



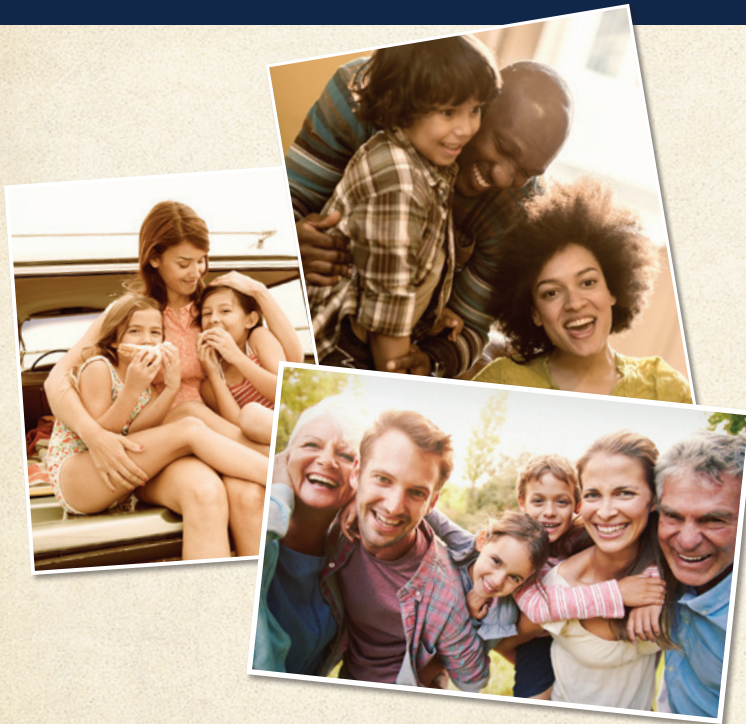
EVERY POLICY
TELLS A STORY



FAMILY MATTERS. NO MATTER WHAT.

2015 ANNUAL REPORT

STAYING COMMITTED TO SUPPORTING OUR FAMILY



TO OUR POLICYHOLDERS:

As we enter 2016 and look back on our quarter century history, I am honored that we have been able to help so many families including you, our policyholders, as well as our producers.

Life Insurance Company of Boston & New York was founded 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 our 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 financial year 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 \$11 million in policy benefits last year.

We had our best earnings year ever. 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.

SUCCESSFULLY ADAPTING TO CHANGING TIMES

These financial results are more remarkable when you also 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 life insurance company; *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 and our producers.

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.

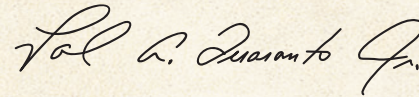
COMMITMENT TO THE CUSTOMER JOURNEY

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, and I'm 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, for making 2015 another successful year.

Sincerely,



Paul A. Quaranto, Jr., MBA, LLIF
President and Chairman of the Board

.....
“ WE DELIVERED ON OUR PROMISE OF HELPING FAMILIES IN THEIR TIME OF NEED, AND WE'RE POISED TO CONTINUE ON THIS STRONG PATH, FOLLOWING OUR BEST EARNINGS YEAR EVER IN 2015. ”
.....



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 family at Life Insurance Company of Boston & New York.



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

Mary T. Tillson, ALHC, FMLI, MHP
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
Workplace Solutions
Concierge Service Team

OFFICERS

Paul A. Quaranto, Jr., MBA, LLIF
President & Chairman of the Board

Peter S. Connolly, MD
Medical Director

Christine T. Coughlin, CPA, LLIF, MST
Treasurer & Secondary Intelligence/
Information Officer

Stephen G. Evans, FMLI
Auditor

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

Susan J. Gardner, CPA
Controller & Primary Intelligence/
Information Officer

Nora E. Hoffman
Assistant Treasurer

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
Chief Compliance Officer

BOARD OF DIRECTORS

Paul A. Quaranto, Jr., MBA, LLIF
President & Chief Executive Officer
Boston Mutual Life Insurance Company

