S&P Global
Ratings

Research

Presale:

USAA Auto Owner Trust 2023-A

August 30, 2023

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Preliminary ratings

Class	Preliminary rating	Type	Interest rate(i)	Preliminary amount (base; mil. $)(i)	Preliminary amount (upsized; mil. $)(i)	Legal final maturity date
A-1	A-1+ (sf)	Senior	Fixed	262.29	349.73	Sept. 16, 2024
A-2	AAA (sf)	Senior	Fixed	352.60	470.20	July 15,2026
A-3	AAA (sf)	Senior	Fixed	352.60	470.20	May 15, 2028
A-4	AAA (sf)	Senior	Fixed	84.28	112.24	June 15, 2029
B	AA (sf)	Subordinate	Fixed	18.88	25.17	June 16, 2031

Note: This presale report is based on information as of Aug. 30, 2023. The ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings. (i)The interest rates and size of each class will be determined on the pricing date.

Profile

Collateral	Prime auto loan receivables.
Originator, sponsor, seller, servicer, and administrator	USAA Federal Savings Bank, a wholly owned subsidiary of United Services Automobile Assn. (AA+/Stable/--).
Indenture trustee	U.S. Bank Trust Co. N.A. (A-1/Stable/A+).
Depositor	USAA Acceptance LLC.
Bank account provider	U.S. Bank N.A (A-1/Stable/A+).
Owner trustee	Deutsche Bank Trust Co. Delaware. (A-2/Positive/A-)

Rationale

The preliminary ratings assigned to USAA Auto Owner Trust 2023-A's (USAOT 2023-A) automobile receivables-backed notes reflect:

- The availability of approximately 6.44% and 4.89% of credit support (hard credit enhancement and excess spread) for the class A (collectively, classes A1, A2, A3, and A4) and B notes, respectively, based on stressed cash flow scenarios. These credit support levels provide at least 5.0x and 4.0x coverage of our expected cumulative net loss (ECNL) of 0.65% for the class A notes and B notes, respectively (see the Credit Enhancement And Collateral and the Cash Flow

Modeling Assumptions And Results sections).

- The expectation that under a moderate ('BBB') stress scenario (2.0x our expected loss level), all else being equal, our preliminary 'AAA (sf)' and 'AA (sf)' ratings on the class A and B notes, respectively, are within our credit stability limits (see the Cash Flow Modeling Assumptions And Results sections).
- The timely payment of interest and principal by the designated legal final maturity dates under our stressed cash flow modeling scenarios that we believe are appropriate for the assigned preliminary ratings.
- The collateral characteristics of the series' prime automobile loans, our view of the credit risk of the collateral, and our updated macroeconomic forecast and forward-looking view of the auto finance sector (see the Credit Enhancement And Collateral and the Macroeconomic And Auto Finance Sector Outlook sections).
- Our assessment of the series' bank accounts at U.S. Bank N.A., which do not constrain the preliminary ratings.
- Our operational risk assessment of USAA Federal Savings Bank (USAA FSB) as servicer, which is a wholly owned subsidiary of United Services Automobile Assn. (AA+/Stable/--), along with our view of the company's underwriting.
- Our assessment of the transaction's potential exposure to environmental, social, and governance credit factors, which are in line with our sector benchmark.
- The transaction's payment and legal structure.

Our ECNL of USAOT's 2023-A transaction is 0.65%, unchanged from series 2022-A. It reflects:

- Our view that the 2023-A collateral characteristics are generally similar to those of USAOT 2022-A.
- USAA's outstanding series, which continue to perform better than our initial expectations as have the paid-off series.
- Our forward-looking view of the auto-finance sector, including our outlook for a shallower and more attenuated economic slowdown.

Environmental, Social, And Governance (ESG) Factors

Our rating analysis considers a transaction's potential exposure to ESG credit factors. For the auto ABS sector, we view the exposure to environmental credit factors as above average, to social credit factors as average, and to governance credit factors as below average (see "ESG Industry Report Card: Auto Asset-Backed Securities," published March 31, 2021).

the transactions's exposure to ESG credit factors is in line with our sector benchmark. Environmental credit factors are generally viewed as above average given that the collateral pool primarily comprises vehicles with internal combustion engines (ICE), which emit pollutants that contribute to climate transition risks. While the adoption of electric vehicles and future regulation could in time lower ICE vehicle values, we believe that our current approach to evaluating recovery values adequately accounts for vehicle values over the relatively short expected life of the transaction. As a result, we have not separately identified this as a material ESG credit factor in our analysis.

