

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 28, 2021

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2021-00035

UNITED SERVICES AUTOMOBILE ASSOCIATION,
USAA CASUALTY INSURANCE COMPANY,
USAA GENERAL INDEMNITY COMPANY, and
GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY
Defendants

SETTLEMENT ORDER

Based on a market conduct inquiry conducted by the Bureau of Insurance ("Bureau"), it is alleged that United Services Automobile Association, USAA Casualty Insurance Company, USAA General Indemnity Insurance Company, and Garrison Property and Casualty Insurance Company (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), in certain instances violated § 38.2-1905 A of the Code of Virginia ("Code") by issuing notices of premium increase or point charge on policies that did not require the notice. In addition, the notice used did not include all of the information required by the statute.

The Commission is authorized by §§ 38.2-218, 38.2-219 and 38.2-1040 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violation.

The Defendants have been advised of the right to a hearing in this matter whereupon the Defendants, without admitting or denying any violation of Virginia law, have made an offer of

settlement to the Commission wherein the Defendants have agreed to comply with the corrective action plan outlined in the companies' correspondence dated July 17, 2020, August 31, 2020, and January 21, 2021; have tendered to the Treasurer of Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500) for each of the Defendant companies for a total of Ten Thousand Dollars (\$10,000); and have waived the right to a hearing.

The Bureau has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Bureau, is of the opinion that the Defendants' offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein is hereby accepted.

(2) This case is dismissed, and the papers herein shall be placed in the file for ended causes.

A COPY hereof shall be sent by the Clerk of the Commission by electronic mail to: Christopher Hobert, CCEP, CIE, AMCM, Director, Compliance Risk Management, USAA, at Christopher.Hobert@USAA.com, 9800 Fredericksburg Road, San Antonio, Texas 78288; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Rebecca Nichols.