



**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	2,434,438,007		2,434,438,007	2,353,647,985
2. Stocks:				
2.1 Preferred stocks .....	10,572,488		10,572,488	11,646,488
2.2 Common stocks .....	3,247,043		3,247,043	3,071,036
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... 102,066,124 ), cash equivalents (\$ ..... 0 ) .....	102,066,124		102,066,124	106,952,053
and short-term investments (\$ ..... 0 ) .....				
6. Contract loans (including \$ ..... premium notes) .....	36,213,483	.934,126	35,279,357	36,683,189
7. Derivatives .....			0	0
8. Other invested assets .....	42,381,864		42,381,864	42,396,810
9. Receivables for securities .....	45,306		45,306	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	.0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	2,628,964,314	.934,126	2,628,030,189	2,554,397,561
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	35,503,588		35,503,588	35,645,649
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	5,794,665	.35,830	5,758,835	8,354,660
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	86,326,694		86,326,694	85,960,649
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	1,221,826		1,221,826	2,286,699
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	1,391,792		1,391,792	1,871,346
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	977,376		977,376	6,758,845
18.2 Net deferred tax asset .....	82,602,007	.43,693,613	38,908,394	37,058,340
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	1,057,245	.1,057,245	0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	222,097	.222,097	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	1,582,538		1,582,538	2,607,829
24. Health care (\$ ..... ) and other amounts receivable .....	447,450	.447,450	0	0
25. Aggregate write-ins for other than invested assets .....	723,052	.271,242	451,810	457,502
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	2,846,814,643	46,661,602	2,800,153,042	2,735,399,080
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	.629,897,164		.629,897,164	.621,868,503
28. Total (Lines 26 and 27) .....	3,476,711,808	46,661,602	3,430,050,206	3,357,267,584
<b>DETAILS OF WRITE-INS</b>				
1101. .....				
1102. .....				
1103. .....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	.0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. SEPARATE ACCOUNTS MANAGEMENT FEE RECEIVABLE .....	219,541		219,541	236,188
2502. PREPAID EXPENSES .....	215,870	.215,870	0	0
2503. GUARANTY FUNDS .....	.98,617		.98,617	.78,788
2598. Summary of remaining write-ins for Line 25 from overflow page .....	189,024	.55,372	.133,652	142,526
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	723,052	.271,242	451,810	457,502

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ .....2,202,089,015 less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....	2,202,089,015	2,159,113,182
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....	14,934,769	15,216,077
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....	198,991,452	200,241,900
4. Contract claims:		
4.1 Life .....	12,759,174	14,680,720
4.2 Accident and health .....	1,110,897	1,211,108
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid .....	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... Modco) .....	110	110
6.2 Dividends not yet apportioned (including \$ ..... Modco) .....	0	0
6.3 Coupons and similar benefits (including \$ ..... Modco) .....	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ .....33,641 accident and health premiums .....	1,401,601	927,435
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....	0	0
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ ..... is for medical loss ratio rebate per the Public Health Service Act .....	0	0
9.3 Other amounts payable on reinsurance, including \$ ..... assumed and \$ .....11,917,894 ceded .....	11,917,894	15,364,995
9.4 Interest Maintenance Reserve .....	2,921,185	2,582,238
10. Commissions to agents due or accrued-life and annuity contracts \$ .....1,782,786 , accident and health \$ .....45,829 and deposit-type contract funds \$ .....	1,828,615	2,778,201
11. Commissions and expense allowances payable on reinsurance assumed .....	0	0
12. General expenses due or accrued .....	3,515,113	2,721,028
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances) .....	0	0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	952,319	1,607,506
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses) .....	0	0
15.2 Net deferred tax liability .....	0	0
16. Unearned investment income .....	178,411	754,365
17. Amounts withheld or retained by company as agent or trustee .....	963,666	330,170
18. Amounts held for agents' account, including \$ .....12,891 agents' credit balances .....	12,891	14,317
19. Remittances and items not allocated .....	1,628,166	2,556,277
20. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0
21. Liability for benefits for employees and agents if not included above .....	0	0
22. Borrowed money \$ ..... and interest thereon \$ .....	0	0
23. Dividends to stockholders declared and unpaid .....	0	0
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve .....	8,072,027	7,293,335
24.02 Reinsurance in unauthorized companies .....	46	0
24.03 Funds held under reinsurance treaties with unauthorized reinsurers .....	0	0
24.04 Payable to parent, subsidiaries and affiliates .....	422,966	329,855
24.05 Drafts outstanding .....	0	0
24.06 Liability for amounts held under uninsured plans .....	0	0
24.07 Funds held under coinsurance .....	0	0
24.08 Derivatives .....	0	0
24.09 Payable for securities .....	27,982,280	0
24.10 Payable for securities lending .....	0	0
24.11 Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities .....	27,260,574	26,492,321
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	2,518,943,169	2,454,215,139
27. From Separate Accounts statement .....	629,897,164	621,868,503
28. Total liabilities (Lines 26 and 27) .....	3,148,840,333	3,076,083,643
29. Common capital stock .....	3,000,000	3,000,000
30. Preferred capital stock .....	0	0
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....	0	0
33. Gross paid in and contributed surplus .....	1,000,000	1,000,000
34. Aggregate write-ins for special surplus funds .....	0	12,661,883
35. Unassigned funds (surplus) .....	277,209,873	264,522,058
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....	0	0
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....	0	0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ ..... in Separate Accounts Statement) .....	278,209,873	278,183,941
38. Totals of Lines 29, 30 and 37 .....	281,209,873	281,183,941
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	3,430,050,206	3,357,267,584
<b>DETAILS OF WRITE-INS</b>		
2501. RETAINED ASSET LIABILITY.....	26,637,732	26,051,074
2502. BONUS LIABILITY.....	0	246,730
2503. PAYABLES CLEARING.....	499,240	45,785
2598. Summary of remaining write-ins for Line 25 from overflow page .....	123,602	148,732
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	27,260,574	26,492,321
3101. ....		
3102. ....		
3103. ....		
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198) (Line 31 above) .....	0	0
3401. SAP 10R INCREASE IN ADMITTED DTA FROM PARAGRAPH 10E.....		12,661,883
3402. ....		
3403. ....		
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	12,661,883