Credit Enhancement And Collateral

Structural changes from USAOT 2022-A

- The yield supplement overcollateralization amount (YSOA) rate increased to 9.10% from 6.90%. The initial YSOA as a percentage of the initial adjusted pool balance increased to 9.50% from 3.39%.
- The estimated per annum excess spread (adjusted for YSOA) increased to 2.21% from 1.87% (pre-pricing).

While initial hard enhancement remains unchanged from series 2023-A (see table 1), the discount rate increased for the YSOA to partially offset the indicative higher cost of funding for this transaction.

Table 1

Credit enhancement summary

	2023-A (base)	2023-A (upsized)	2022-A	2019-1
Subordination (%)(i)				
Class A	1.75	1.75	1.75	1.75
Class B	0.00	0.00	0.00	0.00
Overcollateralization (%)(i)				
Initial	0.75	0.75	0.75	0.75
Target	0.75	0.75	0.75	1.50
Floor	0.75	0.75	0.75	0.75
Reserve (%)(i)				
Initial	0.25	0.25	0.25	0.25
Target	0.25	0.25	0.25	0.25
Floor	0.25	0.25	0.25	0.25
Total initial hard credit enhancement (%)(i)				
Class A	2.75	2.75	2.75	2.75
Class B	1.00	1.00	1.00	1.00
YSOA (%)	9.10	9.10	6.90	N/A
Estimated annual excess spread (%)(ii)	2.12	2.12	1.87	1.44
Initial aggregate gross principal balance ($)	1,181,162,875	1,574,934,851	520,876,091	485,898,958
YSOA ($)	102,418,046	136,610,926	17,095,919	N/A
Initial adjusted receivables balance ($)	1,078,744,829	1,438,323,925	503,780,172	N/A
Initial overcollateralization ($)	8,094,829	10,783,925	3,780,172	4,858,990

Table 1

Credit enhancement summary (cont.)

	2023-A (base)	2023-A (upsized)	2022-A	2019-1
Total securities issued ($)	1,070,650,000	1,427,540,000	500,000,000	500,000,000

(i)For series 2023-A and 2022-A, as a percentage of the initial adjusted pool balance. For series 2019-1 as a percentage of the initial aggregate receivables principal balance. (ii)Includes the 1.00% servicing fee. For series 2023-A and 2022-A, annual excess spread is adjusted for YSOA. Pre-pricing for all series. YSOA--Yield supplement overcollateralization amount. N/A—Not applicable.

Collateral changes from USAOT 2022-A

The significant collateral changes in the USAOT 2023-A pool as of July 31, 2023, from the USAOT 2022-A closing collateral pool include that:

- The weighted average FICO score increased to 742 from 739. The minimum weighted average FICO score of 600 remains unchanged.
- The average original amount financed increased to $30,740 ($30,747 if upsized) from $22,107.
- The percentage of new vehicles increased to approximately 51.36% (51.42% if upsized) from 45.60%.
- The amount of seasoning decreased to 18 months from 21 months.
- Loans with remaining terms of 73-84 months increased to approximately 7.49% (7.46% if upsized) from 2.6%.

In our view, the 2023-A collateral is comparable to that of series 2022-A (see table 2).

Table 2

Collateral comparison(i)

	USAOT						
	2023-A (base)	2023-A (upsize)	2022-A	2019-1	2017-1	2016-1	2015-1
Receivables balance (mil. $)	1,181	1,574	521	504	486	504	504
Receivables (no.)	58,874	78,366	38,959	27,084	33,618	30,667	35,116
Avg. loan balance ($)	20,063	20,097	13,370	18,601	$14,454	16,427	16,051
Weighted avg. APR (without YSOA)(%)	4.41	4.42	5.89	4.87	4.00	4.05	4.11
Weighted avg. original term (mos.)	68	68	68	68	64	65	66
Weighted avg remaining term (mos.)	50	50	47	52	48	49	50
Weighted avg seasoning (mos.)	18	18	21	15	16	16	16
Weighted avg FICO score	742	742	739	740	740	739	739
Loans with FICO scores greater than 700 (%)	79	79	78	81	82	79	77
Loans with original maturities greater than 60 mos. (%)	67.34	67.53	68.64	64.83	61.98	53.44	57.82

Table 2

Collateral comparison(i) (cont.)

