



# Capital Strategies Meeting

June 24, 2019

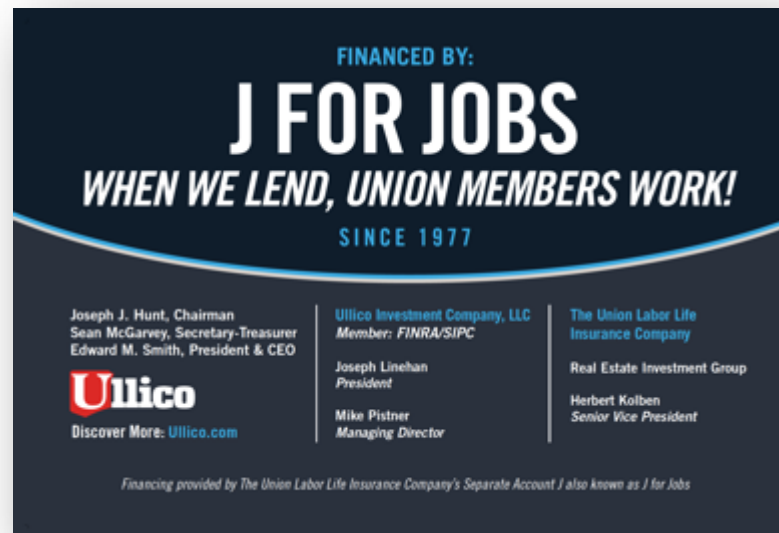
Washington, DC

# The Ullico Difference



# Discover the Difference

- Founded in 1927 by the AFL, who saw the value of a union-owned insurance company.
- Ullico Inc. Shareholders represent 52 labor organizations, **the 5 largest being NABTU affiliates.**
- President McGarvey serves as a board director and Secretary-Treasurer of the Ullico Inc. Board of Directors.



*J for Jobs  
Construction  
Site Sign*

# Discover the Difference

- Offering **customized insurance and investment solutions** to meet the needs of unions, their members and employers.

## | Life & Health

- Sold first **Group Life Insurance** policy in 1927
- Offers group insurance, such as **Medical Stop Loss**
- Offers individual member coverages through **Unioncare**

## | Casualty Group

- Sold first **Fiduciary Liability** coverage over 30 years ago, protecting trustees and union leaders
- Flagship **Union Liability** product covers union organizations and union leaders
- **Commercial coverage** protects union halls, trust fund offices, joint apprenticeship training committees and other union-related entities

## | Investments

- **Union-friendly investment** solutions to meet the needs of institutional and tax-exempt investors and their advisors
- **J for Jobs** program is a commercial mortgage investment vehicle that has a collateral benefit of **job creation**
- **Ullico Infrastructure Fund** is a buy and hold strategy throughout the U.S. and Canada



*J for Jobs Project,  
TWA Hotel  
New York, NY*

# J for Jobs





# Separate Account J

## J for Jobs

- Inception date: November 1, 1977
- Investment Thesis:
  - Investments in high quality construction and permanent first mortgages in commercial real estate projects
  - Properties geographically diversified throughout the United States
  - All construction performed by union contractors
  - Seeks to enhance returns through generation of income and fees by underlying properties
- J for Jobs economic impact:
  - **Over 630 million construction hours created** since inception
  - **Over \$4.8 billion in personal income** since October 2012
  - **Over \$250 million in State & Local Taxes** since October 2012



*J for Jobs Project, 10000 Santa Monica,  
Los Angeles, CA*

Please see last page for disclosure on economic impact study.

# J for Jobs

## Responsible Contractor Policy

- **100% Union Labor on Construction Projects**
  - All construction, tenant improvements and transportation of construction materials, must be performed by unions affiliated with the Building and Construction Trades Department, as of January 1, 2001.
  - Pre-approval of general contractor/construction manager and subcontractors.
- **Prevailing Wages & Benefits**
  - Contractor and all subcontractors affirmatively agree to pay prevailing wages and fringe benefits.
- **NABTU Affiliated Subcontractors for Renovations**
  - Expansion, including tenant improvements related to such expansion
  - Replacement of the roof
  - Major repair or replacement of the HVAC system
  - Elevator repair and maintenance
  - Repair, replacement or installation of electric panel board(s) and entry service cables



