Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2025

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) _____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan
USAA GROUP HEALTH CARE ARRANGEMENT

1b Three-digit plan number (PN) ▶ 517

1c Effective date of plan 01/01/2009

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
UNITED SERVICES AUTOMOBILE ASSOCIATION

9800 FREDERICKSBURG ROAD, D 01 W
SAN ANTONIO, TX 78288-4002

2b Employer Identification Number (EIN) 74-0959140

2c Plan Sponsor's telephone number 210-498-1450

2d Business code (see instructions) 524290

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/04/2026	ASA WATERMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/11/2026	BRETT SEYBOLD
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor

USAA BENEFITS ADMINISTRATION COMMITTEE

P.O. BOX 34178
SAN ANTONIO, TX 78265-4178

3b Administrator's EIN: 74-0959140

3c Administrator's telephone number: 210-498-1450

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

a Sponsor's name

c Plan Name

4b EIN

4d PN

5	Total number of participants at the beginning of the plan year	**5**	6181
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	0
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	0
b	Retired or separated participants receiving benefits	**6b**	6444
c	Other retired or separated participants entitled to future benefits	**6c**	0
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	6444
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	
f	Total. Add lines **6d** and **6e**.	**6f**	
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.	**6h**	
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

4A 4F 4Q

9a Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☒ General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☒ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☐ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☐ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☒ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2025 Form M-1 annual report. If the plan was not required to file the 2025 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2025

This Form is Open to Public Inspection

For calendar plan year 2025 or fiscal plan year beginning 01/01/2025 and ending 12/31/2025

A Name of plan
USAA GROUP HEALTH CARE ARRANGEMENT

B Three-digit plan number (PN) ▶ 517

C Plan sponsor's name as shown on line 2a of Form 5500
UNITED SERVICES AUTOMOBILE ASSOCIATION

D Employer Identification Number (EIN)
74-0959140

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	577557	511396
(3) Other	1b(3)	1281617	1978540
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2320056	2325276
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
1e Buildings and other property used in plan operation	1e		
1f Total assets (add all amounts in lines 1a through 1e)	1f	4179230	4815212
Liabilities			
1g Benefit claims payable	1g		
1h Operating payables	1h		
1i Acquisition indebtedness	1i		
1j Other liabilities	1j		
1k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
1l Net assets (subtract line 1k from line 1f)	1l	4179230	4815212

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	14574937	
(B) Participants	2a(1)(B)	6537653	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		21112590
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	106205	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		106205
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		21218795
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	20582813	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		20582813
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines **2i(1)** through **(11)**	2i(12)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		20582813
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		635982
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [ ] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [X] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG LLP **(2)** EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) [ ] This form is filed for a CCT, PSA, DCG or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		150000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [X] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ..... ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.



USAA GROUP HEALTH CARE ARRANGEMENT

Financial Statements and Supplemental Schedules

December 31, 2025 and 2024

(With Report of Independent Auditors)

USAA GROUP HEALTH CARE ARRANGEMENT

Financial Statements and Supplemental Schedules

December 31, 2025 and 2024

(With Report of Independent Auditors)

Ernst & Young LLP
Frost Bank Tower
Suite 1901
111 West Houston Street
San Antonio, Texas 78205

Tel: +1 210 228 9696
Fax: +1 242 7252
ey.com

Shape the future with confidence

Report of Independent Auditors

The USAA Benefits Investment Committee and USAA Benefits Administration Committee
USAA Group Health Care Arrangement

Opinion

We have audited the financial statements of USAA Group Health Care Arrangement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits and benefit obligations as of December 31, 2025 and 2024, and the related statements of changes in net assets available for benefits and benefit obligations for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits and benefit obligations of the Plan at December 31, 2025 and 2024, and the changes in its net assets available for benefits and benefit obligations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's

provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Shape the future with confidence

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion of the financial statements as a whole. The supplemental schedules of assets (held at end of year) as of December 31, 2025, and reportable transactions for the year then ended (referred to as the "supplemental schedules"), are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Ernst & Young LLP

August 11, 2026

USAA GROUP HEALTH CARE ARRANGEMENT

Statements of Net Assets Available for Benefits and Benefit Obligations

(Dollars in thousands)