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**SUMMARY OF OPERATIONS**

	1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts .....	63,707,294	101,713,312	299,663,671
2. Considerations for supplementary contracts with life contingencies .....	76,258	210,319	210,319
3. Net investment income .....	34,437,190	34,522,860	138,199,338
4. Amortization of Interest Maintenance Reserve (IMR) .....	69,108	95,030	638,379
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	0	0	0
6. Commissions and expense allowances on reinsurance ceded .....	1,572,238	1,657,276	6,732,020
7. Reserve adjustments on reinsurance ceded .....	0	0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....	258,068	592,257	1,882,491
8.2 Charges and fees for deposit-type contracts .....	0	0	0
8.3 Aggregate write-ins for miscellaneous income .....	0	0	0
9. Totals (Lines 1 to 8.3) .....	100,120,155	138,791,054	447,326,219
10. Death benefits .....	16,629,591	16,332,966	65,542,831
11. Matured endowments (excluding guaranteed annual pure endowments) .....	29,335	21,325	103,823
12. Annuity benefits .....	13,143,456	13,224,698	51,216,208
13. Disability benefits and benefits under accident and health contracts .....	470,924	383,803	(621,965)
14. Coupons, guaranteed annual pure endowments and similar benefits .....	0	0	0
15. Surrender benefits and withdrawals for life contracts .....	6,260,201	5,464,102	25,004,106
16. Group conversions .....	0	(224)	(99)
17. Interest and adjustments on contract or deposit-type contract funds .....	2,707,140	2,625,350	11,121,156
18. Payments on supplementary contracts with life contingencies .....	74,965	75,456	301,699
19. Increase in aggregate reserves for life and accident and health contracts .....	42,720,558	77,008,054	214,904,530
20. Totals (Lines 10 to 19) .....	82,036,171	115,135,530	367,572,291
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) .....	9,750,725	11,658,270	40,785,839
22. Commissions and expense allowances on reinsurance assumed .....	0	0	0
23. General insurance expenses .....	9,044,803	9,163,849	34,436,290
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	1,527,240	1,469,522	6,426,457
25. Increase in loading on deferred and uncollected premiums .....	224,206	(118,773)	(5,837,176)
26. Net transfers to or (from) Separate Accounts net of reinsurance .....	0	(225,805)	(2,092,379)
27. Aggregate write-ins for deductions .....	0	0	509
28. Totals (Lines 20 to 27) .....	102,583,146	137,082,593	441,291,831
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	(2,462,990)	1,708,461	6,034,387
30. Dividends to policyholders .....	64	36	110
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	(2,463,054)	1,708,425	6,034,278
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....	(1,175,567)	7,983,402	5,680,778
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	(1,287,487)	(6,274,977)	353,500
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ .....	(219,722)	(19,377,751)	(13,615,251)
35. Net income (Line 33 plus Line 34) .....	(1,287,487)	(25,652,728)	(13,261,751)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
36. Capital and surplus, December 31, prior year .....	281,183,941	302,963,155	302,963,155
37. Net income (Line 35) .....	(1,287,487)	(25,652,728)	(13,261,751)
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	61,602	114,405	18,874,331
39. Change in net unrealized foreign exchange capital gain (loss) .....	0	0	0
40. Change in net deferred income tax .....	(300,260)	7,399,890	3,763,206
41. Change in nonadmitted assets .....	1,000,657	5,119,764	(2,586,778)
42. Change in liability for reinsurance in unauthorized companies .....	(46)	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....	0	0	0
44. Change in asset valuation reserve .....	(778,692)	(276,955)	8,228,691
45. Change in treasury stock .....	0	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....	0	0	0
47. Other changes in surplus in Separate Accounts Statement .....	0	0	0
48. Change in surplus notes .....	0	0	0
49. Cumulative effect of changes in accounting principles .....	1,251,322	0	0
50. Capital changes:			
50.1 Paid in .....	0	0	0
50.2 Transferred from surplus (Stock Dividend) .....	0	0	0
50.3 Transferred to surplus .....	0	0	0
51. Surplus adjustment:			
51.1 Paid in .....	0	0	0
51.2 Transferred to capital (Stock Dividend) .....	0	0	0
51.3 Transferred from capital .....	0	0	0
51.4 Change in surplus as a result of reinsurance .....	0	0	0
52. Dividends to stockholders .....	0	0	(25,000,000)
53. Aggregate write-ins for gains and losses in surplus .....	26,033	34,912	262,868
54. Net change in capital and surplus (Lines 37 through 53) .....	25,932	5,499,214	(21,779,214)
55. Capital and surplus, as of statement date (Lines 36 + 54) .....	281,209,873	308,462,369	281,183,941
<b>DETAILS OF WRITE-INS</b>			
08.301. ....	0	0	0
08.302. ....	0	0	0
08.303. ....	0	0	0
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above) .....	0	0	0
2701. INCREASE/(DECREASE) IN RETIRED LIVES RESERVE .....	0	0	509
2702. ....	0	0	0
2703. ....	0	0	0
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above) .....	0	0	509
5301. PRE-1992 WHOLE LIFE DEFICIENCY RESERVE .....	26,033	34,912	262,868
5302. ADDITIONAL ADMITTED DEFERRED TAX ASSETS .....	0	17,010,000	12,661,883
5303. RECLASSIFICATION OF ADDITIONAL ADMITTED DEFERRED TAX ASSETS TO SPECIAL SURPLUS FUNDS .....	0	-(17,010,000)	(12,661,883)
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398) (Line 53 above) .....	26,033	34,912	262,868

