1 2 3	JENNIFER McCune (SBN 160089) SARA AHN (SBN 292206) CALIFORNIA DEPARTMENT OF INSURANCE 1901 Harrison Street, 6 th Floor Oakland, California 94612			
4	Attorney for the California Department of Insurance			
5				
6	BEFORE THE INSURANCE COMMISSIONER			
7	OF THE STATE OF CALIFORNIA			
8	To do Matter of do Date April 2015	E'l. N DA 2022 00022		
9	In the Matter of the Rate Application of	File No.: PA-2023-00023		
10	UNITED STATES AUTOMOBILE ASSOCIATION	SETTLEMENT STIPULATION		
11	Applicant.			
12				
13	United States Automobile Association ("Applicant"), Consumer Watchdog ("Petitioner"),			
14	and the California Department of Insurance ("Department") (collectively, the "Parties") stipulate			
15	as follows:			
16	<u>RECITALS</u>			
17	A. The Applicant is licensed by the Department to conduct insurance business in			
18	California.			
19	B. On or about October 25, 2023, the Applicant filed for a rate increase to its base			
20	rates for its Owners (HO-3), Unit-Owners (HO-6), Renters Contents, and Renters Liability			
	policies for its homeowners line of insurance (File No. 23-3147 ["the Application"]) with an			
21	overall rate impact of +20.2%.			
22	C. On November 3, 2023, pursuant to California Insurance Code ("CIC") section			
23	1861.05(c), the Department notified the publi	c of the Application.		
2425	D. On December 18, 2023, Petition	oner submitted a timely Petition for Hearing, Petition		
26	to Intervene, and Notice of Intent to Seek Compensation regarding the Applications.			
27	E. On January 5, 2024, Applicant filed an answer to the Petition.			
28	F. On January 2, 2024, the Comm	nissioner granted Petitioner's Petition to Intervene.		

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- G. The Parties have engaged in discussions regarding the Application and additional information and analysis that the Parties provided.
- H. As a result of the Parties' discussions and negotiations, Applicant updated the Application per the Parties' agreement.

STIPULATION

- 1. This Stipulation, together with the updated Application and the Commissioner's approval in SERFF, represents the complete and final settlement resolving all issues between the Parties regarding the Application.
- 2. Based upon the Application and additional information that the Parties provided, the Parties agree that an overall rate increase of +16.8% complies with the applicable laws and regulations, and results in rates that are not excessive, not inadequate, and not unfairly discriminatory. This overall percentage shall be distributed as follows: HO3: +16.2%; HO6: +31%; Renters Contents: +9.2%; Renters Liability: +31.7%. Applicant will implement the rate change with an effective date of February 12, 2025. Applicant has made appropriate updated filings in SERFF to reflect the agreed upon overall rate change as well as the agreed-upon rate changes by policy form.
- 3. Approval of the Application described in this Stipulation will only be effective when approved by the Commissioner in SERFF in accordance with the agreed upon rate changes set forth in paragraph 2.
- 4. Consistent with 10 CCR sections 2656.1(b) and 2662.3(c), no agreement regarding Petitioner's compensation has been made. However, the Parties agree that the Commissioner's approval of the Application, consistent with this Stipulation, will be a decision or order within the meaning of CIC section 1861.10(b). Petitioner agrees to submit any request for compensation to the Public Advisor within 30 days after notice of the Commissioner's approval in SERFF.
- 5. Petitioner agrees to withdraw its Petition for Hearing effective as of the date of execution of this Stipulation, provided the Application is approved by the Commissioner in SERFF in accordance with the agreed upon rate changes set forth in paragraph 2 within 10 days.

1	6. This Stipulation is r	nade solely to reach a compromise among the Parties. Each	
2	Party expressly reserves the right to raise any of their arguments or positions in future matters.		
3	Further, the Parties agree to comply with 10 CCR section 2656.4, entitled Inadmissibility, to the		
4	extent permitted by 10 CCR section 2662.3(b)(3), entitled Request for Award The		
5	Commissioner's approval of the Application shall not constitute approval of or precedent		
6	regarding any principle or any issue in any other proceeding.		
7	7. The Commissioner	7. The Commissioner retains jurisdiction to ensure that the Parties comply with this	
8	Stipulation.		
9	8. Nothing in this Settl	lement Stipulation constitutes a limitation upon or a waiver of	
10	the Commissioner's rights and powers to enforce any California law, examine the Applicant's		
11	rating practices, or take such other action as necessary to protect the public.		
12	9. This Stipulation may be executed in counterparts.		
13	Dated: October 4, 2024	UNITED STATES AUTOMOBILE ASSOCIATION	
14			
15		Buian K. Yamanowshi	
16		ВУ	
17	Dated: October 4, 2024	CONSUMER WATCHDOG	
18			
19		By Bar Paul	
20			
21	Dated: October 4, 2024	CALIFORNIA DEPARTMENT OF INSURANCE	
22			
23		ByJennifer McCune	
24		Jennifer McCune Attorney for the California Department	
25		of Insurance	
26			
27			
28	I		