	December 31,	
	2025	2024
Assets		
Investments, at fair value:		
Mutual funds	$ 2,325	$ 2,320
Total investments	2,325	2,320
Net assets held in USAA Pension Plan - restricted for 401(h) account	57,953	79,432
Receivables:		
Participant contributions	511	578
Rebates receivable	1,979	1,282
Total receivables	2,490	1,860
Total assets	62,768	83,612
Net assets available for benefits	62,768	83,612
Benefit Obligations		
Postretirement benefit obligation	423,292	420,673
Total benefit obligations	423,292	420,673
Excess of benefit obligations over net assets available for benefits	$ (360,524)	$ (337,061)

See accompanying notes to financial statements.

USAA GROUP HEALTH CARE ARRANGEMENT

Statements of Changes in Net Assets Available for Benefits and Benefit Obligations

(Dollars in thousands)

	Years Ended December 31,	
	2025	2024
Additions to net assets available for benefits		
Cash contributions:		
Plan sponsor	$ 14,575	$ 13,065
Participants	6,537	7,032
Total cash contributions	21,112	20,097
Investment income:		
Other interest and dividends	106	38
Total investment income	106	38
Total additions	21,218	20,135
Deductions from net assets available for benefits		
Claims paid, net	20,583	19,511
Net decrease in 401(h) account	21,479	17,475
Total deductions	42,062	36,986
Net decrease in net assets available for benefits	(20,844)	(16,851)
Changes in benefit obligations		
Postretirement benefit obligation:		
Benefits earned and other changes	(11,825)	119
Changes in actuarial assumptions	7,317	(90,296)
Actuarial loss	7,127	5,353
Total increase (decrease) in benefit obligations	2,619	(84,824)
(Decrease) increase in net assets available for benefits and benefit obligations	(23,463)	67,973
Excess of benefit obligations over net assets available for benefits:		
Beginning of year	(337,061)	(405,034)
End of year	$ (360,524)	$ (337,061)

See accompanying notes to financial statements.

(1) Description of the plan

The following description of the USAA Group Health Care Arrangement (the "Plan") provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions. The component benefits program for 2025 and 2024 is the USAA Retiree Medical Program which consists of two distinct component plans: the USAA Pre-age 65 Retiree Medical Program and the USAA Post-age 65 Retiree Medical Program. The plan for pre-age 65 retired employees ceased on December 31, 2025.

A. General

The Plan provides medical, prescription drug and mental health benefits to certain eligible retirees and their eligible dependents of United Services Automobile Association ("USAA" or the "Plan Sponsor") and most USAA subsidiaries.

The administration of the Plan is performed by the USAA Benefits Administration Committee ("UBAC" or the "Plan Administrator"), whose members are appointed by the Executive Vice President of Human Resources. Management of the investment funds is performed by the USAA Benefits Investment Committee ("UBIC"), whose members are appointed by the USAA Chief Executive Officer. USAA provides certain facilities, services, and administration without expense to the Plan. The trustee of the Plan is Northern Trust Corporation (the "Trustee"). The recordkeeper of the Plan is Willis Towers Watson US LLC. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

The USAA Pension Plan includes a medical benefit component in addition to normal retirement benefits to fund a portion of the postretirement obligation for retirees and their eligible dependents in accordance with Section 401(h) of the Internal Revenue Code of 1986, as amended (the "Code"). A separate account is maintained in the USAA Pension Plan for such postretirement medical benefit contributions. The 401(h) assets may be used to pay current pre-age 65 retiree health benefits which are obligations of the Plan and post-age 65 Health Reimbursement Account ("HRA") contributions that can be used to pay premiums and certain out-of-pocket expenses. They may not be used to satisfy pension obligations.

B. Retiree medical benefits

Retirees and eligible dependents are eligible for benefits under the USAA Retiree Medical Program which consists of two distinct component plans: the USAA Pre-age 65 Retiree Medical Program and the USAA Post-age 65 Retiree Medical Program.

