MESSAGE FROM THE CEO:
The Best is Yet to Come

On Labor Day, we pause to remember and honor the struggles and sacrifices that the labor movement endured in pursuit of fair wages, safe working conditions, pensions to retire on after a lifetime of hard work, and respect in the workplace. Unfortunately, we know the fight to maintain those rights continues today. In fact, the assault on workers continues unabated. Witness the efforts to pass legislation in states around the country authorizing Right-to-Work, the repeal of Prevailing Wage Acts, the elimination of Project Labor Agreements, and Dues check-off provisions, to name just a few.

Continued on page 2
MESSAGE FROM THE CEO:

The Best is Yet to Come

For unions and their members, Labor Day calls for a reflection on the past and present, but most urgently on the future. Where is the labor movement and where is it headed? Those are the questions that we at Ullico have thought about and acted on for the past 90 years.

“Every year, we renew our commitment to provide the best products in the marketplace...”

Since our founding in 1927, Ullico has played a unique role in the labor movement by developing products that meet the needs of working men and women. We were a company created to provide life insurance to union members when coverage was not frequently available to them, and we still provide that coverage today. Forty years ago, we expanded by creating our J for Jobs investment platform to create competitive returns on pension fund investments and put union members and contractors to work. Thirty years ago, by creating our J for Jobs investment platform to create competitive returns on pension fund investments and put union members and contractors to work. Thirty years ago, we developed state of the art fiduciary and union liability coverage, and we are meeting that challenge with policies designed specifically for the union market.

At Ullico, we look confidently to the future and the continuation of our historic partnership with the labor movement. We thank our great board of directors for their leadership and guidance, and all of our customers and consultants for their belief and trust in us. Finally, thank you to our dedicated employees who give 110 percent every day to serve the unions and their members. As Frank Sinatra would say, “The best is yet to come.”

Edward M. Smith
President and CEO
Ullico Inc.

Ullico Casualty Group, LLC recently announced the availability of a new commercial lines insurance product for joint apprenticeship training committees (JATCs).

“We’ve always had property and casualty insurance products for unions and their funds’ office exposure. Now we have an additional line tailored to JATCs,” says Alieu Jallow, Commercial Lines Manager.

The new insurance product goes beyond standard policies to address the unique risks that JATCs face after trainees leave the school. “A standard package policy covers JATCs if something happens to a student or visitor at the locations,” says Jallow. “But it doesn’t cover what can happen after a student leaves the JATC facility. This new product fills that void.”

For instance, if a trainee causes bodily harm to someone else on the job, the injured party might sue the JATC, alleging that their injuries resulted from improper training. Without the right coverage, JATCs can face severe financial costs as a result of litigation.

"Brokers have asked us to find a property and casualty solution for training facilities," says Craig Arneson, Vice President of Operations. “We worked with our carrier partners to create this product in response to the needs of our customers, and it complements our professional liability insurance for JATCs to help provide the coverages our clients need.”

"It covers just the right amount, and the premium is far less in most cases than the standard package policies in the market."

In other words, if the union loses everything and has to start fresh as a result of the building burning down or some other type of disaster, this policy is intended to provide coverage. “Instead of guessing at the particular Business Income limit they need, unions can obtain coverage by this policy for the actual losses sustained,” says Jallow. “It covers just the right amount of exposure, and in some cases can reduce the premium compared to the standard package policies in the market.”

Edward M. Smith
President and CEO
Ullico Inc.
September is Life Insurance Awareness Month, a public campaign that reminds us of how important it is to plan for tomorrow. In the event that an untimely death occurs, life insurance helps families meet financial obligations and maintain financial security during a difficult time.

"Protecting union members and their families through life insurance was why our company was formed 90 years ago," says Dan Wolak, president of The Union Labor Life Insurance Company (Union Labor Life). "Our mission to provide life insurance to union members is still as important today as it was back then."

Matthew Woll, president of Union Labor Life from 1925 to 1955, captured the company’s proactive, forward-looking approach when he said, "There is nothing new in the statement that if I put $10 in a bank and die tomorrow my family will get $10, while if I put the same money in a life insurance company and die tomorrow my family may get as much as $2,000."

