



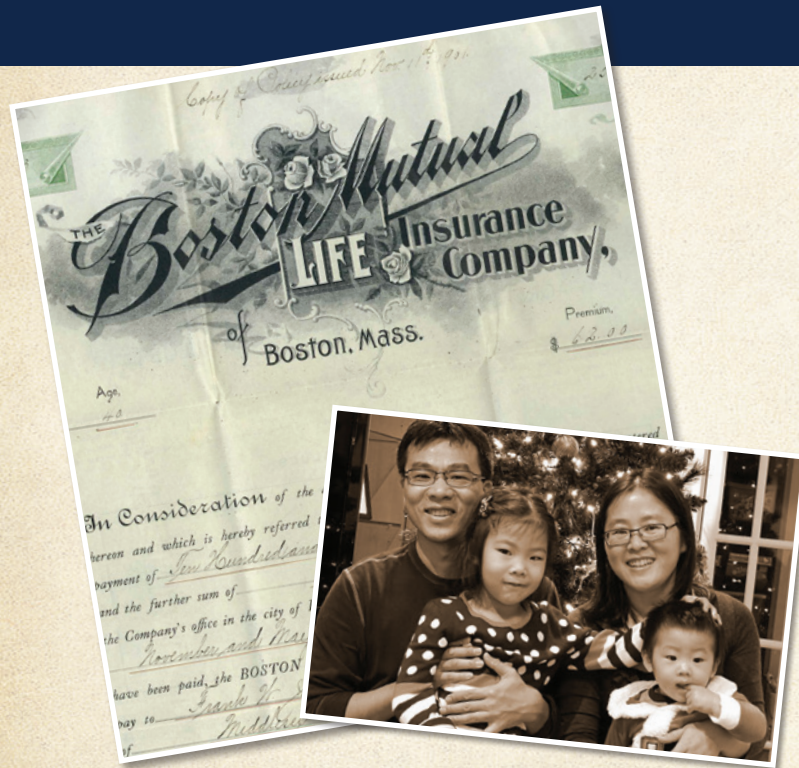
.....
EVERY POLICY
TELLS A STORY
.....

**BOSTON
MUTUAL**
LIFE INSURANCE
COMPANY
- 1891 -

FAMILY MATTERS. NO MATTER WHAT.

2015 ANNUAL REPORT

HELPING FAMILIES FOR OVER 120 YEARS



TO OUR POLICYHOLDERS:

As we enter our 125th year and look back on 2015, I am honored that we have been able to help so many families – from you, our policyholders, to our producers and employees.

Boston Mutual was founded in 1891 on the promise to do what we can to help families in their time of need and we have held true to that promise. Our dedication to that goal and the value we put on every member of the Boston Mutual family is what makes us different and what makes us successful. It's the human side of our company and the reason we say, **"Family Matters. No Matter What."**

A STORY OF STRENGTH

2015 was another very good year for Boston Mutual financially and I am pleased to report that the foundation for our continued success is strong. Most importantly, we delivered on the promises we made to you and your families, paying over \$100 million in policy benefits last year.

It was our 12th year in a row of strong earnings. 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 continue to serve us well.

Sales were down as expected, driven by changing market dynamics and our Workplace Solutions transition – but sales activity and momentum have been building. We are confident that we will see increased sales in 2016.

Our New York subsidiary, Life Insurance Company of Boston & New York, also had a successful year in 2015, contributing to excellent consolidated financial results.

SUCCESSFULLY ADAPTING TO CHANGING TIMES

These financial results are more remarkable when you consider the economic and regulatory headwinds, and ever-changing competitive landscape that continued throughout 2015.

A couple of years ago, we developed guiding principles as part of our strategic planning process to memorialize those key virtues that will be critical to our future success. They embody the importance and value of remaining true to *who we are* – a mutual life insurance company, owned by and operated for the benefit of our policyholders; *what we do* – a company dedicated to the unique needs of working Americans and their families; and *how we do it* – a company that still believes in the personal touch and is fully invested in the welfare of our policyholders, producers, and employees.