Pre-age 65 eligible retirees and dependents have the Health Savings Account ("HSA") and Personal Care Account ("PCA") options and post-age 65 Medicare-eligible retirees have transitioned to the medical and prescription drug products offered by USAA Health Solutions. Pre-age 65 eligible retirees and dependents have the option to remain in the Plan through 2025. Post-age 65 retirees also have an HRA which is a component of the Plan funded by USAA that can be used exclusively to pay premiums and certain out-of-pocket expenses.

C. Eligibility

Employees hired prior to January 1, 2004, are eligible for retiree benefits upon retirement on or after their Early Retirement Date under the Pension Plan (must be at least age 55 and have at least 5 years of service). Employees hired or rehired after December 31, 2003, and prior to January 1, 2016, are eligible for retiree benefits upon retirement by either (a) completing at least 10 years of service with USAA after attaining age 45 or (b) retiring on or after reaching the Normal Retirement Age under the Pension Plan (the later of their 65th birthday or their fifth anniversary of employment). If an employee was hired or rehired after December 31, 2015, they are not eligible for retiree medical benefits upon retirement.

D. Benefits

The benefits are provided subject to certain deductibles and co-payments as specified in the Plan documents.

The Plan provides to its pre-age 65 participants self-insured medical coverage through two plan options - the PCA Plan Option and the HSA Plan Option. Both plan options provide coverage through the Cigna and Capital Rx networks and include various spending account options and preventative care benefits. Participants enrolled in the Plan may pay, or obtain reimbursement of, eligible medical expenses on a nontaxable basis from their spending accounts if sufficient funds exist. Eligible participants include survivor and pre-age 65 retirees. For participants enrolled in the PCA Plan Option, employer contributions are allocated to the participant PCA as determined by coverage category selections made during annual enrollment.

Participants may use available PCA dollars to reimburse qualified dental and vision expenses. Participants enrolled in the HSA Plan Option may use unused PCA dollars from prior years for dental and vision expenses prior to meeting the annual deductible.

Post-age 65 Medicare-eligible retirees receive medical and prescription drug products offered by USAA Health Solutions and receive an HRA that can be used exclusively to reimburse premiums and certain out-of-pocket expenses. Post-age 65 retirees and eligible dependents enrolled in Qualifying Coverage are eligible for annual contributions to an HRA.

The contributions for 2025 are:

- Post-age 65 retiree or eligible dependent only: $3.13
- Post-age 65 retiree + post-age 65 eligible dependent: $3.13 per individual ($6.26 in total)

The contributions for 2024 were:

- Post-age 65 retiree or eligible dependent only: $3.04
- Post-age 65 retiree + post-age 65 eligible dependent: $3.04 per individual ($6.08 in total)

HRA contributions are recorded in the Statement of Changes in Net Assets Available for Benefits and Benefit Obligations when the claims are paid. Claim reimbursements are submitted by service providers as well as by participants directly. Unused HRA balances may be rolled over to the next plan year. HRA balances are forfeited upon the death of the retiree and any eligible dependents. For retirees who retire before age 62 and turned the age of 50 on or after July 1, 2006, the contribution to the HRA will be reduced by 5% per year for each year they commenced retiree medical benefits before age 62. The HRA contribution increases each year by 3% while the post-age 65 retiree and/or eligible dependent remains enrolled until the total contribution reaches $6.30 a year.

The following reflects the pre-65 retirees participant coverage category and related PCA contribution for 2025 and 2024:

Coverage Category	2025	2024
Retiree only	$ 0.75	$ 0.75
Retiree plus 1 dependent	1.50	1.50
Retiree plus 2 or more dependents	2.25	2.25

PCA contributions are recorded in the Statement of Changes in Net Assets Available for Benefits and Benefit Obligations when the claims are paid. Claim reimbursements are submitted by service providers as well as by participants directly. Unused PCA balances may be rolled over to the next plan year through 2025. PCA balances are forfeited when a participant ceases to participate in the Plan. The forfeitures are captured in the changes in the accumulated postretirement benefit obligation ("APBO") as actuarial gains or losses.

E. Contributions

Participant contributions are contributions from retirees electing continued coverage under the Plan. Eligible retirees shall be required to pay for coverage under the Pre-65 plan for themselves and their eligible pre-age 65 dependents, with such costs being determined in accordance with guidelines established by the Plan Administrator.

