



**To Our Policyholders:**

At Boston Mutual Life Insurance Company, we're confident in who we are—a mutual life insurance company with deep roots and a rich history of serving the needs of working Americans. And we're confident in what we do and how we do it—one company, our momentum fueled by our shared vision.

Together, we've made a collective commitment to everyone we serve—our policyholders, producers, employees, and our surrounding communities.

**ONE COMPANY, ONE PURPOSE**

As a company driven by the power of many, we truly are "One Company, One Purpose." We believe mutual respect and working as one unified team will not only continue our growth, but also support our ongoing mission to best serve our customers and each other.

While our methods may have changed since our founding in 1891, we have always remained united to pave the way to future success. I'm proud to share highlights of the collective success we achieved in 2017.

**EVOLVING OUR STRUCTURE AND GROWING OUR TALENT BASE**

We continue to evaluate current trends and our resources to ensure we are meeting market needs while investing in our future.

We expanded our relationship with our information technology partner, Onyx Data Solutions, to continue our technology assessments and development.

Our alignment into four Strategic Business Centers (SBCs) in early 2017 marked the beginning of a more efficient combination of people, processes, and technology. Representing those disciplines that have the most direct impact on profit and growth—Distribution, Risk, Finance, and Operations—our SBCs position us for more sustainable success.

As part of our development, we're always looking for new talent to add to the Boston Mutual family. To reinforce this framework, we added a new executive position to oversee our two sales channels under our Distribution SBC. In 2017, Jim Jacobsen joined Boston Mutual as our new Executive Vice President of Distribution—a role that directly supports our continued efforts to drive sales and expansion efforts moving forward.

**LEARNING TOGETHER LEADS TO SUCCESS**

As One Company, we believe we should never stop learning, and we are committed to ensuring all members of the Boston Mutual family have a chance to grow professionally. We launched BML University in 2017, creating new professional development opportunities for our entire organization. By introducing two new programs focused on leadership skills and building out our strengths, we empowered employees to become better colleagues and leaders—and as a result, continuously transform ourselves.

**CONNECTING TO OUR COMMUNITIES**

We are committed to making a positive impact in the communities in which we live and work. While we were focused on our business goals, we didn't lose sight of the many worthy organizations and causes that needed our help.

Throughout the year, we joined efforts to make a difference, including volunteering and raising funds for those in need. We also began formalizing our Making An Impact corporate citizenship program, creating an opportunity to make an even bigger difference in the future.

**DRIVING RESULTS**

Our efforts to enhance Boston Mutual's business profile over the past few years have been gaining notice. In February, A.M. Best, the oldest and most authoritative insurance rating and information source, upgraded the financial strength rating (FSR) of Boston Mutual from "A-" (Excellent) to "A" (Excellent), with a Stable outlook. Just as I am delighted that A.M. Best has recognized the progress we have made, I am equally pleased to report this year's financial results.

Our ambitious goals emphasized the importance of sustainable profitable growth. In 2017 we rose to the challenge, with overall Boston Mutual sales at over \$40 million, up almost 27% over last year, and with both sales channels achieving significant increases. We paid out over \$120 million in benefits and it was our fourteenth consecutive year of solid pre-tax gain from operations. Our balance sheet remains strong with low-risk, high-quality assets and liabilities—and an excellent surplus position. Our Life Insurance Company of Boston & New York subsidiary also had a good year, with sales up 13% over 2016.

**TAKING OUR PROGRESS TO THE NEXT LEVEL—TOGETHER**

I would like to express my deepest thanks to you, our policyholders, for your loyalty to Boston Mutual. I'd also like to thank our producers and employees for your dedication to our guiding principles and helping to create and support our impressive growth and success in 2017.

The hard work of the entire Boston Mutual family shows in the incredible results of the year.

I am truly proud of what we've accomplished and where we are headed. Operating as one unified company with our sights set on our shared goals, we're forging ahead on a clear and solid path.

Sincerely,

**Paul A. Quaranto, Jr., MBA, LLIF**

*Chairman, Chief Executive Officer and President*