

# If you had USAA auto insurance in California, a class action lawsuit may affect your rights.

*A court authorized this notice. This is not a solicitation from a lawyer.*

- Former and current enlisted servicemembers sued USAA alleging unlawful business practices.
- The Court has allowed the case to move forward as a class action on behalf of former and current enlisted servicemembers who qualified under California’s “Good Driver” law and had auto insurance with collision coverage from USAA General Indemnity Company for a car in California after December 28, 2017.
- The Court has not decided if USAA did anything wrong. There is no money available now, and no guarantee there will be. However, because your legal rights may be affected, you have a choice to make now:

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT</b>	
<b>DO NOTHING</b>	<b>Stay in this lawsuit. Await the outcome. Give up certain rights.</b> By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or a settlement. But you give up any rights to sue USAA separately about the same legal claims in this lawsuit.
<b>ASK TO BE EXCLUDED BY JULY 25, 2024</b>	<b>Get out of this lawsuit. Get no benefits from it. Keep rights.</b> If you ask to be excluded and money or benefits are later awarded, you won’t share in those. But you keep any rights to sue USAA separately about the same legal claims in this lawsuit.

- Your options are explained in this notice. To ask to be excluded, you must act before **July 25, 2024**.
- Attorneys must prove the claims against USAA at a trial that will be scheduled at a later date. If money or benefits are obtained from USAA, you will be notified about how to ask for a share.
- Any questions?  
**Keep reading, call 1-(844)-635-0800, or visit [www.USAGoodDriverClassAction.com](http://www.USAGoodDriverClassAction.com)**

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## BASIC INFORMATION

### 1. Why did I get this notice?

USAA's records show that you are (or were) an enlisted servicemember who qualified under California's "Good Driver" law and had auto insurance with collision coverage from USAA General Indemnity Company for a car in California after December 28, 2017.

This notice explains that the Court has allowed (or "certified") a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court holds a trial. The trial is to decide whether the claims made against USAA, on your behalf, are correct. Judge Robert S. Huie of the United States District Court for the Southern District of California is overseeing this case. The lawsuit is *Coleman v. USAA*, and the case number is No. 21-cv-217.

### 2. What is this lawsuit about?

This lawsuit is about whether USAA used unlawful business practices by failing to sell insureds, who qualified under California's "Good Driver" law, an auto insurance policy from the USAA affiliate company offering the lowest rates for that coverage.

Plaintiffs claim that California law requires an insurance company to sell any insured, who qualifies as a "Good Driver," an auto insurance policy from the company within its common ownership that offers the lowest rates for that coverage.

USAA is made up of four companies that provide auto insurance to current (and former) military servicemembers and their families. Plaintiffs claim that two of USAA's companies used unlawful business practices that violated California's "Good Driver" law: (1) United Services Automobile Association ("United Services"), and (2) USAA General Indemnity Company ("GIC").

Plaintiffs allege that USAA insured current (and former) military servicemembers whose highest pay grade is (or was) E-6 or below through GIC only, but insured current (and former) military servicemembers whose highest pay grade is (or was) E-7 or above through United Services instead. Plaintiffs claim this violated California's "Good Driver" law because United Services' rates are lower than GIC's rates.

### 3. What is a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" (in this case Eileen-Gayle Coleman and Robert Castro) sue on behalf of other people who have similar claims. The group of people suing are a "Class," "Class Members," or "Plaintiffs." The companies they sued (United Services and GIC) are the "Defendants." In a class action, one court resolves the issues for everyone in the Class—except for those people who choose to exclude themselves from the Class.

#### 4. Why is this lawsuit a class action?

The Court decided that this lawsuit can be a class action and move toward a trial because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Specifically, the Court found that:

- There are around 197,000 potential Class Members who are current (or former) enlisted servicemembers who qualified under California’s “Good Driver” law and had a GIC auto insurance policy with collision coverage for a car in California after December 28, 2017.
- There are legal questions and facts that are common to these insureds.
- The claims of Eileen-Gayle Coleman and Robert Castro are typical of the claims of the rest of the Class.
- Ms. Coleman, Mr. Castro, and the lawyers representing the Class will fairly and adequately represent the Class’ interests.
- The common legal questions and facts are more important than any questions or facts that affect only individual Class Members.
- This class action will be more efficient than having many individual lawsuits.

More information about why the Court is allowing this lawsuit to be a class action is in the Court’s Order Certifying the Class, which is available at: [www.USAAGoodDriverClassAction.com](http://www.USAAGoodDriverClassAction.com)

#### 5. Who is EAG Gulf Coast LLC?

In a class action lawsuit, a court may appoint a “class notice administrator” to notify the Class Members when the Court allows a case to move forward as a class action, when the Court enters a final judgment, or when the Parties settle the case. The Court has appointed EAG Gulf Coast LLC (formerly “Postlewaith & Netterville”) as the class notice administrator in this case. You can contact the class notice administrator by calling toll-free to 1-(844)-635-0800.