1 PROOF OF SERVICE In the Matter of the Rate Application of 2 United States Automobile Association, Applicant. CDI File No. PA-2023-00023 3 (RRB FILE No. 23-3147) 4 I am over the age of eighteen years and am not a party to the within action. I am an employee of the Department of Insurance, State of California, employed at 1901 Harrison Street, 5 4th Floor, Oakland, CA 94612. On October 8, 2024, I served the following document(s): 6 SETTLEMENT STIPULATION 7 on all persons named on the attached Service List, by the method of service indicated, as follows: 8 If U.S. MAIL is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items to be sent by mail, 9 pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for mailing by U.S. Mail. Under that practice, 10 outgoing items are deposited, in the ordinary course of business, with the U.S. Postal Service on that same day, with postage fully prepaid, in the city and county of San Francisco, California. 11 If **OVERNIGHT SERVICE** is indicated, by placing on this date, true copies in sealed 12 envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items for overnight delivery, pursuant to Code of Civil Procedure Section 1013. I am familiar 13 with this office's practice of collecting and processing documents placed for overnight delivery. Under that practice, outgoing items are deposited, in the ordinary course of business, with an 14 authorized courier or a facility regularly maintained by one of the following overnight services in the city and county of San Francisco, California: Express Mail, UPS, Federal Express, or Golden 15 State overnight service, with an active account number shown for payment. 16 If FAX SERVICE is indicated, by facsimile transmission this date to fax number stated for the person(s) so marked. 17 If **PERSONAL SERVICE** is indicated, by hand delivery this date. 18 If INTRA-AGENCY MAIL is indicated, by placing this date in a place designated for collection 19 for delivery by Department of Insurance intra-agency mail. 20 If **EMAIL** is indicated, by electronic mail transmission this date to the email address(es) listed. 21 Executed this date at San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the above is true and correct. 22 23 24 25 26 27

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1 2 3	In the Matter of the Rate Application of United States Automobile Association, Applicant. CDI File No. PA-2023-00023 (RRB FILE No. 23-3147)			
4 5	Name/Address	Phone/Fax Numbers	Method of Service	
6	Harvey Rosenfield, Esq.	Tel: (310) 392-0522	Via EMAIL	
7	Pamela Pressley, Esq. Benjamin Powell, Esq.	Fax: (310) 392-8874		
8	Ryan Mellino, Esq. Attorney(s) for Intervenor			
9	CONSUMER WATCHDOG 6330 San Vicente Blvd., Suite 250			
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11	pam@consumerwatchdog.org ben@consumerwatchdog.org			
12	ryan@consumerwatchdog.org			
13		T. 1. (650) 462, 4000	Y. 73.64 Y	
14	Vanessa O. Wells, Esq. Attorney for Applicant	Tel: (650) 463-4000 Fax: (650) 463-4199	Via EMAIL	
15	HOGAN LOVELLS US LLP 855 Main Street, Suite 200			
16	Redwood City, CA 94063 Vanessa.wells@hoganlovells.com			
17				
18	Nancy S. Allard	Tel: (925) 322-9867	Via EMAIL	
19	Associate General Counsel Office of the General Counsel			
20	UNITED SERVICES AUTOMOBILE ASSOCIATION			
2122	9800 Fredericksburg Road San Antonio, TX 78288			
23	Nancy.allard@usaa.com			
24	NON PARTIES			
25	Kenneth Allen	Tal: (212) 246 6782	Via EMAIL	
26	Deputy Commissioner	Tel: (213) 346-6783 Fax: (213) 897-9051	v ia LiviAIL	
27	Rate Regulation Branch CALIFORNIA DEPARTMENT OF			
28	INSURANCE 300 South Spring Street, 14 th Floor Los Angeles, CA 90013 ken.allen@insurance.ca.gov #1475691.1			

Jon Phenix, Esq. Tel: (916) 492-3705 Via EMAIL Staff Counsel III & Public Advisor Fax: (510) 238-7830 Office of the Special Counsel CALIFORNIA DEPARTMENT OF INSURANCE 300 Capitol Mall, 17th Floor Sacramento, CA 95814 Jon.phenix@insurance.ca.gov