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	62,816,831	101,118,087	297,114,575
2. Net investment income.....	33,710,337	32,841,871	133,993,455
3. Miscellaneous income.....	2,327,828	2,691,717	9,019,258
4. Total (Lines 1 to 3).....	98,854,997	136,651,675	440,127,288
5. Benefit and loss related payments.....	37,526,307	34,563,892	140,475,674
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	(2,092,379)
7. Commissions, expenses paid and aggregate write-ins for deductions.....	21,025,816	20,708,872	79,219,698
8. Dividends paid to policyholders.....	64	36	110
9. Federal and foreign income taxes paid (recovered) net of \$ 1,919,996 tax on capital gains (losses).....	(6,737,314)	900,579	8,806,742
10. Total (Lines 5 through 9).....	51,814,872	56,173,379	226,409,844
11. Net cash from operations (Line 4 minus Line 10).....	47,040,125	80,478,296	213,717,444
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	96,519,876	62,933,753	364,893,054
12.2 Stocks.....	1,500,000	0	77,172,860
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	27,936,974	23,526,480	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	125,956,850	86,460,233	442,065,914
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	176,907,858	194,470,971	626,330,406
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	2,990,730
13.6 Miscellaneous applications.....	0	0	12,706,069
13.7 Total investments acquired (Lines 13.1 to 13.6).....	176,907,858	194,470,971	642,027,205
14. Net increase (or decrease) in contract loans and premium notes.....	(1,406,080)	(144,578)	(1,924,171)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(49,544,927)	(107,866,160)	(198,037,121)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	(3,949,248)	(3,369,614)	(12,306,647)
16.5 Dividends to stockholders.....	0	0	25,000,000
16.6 Other cash provided (applied).....	1,568,121	(192,013)	(10,450,468)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(2,381,127)	(3,561,627)	(47,757,115)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(4,885,929)	(30,949,491)	(32,076,792)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	106,952,053	139,028,845	139,028,845
19.2 End of period (Line 18 plus Line 19.1).....	102,066,124	108,079,354	106,952,053

