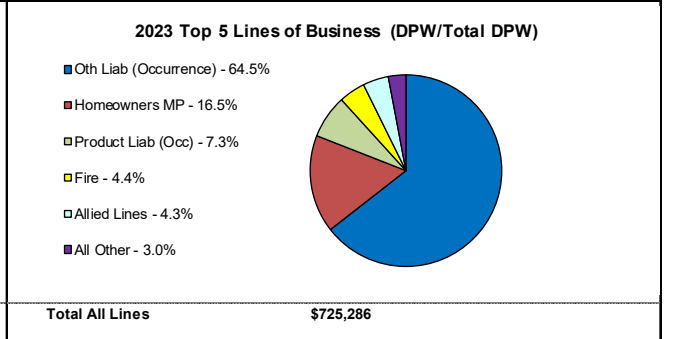
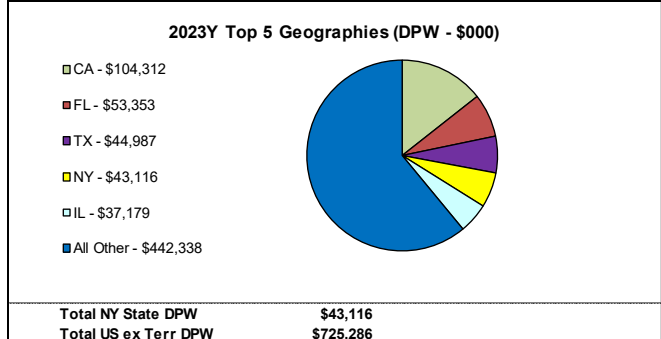
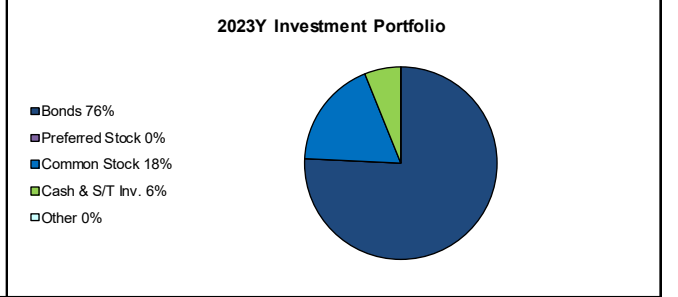
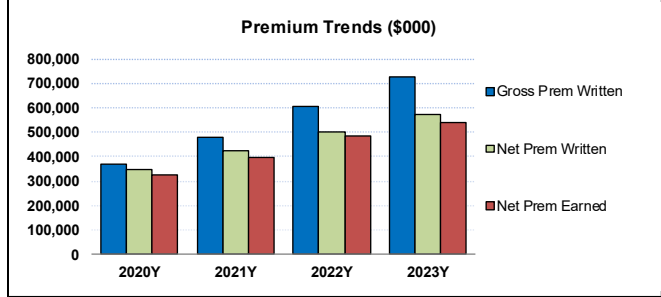
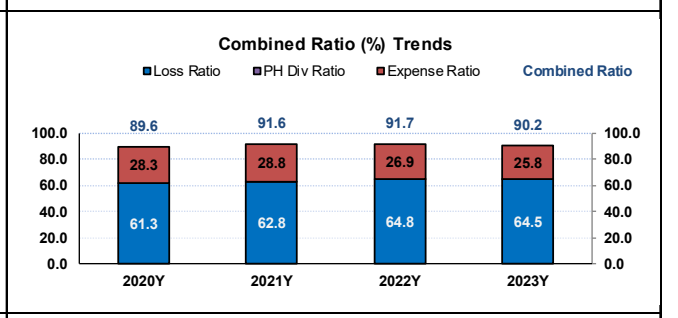
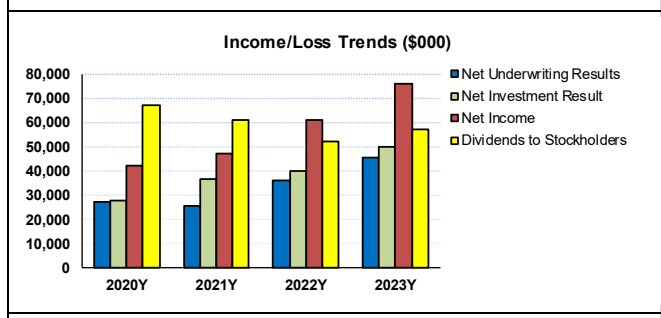




**CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY, NAIC #13037  
CINCINNATI FINANCIAL CORPORATION**

*Dollars in 000*

	2020Y	2021Y	2022Y	2023Y		2020Y	2021Y	2022Y	2023Y
Total Assets	1,170,637	1,395,904	1,550,102	1,837,838	RBC Ratio (%)	765.6	614.1	460.4	406.8
Total Liabilities	642,766	824,952	1,008,365	1,226,525	2yr Res Development	-4,234	8,836	-22,809	-6,298
Policyholder Surplus	527,871	570,952	541,738	611,313	2yr Dev / Surplus	-88.4%	168.0%	-432.1%	-110.3%
Cash & Invested Assets	1,089,411	1,287,275	1,406,660	1,662,601	Affiliated Common Stck	0	0	0	0
Cash & Invested Assets / Total Assets	93.1%	92.2%	90.7%	90.5%	Affiliated CS / Surplus	0.0%	0.0%	0.0%	0.0%
Net Cash from Operations	159,783	215,807	245,108	284,781	Net Reins Recoverable	26,097	44,998	84,273	122,747
Loss & LAE Reserves	430,092	562,138	731,329	898,327	Net Reins Rec / Surplus	4.9%	7.9%	15.6%	20.1%
Loss & LAE Reserves/Surplus	81.5%	98.5%	135.0%	147.0%	AMB / S&P Ratings	A+ / NR	A+ / NR	A+ / NR	A+ / NR



**TOP 5 REINSURERS FOR CINCINNATI SPCLTY UNDERWRITERS BY GROSS RECOVERABLES**

**PERIOD: 2023Y**

*Dollars in 000*

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - The Cincinnati Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	125,198	0
2 - Arch Reinsurance Company	US Unaffiliated	Authorized	1,581	0
3 - General Reinsurance Corporation	US Unaffiliated	Authorized	1,569	0
4 - Partner Reinsurance Company of the U.S.	US Unaffiliated	Authorized	1,329	0
5 - Greenw ich Insurance Company	US Unaffiliated	Authorized	1,277	0

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## ULTIMATE PARENT – Cincinnati Financial Corporation

Corporate Profile		Financial Strength Ratings	
Address:	Cincinnati Financial Corporation 6200 South Gilmore Road Fairfield, OH, 45014	S&P Global:	-
Website:	<a href="http://www.cinfin.com">www.cinfin.com</a>	Moody's:	#OUTSIDE SUBSCRIPTION
President :	Stephen Michael Spray	Fitch:	-
Ticker Symbol:	NASDAQGS: CINF	AM Best - P&C:	-
SEC Filing:	<a href="#">10-K</a>		