Today, a 40-year-old non-smoking male is able to purchase 20-year Renewable Term Life insurance from Union Labor Life in the amount of $25,000 for less than $10 monthly.

Protecting union members and their families through life insurance was why our company was formed 90 years ago...

More important than ever
A staggering 37.5 million, or 30 percent of U.S. households, have no life insurance coverage, although 40 percent of U.S. households recognize the need for more life insurance. Even if someone in the household does have life insurance, 48 percent of households are in need of more life insurance, based on LIMRA’s Life Insurance Needs Model.

Group life insurance is a cost-effective way for union leaders to provide the base level of life insurance protection their members need. Access to more robust benefits is one of the key reasons workers become members of a union. Union leaders acknowledge that a good package of union benefits, including life insurance, helps to retain members.

There are two main reasons that many individuals haven’t purchased their own life insurance. The first is confusion or misinformation about the cost of life insurance. Eight in 10 households who believe they need more life insurance say they don’t make the purchase because they have other financial priorities, or they can’t afford it. However, prior research shows that, on average, people estimate life insurance to cost three times what it actually does.2

The second reason individuals do not buy life insurance is that they haven’t been approached to buy life insurance. Our 90-year history as a life insurance provider and our commitment to labor makes us an excellent match for unions and their members to put their trust in us for their life insurance needs.

Union Labor Life is dedicated to providing the protection union members and their families need. When it comes to life insurance, union members who are part of the 48 percent of U.S. households needing more coverage can rely on Union Labor Life to bridge the gap.

CONTACT US
For more information on our Group Term Life insurance, please contact:

Larry Paradise
Vice President of Group Sales
630.743.4252
www.ullico.com/lh/grouptermlife

LINK YOUR MEMBERS!
Supplemental Term and Whole Life Insurance from The Union Labor Life Insurance Company is available at: www.ullico.com/memberbenefits


J for Jobs Embraces Defined Contribution Plans ▼

A new investment product from Ullico gives individuals with 401k retirement plans the opportunity to participate in the company’s flagship real estate investment product.

Launched in April, the Ullico J for Jobs Collective Investment Fund (CIF) was created by the Hand Composite Employee Benefit Trust and sponsored by Hand Benefits & Trust Company. With the addition of CIF, Ullico now offers solutions to unions with defined benefits and defined contributions plans.

“We still think defined benefit plans are the best way to address retirement, but J for jobs also has an important role in defined contribution plans,” says Joe Linehan, President, Ullico Investment Advisors, Inc.. “We’re offering it as a complement, not a replacement.”

J for Jobs contributes positive economic development to local and regional communities through job creation. Since its inception, J for Jobs has participated in the funding of more than 545 real estate projects nationwide totaling in excess of $16 billion.

“As part of our mission to protect and serve labor, Ullico is constantly looking for new ways to meet the needs of unions,” says Joe Linehan. “This new product offers trustees flexibility as they make plan decisions with their individual members in mind.”

The CIF is a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, or Ullico Investment Advisors, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940. The 2016 CIF for J for Jobs Open-End Fund’s past performance data is not indicative of future results. The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Ullico Investment Advisors, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Ullico Investment Advisors, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Ullico Investment Advisors, and are not insured by the Federal Deposit Insurance Corporation or any other agency.

The CIF has performed well historically. It should not be assumed that past performance will be repeated in the future. Before investing in any investment portfolio, the client and the financial professional should carefully consider share investment objectives, fees, expenses, and other risks. The collective investment fund is available for investment by eligible collective investment fund trusts only.

2016 Group Life Claims Statistics

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<th>$</th>
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Protect Your Organization (and Yourself) From Data Breaches

By Justin Patten, Director of Underwriting

WHEN IT COMES TO CYBERSECURITY, MOST ORGANIZATIONS ARE LIVING ON BORROWED TIME. UNFORTUNATELY, THE PROSPECT OF A DATA BREACH IS NO LONGER IF IT WILL HAPPEN, BUT WHEN AND HOW MUCH DAMAGE WILL IT DO?