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**EXHIBIT 1**

**DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial life .....	37,346	42,665	153,096
2. Ordinary life insurance .....	57,775,186	52,413,868	222,688,127
3. Ordinary individual annuities .....	16,578,520	59,794,537	122,481,247
4. Credit life (group and individual) .....	0	0	0
5. Group life insurance .....	556,128	523,506	2,384,274
6. Group annuities .....	0	0	0
7. A & H - group .....	262,920	248,503	1,075,377
8. A & H - credit (group and individual) .....	0	0	0
9. A & H - other .....	1,511,321	1,471,752	5,713,137
10. Aggregate of all other lines of business .....	0	0	0
11. Subtotal .....	76,721,421	114,494,831	354,495,259
12. Deposit-type contracts .....	0	1,118,656	2,520,014
13. Total .....	76,721,421	115,613,487	357,015,273
<b>DETAILS OF WRITE-INS</b>			
1001. ....	0	0	0
1002. ....	0	0	0
1003. ....	0	0	0
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0
1099. Total (Lines 1001 through 1003 plus 1098) (Line 10 above)	0	0	0

# STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

- A. Accounting Policies – The financial statements of the Cincinnati Life Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.
- B. Use of Estimates in the Preparation of the Financial Statements – The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates
- C. Accounting Policies – The Company uses the following accounting policies:
  - 1. Short-term investments are stated at amortized cost
  - 2. Bonds are stated at amortized cost using the scientific method
  - 3. Common Stocks are stated at market
  - 4. Preferred Stocks are stated at book value
  - 5. Not applicable
  - 6. Not applicable
  - 7. Not applicable
  - 8. The Company has minor ownership interest in partnerships.
  - 9. The Company does not have any derivatives
  - 10. Not applicable
  - 11. Unpaid accident and health losses include an amount determined from individual case estimates and an amount based on historic experience, for pending losses and losses incurred but not reported. Such liabilities are based on assumptions and estimates, and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the reserves established. The reserve factors used to establish the resulting liabilities are periodically reviewed and any adjustments are reflected in the period determined.
  - 12. The Company has not modified its capitalization policy from the prior period
  - 13. Not applicable

### 2. Accounting Changes and Corrections of Errors

- A. Material Changes in Accounting Principles
  - 1. SSAP No. 101 was effective January 1, 2012 and the company estimates the cumulative effect of adopting SSAP No. 101 as an increase to surplus of \$1.2 million.
  - 2. Not Applicable
  - 3. Not Applicable
  - 4. Not Applicable

### 3. Business Combinations and Goodwill – No Change

### 4. Discontinued Operations – No Change

### 5. Investments

- A. Mortgage Loans – No Change
- B. Debt Restructuring – No Change
- C. Reverse Mortgages – No Change
- D. Loan – Backed Securities
  - 1. Not Applicable.
  - 2. Not Applicable.
  - 3. Not Applicable.
  - 4. Not Applicable.
  - 5. Not Applicable.
- E. Repurchase Agreements – None
- F. Real Estate
  - 1. Real Estate Improvement – None
  - 2. Real Estate Held for Sale – None
  - 3. Change in Plan of Sale – None
  - 4. Retail Land Sales - None

### 6. Joint Ventures, Partnerships and Limited Liability Companies – No Change

### 7. Investment Income – No Change

### 8. Derivative Instruments – No Change

# STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

### **9 - Income Taxes**

In November 2011, the NAIC issued Statement on Statutory Accounting Principle, ("SSAP") No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, ("SSAP No. 101")* which alters the calculation of the three-step test for admissibility of deferred tax assets. In addition, this statement establishes statutory accounting principles for accounting for uncertainty in income taxes, defining the recognition and measurement criteria that must be met for a reporting entity to recognize any benefit of any tax position in the reporting entity's financial statements. SSAP 101 supersedes SSAP No. 10R, Income Taxes-Revised, A Temporary Replacement for SSAP No. 10, and SSAP 10, Income Taxes. SSAP No. 101 is effective January 1, 2012 and the company estimates the cumulative effect of adopting SSAP No. 101 is an increase to surplus of \$1.2 million.

The following summarizes the impact of adopting SSAP No. 101.

	SSAP 101 1/1/12	SSAP 10R 12/31/11	Change
Gross DTA	\$ 83,337,809	\$ 83,337,809	\$ -
Less Nonadmitted DTA	44,654,207	45,905,529	(1,251,322)
Admitted DTA	\$ 38,683,602	\$ 37,432,280	\$ 1,251,322
DTL	(373,940)	(373,940)	-
Net admitted DTA	<u>\$ 38,309,662</u>	<u>\$ 37,058,340</u>	<u>\$ 1,251,322</u>

### A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs):

1.