The USAA Retiree Medical Program provides self-funded (not insured) benefits including medical claims, prescription drug claims and spending account reimbursements. This means that benefit payments do not come from an insurance company under an insurance policy, but from the premiums the retiree pays, and contributions that USAA makes. Under the current medical premium cost sharing structure, the premiums paid by the participant are only a small percentage of the cost of equivalent coverage. The coverage cost is paid by the participant through deductions from their monthly pension annuity or direct bill payment.

USAA shares in the cost of postretirement medical coverage with the retirees. In addition, for employees who turned age 50 on or after July 1, 2006, the USAA subsidy provided to a retiree throughout his or her retirement is reduced by 5% for each year prior to age 62 that a retiree first commences retiree medical benefits. Retirees on average paid 13% and 16% of the estimated cost of providing their postretirement benefits for 2025 and 2024, respectively. USAA's share of the total retiree medical premium is capped for future plan years. The cap is 150% of the 2007 subsidy amount which was reached in 2017 for the PCA Option. Therefore, retirees who select the PCA Option will pay all increases in total medical premium.

Additional contributions are made by USAA in amounts determined at the discretion of management.

F. Administrative expenses

For the years ended December 31, 2025 and 2024, the Plan Sponsor paid $1,664 and $1,539, respectively, in Plan administrative expenses. In addition, the Plan Sponsor paid $76 and $92 of money manager fees on behalf of the 401(h) account for the years ended December 31, 2025 and 2024, respectively.

G. Plan termination

The Plan Sponsor has the right under the Plan to modify the benefits provided to and contributions required of participants, to discontinue its contributions at any time, and to terminate the Plan subject to the provisions set forth in ERISA. Upon Plan termination, the assets then remaining shall be subject to the applicable provisions of the Plan then in effect and shall be used for the exclusive purposes of participants and beneficiaries.

(2) Summary of significant accounting policies

A. Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the U.S. ("GAAP").

B. Payment of benefits

Claims paid are recorded when paid to the third–party provider. Claims payable and incurred but not reported claims for retirees and eligible dependents are included in the postretirement benefit obligation Note 5 - Plan benefit obligations.

C. Investments

Fair value of financial assets and financial liabilities is based on the framework established in the Financial Accounting Standards Board's ("FASB") fair value accounting guidance. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework is based on the inputs used in the valuation, gives the highest priority to quoted market prices in active markets, and requires that observable inputs be used in valuations where available. See Note 6 - Fair value, for further information.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded as earned. Dividends are recorded as of the ex-dividend date. Realized gains (losses) on the sale of investments and unrealized appreciation (depreciation) in the fair value of investments are shown as a net (increase) decrease in 401(h) account in the Statements of Changes in Net Assets Available for Benefits and Benefit Obligations and Note 5 - Plan benefit obligations.

D. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein, claims payable, claims incurred but not reported, postretirement benefit obligations and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

E. Risks and uncertainties

The Plan holds positions in the aforementioned investments, and is therefore exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and Benefit Obligations.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care inflation rates and plan participant demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

F. Rebates

Rebates from prescription drug programs are recorded when earned from the provider and netted with claims paid in the accompanying Statements of Changes in Net Assets Available for Benefits and Benefit Obligations.

G. New accounting pronouncements

All new accounting standards and updates of existing standards were considered by management and did not relate to accounting policies and procedures pertinent to the Plan at this time or were not expected to have a material impact to the financial statements.

(3) Investments

Investments of the Plan are accounted for and controlled by the Trustee, who executes investment transactions as directed by the UBIC. The Plan has established investment policies which limit the type, credit quality and duration of the securities in which it invests in order to maintain a diversified portfolio and minimize potential concentrations of credit risk. Also, due diligence reviews of investments held are performed by the UBIC to reduce the exposure to loss.