## THE CLAIMS IN THE LAWSUIT

### 6. What does the lawsuit complain about?

In the lawsuit, the Plaintiffs complain that USAA engaged in an unlawful business practice that violated a California law requiring insurance companies to sell any insured who qualifies as a “Good Driver” an auto insurance policy from the company within its common ownership that offers the lowest rates for that coverage. Plaintiffs claim USAA issued auto insurance policies in California from United Services or GIC depending on the insured’s military pay grade. Plaintiffs claim this practice violated California’s “Good Driver” law because United Services’ rates are cheaper than GIC’s rates. You can read the Plaintiffs’ Class Action Complaint at: [www.USAAGoodDriverClassAction.com](http://www.USAAGoodDriverClassAction.com)

### 7. What is USAA’s response to the lawsuit?

USAA denies that it did anything wrong, and says that its practices comply with California law. You can read USAA’s Answer to the Complaint at: [www.USAAGoodDriverClassAction.com](http://www.USAAGoodDriverClassAction.com)

### 8. Has the Court decided who is right?

The Court has not decided if USAA did anything wrong. By certifying this lawsuit as a class action and issuing this notice, the Court is not suggesting that the Plaintiffs will win or lose this case. The Plaintiffs must prove their claims at a trial that will be scheduled in the future.

### 9. What are the Plaintiffs asking for?

The Plaintiffs are asking for an injunction to stop USAA from charging different rates to “Good Drivers” in California based on their military pay grade. The Plaintiffs also want USAA to refund all overcharges related to the allegedly unlawful business practice to all Class Members, and pay all attorneys’ fees and costs from this lawsuit.

### 10. Is there any money available now?

No money or benefits are available now because the Court has not yet decided if USAA did anything wrong, and the two sides have not settled the case. There is no guarantee that Plaintiffs will receive any money or benefits ever. If they do, you will be notified about how to receive or ask for a share.

## WHO IS IN THE CLASS

You need to decide whether you are affected by this lawsuit.

### 11. Am I part of this Class?

The Court decided that all current (and former) enlisted servicemembers who qualified under California's "Good Driver" law and had auto insurance with collision coverage from USAA General Indemnity Company for a car in California after December 28, 2017, are Class Members. Specifically, you are in the Class if you meet this definition:

All enlisted persons who (a) at any time on or after December 28, 2017, purchased or renewed an automobile insurance policy including collision coverage from GIC, (b) qualified as good drivers under California Insurance Code § 1861.025 according to USAA's records, (c) were not offered a good driver discount from United Services, (d) paid more for that policy than they would have paid in United Services, and (e) at any time in which clauses (a) through (d) have been satisfied, garaged vehicles in the State of California.

A few people who meet this definition are excluded from the Class in **Question 13 below**.

### 12. Who is a "Good Driver" in California?

If you received this notice, USAA's records indicate that you qualified as a "Good Driver" under California law. According to California Insurance Code § 1861.025, a "Good Driver" is a person who (a) has been licensed to drive for at least three consecutive years, (b) has no more than one point on their driving record within the last three years, and (c) has no felonies or misdemeanors on their driving record.

### 13. Who is not part of the Class?

Even if you qualify under the Class definition in **Question 11 above**, you may be excluded from the Class if you:

- (a) are (or were) a director, officer, or employed in a management capacity at USAA or any of its affiliate companies.
- (b) are an employee or immediate family member of the Plaintiffs' attorneys listed in **Question 19 below**.
- (c) are an attorney for the Defendants in this case, or an employee or immediate family member of Defendants' attorneys.
- (d) are a judge (or staff to the judge) assigned to this case.
- (e) filed a lawsuit for the claims in this case, and that lawsuit is still pending or was dismissed with prejudice.
- (f) request to be excluded by following the directions in **Question 16 below**.

QUESTIONS? VISIT [WWW.USAAGOODDRIVERCLASSACTION.COM](http://WWW.USAAGOODDRIVERCLASSACTION.COM)

**14. I'm still not sure if I am part of the Class.**

If you are still not sure if you are part of the Class, you can get more information by calling the class notice administrator toll-free at 1-(844)-635-0800, by calling or writing to the Plaintiffs' attorneys using the contact information listed in **Question 19 below**, or by visiting:  
[www.USAGoodDriverClassAction.com](http://www.USAGoodDriverClassAction.com)

## YOUR RIGHTS AND OPTIONS

You must decide if you want to stay in the Class, or ask to be excluded from the Class before July 25, 2024.

### 15. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing, you automatically stay in the Class. If you stay in the Class and Plaintiffs receive money or benefits through trial or settlement, you will be notified about how to receive or apply for a share. If you do nothing, you will not be able to sue (or continue to sue) the Defendants in another lawsuit for the same claims in this case, regardless if Plaintiffs win or lose. You will also be bound by all orders and judgments in this case.

If your mailing address changes, please let the class notice administrator know using the contact information in **Question 19 below**, so that you can be notified if there is a judgment or settlement in this case in the future.