	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 71,935,891	\$ 11,144,279	\$ 83,080,170	\$ 71,765,934	\$ 11,571,875	\$ 83,337,809
(b) Statutory valuation allowance	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	71,935,891	11,144,279	83,080,170	71,765,934	11,571,875	83,337,809
(d) Deferred Tax Assets Nonadmitted	43,693,613	-	43,693,613	44,654,207	-	44,654,207
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	28,242,278	11,144,279	39,386,557	27,111,727	11,571,875	38,683,602
(f) Deferred Tax Liabilities	\$ 297,271	\$ 180,892	\$ 478,163	\$ 254,650	\$ 119,290	\$ 373,940
(g) Net admitted deferred tax asset/(liability) (1e - 1f)	<u>\$ 27,945,007</u>	<u>\$ 10,963,386</u>	<u>\$ 38,908,393</u>	<u>\$ 26,857,077</u>	<u>\$ 11,452,585</u>	<u>\$ 38,309,662</u>

2.

<b>SSAP 101, paragraphs 11.a., 11.b., and 11.c.:</b>	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	-	1,858,288	1,858,288	-	1,845,772	1,845,772
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	27,764,114	9,285,990	37,050,105	26,737,788	9,726,103	36,463,890
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	27,764,114	9,285,990	37,050,105	26,737,788	9,726,103	36,463,890
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	37,050,105	37,050,105	37,050,105	36,463,890	36,463,890	36,463,890
(c) Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	478,163	-	478,163	373,940	-	373,940
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	28,242,278	11,144,279	39,386,557	27,111,727	11,571,875	38,683,602

<b>SSAP 101, paragraphs 11.a., 11.b., and 11.c.:</b>	Change		
	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	-	12,516	12,516
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	1,026,327	(440,112)	586,215
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	1,026,327	(440,112)	586,215
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	586,215	586,215	586,215
(c) Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	104,224	-	104,224
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	1,130,550	(427,596)	702,954

3.

	2012	2011
	Percentage	Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	704%	656%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b) 2 above	15%	15%

(c) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.

# STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

4.

	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
<b>Impact of Tax Planning Strategies</b>						
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.00%	8.10%	8.10%	0.00%	8.22%	8.22%

The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.

	Change		
	Ordinary	Capital	Total
<b>Impact of Tax Planning Strategies</b>			
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.00%	0.00%	0.00%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0.00%	-0.12%	-0.12%

B. Unrecognized DTLs

Not applicable

C. Current Tax and Change in Deferred Tax

1. Current income tax:

	2012	2011	Change
(a) Federal	\$ (1,175,568)	\$ 5,680,777	\$ (6,856,345)
(b) Foreign	-	-	-
(c) Subtotal	(1,175,568)	5,680,777	(6,856,345)
(d) Federal Income Tax on capital gains/(losses)	219,722	(4,508,603)	4,728,325
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
Federal income taxes incurred	\$ (955,846)	\$ 1,172,174	\$ (2,128,020)

2. Deferred tax assets

	March 31, 2012	December 31, 2011	Change
(a) Ordinary			
(1) Life and health reserves	\$ 44,648,469	\$ 44,802,212	\$ (153,743)
(2) DAC	24,892,043	24,448,511	443,532
(3) Nonadmitted assets	1,038,796	1,052,818	(14,022)
(4) Other, net	1,356,583	1,462,393	(105,810)
(99) Subtotal	\$ 71,935,891	\$ 71,765,934	\$ 169,957
(b) Statutory valuation allowance adj	-	-	-
(c) Nonadmitted	43,693,613	44,654,207	(960,594)
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 28,242,278	\$ 27,111,727	\$ 1,130,551
(e) Capital			
(1) Investments	\$ 11,144,279	\$ 11,571,875	\$ (427,596)
(2) Unrealized losses on investments	-	-	-
(99) Subtotal	\$ 11,144,279	\$ 11,571,875	\$ (427,596)
(f) Statutory valuation allowance adj	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	\$ 11,144,279	\$ 11,571,875	\$ (427,596)
(i) Admitted deferred tax assets (2d + 2h)	\$ 39,386,557	\$ 38,683,602	\$ 702,955

3. Deferred tax liabilities

	March 31, 2012	December 31, 2011	Change
(a) Ordinary			
(1) Other, net	\$ 297,271	\$ 254,650	\$ 42,621
(99) Subtotal	\$ 297,271	\$ 254,650	\$ 42,621
(b) Capital			
(1) Unrealized gains on investments	\$ 180,892	\$ 119,290	\$ 61,602
(99) Subtotal	\$ 180,892	\$ 119,290	\$ 61,602
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 478,163	\$ 373,940	\$ 104,223

4. Net deferred tax assets/liabilities (2i-3c)

\$ 38,908,393 \$ 38,309,662 \$ 598,731

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	March 31, 2012	December 31, 2011	Change
Total deferred tax assets	\$ 83,080,170	\$ 83,337,809	\$ (257,639)
Total deferred tax liabilities	478,163	373,940	104,223
Net deferred tax asset/(liability)	\$ 82,602,007	\$ 82,963,869	\$ (361,862)
Tax effect of unrealized (gains)/losses		61,602	
Change in net deferred income tax (charge)/benefit		<u>\$ (300,260)</u>	

