



United Services Automobile Association
9800 Fredericksburg Road
San Antonio, TX 78288

SUBSCRIBER'S ACCOUNT ANNUAL ALLOCATION STATEMENT

MR. WALTER A STARR III
PO BOX 3367
FREMONT CA 94539-0336

Review Your Subscriber's Account Annual Allocation

January 28, 2023

Dear Mr. Starr III,

The USAA Board of Directors has approved an allocation to your account. In your Subscriber's Account Annual Allocation Statement, you can review your allocation, Senior Bonus amount and other board-approved distributions we sent you last year.

Enclosed is your annual allocation statement, which includes last year's transactions, and answers to some frequently asked questions about Subscriber's Accounts on the next page. For more information, log on to usaa.com/safaq.

We appreciate your continued loyalty and trust.

Thank you,
United Services Automobile Association

 Online: usaa.com

 Phone: 800-495-5957

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Your 2022 Subscriber's Account Annual Allocation Statement

Date	Details	Amount (in USD)
12/31/21	Year-End Balance	6,305.75
02/11/22	Senior Bonus	-630.58
12/10/22	Subscriber's Account Distribution	-170.26
	Subtotal	\$5,504.91
12/31/22	Allocation Credited	149.51
12/31/22	Year-End Balance	\$5,654.42

This is not a bill.

What is a Subscriber's Account?

Subscriber's Accounts enable USAA to share a portion of its earnings with our members.

All companies hold a certain amount of capital. USAA is a reciprocal company, and cannot issue stock to raise capital. USAA must raise capital through other means — primarily strong earnings and continuous oversight of capital needs. One of the ways USAA manages its capital is through the Subscriber's Account program. USAA holds a portion of capital in each reciprocal member's name in a Subscriber's Account. At the discretion of the USAA Board of Directors, USAA may use these funds to support its mission and goals or distribute it back to members.

These accounts play an important role in the USAA financial structure. They provide capital to satisfy legal and regulatory requirements, support current and future operations, and pay large unexpected losses such as member claims from catastrophes.

The board reviews capital needs annually and determines whether to issue a percentage of the total dollar amount in your individual USAA Subscriber's Account in the form of a distribution.

What is a Subscriber's Account allocation?

Based on the amount of income earned during the year, the USAA Board of Directors may allocate funds to a member's Subscriber's Account. The amount of allocation to an individual Subscriber's Account depends on the member's existing Subscriber's Account balance and the amount of auto and property insurance premiums the member paid during the year. The amount allocated to your Subscriber's Account is shown in your Subscriber's Account Annual Allocation Statement.

How is money distributed from the Subscriber's Account?

This is not a bank account where members can make deposits or withdrawals. If there are sufficient funds at the end of the year, the USAA Board of Directors may approve a distribution from Subscriber's Accounts to members after considering a number of factors. These include USAA's regulatory and financial requirements, investment portfolio, and operational performance. Future allocations and distributions aren't guaranteed. Your annual allocation statement shows:

- The amount of your Senior Bonus awarded in February 2022.
- The amount of your Subscriber's Account distribution sent in December 2022.
- The amount of the allocation to your Subscriber's Account and your new balance.

What happens to my Subscriber's Account balance upon my death?

In accordance with the USAA bylaws, USAA will send the balance to your surviving spouse. Your surviving spouse can choose to receive the funds directly, or have them transferred to their own Subscriber's Account, should they choose to continue their own USAA policies. If there's no surviving spouse, we will send the payment to your estate. You also can designate a beneficiary for your Subscriber's Account balance. Call USAA to learn more.

Use of the term "member" or "membership" refers to membership in USAA Membership Services and does not convey any legal or ownership rights in USAA. Restrictions apply and are subject to change.

There is no guarantee or promise of future Subscriber's Account allocations or distributions. Subscriber's Account applies only to policies issued by United Services Automobile Association (USAA) and not by any affiliated insurer. Subscriber's Accounts do not apply to policies written by other USAA affiliated companies, including USAA Limited, USAA S.A., USAA S.A. UK Branch, USAA Casualty Insurance Company, USAA County Mutual Insurance Company, USAA General Indemnity Company, Garrison Property and Casualty Insurance Company and Noblr Reciprocal Exchange; to policies written through USAA Insurance Agency, Inc.; or to business assigned/accepted because of state insurance plans. Any Subscriber's Account allocation or distribution is subject to approval by the USAA Board of Directors in its sole discretion. All amounts credited to Subscriber's Accounts remain an asset of USAA until (i) a distribution approved by the USAA Board of Directors in its sole discretion is distributed, or (ii) a distribution is made after termination of membership in accordance with USAA Bylaws.

A Subscriber's Account distribution is considered a return of premium. It is generally considered tax-free to members, but consult your tax adviser for more specific information.