Loans with original maturities 61-72 mos. (%)	52.70	52.76	54.88	57.67	57.00	48.62	52.79
Loans with original maturities 73-78 mos. (%)	6.01	6.08	3.98	0.03	3.63	0.02	0.15
Loans with original maturities 79-84 mos. (%)	8.64	8.68	9.78	7.13	1.35	4.80	4.88
New vehicles (%)	51.36	51.42	45.59	54.32	47.74	51.16	47.88
Used vehicles (%)	48.64	48.58	54.41	45.68	52.26	48.84	52.12
Top five state concentrations by billing address (%)							
	TX: 14.07	TX: 14.22	TX=13.78	TX=14.41	TX=12.07	TX=16.01	TX=15.23
	CA: 8.34	CA: 8.33	FL=7.40	CA=7.85	FL=8.35	CA=7.53	CA=8.06
	FL: 7.56	FL: 7.55	CA=6.98	FL=7.54	CA=7.55	FL=7.30	FL=7.34
	VA: 6.59	VA: 6.60	GA=6.70	VA=6.65	VA=7.12	VA=6.63	VA=6.72
	GA: 5.93	GA: 5.97	VA=5.85	GA=6.00	GA=6.10	GA=6.07	GA=5.73

(i)All percentages are of the initial receivables balance. No.--Number. APR--Annual percentage rate. YSOA--Yield supplement overcollateralization amount. Avg.--average. Mos.--months.

Macroeconomic And Auto Finance Sector Outlook

In our view, changes in the unemployment rate are a key determinant of charge-offs in the auto finance industry. We have also observed that recovery values tend to weaken during recessionary periods.

In our analysis, we considered the economic data and forecasts outlined in table 3, and their baseline effect on collateral credit quality in determining our base-case expected loss level.

Despite 500 basis points of official rate hikes, the U.S. economy has remained resilient. First-quarter 2023 real GDP growth came in at 1.3% annualized, and second-quarter GDP is tracking close to 2.0% annualized. In light of the economic resilience, our baseline scenario has a shallower and more attenuated slowdown than previously. Importantly, our baseline U.S. forecast no longer contains a recession. Our updated forecast is for real GDP growth to slow to under 1.0% in the second half of the year and register only 1.3% and 1.5% in 2024 and 2025, respectively. Unemployment will gradually rise to an average of 4.5% in 2025 (see "Economic Outlook U.S. Q3 2023: A Sticky Slowdown Means Higher For Longer," published June 26, 2023).

Inflation remains a concern because it is eroding wage gains and the savings cushion that was built during the pandemic, particularly for those with lower incomes and smaller cushions.

Table 3

U.S. economic factors (%)

	Actual	Forecast			
	2022	2023	2024	2025	2026
Real GDP (% year-over-year growth)	2.1	1.7	1.3	1.5	1.8
Unemployment rate (% annual average)	3.6	3.5	4.0	4.5	4.6

Table 3

U.S. economic factors (%) (cont.)

	Actual	Forecast			
	2022	2023	2024	2025	2026
Consumer Price Index (% annual average)	8.0	4.3	2.7	2.3	2.1

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, and S&P Global Ratings Economics forecasts.

In the auto market, as new vehicle supply imbalances continue to ease and borrowing rates continue to rise, we would expect used vehicle values to normalize to historical levels.

S&P Global Ratings' Expected Cumulative Net Loss: 0.65%

We determined our expected loss for USAOT 2023-A by analyzing:

- The series collateral characteristics relative to other series (see table 2);
- The managed portfolio performance and origination static pool data and their relative performances (see tables 4); and
- The outstanding series' performance (see chart 2).

Overall, the series' pool composition is generally comparable to that of the prior transactions. We placed more emphasis on current series' and paid-off series performance when determining the expected loss for USAOT 2023-A. We complemented this analysis with our forward-looking view of the economy and the auto finance sector (see the Macroeconomic and Auto Finance Sector Outlook section). We expect USAOT 2023-A to experience lifetime CNLs of 0.65%, unchanged from USAOT 2022-A.