The Plan's assets related to the USAA Retiree Medical Program are segregated in the Retiree Medical Account and a 401(h) account under the USAA Pension Plan. Assets in these accounts are available for the payment of benefits incurred by covered participants and dependents while the participant is retired and include those assets which are in excess of the maximum tax-exempt amount as defined by the Deficit Reduction Act and its related regulations. In accordance with Section 401(h), the Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing certain health benefits for retirees and their beneficiaries.

(4) Reconciliation to Form 5500

The following is a reconciliation of the net assets available for plan benefits per the financial statements to the net assets available for plan benefits per the Plan's Form 5500 as of December 31, 2025 and 2024:

	2025	2024
Net assets available for benefits per the financial statements	$ 62,768	$ 83,612
Net assets held in USAA Pension Plan-401(h) account	(57,953)	(79,432)
Net assets available for benefits per Form 5500	$ 4,815	$ 4,180

The Net assets held in USAA Pension Plan restricted for 401(h) account are presented on the accompanying Statements of Net Assets Available for Benefits and Benefit Obligations but are not included in the Plan's Form 5500.

The following is a reconciliation of net income per the financial statements to the Form 5500 for the years ended December 31, 2025 and 2024:

	2025	2024
Net decrease in net assets available for benefits	$ (20,844)	$ (16,851)
Add: Net decrease in 401(h) account	21,479	17,475
Net income per Form 5500	$ 635	$ 624

The net decrease in the 401(h) account are presented on the accompanying Statements of Changes in Net Assets Available for Benefits and Benefit Obligations but are not included in the Plan's Form 5500.

(5) Plan benefit obligations

A. Plan benefit obligations

The Plan's deficiency of net assets available for benefits over obligations relates primarily to the postretirement benefit obligation. It is expected that such deficiency will be funded with future Plan Sponsor contributions on a pay-as-you-go basis.

B. Postretirement benefit obligation

Plan obligations at December 31, 2025 and 2024 for postretirement benefit obligations are estimated by the Plan's actuary in accordance with generally accepted actuarial principles and practices. Such estimated amounts are reported in the accompanying Statements of Net Assets Available for Benefits and Benefit Obligations at present value, based on a 5.55% and 5.69% postretirement discount rate as of December 31, 2025 and 2024, respectively.

The postretirement benefit obligation represents the actuarial present value of those estimated future benefits that are attributed to employee service rendered to the date of the financial statements, reduced by the actuarial present value of contributions expected to be received in the future from plan participants. Postretirement benefits include future benefits expected to be paid to or for (1) pre-age 65 retired employees and their beneficiaries and dependents, (2) post-age 65 retired employees and their beneficiaries and dependents and (3) eligible active employees and their beneficiaries and dependents after retirement from service with the Plan Sponsor. The postretirement benefit obligation represents the amount that is to be funded by contributions from the Plan Sponsor and from existing Plan assets. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributed to that employee's service rendered through the valuation date.

The APBO at December 31, 2025 and 2024, relate to the following categories of participants:

	2025	2024
Fully eligible Plan participants	$ 34,634	$ 31,889
Other Plan participants not yet fully eligible	79,844	89,170
Retirees and beneficiaries[1]	308,814	299,614
Total benefit obligations	$ 423,292	$ 420,673

[1] Includes claims currently payable and claims for incurred but not paid liabilities.

The following were changes in the APBO as of December 31, 2025 and 2024:

	2025	2024
Accumulated postretirement benefit obligation, beginning of year	$ 420,673	$ 505,497
Service cost	8,546	12,272
Interest cost	21,523	24,638
Claims paid	(48,431)	(43,823)
Participant and on-behalf contributions	6,537	7,032
Actuarial loss	7,127	5,353
Assumption changes	7,317	(90,296)
Accumulated postretirement benefit obligation, end of year	$ 423,292	$ 420,673

The increase in the APBO at December 31, 2025 is attributable to an increase of $6,550 due to the change in the discount rate from 5.69% to 5.55%, and an increase of a $767 due to short-term claims assumptions (e.g., trend and HRA balance drawdown). The actuarial loss is attributable to the updated census impact loss of $8,432 and an increase in incurred but not paid liabilities of $517 offset by the actual benefit payments being less than expected by $1,822.

