

WITH THE SUPPORT
OF STRONG FAMILY,
THE SKY IS THE LIMIT.



FAMILY MATTERS.
NO MATTER WHAT.

www.bostonmutual.com/annualreport

AND STRONGER.

OUR STRONG BRAND FOCUS AND OUR COMMITMENT
TO OUR POLICYHOLDERS AND PRODUCERS MEANS YET ANOTHER
YEAR OF STEADY GROWTH FOR BOSTON MUTUAL.

Dollars in Thousands		
ASSETS		
	Year Ended December 31	
	2014	2013
Bonds	\$732,040	\$736,465
Preferred stocks	0	0
Common stocks	50,020	35,657
Mortgage loans	161,027	145,422
Real estate	8,242	8,327
Policy loans	141,663	132,734
Cash & short-term securities	27,253	2,209
Premiums deferred and uncollected	45,127	45,409
Other assets	79,852	82,545
TOTAL ADMITTED ASSETS	\$1,245,224	\$1,188,768

See all financial information on the reverse.

IN 2014,
OUR FAMILY GOT CLOSER.

OUR WORKSITE MARKETING AND GROUP DIVISIONS
BECAME WORKPLACE SOLUTIONS, MAKING BOSTON
MUTUAL A MORE RESPONSIVE COMPANY.



Read a statement from
Charles R. Mabry,
VP - Workplace Solutions,
on the reverse.

FAMILY MATTERS.
NO MATTER WHAT.

OUR NEW BRAND INITIATIVE, GIVING US ONE VOICE AND
ONE PURPOSE. EMPLOYEES, PRODUCERS AND POLICYHOLDERS
KNOW WHAT WE STAND FOR AND WHY WE'RE DIFFERENT.



Read a statement from
David C. Mitchell, CLU,
VP - Strategic Planning
& Communications,
on the reverse.

FOR SOME, ANNUAL REPORTS ARE ALL ABOUT THE NUMBERS
AND WE'VE GOT PLENTY OF THOSE TO TALK ABOUT.
BUT FOR US, IT'S ABOUT WHAT REALLY MATTERS.

KEEPING FAMILIES STRONG.



Read a letter from
Paul A. Quaranto, Jr., MBA, LLIF,
President & CEO,
on the reverse.

COMPANIES GROW.
FAMILY TREES THRIVE.

2014 ANNUAL REPORT



FAMILY MATTERS.
NO MATTER WHAT.



▲ Roll up from back
and watch our
family tree grow.



BOSTON MUTUAL LIFE INSURANCE COMPANY

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FAMILY MATTERS NO MATTER WHAT.

April 15, 2015

To Our Policyholders:

I'm very pleased to report that 2014 was another strong year for Boston Mutual and not just for financial reasons. It's because I believe our success is also measured by how much and how well we care for each other.

As a mutual life insurance company we are owned by and operated for the benefit of you, our policyholders. Together we're helping to create better lives for everyone we deal with, from you, to our producers and employees. Even though we've been around since 1891, we're not doing it the same old way. We're evolving, adapting and advancing. I'm proud to share some of the year's highlights with you.

STRONG FINANCIAL PERFORMANCE – FROM THE GROUND UP

Most importantly, we were there to deliver on the promises we made to you and your families, paying close to \$100 million in policy benefits last year. We understand that insurance is a way for you to protect your families. We never forget that.

You can be confident that we have the financial strength to deliver on our promises now and in the future. Our balance sheet remains very strong with good asset and surplus growth, along with high quality investment and low-risk liability portfolios. Our conservative risk management and investment philosophies have served us well. It was our eleventh consecutive year of strong earnings. Sales results were excellent across all distribution channels in spite of a challenging economy and very competitive markets.

Our New York subsidiary, Life Insurance Company of Boston & New York, also had an excellent financial year by all measurements, contributing to outstanding consolidated results.

PLANTING THE SEEDS FOR THE FUTURE

Financially speaking, 2014 was a very good year for our company. What made the year especially rewarding was all the work that was done to position us for the years ahead. Let's take a look at a few of the key initiatives:

Boston Mutual Branding Initiative – “Family Matters. No Matter What.”