Data breaches are incidents in which sensitive, protected or confidential data has potentially been viewed, stolen or used by an individual unauthorized to do so. This data includes:

- Credit/Debit Card Numbers
- Health Care Information
- Bank Account Information

Consider these sobering statistics*:

- The number of data breaches increased at least 40 percent in 2016. A majority of these breaches involved the exposure of Social Security numbers.
- A third of these breaches were caused by human error. For example, a union accidentally printed social security numbers in the address labels of marketing brochures sent to members.
- Wire Transfer Email Fraud – an administrative assistant responds to a fake invoice that appears to come from his superior at the union.
- Ransomware – a hacker steals a union’s IP address and demands payment for retrieval.
- Physical Theft – a robber steals a trustee’s laptop from his car while he’s dining in a restaurant.
- Phishing – after a fund administrator clicks a link on a fraudulent email, a health & welfare fund experiences unauthorized access to its computer system that results in the acquisition of personal health information belonging to participants and their dependents.

In our industry, we have seen these recent claims:

- The Department of Labor’s Advisory Council on Employee Welfare and Pension Benefit Plans says that TPAs “do not have a comprehensive and consistent regulatory framework to guide their data security programs.”
- Even with a framework in place, TPAs’ cyber policies oftentimes do not extend to their clients’ exposures, as trustees may think. We have even seen administrator service agreements that pass liability on to funds in these instances.
- At the end of the day, unions and benefit funds want to protect their members and participants as completely as possible.
- By taking the right precautions, you can manage risks and make sure you’re protected from liability when a breach occurs.

THE ROLE OF CYBER INSURANCE

Cyber insurance is an affordable risk management tool to protect entities from exposures due to data breaches and cybercrimes. Trustees sometimes assume they’re already protected by their Fiduciary Liability or another type of insurance, but that’s not always the case. Even if the state of domicile has more lenient cyber security laws, they might still have obligations to consider. For instance, if retirees move out of state, breached entities must comply with retirees’ new resident states as well. Also, federal laws may apply, such as HIPAA and FERPA, depending on the type of compromised information.

Union leaders and trustees should also be concerned with damage to the organizations’ reputations. If a breach occurs, the last thing they should have to worry about is finding partners to coordinate public relations efforts. Some cyber insurance providers can handle the logistics of notification through pre-negotiated partnerships with privacy counsel and incident response vendors. Should a breach occur, they’ll work on your behalf to handle public relations. This ensures you get the most protection for your dollar and quick response time.

Some cyber insurance policies also include additional risk management tools, including telephone hotlines to report claims and credit monitoring services to help mitigate future liability after a breach occurs.

ARE YOU COVERED?

The right cyber insurance helps transfer risk while complementing other liability policies, but not all insurance contracts are the same. An insurance broker can help determine your risk exposure and what coverage you need. Common coverages include:

- Privacy liability: Losses arising from failure to protect sensitive personal or health information in electronic or hard copy format
- Breach notifications: Data breach counsel and a network of experts providing crisis management services including legal, computer forensics, regulatory and individual notification guidance, call center, credit monitoring and identity restoration services
- Media liability: Coverage for claims related to multimedia activities such as defamation, libel, plagiarism, or copyright infringement
- System damage and business interruption: Restore, re-collect, and replace data
- Regulatory proceedings: Coverage for civil regulatory actions, expenses related to information requests, compensatory awards, and regulatory penalties and fines to the extent permitted by law
- Threats and extortions: Monies paid by policyholder following threat
- PCI fines: Fines and penalties from non-compliance with Payment Card Industry Data Security Standards

Information on cyber insurance from Ullico Casualty Group Inc. is available at: ULLICO.COM/CASUALTY

Brokers and representatives from unions, benefit funds, and joint apprenticeship training committees may submit a short form on the cyber page to obtain a no-cost indication for this valuable coverage.