The decrease in the APBO at December 31, 2024 is attributable to changes in the Plan participation assumptions associated with HRA utilization of $64,481, a decrease of $23,773 due to change in the discount rate from 5.17% to 5.69%, and a decrease of $2,042 due to changes in short-term claims assumptions (e.g., claims costs, trend, and a balance drawdown). The actuarial loss is attributable to the updated census impact loss of $13,475 offset by the actual benefit payments being less than expected by $8,122.

The actuarial present value of the expected postretirement benefit obligation is determined by an actuary. These amounts result from applying actuarial assumptions to historical claims-cost data to estimate future annual incurred claims costs per participant. Such estimates are adjusted for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment and reflect a reduction related to the portion of those costs expected to be borne by Medicare, the retired participants and other providers.

For measurement purposes at December 31, 2025 and 2024, respectively, the following trend rates for health claims were assumed for Pre-age 65 PCA and Pre-age 65 HSA:

	2025	2024
Health care cost trend rate assumed for next year	N/A	6.50%
Rate to which the cost trend rate is assumed to decrease (the ultimate trend rate)	N/A	N/A
Year that the rate reaches the ultimate trend rate	N/A	2025

The Plan uses the Healthy PRI-2012 ("Private Retirement Plans Mortality Table") separate employee/ retiree/contingent survivor (where the primary annuitant is already deceased as of the valuation date) no collar headcount-weighted generational mortality tables for its mortality assumptions for the year ended December 31, 2025 and 2024. Mortality improvements reflected are based on the MP-2021 projection scale.

The following table reflects the retirement rates used in the valuation for the postretirement benefit obligation for the years ended December 31, 2025 and 2024:

Age	Rate	Age	Rate
55	7 %	64	19%
56	7 %	65	30%
57	7 %	66	30%
58	7 %	67	30%
59	12 %	68	30%
60	12 %	69	30%
61	15 %	70	30%
62	17 %	71	100%
63	19 %		

If the assumed trend rate increased by 1 percentage point, it would increase the obligation as of December 31, 2025 and 2024 by $316 and $520, respectively.

The foregoing assumptions are based on the presumption that the Plan will continue in existence. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the postretirement benefit obligation.

C. Medicare subsidy

On December 8, 2003, the Medicare Prescription Drug, Improvements and Modernization Act of 2003 (the "Act") for employers sponsoring postretirement health care plans that provide prescription drug benefits was signed into law. The Act introduced a prescription drug benefit under Medicare as well as a federal subsidy to sponsors of retiree health care benefit plans providing a benefit that is at least actuarially equivalent to Medicare Part D. Under the Act, the Medicare subsidy amount is received directly by the Plan Sponsor and not the related Plan. Further, the Plan Sponsor is not required to use the subsidy amount to fund postretirement benefits and may use the subsidy for any valid business purpose. The postretirement benefit obligation as of December 31, 2025 and 2024 and the changes in the postretirement benefit obligation for the years then ended do not reflect any amount associated with the Medicare subsidy as the Plan is not directly entitled to the Medicare subsidy. USAA's accumulated postretirement benefit obligation has been based on a measurement date of December 31st and excludes retiree life insurance.

The Plan for post-age 65 retired employees is non-contributory; instead, retirees purchase individual Medicare supplement policies through USAA Health Solutions and obtain reimbursement for premiums and out-of-pocket expense through an HRA. As a result of this change, effective January 1, 2016 USAA is no longer eligible for Medicare Part D subsidy.

D. 401(h) account

A portion of the Plan's obligations are funded through contributions to the USAA Pension Plan in accordance with Section 401(h) of the Code. The Plan limits the use of the 401(h) account assets (attributable to contributions deducted in tax years prior to 2008) to the payment of prescription drug benefits provided under the USAA Retiree Medical Program to retirees and their eligible dependents. The Plan allows 401(h) assets to be used for all medical or other benefits provided to eligible retirees and their dependents under the USAA Medical Care Program.