Managed portfolio

USAA FSB's total retail auto loan portfolio grew by approximately 18.06% to $18.89 billion as of June 30, 2023, from $16.0 million from the same period the year prior (see table 4).

While delinquencies and losses continue to remain lower relative to pre-pandemic levels, note that delinquencies and losses are slightly higher relative to the same period a year ago. We attribute this to the normalization since the COVID-19 pandemic, as well as recent economic headwinds, including inflationary pressures, affecting consumers.

Table 4

Managed portfolio Performance

	Six months ended June 30		Year ended Dec. 31					
	2023	2022	2022	2021	2020	2019	2018	2017
Total retail contracts outstanding at the end of the period (bil. $)	18.897	16.005	17.258	15.332	15.213	17.120	15.907	15.625
30-plus-day delinquencies (% of the period-end balance outstanding)	0.39	0.31	0.38	0.28	0.32	0.54	0.56	0.55
Loan loss experience								

Table 4

Managed portfolio Performance (cont.)

	Six months ended June 30		Year ended Dec. 31					
Average contracts outstanding (bil. $)	18.360	15.768	16.272	14.829	16.389	16.383	15.616	15.721
Net charge-offs (% of average contracts outstanding)(i)	0.35	0.15	0.20	0.13	0.34	0.42	0.45	0.46

(i)Net charge off data for the six months ended June 30 are annualized.

Origination static pool analysis

To derive our base-case loss for the USAOT 2023-A transaction, we analyzed static pool originations performance data since 2008. The data we received were segmented by new and used vehicle mixes and further broken out by the original loan term. We developed expected net loss projections based on the collateral composition. We relied on originations that had at least 12 months of performance data when determining our net loss projections. Our loss projection analysis focused on quarterly vintages that were originated from 2008 to 2022. We then weighted these projections based on the actual concentration of the various segments in the USAOT 2023-A pool.

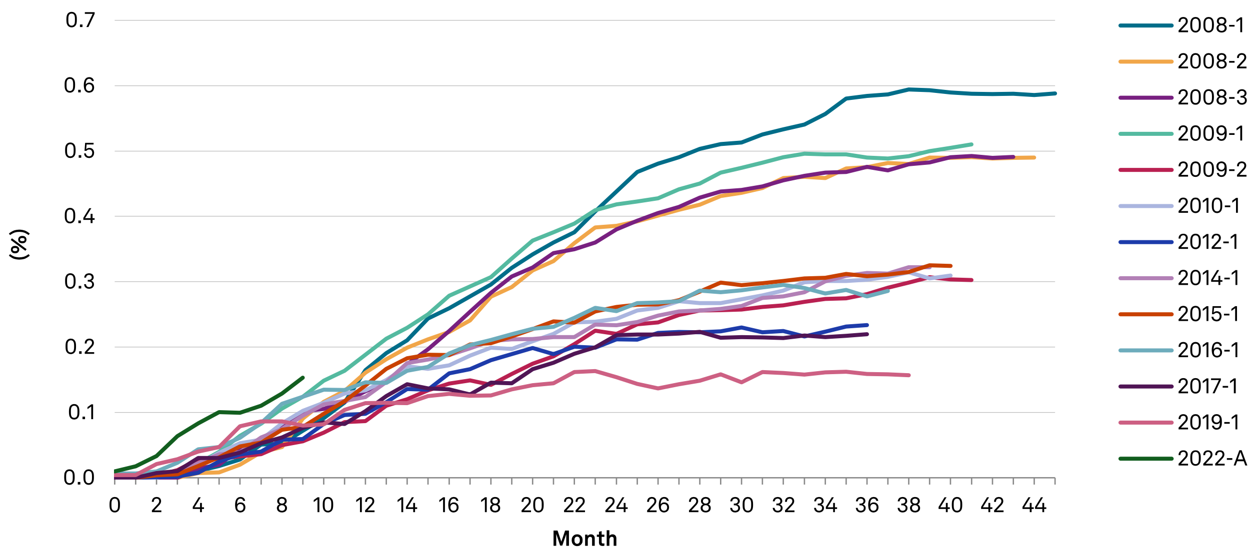
USAA series' performance

There is currently one outstanding USAA transaction. The USAOT 2022-A transaction has a CNL of 0.15% as of the July 2023 distribution date, although the series has less than 12 months of performance. The most recent paid-off transaction is the USAOT 2019-1, incurred a net loss of 0.16%.

