23 NYCRR § 500.2(b).

19. Order Express failed to implement and maintain written cybersecurity policies addressing systems and network security, in violation of 23 NYCRR § 500.3(g).

NOW THEREFORE, to resolve this matter without further proceedings, the Department and the Company stipulate and agree to the following terms and conditions:

SETTLEMENT PROVISIONS

Monetary Penalty

20. No later than ten (10) days after the Effective Date (as defined below) of this Consent Order, the Company shall pay a total civil monetary penalty to the Department in the amount of Two Hundred Fifty Thousand U.S. Dollars and 00/100 Cents ($250,000.00). The payment shall be in the form of a wire transfer in accordance with instructions provided by the Department.

21. The Company shall not claim, assert, or apply for a tax deduction or tax credit with regard to any U.S. federal, state, or local tax, directly or indirectly, for any portion of the civil monetary penalty paid pursuant to this Consent Order.

22. The Company shall neither seek nor accept, directly or indirectly, reimbursement or indemnification with respect to payment of the penalty amount, including but not limited to, payment made pursuant to any insurance policy.

23. In assessing a civil monetary penalty, the Department has taken into account factors that include, without limitation, the extent to which the Company has cooperated with the Department's investigation; the Company's size and revenue, which exempted it from certain requirements of the Cybersecurity Regulation; and such other matters as justice and the public interest may require.

Full and Complete Cooperation

24. The Company commits and agrees that it will fully cooperate with the Department regarding all terms of this Consent Order.

Further Action by the Department

25. No further action will be taken by the Department against the Company or its successors for the conduct set forth in this Consent Order, provided that the Company fully complies with the terms of the Consent Order.

26. Notwithstanding any other provision in this Consent Order, however, the Department may undertake additional action against the Company for transactions or conduct that were not disclosed in the written materials submitted to the Department in connection with this matter.

Waiver of Rights

27. The Company submits to the authority of the Superintendent to effectuate this Consent Order.

28. The parties understand and agree that no provision of this Consent Order is subject to review in any court, tribunal, or agency outside of the Department.

Parties Bound by the Consent Order

29. This Consent Order is binding on the Department and the Company, as well as any successors and assigns. This Consent Order does not bind any federal or other state agency or any law enforcement authority.

Breach of Consent Order

30. In the event that the Department believes the Company to be in material breach of the Consent Order, the Department will provide written notice to the Company, and the Company must, within ten (10) days of receiving such notice, or on a later date if so determined in the Department's sole discretion, appear before the Department to demonstrate that no material breach has occurred or, to the extent pertinent, that the breach is not material or has been cured.

31. The Company understands and agrees that its failure to make the required showing within the designated time period shall be presumptive evidence of the Company's breach. Upon a finding that a breach of this Consent Order has occurred, the Department has all the remedies available to it under the New York Financial Services Law and any other applicable laws and may use any evidence available to the Department in any ensuing hearings, notices, or orders.

Notices

32. All notices or communications regarding this Consent Order shall be sent to:

For the Department:

Daniel Schiano
Enforcement Counsel
Consumer Protection and Financial Enforcement
One State Street
New York, NY 10002

For Order Express, Inc.:

Jorge Alberto Miranda
Chief Operating Officer
Order Express, Inc.
685 W Ohio Street
Chicago, IL 60654

Miscellaneous

33. This Consent Order and any dispute thereunder shall be governed by the laws of the State of New York without regard to any conflicts of laws principles.

34. This Consent Order may not be altered, modified, or changed unless in writing and signed by the parties hereto.

35. This Consent Order constitutes the entire agreement between the Department and the Company and supersedes any prior communication, understanding, or agreement, whether written or oral, concerning the subject matter of this Consent Order.

36. Each provision of this Consent Order shall remain effective and enforceable against the Company, its successors, and assigns, until stayed, modified, suspended, or terminated by the Department.

37. In the event that one or more provisions contained in this Consent Order shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Consent Order.

38. No promise, assurance, representation, or understanding other than those contained in this Consent Order has been made to induce any party to agree to the provisions of this Consent Order.

39. Nothing in this Consent Order shall be construed to prevent any consumer or any other third party from pursuing any right or remedy at law.

40. This Consent Order may be executed in one or more counterparts and shall become effective when such counterparts have been signed by each of the parties hereto (the "Effective Date").

[*remainder of this page intentionally left blank*]

IN WITNESS WHEREOF, the parties have caused this Consent Order to be signed on the dates set forth below.

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

By: /s/ Janet M. Lipinski
JANET M. LIPINSKI
Senior Enforcement Counsel
Consumer Protection and Financial Enforcement

July 31, 2026

By: /s/ Daniel F. Schiano
DANIEL F. SCHIANO
Senior Enforcement Counsel
Consumer Protection and Financial Enforcement

July 31, 2026

By: /s/ Alison L. Passer
ALISON L. PASSER
Deputy Superintendent
Consumer Protection and Financial Enforcement

July 31, 2026

By: /s/ R. Gabriel O'Malley
R. GABRIEL O'MALLEY
Executive Deputy Superintendent
Consumer Protection and Financial Enforcement

August 3, 2026

ORDER EXPRESS, INC.

By: /s/ Jorge Alberto Miranda
JORGE ALBERTO MIRANDA
Chief Operating Officer

July 31, 2026

THE FOREGOING IS HEREBY APPROVED. IT IS SO ORDERED.

/s/ Kaitlin Asrow_____
KAITLIN ASROW
Acting Superintendent of Financial Services

August 5, 2026