Our brand defines who we are and how we conduct our business. In 2014, this initiative truly came to life. Our Brand Book and Video provided voice to the brand. We encourage you to experience our unique brand online at our updated website, www.bostonmutual.com or our new Facebook page, www.facebook.com/bostonmutualifeins.

Our new Facebook page is a great place to find useful and fun information to help keep your family strong. It also includes links to many of the charities we support. I take special pride in our employees and the countless hours they spend helping others in our community. It speaks to the mutual support that is shared among family members and I thank them for that commitment.

Workplace Solutions – This initiative combined the former Group and Worksite Marketing divisions into a fully integrated sales and service team. A producer loyalty program was introduced with an enhanced level of service through our new concierge team. Workplace Solutions allows us to leverage the strengths and experience of our legacy divisions in response to emerging market trends and growth opportunities.

Strategic Planning & Communications Department – At the same time we launched Workplace Solutions, we also created this new department to facilitate our overall strategic planning process, coordinate business-level strategies, and build upon our existing research and analytics capabilities. This will help us to better identify, understand and deliver on the needs of you and all of our customers.

OUR FAMILY TREE IS FLEXIBLE AND STRONG

For us, “Family Matters. No Matter What.” is more than a tag line. It speaks to our core values. It is what makes us different and creates a unique bond between you, our producers and our employees.

We like to talk about three key qualities that make families strong: the flexibility to accept change and diversity of opinion; open lines of honest, supportive communication; and unwavering mutual support instilling confidence and security. These are the qualities that guide us every day and make us strong.

By all accounts, Boston Mutual had an excellent year in 2014. We are very proud of what we accomplished during the year and even prouder of how we did it; staying true to who we are and what we do well, taking care of each other.

I would like to express my deepest thanks to you, our policyholders, along with our producers and our employees for making 2014 such a great year. You are the reason why Boston Mutual is so strong today and well-positioned for the years ahead.

Sincerely,

Paul A. Quaranto, Jr., MBA, LLIF
President & Chief Executive Officer



A MESSAGE FROM DAVID C. MITCHELL, CLU

Vice President – Strategic Planning & Communications

These are exciting times at Boston Mutual. There are so many great things going on across the company – from the formation of Workplace Solutions to our continued strength in General Agencies to the many process improvements we've made to make Boston Mutual a better company all around.

It's all part of a story that needs to be told and that's really where our branding initiative comes in.

In 2014, we rolled out the key elements of Boston Mutual's brand. Our new tagline – “Family Matters. No Matter What.” – captures and clarifies our core values and guiding principles as a company. It embodies our long-held belief that trust, loyalty, security, and relationships are the reasons behind our track record of financial growth. It's also the reason so many of our clients, producers and employees have stayed with us not just for years – but for decades.

Looking ahead, we will continue to instill these attributes into every aspect of our services and operations. That's one way of letting our policyholders know that “Family Matters. No Matter What.”



A MESSAGE FROM CHARLES R. MABRY

Vice President, Workplace Solutions

Forming Workplace Solutions was a major milestone for Boston Mutual. By integrating the sales and service functions of our former Worksite and Group departments, we are now marketing our employee benefits products and services through a single division.

This move was all about sharpening our market focus. Integrating the sales teams of these two divisions allows us to market our entire suite of Workplace insurance products in a much more efficient manner. At the same time, it puts Boston Mutual in a better position to help our producers compete for and win new business, thus growing their businesses.

One of the more unique aspects of the new Workplace Solutions Division is our enhanced service model. We now have two separate and distinct teams. First, a Sales Support and Service team that assists our producers and clients with their everyday needs. In addition, we created a Concierge Service team which serves as a dedicated account management resource for qualifying producers. Together, these two teams provide an exceptional level of service that our policyholders, clients and producers deserve.

Boston Mutual is committed to families, so from our Boston Mutual family to yours, thank you for letting us serve you.

who we are

Paul A. Quaranto, Jr., MBA, LLIF

President & Chief Executive Officer

Howard V. Neff, Jr.