Those same guiding principles also acknowledge that our industry is evolving and we must do the same – starting with sales, marketing, and distribution strategies that play to our strengths, leverage our brand, and capitalize on market opportunities – and build organizational and operational support for these strategies.

MOVING KEY STRATEGIC INITIATIVES FORWARD

Technology was a top priority in 2015. We mapped out a new IT direction for the company, including an alliance with Onyx Data Solutions, to leverage their expertise and proven track record of providing technology solutions for the insurance industry. While it's an ongoing process, I'm pleased with our achievements to date.

Progress continued with the integration of our former Group and Worksite divisions into Workplace Solutions. We built out our products and services, while adding experienced talent to our sales team. Our commitment to this market – serving the needs of working Americans and their families – is gaining notice with positive reviews.

In General Agencies, we began the process of developing a more timely distribution and growth strategy. We look forward to strengthening our presence in the individual life insurance markets, serving the needs of middle to lower income families.

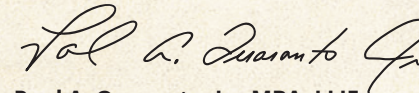
COMMITMENT TO THE CUSTOMER JOURNEY

Finally, we stayed true to providing the support and customer experience that our policyholders and producers have come to expect from us, with notable enhancements in Concierge Services and Claims.

We're poised to continue on this strong path as we approach our 125th anniversary on August 18, 2016. I am very excited about all of the good work that is going on every day, positioning us for even greater levels of success in 2016 and the years ahead.

I want to thank you, our policyholders, along with our producers and employees, for making 2015 another successful year for Boston Mutual.

Sincerely,



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

.....
“ AS A MUTUALLY
OWNED AND OPERATED
COMPANY, WE WILL STAY
COMMITTED TO OUR
TOP PRIORITY: TAKING
CARE OF THE BOSTON
MUTUAL FAMILY. ”
.....



ANOTHER YEAR OF OUR CONTINUED COMMITMENT...

TO IMPROVING THE CUSTOMER JOURNEY

We're excited about our ongoing improvements to service for our policyholders and producers, making the future even better for everyone in the Boston Mutual Life Insurance family.



.....
“DEVELOPING STRONG
BONDS CONTINUES TO
BE AN IMPORTANT PART
OF OUR UNIQUE SERVICE
MODEL.”
.....

Mary T. Tillson, ALHC, FMLI, MHP
Vice President
Claim Services &
Product Support



.....
“TO US, A POLICY ISN'T
JUST ANOTHER SALE;
IT'S A STORY ABOUT
EVERYONE CONNECTED
TO THAT POLICY.”
.....

Sharon M. Chevalier, FMLI
2nd Vice President
Workplace Solutions
Concierge Service Team

OFFICERS

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

Nicholas K. Barishian, LLIF
2nd Vice President &
Head of General Agencies

Peter S. Connolly, MD
Medical Director

Christine T. Coughlin, CPA, LLIF, MST
2nd Vice President & Treasurer

Stephen G. Evans, FMLI
2nd Vice President & Auditor

John R. Flores, Esq.
Vice President
General Counsel & Secretary

Susan J. Gardner, CPA
2nd Vice President & Controller

Linda M. Izzo, SHRM-SCP, SPHR
Vice President
Human Resources &
Insurance Operations

Clifford A. Lange, CLU, FSA, LLIF
Vice President
Chief Financial Officer,
Chief Actuary &
Chief Risk Officer