USAA paid-off series for 2008 through 2019 incurred CNLs in the 0.16%-0.59% range (see chart 2).

Chart 1

Cumulative net loss by securitization



Legal Overview And Transaction Structure

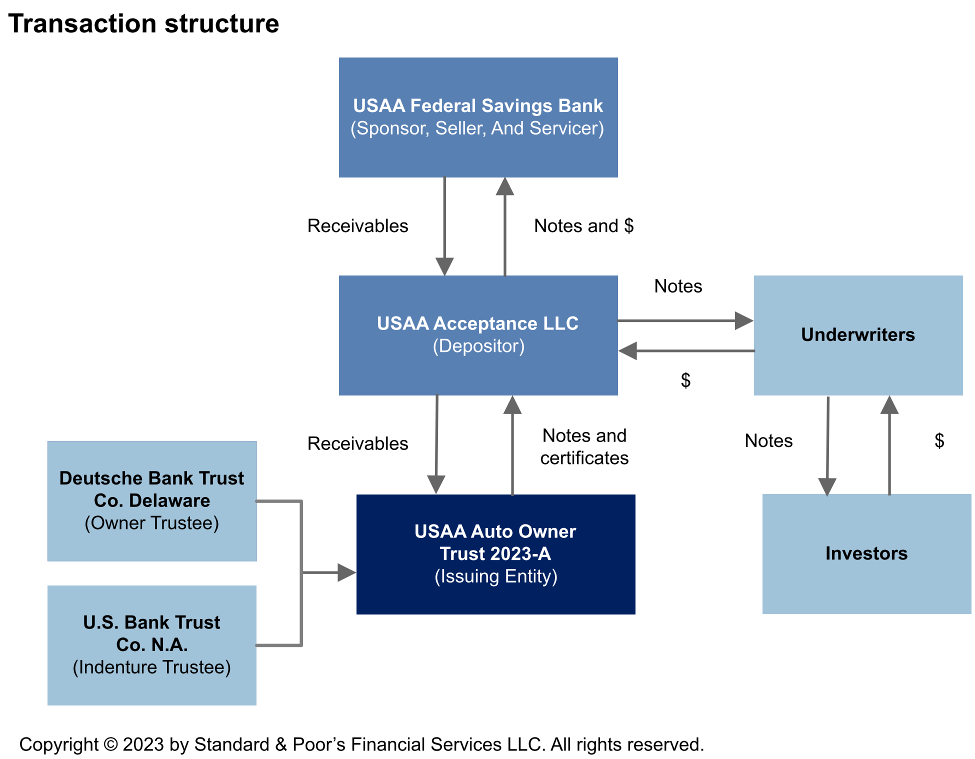
Legal overview

In rating this transaction, S&P Global Ratings will review the legal matters that it believes are relevant to its analysis, as outlined in its criteria.

The transaction is structured as a true sale of the receivables to USAA Acceptance LLC (the depositor) from USAA FSB (the sponsor). USAA Acceptance LLC is a multiuse, special-purpose Delaware limited liability company. The depositor will transfer the receivables to USAA Auto Owner Trust 2023-A, the issuer, a newly formed special-purpose Delaware statutory trust (see chart 2).

The issuer will pledge its interest in the receivables and its security interest in the financed vehicles to the indenture trustee for the benefit of the noteholders.

Chart 2



Transaction structure

USAOT 2023-A incorporates certain structural features:

- A subordinated sequential-payment priority in which the senior-most notes outstanding are paid first that will result in increased credit enhancement for the senior notes as the pool amortizes.
- Initial subordination of 1.75% for the class A notes.
- Initial overcollateralization of 0.75% of the initial adjusted pool balance and will remain at this level for the life of the transaction.
- A nonamortizing reserve account that will equal at least 0.25% of the initial adjusted pool balance and will be fully funded at closing.
- A YSOA sized so that the yield on contracts with APRs less than the 9.10% discount rate increases to the YSOA discount rate. The YSOA for each distribution date will be calculated at the closing and will amortize according to a schedule. At closing, we expect the YSOA to be approximately $102,418,046 ($136,610,926 if upsized), or 8.67% of the initial aggregate balance (9.50% of the initial adjusted pool balance).