The components of the net assets available for such obligations are presented below at December 31:

	2025	2024
401(h) account:		
Non-interest bearing cash	$ 36	$ 39
Investments at fair value:		
U.S. Treasury securities	675	—
Government and municipal bonds	204	—
Corporate bonds	40,582	57,640
Mutual funds and exchange traded funds	6,726	10,780
Securities loaned:		
U.S. Treasury securities	797	—
Corporate bonds	651	596
Mutual funds and exchange traded funds	7,013	6,773
Total investments at fair value	56,648	75,789
Investments measured at net asset value		
Common/collective trusts	1,131	3,362
Total investments measured at net asset value	1,131	3,362
Accrued interest	495	640
Operating payables	(357)	(398)
Net assets held in USAA Pension Plan - restricted for 401(h) account	$ 57,953	$ 79,432

The changes in net assets available for the obligations paid from the 401(h) account are presented below for the years ended December 31:

	2025	2024
Net appreciation in fair value of investments	$ 3,914	$ 3,964
Interest income	2,464	2,882
Administrative expenses	(9)	(9)
Health and welfare benefits paid for retirees	(27,848)	(24,312)
Net decrease in net assets available in 401(h) account	$ (21,479)	$ (17,475)

(6) Fair value

The FASB guidance on fair value measurement establishes a three-level valuation hierarchy for disclosure of assets and liabilities measured at fair value. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) in active markets for identical assets and liabilities that can be accessed at the measurement date
- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly
- Level 3 – inputs to the valuation methodology are unobservable for the asset or liability

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Below is a description of the Plan's valuation methodologies for assets and liabilities measured at fair value:

If listed prices or quotes are not available, fair value is based upon independent or internally developed models that primarily use, as inputs, market-based or independently sourced market parameters, including but not limited to yield curves, interest rates, volatilities, equity or debt prices, foreign exchange rates and credit curves. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

A. Securities (including securities lending collateral)

Where quoted prices are available in an active market, securities are classified in Level 1 of the valuation hierarchy. These securities include mutual funds and exchange traded funds for which there are quoted prices in active markets and exchange-traded equities.

If quoted market prices are not available for the specific security, then fair values are estimated by using pricing models utilized by independent pricing services to ascertain the fair values. The UBIC has reviewed the processes and procedures employed by the pricing service and take full responsibility for the fair value measurements presented herein. The following represents a summary of the techniques employed by the pricing services:

- All valuations are based on market data which use pricing models that vary by asset class and incorporate available trade, bid and other market information. Many fixed income securities do not trade on a daily basis; therefore, different pricing applications are applied based upon available information

through processes such as benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing. In addition, model processes, such as the Option Adjusted Spread model are used to develop prepayment and interest rate scenarios.

- The models and processes also take into account market convention. For each asset class, teams of evaluators gather information from market sources and integrate relevant credit information, perceived market movements, and sector news into the evaluated pricing applications and models.

- The market inputs (referred to as Standard Inputs) used for the valuation of securities, include; benchmark yields, reported trades, broker-dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data. Market indicators, industry, and economic events are also monitored and incorporated as necessary. Information of this nature is a trigger to acquire further market data. For certain security types, additional inputs may be used, or some of the Standard Inputs may not be applicable. Evaluators may prioritize inputs differently on any given day for any security based on market conditions, and not all inputs listed are available for use in the valuation process for each security valuation on any given day. For broker-quoted only securities, quotes are only obtained from market makers or broker-dealers that are recognized to be market participants. Pricing of private-placements is similar to that of corporate and public securities but include an unobservable liquidity premium.

Based upon an analysis of the procedures and techniques developed by independent pricing services, the UBIC has determined that securities valued using models and observable Standard Inputs are classified within Level 2 of the valuation hierarchy whereas securities classified as broker-quoted only are classified within Level 3 of the valuation hierarchy. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by internal investment professionals who are familiar with the securities being priced and the markets in which they trade to validate the reasonableness of the prices obtained. These investment professionals consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers.

The only financial instruments held are mutual funds, whose fair value is estimated based on quoted market prices.

B. Assets measured at fair value on a recurring basis

The following table presents the assets carried at fair value as of December 31, 2025, by caption on the Statements of Net Assets Available for Benefits and Benefit Obligations and by the FASB valuation hierarchy (as described above).