Christine T. Coughlin, CPA, LLIF, MST
2nd Vice President & Treasurer
Boston Mutual Life Insurance Company

John R. Flores, Esq.
Vice President
General Counsel & Secretary
Boston Mutual Life Insurance Company

Clifford A. Lange, CLU, FSA, LLIF
Vice President
Chief Financial Officer,
Chief Actuary &
Chief Risk Officer
Boston Mutual Life Insurance Company



Marnie W. Mueller, PHD, CLU
Senior Vice President
*Connecticut Mutual
Life Insurance Company (Retired)*

John J. Murphy, Jr.
Managing Partner
Murphy & Partners, LP

Vincent M. O'Reilly, CPA
Distinguished Senior Lecturer
*Carroll School of Management
Boston College (Retired)*

Catharine W. O'Rourke
Associate Director of Development
The Children's Aid Society (Retired)

Paul E. Petry, FSA, CLU
Chairman
Boston Mutual Life Insurance Company

Timothy L. Porter, Esq.
Chief Client Relationship Counsel
Proskauer Rose, LLP (Retired)

Laurie M. Shahn
President
Wilton Capital Group

A STORY OF STRENGTH

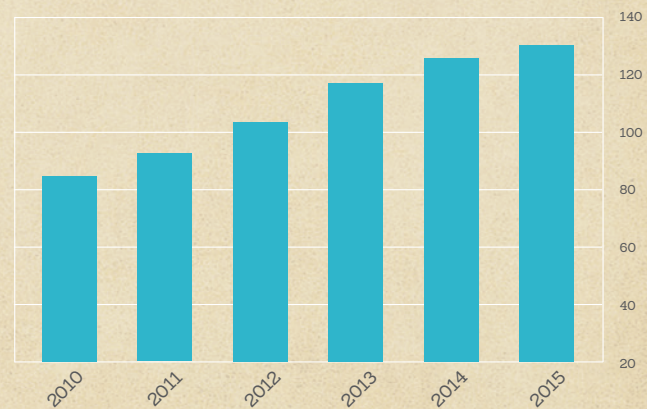
2015 FINANCIALS

Dollars in Thousands ASSETS

Year Ended December 31

	2015	2014
Bonds	\$91,781	\$83,348
Preferred Stocks	0	0
Common Stocks	968	487
Policy Loans	26,997	25,576
Cash & Short Term Securities	1,486	5,746
Premiums Deferred and Uncollected	4,167	4,416
Other Assets	4,982	4,481
TOTAL ADMITTED ASSETS	\$130,381	\$124,054

Dollars in Millions ASSETS





“OUR FINANCIAL FOUNDATION IS STRONG, SUPPORTING OUR ABILITY TO CONTINUE TO DELIVER ON OUR PROMISE TO YOU AND YOUR FAMILIES.”

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



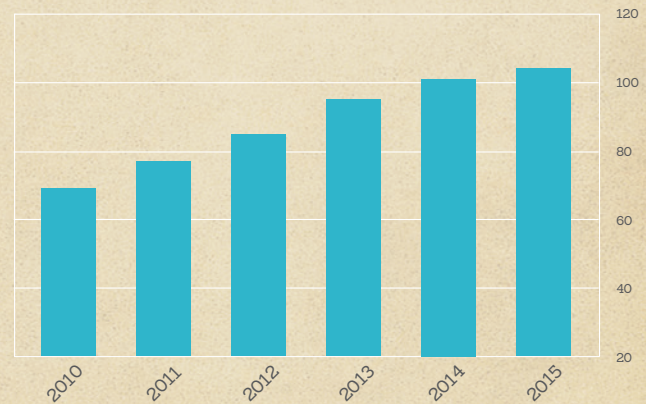
Christine T. Coughlin, CPA, LLIF, MST
Treasurer & Secondary Intelligence/
Information Officer

