

Ullico Inc.

8403 Colesville Road
Silver Spring, MD 20910

June 12, 2014

Office of Attorney General
33 Capitol Street
Concord, NH 03301

RE: The Union Labor Life Insurance Company – Legal Notice of Information Security Incident

Dear Sir:

As you are aware, the Office of Attorney General requires notification of any information security incident which affects any New Hampshire resident. In accordance with that requirement, we are writing to inform you of an incident involving the potential exposure of personal data of 16 New Hampshire residents. The data at risk for exposure contains information regarding participants (including dependents) in certain benefit plans that purchased, or applied to purchase, medical stop loss or group life insurance policies from Union Labor Life during the approximate period of January 2012 through February 2014.

The potential data exposure results from the possible theft of a laptop from Union Labor Life's Silver Spring, Maryland, offices. On February 17, 2014 during an office move, a laptop that was located in a moving crate in the company's office is believed to have been stolen. The Company conducted an investigation and searched the offices for the laptop; however, it has not been located. The laptop, which was password protected, contained a backup of emails on its hard drive. The data at risk for exposure contains information regarding participants (including dependents) in welfare benefit plans that have purchased, or have applied to purchase, medical stop loss or group life insurance policies from Union Labor Life. The data includes names, addresses, and social security numbers. There is no evidence at this time that the data on the laptop has been accessed or acquired by a third party.

Within 24 hours of the potential theft, Union Labor Life formed a response team that now includes company officers, legal and compliance personnel, IT staff and an external investigative professional. A comprehensive investigation of the incident is ongoing, and the company is conducting a review of the company's technological, administrative and personnel policies to ensure all personal data is appropriately protected. The response team is tasked with investigating the circumstances of the laptop theft, identifying all affected individuals, retaining appropriate outside resources to assist in the company's response to this matter, and eliminating the risk of future data losses, including the enhancement of physical and electronic safeguards.

Also, Union Labor Life filed a report with the Montgomery County Police Department.

To help protect individuals from identity theft or misuse of their personal information, Union Labor Life has partnered with AllClear ID to offer 12 months of free credit monitoring and protection services to all

www.ullico.com

Ullico
SOLUTIONS FOR THE UNION WORKPLACE

SPECIALTY INSURANCE | INVESTMENTS

Office of Attorney General
June 12, 2014
Page 2

who were affected. The services the company has secured with AllClear ID include access to dedicated investigators to research and recover any possible financial losses, repair any credit damage resulting from possible misuse of the data, and assist any individuals who encounter future identity security problems. These notifications will begin mailing to New Hampshire residents on June 10, 2014. A copy of the draft form of notice to be sent to affected individuals is attached.

If you have any questions or need further information regarding this incident, please contact Richard LaRocque at 202-962-8951.

Sincerely,

A handwritten signature in black ink that reads "Christine Mullen". The signature is written in a cursive, flowing style.

Christine Mullen, J.D.
AVP, Compliance



June 10, 2014



John Q Sample
123 Main Street
Anytown, US 12345-6789

Dear John Q Sample.

We are writing to inform you of an incident that may have involved your personal information. The Union Labor Life Insurance Company ("Union Labor Life"), an affiliate of Ullico Inc. ("Ullico"), has reported the potential exposure of personal data to the U.S. Department of Health and Human Services and will shortly be notifying various state regulatory agencies as required by federal and state data privacy laws. The incident arose from what may be the theft of a laptop from Union Labor Life's Silver Spring, Maryland offices. There is no evidence at this time that the data on the laptop has been accessed or acquired by a third party. Therefore, we believe the risk of harm to you is low. The incident was immediately reported to the Montgomery County Police and an investigation by Union Labor Life is ongoing.

The data on the laptop included your name, address, date of birth and social security number. This data was used in the application process for medical stop loss and/or group life insurance coverage.

We want to make you aware of steps we are taking and you may also take to guard against identity theft or fraud. Please review the enclosed information about Identity Theft Protection.

As a precaution, we have arranged to have AllClear ID, Inc. provide identity protection services to you for 12 months from the date of this letter at no cost to you. The following identity protection services start on the date of this notice and you can use them at any time during the next 12 months. The services AllClear ID will provide are:

AllClear SECURE. The team at AllClear ID is ready and standing by if you need help protecting your identity in the future. You do not need to take action now to have this service available in the future. If you become aware of a problem with your identity or credit, simply call 877-412-7146 and a dedicated investigator will do the work to recover financial losses, restore your credit and make sure your identity is returned to its proper condition. AllClear maintains an A+ rating at the Better Business Bureau.

AllClear PRO: This service offers additional layers of protection including credit monitoring and a \$1 million identity theft insurance policy. To enroll in the PRO service, you will need to provide your personal information to AllClear ID. You may sign up online at enroll.allclearid.com or by phone by calling 877-412-7146 using the following redemption code: 9999999999.

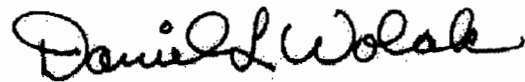
Please note: Additional steps may be required by you in order to activate alerts to your phone.

We take the protection of your personal information extremely seriously and the company has taken the following pro-active measures to address the situation:

- Union Labor Life immediately launched a thorough internal investigation into the circumstances surrounding the incident;
- Union Labor Life has retained an experienced third party vendor, AllClear ID, Inc., to provide notice of this development to all affected individuals, and to offer credit monitoring and protection services to those individuals, and;
- Union Labor Life has launched a thorough and careful review of the company's administrative, personnel, physical and electronic safeguards to ensure all data is appropriately protected.

If you have further questions or concerns about this incident, you can find more information on our website, www.ullico.com, or contact AllClear ID at 877-412-7146. We sincerely regret any inconvenience or concern caused by this incident.

Sincerely,

A handwritten signature in black ink that reads "Daniel Wolak". The signature is written in a cursive, flowing style.

Daniel Wolak, President
The Union Labor Life Insurance Company