	December 31, 2011	December 31, 2010	Change
Total deferred tax assets	\$ 83,337,809	\$ 82,903,734	\$ 434,075
Total deferred tax liabilities	373,940	33,698	340,242
Net deferred tax asset/(liability)	\$ 82,963,869	\$ 82,870,036	\$ 93,833
Tax effect of unrealized (gains)/losses		<u>3,669,373</u>	
Change in net deferred income tax (charge)/benefit		<u>\$ 3,763,206</u>	

**STATEMENT AS OF MARCH 31, 2012 OF THE  
CINCINNATI LIFE INSURANCE COMPANY**

## NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of Federal income Tax Rate to Actual Effective Rate

As of March 31, 2012			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ (1,835,278)	\$ (642,347)	35.00%
Amortization of IMR	(69,108)	(24,188)	1.32%
Dividends received deduction	-	-	0.00%
Other items permanent in nature	(193,273)	(67,646)	3.69%
Other	184,493	64,573	-3.52%
<b>Total</b>	<b>\$ (1,913,165)</b>	<b>\$ (669,608)</b>	<b>36.49%</b>
 Federal income taxes incurred expense/(benefit)			
Tax on capital gains/(losses)	\$ (3,358,765)	\$ (1,175,568)	64.05%
Change in net deferred income tax charge/(benefit)	627,777	219,722	-11.97%
Change in nonadmitted excluding deferred tax asset	857,886	300,260	-16.36%
<b>Total statutory income taxes</b>	<b>\$ (1,913,165)</b>	<b>\$ (669,608)</b>	<b>36.49%</b>
As of December 31, 2011			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ (6,847,445)	\$ (2,396,606)	35.00%
Amortization of IMR	(638,379)	(223,433)	3.26%
Dividends received deduction	(130,602)	(45,711)	0.67%
Other items permanent in nature	(520,930)	(182,326)	2.66%
Other	1,347,169	471,509	-6.89%
<b>Total</b>	<b>\$ (6,790,187)</b>	<b>\$ (2,376,565)</b>	<b>34.71%</b>
 Federal income taxes incurred expense/(benefit)			
Tax on capital gains/(losses)	\$ 16,230,790	\$ 5,680,777	-82.96%
Change in net deferred income tax charge/(benefit)	(12,881,723)	(4,508,603)	65.84%
Change in nonadmitted excluding deferred tax asset	(10,752,018)	(3,763,206)	54.96%
<b>Total statutory income taxes</b>	<b>612,763</b>	<b>214,467</b>	<b>-3.13%</b>
	<b>\$ (6,790,187)</b>	<b>\$ (2,376,565)</b>	<b>34.71%</b>

#### E. Operating Loss and Tax Credit Carryforwards

(1) At March 31, 2012, the Company had net operating loss carryforwards of: \$ 6  
(2) At March 31, 2012, the Company had capital loss carryforwards of: \$ 6

(3) The following is income tax expense for the current and prior years that is available for recuperation in the event of future net losses:				
Year	Ordinary	Capital	Total	
2012	\$ -	\$ -	\$ -	
2011	(1,320,479)	1,921,633	601,155	
2010	1,378,579	-	1,378,579	
Total	\$ 58,100	\$ 1,921,633	\$ 1,979,733	

(4) Deposits admitted under Internal Revenue Code Section 6603: \$

F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entities:

Cincinnati Financial Corporation (Parent)  
The Cincinnati Insurance Company  
The Cincinnati Casualty Company  
The Cincinnati Indemnity Company  
The Cincinnati Specialty Underwriters Insurance Company  
CFC Investment Company  
CSU Producer Resources, Inc.

(2) The method of allocation between the Company is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with a current credit for net losses.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

# STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

10. **Information Concerning Parent, Subsidiaries and Affiliates** – At March 31, 2012, The Company reports \$1,582,538 as amounts receivable from the Parent Company, The Cincinnati Insurance Company, and from affiliated companies, Cincinnati Specialty Underwriters Insurance Company, Cincinnati Indemnity Company, CFC Investment Company, Cincinnati Casualty Company, and CSU Producer Resources, Inc. Also at March 31, 2012 the Company reported \$422,966 as amounts due to the ultimate parent Cincinnati Financial Corporation. The terms of the settlement require that these amounts be settled within 30 days.
11. **Debt – No Change**
12. **Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans – No Change**
13. **Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**
  - A. No Change
  - B. No Change
  - C. No Change
  - D. No Change
  - E. No Change
  - F. No Change
  - G. No Change
  - H. No Change
  - I. No Change
  - J. No Change
  - K. No Change
  - L. No Change
  - M. No Change
14. **Contingencies – No Change**
15. **Leases – No Change**
16. **Off-Balance Sheet Risk – No Change**
17. **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – No Change**
18. **Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – No Change**
19. **Direct Premium Written/Produced by Managing General Agents/Third Party Administrators** – The Cincinnati Life Insurance Company has direct written long term care premiums of \$684,378 and \$474,833 in direct premiums on certain closed blocks of life and health business through separate third party administrators.
20. **Fair Value Measurements – None**
21. **Other Items – No Change**
22. **Events Subsequent – None**
23. **Reinsurance – No Change**
24. **Retrospectively Rated Contracts & Contract Subject to Redetermination – No Change**
25. **Change in Incurred Losses – No Change**
26. **Intercompany Pooling – No Change**
27. **Structured Settlements – No Change**
28. **Health Care Receivables – No Change**
29. **Participating Policies – No Change**
30. **Premium Deficiency Reserves – No Change**
31. **Reserves for Life Contracts and Deposit Type Contracts – No Change**
32. **Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics – No Change**
33. **Premium and Annuity Considerations Deferred and Uncollected – No Change**
34. **Separate Accounts – No Change**
35. **Loss/Claim Adjustment Expense – No Change**

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]

2.2 If yes, date of change: .....

3. Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]

If yes, complete the Schedule Y - Part 1 - organizational chart.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2009

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2009

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 08/03/2010

6.4 By what department or departments?

STATE OF OHIO.....

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [X]

7.2 If yes, give full information:

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## GENERAL INTERROGATORIES

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [X] No [ ]

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

9.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

## FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes [X] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:..... \$ ..... 1,520,145

## INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No

11.2 If yes, give full and complete information relating thereto:  
SEVERAL BONDS ARE ON DEPOSIT WITH STATES OR OTHER REGULATORY BODIES PURSUANT TO REGULATORY GUIDELINES

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
<b>14.27 Total Investment in Parent, Subsidiaries and Affiliates</b> (Subtotal Lines 14.21 to 14.26).....	<b>\$ .....,0</b>	<b>\$ .....,0</b>
<b>14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....</b>	<b>\$ .....</b>	<b>\$ .....</b>

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....

If no, attach a description with this statement.

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY****GENERAL INTERROGATORIES**

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes  No 

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
FIFTH THIRD BANK.....	PO BOX 630900 CINCINNATI, OHIO 45263-0900.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? .....

Yes  No 

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? .....

Yes  No 

17.2 If no, list exceptions:

CUSIP #488044AB4, KELLWOOD CORP, BACV = 115,352.40, RATING 6\*; CUSIP #777774AF7, ROSETON - DANSKAMMER, BACV = 1,150,602.40 - 6FE.....

STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

**GENERAL INTERROGATORIES**  
**PART 2 - LIFE & HEALTH**

1	Amount
1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages .....	\$ .....
1.12 Residential Mortgages .....	\$ .....
1.13 Commercial Mortgages .....	\$ .....
1.14 Total Mortgages in Good Standing .....	\$ _____ 0
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms.....	\$ _____
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages .....	\$ .....
1.32 Residential Mortgages .....	\$ .....
1.33 Commercial Mortgages .....	\$ .....
1.34 Total Mortgages with Interest Overdue more than Three Months.....	\$ _____ 0
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages .....	\$ .....
1.42 Residential Mortgages .....	\$ .....
1.43 Commercial Mortgages .....	\$ .....
1.44 Total Mortgages in Process of Foreclosure.....	\$ _____ 0
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2).....	\$ _____ 0
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages .....	\$ .....
1.62 Residential Mortgages .....	\$ .....
1.63 Commercial Mortgages .....	\$ .....
1.64 Total Mortgages Foreclosed and Transferred to Real Estate .....	\$ _____ 0
2. Operating Percentages:	
2.1 A&H loss percent.....	_____ %
2.2 A&H cost containment percent .....	_____ %
2.3 A&H expense percent excluding cost containment expenses.....	_____ %
3.1 Do you act as a custodian for health savings accounts?.....	Yes [ ] No [X]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$ _____
3.3 Do you act as an administrator for health savings accounts?.....	Yes [ ] No [X]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$ _____