Senior Vice President – Chief Investment Officer

Eric J. Bernazzani

Vice President – Chief Information Officer

Timothy E. Flannigan

Vice President – General Agencies

John R. Flores, ESQ

Vice President – General Counsel & Secretary

Linda M. Izzo, SPHR-SCP

Vice President – Human Resources & Insurance Operations

Clifford A. Lange,

CLU, FSA, LLIF

Vice President – CFO, Chief Actuary & Chief Risk Officer

Charles R. Mabry

Vice President – Workplace Solutions

David C. Mitchell, CLU

Vice President – Strategic Planning & Communications

Mary T. Tillson, FLMI, HIA,

ACS, MHP, ALHC

Vice President – Claim Services & Product Support

Christine T. Coughlin, CPA

2ND Vice President – Treasurer

Stephen G. Evans, FLMI, CPP

2ND Vice President – Auditor

Susan J. Gardner, CPA

2ND Vice President – Controller

Paul S. Painchaud

2ND Vice President – Appointed Actuary

Frederick C. Thurston

2ND Vice President – Chief Compliance Officer

Dr. Peter Connolly, M.D.

Medical Director

FINANCIAL INFORMATION

Dollars in Thousands

ASSETS

Year Ended December 31

	2014	2013
Bonds	\$732,040	\$736,465
Preferred stocks	0	0
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Dollars in Thousands

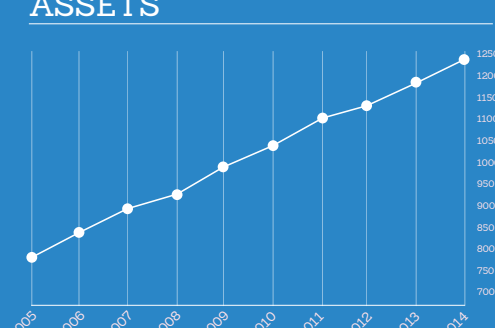
LIABILITIES

Year Ended December 31

	2014	2013
Policy reserves	\$986,275	\$949,280
Policy & contract claims	13,857	14,034
Deposit-type contracts	16,443	16,689
Other policyholder funds	3,255	2,393
Other liabilities	65,429	51,276
Interest maintenance reserve (IMR)	4,103	4,428
Asset valuation reserve	10,552	8,154
Total liabilities	1,099,914	1,046,253
Surplus	145,310	142,514
TOTAL LIABILITIES & SURPLUS	\$1,245,224	\$1,188,768

Dollars in Millions

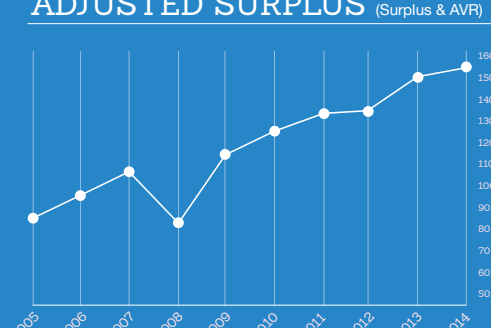
ASSETS



Dollars in Millions

ADJUSTED SURPLUS

(Surplus & AV/R)



Dollars in Thousands

INCOME

Year Ended December 31

	2014	2013
Premium income	\$185,315	\$182,593
Net investment income	52,834	51,690
Other income	13,696	14,954
TOTAL INCOME	251,845	249,237

POLICYHOLDER BENEFITS AND EXPENSES

Life insurance benefits	60,514	61,009
Accident & health benefits	14,710	13,897
Other policy benefits	34,821	34,022
Increase in reserves	36,845	37,611
Commissions	36,516	34,570
General expenses	43,314	39,501
Taxes other than federal income taxes	7,316	7,123
Dividends to policyholders	1,477	736
Total benefits & expenses	235,513	228,467
GAIN FROM OPERATIONS	\$16,332	\$20,770

Dollars in Millions

PREMIUM INCOME



Dollars in Thousands

SURPLUS

Year Ended December 31

	2014	2013
Gain from operations	\$16,332	\$20,770
Less federal income tax	7,499	6,888
Net gain from operations	8,833	13,883
Realized capital gain/(loss)	1,236	2,788
Transfer (to)/from IMR	(124)	(719)
Net income	9,945	15,951
Other surplus changes (net)	(7,149)	573
Surplus beginning of year	142,514	125,990
SURPLUS AT END OF YEAR	\$145,310	\$142,514

Dollars in Billions

LIFE INSURANCE IN FORCE

