



NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. §45.027, subd. 6 (2014), Respondent shall pay a civil penalty in the amount of \$50,000 to the state of Minnesota.

USAA Response: Payment confirmed received on 11/20/2015.

IT IS FURTHER ORDERED, Respondent shall, within sixty (60) days of the effective date of this Order, review its practices and procedures and update them as necessary to ensure that any independent adjuster, as defined by Minn. Stat. § 72B.02, subd. 4 (2014), engaged by Respondent to adjust Minnesota automobile glass claims is properly licensed in Minnesota.

USAA Response: USAA has reviewed and updated its practices and procedures used by its glass claims agent to reduce any ambiguity and eliminate any function that could be interpreted as adjusting.

IT IS FURTHER ORDERED, Respondent shall, within ninety (90) days of the effective date of this Order, review its practices and procedures and update them if necessary to ensure that the conduct of its Minnesota glass administrator is effectively monitored.

USAA Response: USAA has reviewed and updated its practices and procedures and have begun monthly audits of the glass claims agent.

IT IS FURTHER ORDERED, Respondent shall, within one hundred twenty (120) days of the effective date of this Order, provide a detailed report to the Commissioner outlining its practices and procedures for (1) monitoring the conduct of its Minnesota glass administrator and monthly audit process

(2) ensuring that any independent adjuster engaged by Respondent to adjust Minnesota automobile glass claims is properly licensed in Minnesota



USAA Response: USAA has reviewed and updated its practices and procedures used by its glass claims agent to reduce any ambiguity and eliminate any function that could be interpreted as adjusting. When adjusting functions are required, calls are transferred to USAA in-house adjusters.

IT IS FURTHER ORDERED, Respondent shall, within one hundred eighty (180) days of the effective date of this Order, no longer agree to, or otherwise utilize, a guaranteed average invoice, or similar contractual clause, whereby an agent guarantees the processing of Respondent's Minnesota replacement glass claims will average a particular amount or less during a specified period.

USAA Response: The contract has been amended to remove the guaranteed average invoice provision.

IT IS FURTHER ORDERED, pursuant to Minn. Stat. § 45.027, subd. 5(a) (2014), Respondent shall cease and desist from advising insureds they may be balance-billed by non-preferred vendors, unless Respondent has information supporting the assertion for a certain vendor

USAA Response: Procedure has been updated to remove balance-billing statement.

IT IS FURTHER ORDERED, pursuant to Minn. Stat. § 45.027, subd. 5(a) (2014), Respondent shall cease and desist from any act or practice prohibited by Minn. Stat. § 72A.201, subd. 6(16) (2014).

USAA Response: Process and procedure has been updated to remove any recommendation to use USAA's glass claim agent if the insured has selected a shop. If the insured has not selected a shop, the glass claim agent asks if the insured would like a recommendation. If the insured agrees, a recommendation is provided.

9800 Fredericksburg Road
San Antonio, Texas 78288



IT IS FURTHER ORDERED, pursuant to Minn. Stat. § 45.027, subd. 5(a) (2014), Respondent shall, after an insured has chosen a glass vendor, cease and desist from any act or practice prohibited by Minn. Stat. § 72A.201, subd. 6(7) (2014).

USAA Response: Process and procedure has been updated to remove any recommendation to use USAA's glass claim agent if the insured has selected a shop. If the insured has not selected a shop, the glass claim agent asks if the insured would like a recommendation. If the insured agrees, a recommendation is provided. In addition, we advise the insured of the right to choose a glass vendor as required by Minn. Stat. 72A.201, subd. 6 (14).

ORIGIN ID: SATA (210) 452-5466
JOSE LARA
USAA
9800 FREDERICKSBURG RD
SAN ANTONIO, TX 78288
UNITED STATES: US

SHIP DATE: 23MAR16
ACTWGT: 1.00 LB
CAD: 28220830NET3730

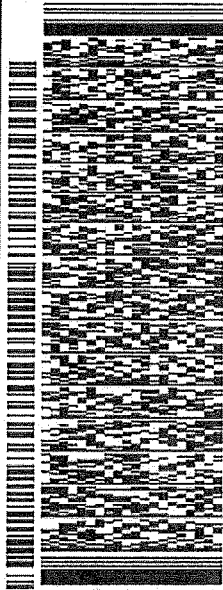
BILL SENDER

TO **ATTN: MIKE ROTHMAN, COMMISSIONER**
STATE OF MINNESOTA DEPT OF COMMERCE
85 SEVENTH PLACE EAST
SUITE 500

ST PAUL MN 55101

INV: (651) 539-1538 REF:

PO: DEPT:



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TRK# 7759 4010 2685
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THU - 24 MAR 3:00P
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