Dollars in Thousands
LIABILITIES

Year Ended December 31

	2015	2014
Policy Reserves	\$99,286	\$94,951
Policy & Contract Claims	1,052	1,229
Other Liabilities	3,491	3,958
TOTAL LIABILITIES	103,829	100,138
Stockholder's Equity	26,552	23,916
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	\$130,381	\$124,054

Dollars in Millions
LIABILITIES

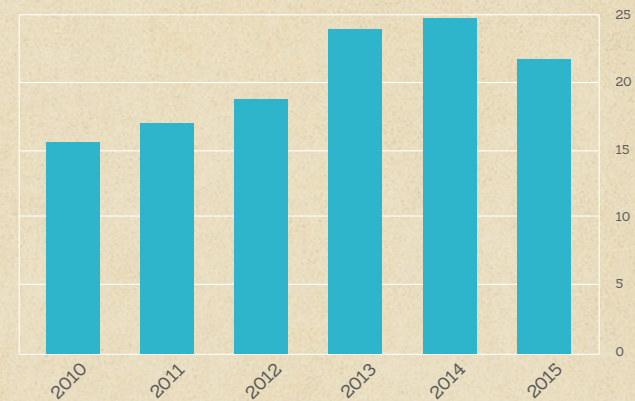


Dollars in Thousands
INCOME

Year Ended December 31

	2015	2014
Premium Income	\$21,495	\$24,763
Net Investment Income	5,857	5,537
Other Income	1,602	1,842
TOTAL INCOME	28,954	32,142
POLICYHOLDER BENEFITS AND EXPENSES		
Life Insurance Benefits	2,371	3,142
Accident & Health Benefits	4,556	6,275
Other Policy Benefits	4,820	4,497
Increase in Reserves	4,335	5,421
Commissions	4,106	5,458
General Expenses	3,093	3,189
Taxes Other Than Federal Income Taxes	852	928
TOTAL BENEFITS & EXPENSES	24,133	28,910
GAIN FROM OPERATIONS	4,821	3,232
Federal Income Tax Expense	1,494	1,429
NET GAIN FROM OPERATIONS	\$3,327	\$1,803

Dollars in Millions
PREMIUM INCOME



Dollars in Thousands

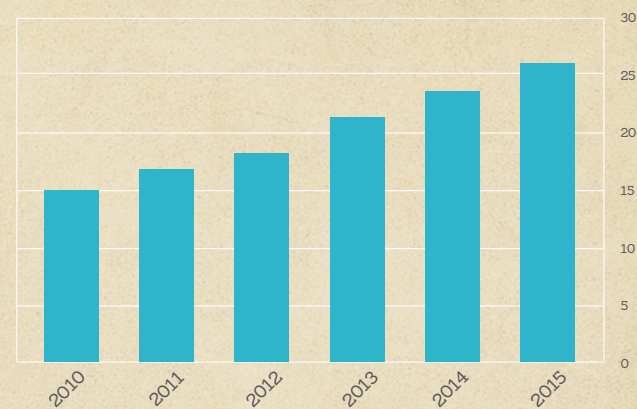
STOCKHOLDER'S EQUITY

Year Ended December 31

	2015	2014
NET GAIN FROM OPERATIONS	\$3,327	\$1,803
Net Realized Capital Gains Trans to IMR	(1)	0
Increase in Asset Valuation Reserve	(66)	(75)
Change in Non-admitted Assets	(697)	124
Change in Deferred Federal Income Tax	116	243
Change in Net Unrealized Capital Gains	(43)	10
Capital Contribution	0	0
Stockholder's Equity Beginning of Year	23,916	21,811
STOCKHOLDER'S EQUITY AT END OF YEAR	\$26,552	\$23,916

Dollars in Millions

STOCKHOLDER'S EQUITY





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

4300 Camp Road • PO Box 331 • Athol Springs, New York 14010 • (800) 645-2317