Payment Priority

Payment distributions before an event of default

Before an event of default, distributions will be made from available funds and reserve account in the priority shown in table 5.

Table 5

Payment waterfall

Priority	Payment
1	Annual servicing fee of 1.0% to the servicer.
2	Class A note interest.
3	First, principal allocation (if any) to the class A noteholders(i) if the class A note balance is greater than the pool balance.
4	Class B note interest.
5	Second, principal allocation (if any) to the noteholders(i) if the aggregate note balance is greater than the pool balance.
6	Reserve account deposit, up to its required level.
7	Regular principal allocation to the noteholders(i) (building to the credit enhancement target).
8	Indenture and owner trustee fees and expenses.
9	Any servicer legal expenses and costs.
10	Remaining amounts to the residual certificateholders.

(i)On each distribution date, the amounts available to make principal payments on the notes will be applied sequentially to the class A-1, then A-2, then A-3, then A-4 notes, and then the class B notes, until each class is paid in full.

Events of default

The occurrence of any certain events will constitute an event of default under the indenture:

- A default in the payment of any interest due on any note of the controlling class that continues for five business days or more.
- A default in the payment of the principal of any note at its legal final maturity date.
- The issuing entity's failure to duly observe or perform its covenants or agreements in the indenture, which continues unremedied for 60 days after the issuing entity receives written notice from the indenture trustee or noteholders representing at least a majority of the outstanding principal amount of the notes of the controlling class.
- Any representation or warranty of the issuing entity made in the indenture proving to be incorrect in any material respect when made and continuing unremedied for 60 days after the issuing entity receives written notice from the indenture trustee or noteholders representing at least a majority of the outstanding principal amount of the notes of the controlling class.
- The occurrence of certain events of bankruptcy, insolvency, receivership, or liquidation of the issuing entity (which, if involuntary, remain unstayed for more than 90 days).

Following an event of default, the payment priorities will change. On each payment date after the notes have been accelerated following an event of default (other than an event of default solely from a breach of a covenant, agreement, representation, or warranty), the indenture trustee will distribute the available funds according to the payment priority shown in table 6.

Table 6

Payment waterfall following an event of default

Priority	Payment
1	To the indenture trustee and owner trustee, pro rata, based on amounts due, any accrued and unpaid fees, indemnification amounts, and expenses.
2	Servicing fee and all prior unpaid servicing fees.
3	Class A note interest; provided that sufficient funds are not available to pay the entire amount of the accrued class A note interest, the amounts available will be applied to the payment of that interest on each of the class A notes, pro rata.
4	Class A-1 principal until paid in full.
5	Class A-2 through A-4 principal, pro rata, until paid in full.
6	Class B note interest.
7	Class B note principal until paid in full.
8	To the servicer, legal expenses and costs incurred in legal matters in respect of the interests of the noteholders and the rights and duties of the parties to the servicing agreement.
9	Any remaining funds to the certificateholders.

Cash Flow Modeling Assumptions And Results

In our cash flow analysis, we assess the availability of asset cash flows to meet the transaction's promised obligations under a variety of stress assumptions, while considering the transaction structure and available credit support. In addition, we use our cash flow analysis in other aspects of our ratings analysis, including the testing of credit stability (sensitivity analysis) and legal final analysis.

In a stressed scenario, liquidity risk could arise due to interest shortfalls resulting from the yield on the loans being lower than the yield on the bonds (negative carry risk), especially because the bonds pay sequentially, leading to higher-coupon debt remaining outstanding at the tail end of the transaction. In this transaction, negative carry risk is being addressed through the YSOA.

Breakeven analysis

For the USAOT 2023-A transaction structure, we used a bifurcated-pool method and applied the assumptions outlined in table 7, in our cash flow analysis to simulate stress scenarios that we believe are appropriate for the assigned preliminary ratings. To assign a rating to a class, we consider the class's lower breakeven (maximum net losses the class can withstand without defaulting) and generally expects such breakeven level to be equal to or greater than the rating stressed scenario breakeven requirement.