# Ullico Infrastructure Fund



# The Ullico Infrastructure Fund

- First Investment: November 28, 2012
- Investment Thesis:
  - An open-ended infrastructure fund focused primarily on core assets in all sectors of infrastructure
  - Diversified portfolio with holdings of direct investments in the U.S. and Canada only
  - Buy-and-hold underwriting focused on long dated assets with consistent income generation
  - Emphasis on assets with contracted income streams or natural monopoly characteristics
  - Job creation and preservation through a responsible contractor policy which calls for union construction, operations and maintenance
- Fundraising (as of 05/31/19)
  - **\$1.97 billion of commitments**
  - **\$1.54 billion of invested capital**
  - **\$433 million of available capital**
- Investment
  - **14 portfolio companies**
  - **Over 260 total assets**



*UIF Project:  
Towantic  
Oxford, CT*

# Ullico Infrastructure Fund

## Responsible Contractor Policy

- **Construction-Related Work**

- All contractors and subcontractors at any tier relating to the construction or repair of an infrastructure project must be performed by unions affiliated with the Building and Construction Trades Department.

- **Operations**

- All onsite operational, service and maintenance related work of an infrastructure project must be performed by contractors and subcontractors that are party to a collective bargaining agreement.

- **Neutrality**

- Operator/manager of investments honor the right of every worker to organize into a union of his or her choosing.
- All operational and management companies who employ on-site employees shall be required to maintain a position of neutrality with respect to an organizing effort.

# The Ullico Difference

- Received an A+ on the 2019 NABTU Real Estate Manager Report Card, which is made up of five categories:
  - Responsible Contractor Policy
  - Enforcement
  - Tracking Job Hours for NABTU Members
  - Project Notification & Hiring a Labor Liaison
  - Neutrality

**A+**

	Responsible Contractor Policy	Enforcement	Work Hours	Notice/Labor Liaison	Neutrality
Ullico	✓	✓	✓	✓	✓

# Disclosures

**SEPARATE ACCOUNT J:** Separate Accounts J (“the Fund”) is offered through a group annuity contract issued by The Union Labor Life Insurance Company (“Union Labor Life”) and is sold through Ullico Investment Company, LLC (Member FINRA/SIPC), both subsidiaries of Ullico Inc. The Fund will only be offered to qualified institutional and accredited investors. Investments in commercial mortgage loans secured by illiquid real estate are subject to additional risks including the potential inability of an investor to redeem units. The investment return and principal value of the Fund will fluctuate so that an investor’s units, when redeemed, may be worth more or less than original cost. In addition, fluctuations in interest rates and market volatility may limit available financing for real estate investments held by the Fund, thereby adversely affecting the value of the underlying investments, the investment return and the liquidity of the investments. Furthermore, the loan values determined could vary significantly from the prices at which the investments would sell because market prices can only be determined by negotiation between a willing buyer and seller. The ability of borrowers to repay loans issued by the Fund will typically depend upon the successful construction or operation of the related real estate project and the availability of financing. The repayment of loans issued for the construction of multifamily housing (i.e condominium loans) will generally depend on the borrower’s ability to sell the underlying housing units. There is no guarantee that Union Labor Life will attain its investment objectives. Potential investors in the Fund should carefully read the Fund Disclosure Memorandum for a description of the potential risks associated with investment in the Fund.

**ECONOMIC IMPACT:** Direct union impact figures provided by an economic impact study performed by Pinnacle Economics through input-output analysis utilizing IMPLAN modeling software. The study was performed using estimated project costs and union prevailing wage data from state departments of labor as provided by Ullico Investment Advisors, Inc. Jobs, Hours of Work and FTE figures reflect totals over the life of the project. All construction impacts are temporary in nature, and unfold as construction spending unfolds. This is an illustration of the projected economic impact of selected commercial real estate projects. All projections assume the completion of the relevant construction project which can depend on several factors including borrowers meeting all lending obligations. Projections are based on overall project costs which include the participation of Separate Account J.

**ULLICO INFRASTRUCTURE FUND:** UIF is managed by Ullico Investment Advisors, Inc. (“UIA”) and is sold through Ullico Investment Company, LLC (Member FINRA/SIPC), both subsidiaries of Ullico Inc. UIA is a registered investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (“Act”). UIF will only be sold to “accredited investors” as that term is defined in Regulation D of the Securities Act of 1933. Investment in infrastructure is speculative, not suitable for all investors, and should be undertaken only by experienced and sophisticated investors who are willing to bear the high risks of such an investment, which include, but are not limited to, lack of liquidity, restrictions on transferring ownership to the Fund, absence of information regarding valuation and pricing, and high fees and expenses. Potential investors in the Fund should carefully read the Confidential Private Placement Memorandum for a description of the potential risks associated with investment in the Fund.