Charles R. Mabry
Vice President
Workplace Solutions

David C. Mitchell, CLU
Vice President
Strategic Planning &
Communications

Howard V. Neff, Jr.
Senior Vice President &
Chief Investment Officer

Paul S. Painchaud, ASA, MAAA
2nd Vice President &
Appointed Actuary

Frederick C. Thurston
2nd Vice President &
Chief Compliance Officer

Mary T. Tillson, ALHC, FMLI, MHP
Vice President
Claim Services &
Product Support

BOARD OF DIRECTORS

John J. Cook, Jr.
Managing Director (Retired)
Seaward Management

John M. Cornish, Esq.
Partner
Choate, Hall & Stewart, LLP

Henry T. Goldman, Esq.
Attorney at Law
Law Office of Henry T. Goldman

Aurilee A. Hawley
Norma Jean Calderwood
Director (Retired)
Isabella Stewart Gardner Museum

Thomas M. Joyce, Jr., Esq.
Attorney at Law
Joyce and Joyce

Austin T. Lydon
Partner (Retired)
Deloitte & Touche

Paul E. Petry, FSA, CLU
Chairman

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

Richard P. Quincy
President
Quincy & Company



A STORY OF STRENGTH

2015 FINANCIALS

Dollars in Thousands

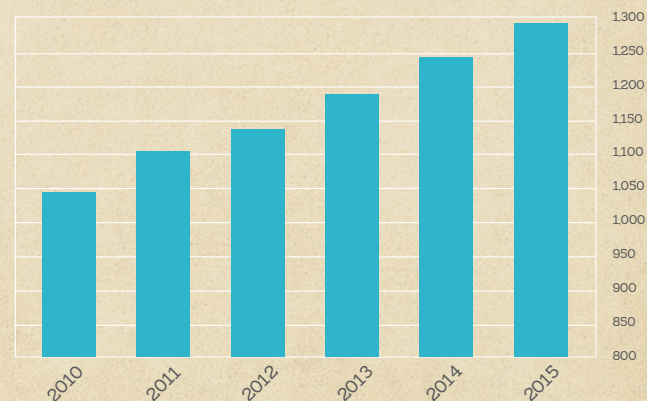
ASSETS

Year Ended December 31

	2015	2014
Bonds	\$781,310	\$732,040
Preferred Stocks	0	0
Common Stocks	56,576	50,020
Mortgage Loans	165,444	161,027
Real Estate	8,531	8,242
Policy Loans	148,162	141,663
Cash & Short Term Securities	8,112	27,253
Premiums Deferred and Uncollected	45,101	45,127
Other Assets	83,853	79,852
TOTAL ADMITTED ASSETS	\$1,297,089	\$1,245,224

Dollars in Millions

ASSETS





Clifford A. Lange, CLU, FSA, LLIF
Vice President–Chief Financial Officer,
Chief Actuary & Chief Risk Officer

“ WE CONTINUE TO HAVE AN EXCELLENT AND
HIGH QUALITY BALANCE SHEET WITH LOW RISKS.”



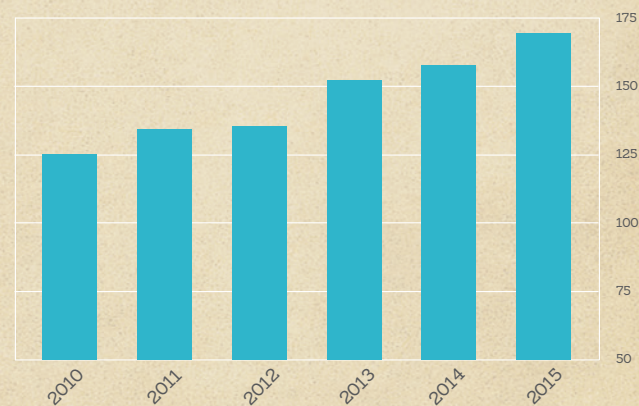
Howard V. Neff, Jr.
Sr. Vice President &
Chief Investment Officer