Under this approach, we bifurcated the pool between underwater loans and above-water loans using a 5% rate and applied different prepayment and default assumptions between the two pools. For above-water loans (APRs greater than the market rate), we ran faster voluntary prepayments, disproportionately higher losses, and faster loss timing than for the underwater loans––at most the market rate. Conversely, we ran a slower voluntary prepay speed, disproportionately lower losses, and slower loss timing on the underwater loans.

These combined assumptions caused the weighted average APR of the pool to decrease faster over time and increases the likelihood that the YSOA will be used for yield enhancement rather than credit enhancement, thereby decreasing breakeven levels.

Based on our stressed cash flows, the breakeven net loss results show that the class A and B notes are credit-enhanced to the degree appropriate for the assigned preliminary ratings (see table 8).

Table 7

Breakeven cash flow assumptions

Servicing fee (%)	1
Recovery rate (%)	50
Charge-off and recovery lag (mos.)	4
Bifurcated pool (%)	
Underwater	71
Above water	29
Loss allocation (% of total losses)	
Underwater	65
Above water	35
Voluntary ABS (%)	
Underwater	0.25
Above water	1.50
CNL timing mos. (12/24/36/48) (%)	
Underwater	30/60/85/100
Above water	40/70/95/100
ABS--Absolute prepayment speed. Mos.--Months. CNL--Cumulative net loss.	

Table 8

Breakeven cash flow results

	Class	
	A	B
Preliminary rating	AAA (sf)	AA (sf)
CNL timing mos. (12/24/36/48) (%)		
Aggregate	38/69/92/100	38/69/92/100
Underwater	36/68/90/100	36/68/90/100
Above water	42/72/96/100	42/72/96/100
Approximate breakeven CNL levels (%)(i)		
Required	4.00	3.20
Available	6.44	4.89

(i)The maximum cumulative net losses, with 100% credit to any excess spread, the transaction can withstand without triggering a payment default on the relevant class of notes. CNL--Cumulative net loss.

Sensitivity analysis

In addition to running breakeven cash flows, we undertook sensitivity analysis using the assumptions in table 7. We believe that under a moderate ('BBB') stress scenario (2.00x our 0.80% ECNL) and with 100% credit to any excess spread, all else being equal, our preliminary ratings will be within the credit stability limits specified by section A.4 of the Appendix of "S&P Global Ratings Definitions," published June 9, 2023 (see table 9).

Table 9

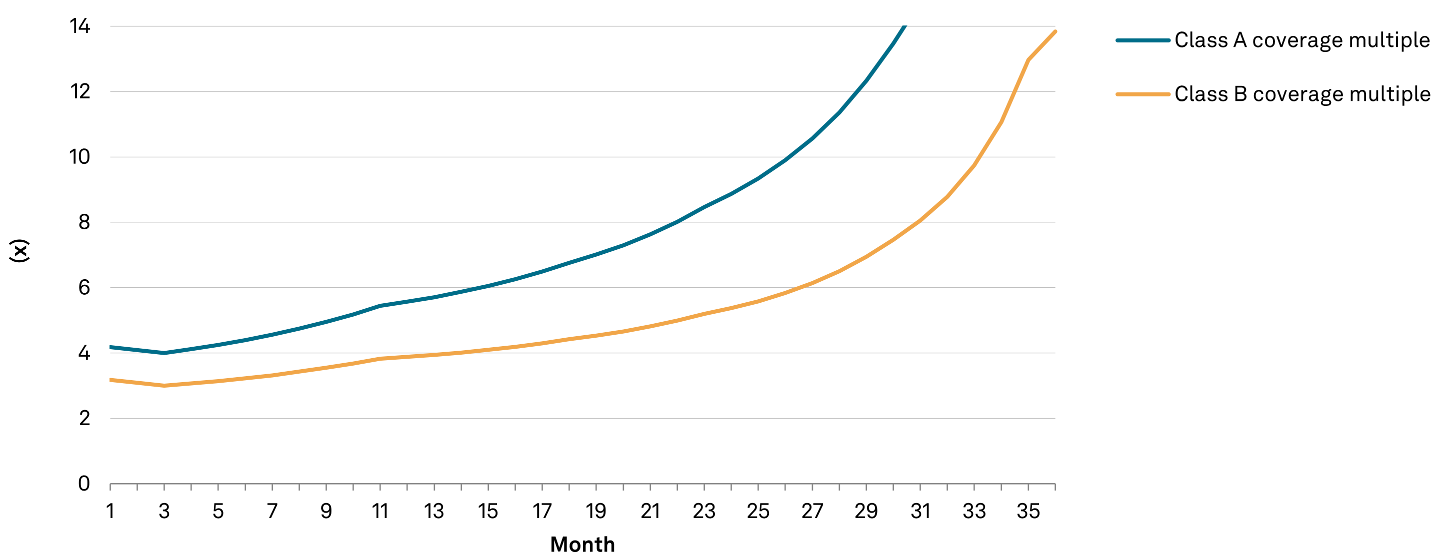
Credit stability as a limiting factor on ratings(i)