Highlights (\$000)	2020Y	2021Y	2022Y	2023Y
Total Assets	27,542,000	31,387,000	29,732,000	32,769,000
Total Policy Reserves	12,621,000	13,590,000	15,104,000	16,237,000
Total Debt	899,000	897,000	891,000	874,000
Total Other Liabilities	982,000	1,092,000	1,229,000	1,311,000
Sep Account Liabilities	952,000	959,000	892,000	925,000
Total Liabilities	16,753,000	18,282,000	19,170,000	20,671,000
<b>Total Equity</b>	<b>10,789,000</b>	<b>13,105,000</b>	<b>10,562,000</b>	<b>12,098,000</b>
Total Liab & Equity	27,542,000	31,387,000	29,732,000	32,769,000
Book Value / Share (\$)	67.04	81.75	67.23	77.06
Reserves / Investments & Cash (x)	0.56	0.53	0.64	0.62
Reserves / Liabilities (x)	0.75	0.74	0.79	0.79
Reserves / Equity (x)	1.17	1.04	1.43	1.34
Debt / Equity (x)	0.08	0.07	0.08	0.07
Dec. 31 Closing Price (\$)	87.37	113.93	102.39	103.46
Net Income (\$)	1,216,000	2,946,000	-487,000	1,843,000
Basic EPS (\$)	7.55	18.29	-3.06	11.74
Investment Yield (%)	7.56	13.09	-2.91	8.25
Ratios (%)				
Loss Ratio	67.40	58.10	68.10	64.90
Expense Ratio	30.70	30.20	30.00	30.00
PH Dividend Ratio	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Combined Ratio	98.10	88.30	98.10	94.90

## **HISTORY**

Cincinnati Specialty Underwriters Insurance Company (Cincinnati Specialty) was incorporated in the State of Delaware in August 2007, as a subsidiary of Cincinnati Insurance Company (Cincinnati Insurance), itself a subsidiary of Cincinnati Financial Corporation (Cincinnati Financial). The company has been eligible to write surplus lines business in New York since December 16, 2008. As of December 31, 2023, Cincinnati Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in all fifty (50) states and the District of Columbia.

## **REINSURANCE**

Cincinnati Specialty maintains various excess of loss (xol) and facultative treaties with its parent, Cincinnati Insurance, and non-affiliates. For property risks, the company retains \$2m, cedes amounts greater than \$2m up to \$6m on a xol basis to Cincinnati Insurance, and maintains facultative cover with non-affiliated reinsurers for amounts greater than \$6m. For casualty risks, the company retains \$2m, cedes amounts greater than \$2m up to \$6m on a xol basis to Cincinnati Insurance, and maintains facultative cover with non-affiliated reinsurers for amounts greater than \$6m. For property catastrophe risks, the company is a named participant on corporate catastrophe covers with non-affiliated reinsurers. For the years 2020 through 2023, Cincinnati Specialty net reinsurance recoverable totaled \$26M, \$45M, \$84M and \$123M, representing 5%, 8%, 16% and 20% of the company surplus.

## **HOLDING COMPANY**

Founded in 1950 by insurance agents and brothers John and Robert Schiff, with headquarters in Fairfield, OH, Cincinnati Financial Corporation offers primarily business, home and auto insurance, through The Cincinnati Insurance Company and its two standard market property casualty companies and offers specialty excess and surplus insurance through the Cincinnati Specialty. Other subsidiaries offer life insurance, disability income and fixed annuities. AM Best collectively rates the five (5) insurance subsidiaries of Cincinnati Financial, including Cincinnati Specialty Insurance Company. For the years 2020 through 2023 the group was rated 'A+' and assigned the financial size of XV (\$2bn - >).

## **SUBSEQUENT NOTE WORTHY OBSERVATIONS**

Updated April 2024

### **Important Information Regarding Financial Summaries**

This financial summary contains information helpful to New York excess lines brokers in meeting their non-delegable duty to use "due care" in the selection of a financially secure excess line insurer. Definitions of the financial terms used in the summaries appear as pop-up boxes when hovering your mouse over the corresponding text. For additional guidance on assessing insurance company financial statements, please reference "ELANY COMPLIANCE ADVISOR: FUNDAMENTALS OF INSURANCE COMPANY FINANCIAL ANALYSIS".

The Excess Line Association of New York has compiled the insurance company financial information from the Annual Statutory Financial Statements. All ratios, charts, and graphs are based on the compiled information. We have made every effort to ensure all information transcribed for these pages is correct. However, the Excess Line Association of New York cannot attest to the accuracy of data provided by its sources, nor do we make any warranties, either expressed or implied, regarding the accuracy or completeness of information presented in this document. We assume no responsibility for loss or damage resulting from the use of this information.