Dollars in Thousands
LIABILITIES

Year Ended December 31

	2015	2014
Policy Reserves	\$1,017,579	\$986,275
Policy & Contract Claims	15,924	13,857
Deposit-type Contracts	16,398	16,443
Other Policyholder Funds	3,296	3,255
Other Liabilities	70,431	65,429
Interest Maintenance Reserve (IMR)	3,964	4,103
Asset Valuation Reserve	10,406	10,552
TOTAL LIABILITIES	1,137,998	1,099,914
SURPLUS	159,091	145,310
TOTAL LIABILITIES & SURPLUS	\$1,297,089	\$1,245,224

Dollars in Millions
ADJUSTED SURPLUS (Surplus & AVR)



Dollars in Thousands
INCOME

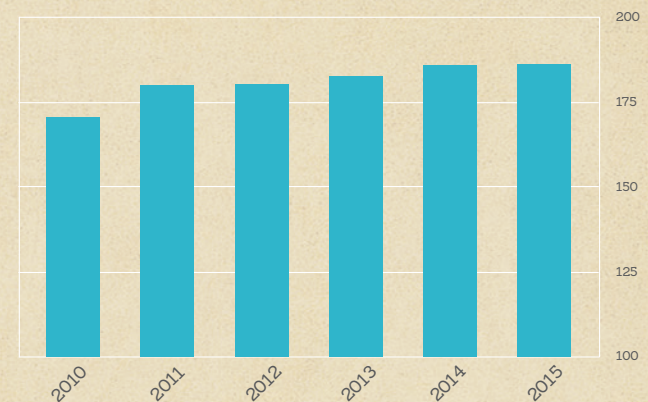
Year Ended December 31

	2015	2014
Premium Income	\$185,692	\$185,315
Net Investment Income	54,568	52,834
Other Income	12,903	13,696
TOTAL INCOME	253,163	251,845

POLICYHOLDER BENEFITS AND EXPENSES

Life Insurance Benefits	67,383	60,514
Accident & Health Benefits	15,006	14,710
Other Policy Benefits	36,300	34,821
Increase in Reserves	30,281	36,845
Commissions	34,071	36,516
General Expenses	43,573	43,314
Taxes Other Than Federal Income Taxes	7,312	7,316
Dividends to Policyholders	1,488	1,477
TOTAL BENEFITS & EXPENSES	235,414	235,513
GAIN FROM OPERATIONS	\$17,749	\$16,332

Dollars in Millions
PREMIUM INCOME



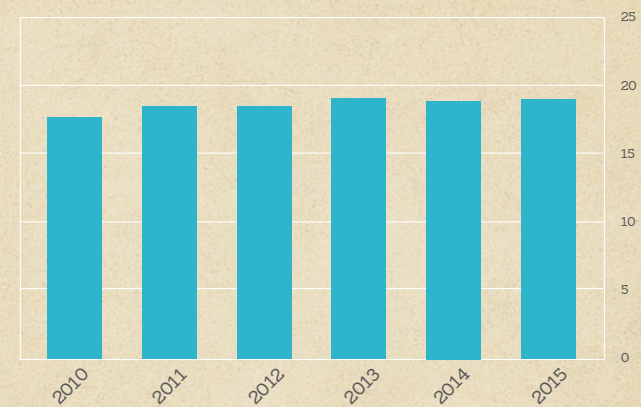
Dollars in Thousands
SURPLUS

Year Ended December 31

	2015	2014
GAIN FROM OPERATIONS	\$17,749	\$16,332
Less Federal Income Tax	5,374	7,499
NET GAIN FROM OPERATIONS	12,375	8,833
Realized Capital Gain (loss)	632	1,236
Transfer (to)/from IMR	(214)	(124)
NET INCOME	12,793	9,945
Other Surplus Changes (net)	988	(7,149)
Surplus Beginning of Year	145,310	142,514
SURPLUS AT END OF YEAR	\$159,091	\$145,310

Dollars in Billions

LIFE INSURANCE IN FORCE





.....
FAMILY MATTERS.
NO MATTER WHAT.
.....

120 Royall Street • Canton, Massachusetts 02021 • (800) 669-2668
Find us at facebook.com/bostonmutuallifeins