	Maximum projected deterioration associated with rating levels for one-year and three-year horizons under moderate stress conditions				
Horizon	AAA	AA	A	BBB	BB
One year	AA	A	BB	B	CCC
Three years	BBB	BB	B	CCC	D

(i)These credit-quality transitions do not reflect our view of the expected degree of deterioration that rated issuers or obligations could experience over the specified time horizons. Nor do they reflect the typical historical levels of deterioration among rated issuers and securities.

Chart 3

'BBB' sensitivity net loss coverage multiples



Legal final maturity

To test the legal final maturity dates set for classes A-2 through A-4, we determined when the respective notes would be fully amortized in a zero-loss and zero-prepayment scenario and then added three months to the result. To test the legal final maturity date for the class B notes, which is the longest-dated security, we determined the latest maturing loan's distribution date and then added at least six months to accommodate extensions. Furthermore, in the breakeven scenario for each respective rating level, we confirmed that there was sufficient credit enhancement to both cover losses and repay the related notes in full by the legal final maturity date.

Money market tranche sizing

The proposed money market tranche (class A-1) has a 12-month legal final maturity date (Sept. 16, 2024). To test whether the money market tranche can be repaid by month 12, we ran cash flows using assumptions to delay the principal collections during the 12-month time period. We assumed zero defaults as well as a 0.00% voluntary absolute prepayment speed for underwater loans and a 0.50% absolute prepayment speed for above-water loans in our cash flow run. Based on our cash flow runs, the money market tranche is paid in full at least one month before the legal final maturity date.

Counterparty And Operational Risks

Bank account provider

On or before the closing date, the series bank accounts will be established in the name of the account bank, U.S. Bank N.A. (an affiliate of the indenture trustee) as segregated trusts accounts. The bank account provider is consistent with our counterparty criteria for a 'AAA' supported transaction (see "Counterparty Risk Framework: Methodology And Assumptions," published March 8, 2019).

Servicer

As servicer, USAA FSB has an experienced management team that oversees origination, underwriting, servicing, collections and general operational practices. Commingling risk is addressed by the requirement that all collections are deposited to the series collections account within two business days of collection. Our operational risk assessment of USAA FSB as servicer does not constrain the ratings (see "Global Framework For Assessing Operational Risk In Structured Finance Transactions," published Oct. 9, 2014).

USAA FSB

United Services Automobile Assn., founded in 1922, provides various banking and financial products and services to its members: military officers and their families. To this niche market, it offers auto, home and property, life and health, and long-term care insurance. USAA is headquartered in San Antonio, Texas, and employs more than 37,000 people.

USAA FSB began its motor vehicles financing operations in 1984 and has serviced the receivables since that time. USAA FSB also originates mortgage loans, credit card receivables, and other consumer loans. USAA FSB directly originates vehicle installment loans. The bank also completes the entire contracting process electronically. The electronic contracts are electronically signed by the related obligors and are in an electronic vault maintained by the bank or third parties.

Related Criteria

- Criteria | Structured Finance | ABS: Global Auto ABS Methodology And Assumptions, March 31, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Criteria | Structured Finance | Legal: U.S. Structured Finance Asset Isolation And Special-Purpose Entity Criteria, May 15, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
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