### 16. How do I ask to exclude myself from the Class?

If you don't want to be a part of this lawsuit, you must exclude (or remove) yourself from the Class, which is also called "opting out."

To ask to be excluded, you must mail a letter with: (a) your name; (b) your mailing address; (c) a statement that you want to be excluded from *Coleman v. USAA*; and (d) your signature. You must mail your letter, postmarked by **July 25, 2024**, to:

USAA Exclusions  
P.O. Box 3637  
Baton Rouge, LA 70821

You cannot exclude yourself by phone or email.

### 17. Why would I ask to be excluded?

If you exclude yourself, you won't be legally bound by the judgments and orders in this case. This means you may be able to separately sue (or continue to sue) the Defendants for the claims in this case, but you'll have to hire your own lawyer for that lawsuit and prove your claims separate from this case. If you already separately sued USAA for the same issues in this case and you want to continue that lawsuit, you need to ask to be excluded from the Class in this case by following the instructions in **Question 16 above**. If you exclude yourself so that you can start (or continue) your own lawsuit against the Defendants, talk to your lawyer soon, because your claims may be subject to a statute of limitations. However, because Plaintiffs are asking for an injunction, any changes to USAA's practices resulting from this class action may still affect you even if you exclude yourself.



**18. If I exclude myself, can I still get money or benefits from this class action?**

No. If you exclude yourself, you won't get to share in any money or benefits the Plaintiffs may receive through trial or settlement in this class action.

## THE ATTORNEYS REPRESENTING YOU

### 19. Do I have an attorney in this case?

The Court decided that the law firms of Consumer Watchdog of Los Angeles, CA; Mehri & Skalet, PLLC, of Washington, D.C.; and Mason LLP of Washington, D.C., are qualified to represent you and all Class Members in this case. Together, the law firms are called “Class Counsel.” They are experienced in handling similar cases. More information about these law firms and their lawyers, including how to contact them, is below:

Attorney Harvey Rosenfield <b>Consumer Watchdog</b> 6330 South San Vincente Blvd, Suite 250 Los Angeles, CA 90048 (310) 392-0522 <a href="https://consumerwatchdog.org/">https://consumerwatchdog.org/</a>	Attorney Michael Lieder <b>Mehri &amp; Skalet, PLLC</b> 2000 K Street NW, Suite 325 Washington, DC 20006 (202) 822-5100 <a href="https://findjustice.com/">https://findjustice.com/</a>	Attorney Gary Mason <b>Mason LLP</b> 5335 Wisconsin Ave, NW, Suite 640 Washington, DC 20015 (202) 429-2290 <a href="https://www.masonllp.com/">https://www.masonllp.com/</a>
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### 20. Should I get my own attorney?

You don’t need to hire your own attorney because Class Counsel is working on your behalf. But if you want your own attorney, you may hire one at your expense. You can ask your lawyer to appear in Court for you if, for example, you do not want Class Counsel to speak for you.

### 21. How will the attorneys be paid?

You won’t have to pay Class Counsels’ fees or costs. Class Counsel will be paid only if the Class receives money. If Class Counsel receives money or benefits for the Class through trial or settlement, they may ask the Court to award them fees and costs. If the Court grants Class Counsels’ request, the fees and costs will be either (a) deducted from any money received for the Class, or (b) paid separately by the Defendants.

## THE TRIAL

### 22. How and when will the Court decide who is right?

If the Parties do not settle the case and the Court does not later dismiss the case, Class Counsel will have to prove the Plaintiffs' claims at a trial. The Court has not yet scheduled a trial date, but it will schedule a trial in the future, which will be posted on the website at: [www.USAAGoodDriverClassAction.com](http://www.USAAGoodDriverClassAction.com)

Any trial will take place in the U.S. District Court for the Southern District of California at the Edward J. Schwartz U.S. Courthouse, 221 W. Broadway, Courtroom 3B, San Diego, CA 92101. During the trial, a jury or the judge will hear evidence and decide who is right about the claims in this lawsuit. There is no guarantee that the Plaintiffs will win, or that they will get any money or benefits for the Class.

### 23. Do I have to come to the trial?

No. You do not need to attend any trial in this case. Class Counsel will present the case for the Plaintiffs, and the Defendants will present any defenses. You or your lawyer are welcome to come at your own expense.

### 24. Will I get money after the trial?

If the Plaintiffs receive money or benefits through trial or a settlement, you will be notified about how to participate. We do not know how long this will take.

## GETTING MORE INFORMATION

### 25. Are more details available?

Visit the website at [www.USAGoodDriverClassAction.com](http://www.USAGoodDriverClassAction.com) where you can find more information, including important documents in this case. You may also speak to one of the lawyers by using the contact information in **Question 19 above**, or by calling the class notice administrator toll-free at 1-(844)-635-0800.

**Please do not contact the Court, the Judge, or USAA.**

DATE: MAY 10, 2024