	Fair Value Measurements at the End of the Reporting Period Using			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Mutual funds	$ 2,325	$ —	$ —	$ 2,325
Total investment assets	$ 2,325	$ —	$ —	$ 2,325

The following table presents the assets carried at fair value as of December 31, 2024, by caption on the Statements of Net Assets Available for Benefits and Benefit Obligations and by the FASB valuation hierarchy (as described above).

	Fair Value Measurements at the End of the Reporting Period Using			
	Level 1	Level 2	Level 3	Total
Assets:				
Investments:				
Mutual funds	$ 2,320	$ —	$ —	$ 2,320
Total investment assets	$ 2,320	$ —	$ —	$ 2,320

The fair value tables presented above do not include the net assets in the 401(h) account (see Note 5 - Plan benefit obligations), as these investment related disclosures are included in the financial statements of the USAA Pension Plan.

(7) Tax status

The trust funding the Plan has received an exemption letter from the Internal Revenue Service ("IRS") dated February 21, 1996, stating that the trust is tax-exempt under the provisions of Section 501(c)(9) of the Code as a Voluntary Employees' Beneficiary Association. The Plan and the trust are required to operate in conformity with the Code to maintain the tax-exempt status of the trust. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and therefore, believes the related trust is tax-exempt.

GAAP requires Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more-likely-than-not, based on the technical merits, to be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2025 and 2024, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(8) Party-in-interest transactions

During 2025 and 2024, the investments included the Plan's cash equivalent mutual funds and the 401(h)'s collective short-term investment fund which are managed and distributed by the Trustee. Therefore, investment transactions in those funds qualify as party-in-interest transactions. These transactions are covered by an exemption from the "prohibited transaction" provisions of ERISA and the Code.

The Plan receives prescription drug benefit payment rebates that have been earned but not remitted to the Plan. At December 31, 2025 and 2024, the Plan recorded rebates receivable for $1,979 and $1,282, respectively.

(9) Subsequent events

The date to which events occurring after December 31, 2025, have been evaluated for possible adjustment to the financial statements or disclosure is August 11, 2026, which is the date on which the financial statements were available to be issued.

USAA GROUP HEALTH CARE ARRANGEMENT

PLAN SPONSOR: USAA

PLAN SPONSOR EIN: 74-0959140

PLAN NUMBER: 517

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2025

SCHEDULE I

USAA GROUP HEALTH CARE ARRANGEMENT

PLAN SPONSOR: USAA
PLAN SPONSOR EIN: 74-0959140
PLAN NUMBER: 517

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2025

	Identity of issue, borrower, lessor or similar party/Description of investment, including maturity date and rate of interest	Cost	Current Value
	Mutual funds:		
*	MFB NORTHERN INSTL/INSTRL FDS GOVT PORTFOLIO	$ 2,317,846	$ 2,325,276

* Indicates as Party-in-interest

USAA GROUP HEALTH CARE ARRANGEMENT

PLAN SPONSOR: USAA

PLAN SPONSOR EIN: 74-0959140

PLAN NUMBER: 517

Schedule H, Line 4j - Schedule of Reportable Transactions

Year Ended December 31, 2025

USAA GROUP HEALTH CARE ARRANGEMENT

PLAN SPONSOR: USAA
PLAN SPONSOR EIN: 74-0959140
PLAN NUMBER: 517

Schedule H, Line 4j - Schedule of Reportable Transactions
Year Ended December 31, 2025

Description of transaction	Purchase Price	Selling Price	Cost of Asset	Net Gain (Loss)
Individual Transactions:				
MFB NORTHERN INSTL/INSTRL FDS GOVT PORTFOLIO				
Purchases	$ 33,937,774	$ —	$ 33,937,774	$ —
Sales	—	33,895,817	33,895,817	—
Series Transactions:				
MFB NORTHERN INSTL/INSTRL FDS GOVT PORTFOLIO				
Purchases	$ 34,253,769	$ —	$ 34,253,769	$ —
Sales	—	33,947,041	33,947,041	—

See

Audited Financial

Statements

For

Schedule of Reportable Transactions

(Schedule H 4j)

See

Audited Financial

Statements

For

Schedule of Assets Held

(Schedule H 4i)