HOW TO LOWER THE RISK OF CYBERTHEFT

TIPS FOR INDIVIDUAL USERS

- Monitor your account statement, checking balances, transaction activity – every month!
- Create strong passwords and change your password frequently
- Do not reply to emails or inbound phone calls that ask for account or personal information
- Check security settings
- Maintain backup information
- Use secure connections
- Require employees to separate business email accounts
- Avoid using public Wi-Fi; never provide personal information online
- Set up a firewall and antivirus software
- Use mobile protection
- Conduct regular audits
- Require two-factor authentication
- Keep passwords current
- Do not open suspicious emails or links
- Regularly check your accounts
- Do not click on links or open attachments
- Change your password frequently
- Use strong, unique passwords
- Use secure connections
- Keep your system up to date
- Provide employee training

REFERENCES:


Justin Patten
Director of Underwriting
Ullico Casualty Group, LLC

Justin Patten manages a book of Professional Liability business and supervises a team of Underwriters. He also works on coverage language and oversees implementations of system modifications. Previously, Patten worked for Strayer University as a Specialist in the Student Financial Services department. Pattern graduated from University of Maryland College Park with a Bachelor of Arts in Economics.
Get to Know Ullico

ULLICO CONTINUES SUCCESSFUL INTERNSHIP PROGRAM

Through its internship program, Ullico helps college students gain valuable work experience.

VOLUNTEER AND COMMUNITY OUTREACH

In July, three Ullico employees traveled to Lare, Kenya on a mission trip organized by the Mercy Center Foundation. Brian Doherty, regional sales manager, Brandon Hayden, group underwriter, and Ashley Duhamell, executive assistant, Life & Health. They represented Ullico, which contributed pens, pencils and t-shirts to the town’s secondary school for underprivileged girls. During the 12-day trip, they helped with construction of a dormitory at the girls’ school.

ULLICO EDUCATION AND PROFESSIONAL DEVELOPMENT

Ronda Savory, cash management coordinator, took advantage of the company’s Tuition Assistance benefit and recently earned her Bachelor of Science degree in finance from the University of Maryland, University College.

Olawale Akinkugbe, claims operations analyst, recently earned a Master of Business Administration (MBA) from the University of Maryland, University College (UMUC).

Patrick McGlone, senior vice president, general counsel and chief compliance officer, was elected president of the District of Columbia Bar for the 2017-2018 term. Created in 1972 by the D.C. Court of Appeals, the Bar maintains the ethical standards for D.C. lawyers, supports its members in their practices, and protects the public. Patrick has been a member of the Bar since 1988.

Alieu Jallow, commercial lines manager, and Liz White, senior underwriter, completed coursework and exams for insurance designations. They earned Chartered Property Casualty Underwriter (CPCU) and Registered Professional Liability Underwriter (RPLU) designations, respectfully.

Olawale Akinkugbe, claims operations analyst, recently earned a Master of Business Administration (MBA) from the University of Maryland, University College (UMUC).

EDUCATION AND PROFESSIONAL DEVELOPMENT

Get to Know Ullico

Ullico employees work every day on behalf of the labor movement. They’re eager to support and protect union members and their families. Our team is made of dedicated, hardworking individuals whose accomplishments shine inside and outside the office. Get to know some of the personalities behind the good work that goes on for you.

EMPLOYEES RECOGNIZED FOR SERVICE TO ULLICO

The following employees were recently recognized for their committed service to Ullico.

JJ Soler, director of program management (10 years); Anurag Sharma, manager of information systems (10 years); Karen Whitham, senior compliance analyst (15 years); Michelle Hintz, financial analyst (5 years); Ed Smith, president and CEO of Ullico; Monica Allison, underwriting technical assistant (5 years); Alieu Jallow, manager, underwriting, UCG (10 years); Marc Zinsmeister, vice president of information technology (10 years); Cori Houlihan, manager of corporate marketing and events (5 years); (Not Pictured: Michael Norkus, director of institutional sales (15 years); Jenny Lindsay, manager, L&H Product development (5 years); Venecia Snaith, senior underwriter, UCG (5 years); Luke Howe, managing director, institutional sales (5 years).
Welcome to Our New Clients

We are proud to welcome our newest clients who joined the Ullico Family of Companies.

We thank you sincerely for your business and look forward to a prosperous partnership.
Change in Address?
Email: communications@ullico.com
or Call: 202.354.8044

This issue’s photos were contributed by the International Brotherhood of Boilermakers, UA Local 5 JATC and the Laborers’ International Union of North America. To share your photos, email communications@ullico.com.

Ullico Wishes You a Happy Labor Day!