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

## **SCHEDULE S - CEDED REINSURANCE**

## Showing All New Reinsurance Treaties

**NON F**

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**SCHEDULE T – PREMIUMS AND ANNUITY CONSIDERATIONS**

Current Year To Date - Allocated by States and Territories

States, Etc.	Active Status	Life Contracts		Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Direct Business Only		
		2	3		4	5	6
		Life Insurance Premiums	Annuity Considerations	Other Considerations	Total Columns 2 Through 5	Deposit - Type Contracts	
1. Alabama	AL	1,121,246	134,971	23,166	1,279,383		
2. Alaska	AK	10,705			10,705		
3. Arizona	AZ	309,962	83,779	5,854	399,595		
4. Arkansas	AR	661,161	70,511	875	732,547		
5. California	CA	1,316,692	602,101	11,673	1,930,466		
6. Colorado	CO	252,568	302,716	7,504	562,787		
7. Connecticut	CT	93,300		588	93,889		
8. Delaware	DE	49,705	104,206	1,210	155,121		
9. District of Columbia	DC	16,400		.65	16,465		
10. Florida	FL	1,485,636	521,786	45,581	2,053,002		
11. Georgia	GA	2,953,632	64,253	115,485	3,133,370		
12. Hawaii	HI	9,583		137	9,720		
13. Idaho	ID	134,546	34,929	864	170,339		
14. Illinois	IL	3,964,639	1,307,091	146,833	5,418,563		
15. Indiana	IN	4,907,233	933,366	95,753	5,936,351		
16. Iowa	IA	2,272,038	3,504,835	39,372	5,816,245		
17. Kansas	KS	606,246	252,014	11,801	870,061		
18. Kentucky	KY	2,200,232	166,486	86,869	2,453,587		
19. Louisiana	LA	190,114		.4	190,118		
20. Maine	ME	10,682	100,000		110,682		
21. Maryland	MD	558,592	18,439	7,972	585,002		
22. Massachusetts	MA	120,108		968	121,076		
23. Michigan	MI	3,164,988	954,318	118,676	4,237,983		
24. Minnesota	MN	2,204,126	1,755,992	22,277	3,982,394		
25. Mississippi	MS	63,354	300	485	64,139		
26. Missouri	MO	1,724,336	406,401	20,044	2,150,781		
27. Montana	MT	235,297	25,000	2,360	262,656		
28. Nebraska	NE	367,345	55,125	.7,723	430,193		
29. Nevada	NV	94,046	.1,245	573	95,864		
30. New Hampshire	NH	95,947	.605	1,296	97,848		
31. New Jersey	NJ	149,054		1,160	150,213		
32. New Mexico	NM	106,179	.4,255	1,323	111,757		
33. New York	NY	70,747	.3,362	5,181	79,291		
34. North Carolina	NC	2,793,554	80,353	82,229	2,956,136		
35. North Dakota	ND	330,990	74,557	1,638	407,186		
36. Ohio	OH	11,419,377	904,119	362,027	12,685,524		
37. Oklahoma	OK	76,437			76,437		
38. Oregon	OR	99,960		504	100,464		
39. Pennsylvania	PA	4,776,777	1,859,261	102,326	6,738,363		
40. Rhode Island	RI	11,283			11,283		
41. South Carolina	SC	780,332	.1,200	32,390	813,922		
42. South Dakota	SD	225,252	25,467	556	251,274		
43. Tennessee	TN	1,916,516	942,782	44,094	2,903,392		
44. Texas	TX	1,529,150	119,332	4,950	1,653,432		
45. Utah	UT	255,505	.75,450	1,903	332,857		
46. Vermont	VT	86,636		2,050	88,686		
47. Virginia	VA	1,089,176	339,647	26,834	1,455,657		
48. Washington	WA	253,599	.51,450	2,794	307,843		
49. West Virginia	WV	736,849	177,489	20,949	935,286		
50. Wisconsin	WI	2,091,391	519,327	69,223	2,679,940		
51. Wyoming	WY	24,886			24,886		
52. American Samoa	AS				0		
53. Guam	GU				0		
54. Puerto Rico	PR				0		
55. US Virgin Islands	VI				0		
56. Northern Mariana Islands	MP				0		
57. Canada	CN				0		
58. Aggregate Other Alien	OT	39	0	0	.0	39	0
59. Subtotal	(a)	50	60,018,149	16,578,520	1,538,137	78,134,806	0
90. Reporting entity contributions for employee benefit plans		XXX	810,406		251,825	1,062,232	
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX				0	
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX				0	
93. Premium or annuity considerations waived under disability or other contract provisions		XXX				0	
94. Aggregate other amounts not allocable by State		XXX	0	0	0	0	0
95. Totals (Direct Business)		XXX	60,828,555	16,578,520	1,789,962	79,197,037	0
96. Plus Reinsurance Assumed		XXX	28,996			28,996	
97. Totals (All Business)		XXX	60,857,552	16,578,520	1,789,962	79,226,034	0
98. Less Reinsurance Ceded		XXX	15,376,807		1,108,653	16,485,460	
99. Totals (All Business) less Reinsurance Ceded		XXX	45,480,745	16,578,520	681,309	62,740,573	0
<b>DETAILS OF WRITE-INS</b>							
5801. England		XXX	39			39	
5802. Mexico		XXX				0	
5803.		XXX					
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0
5899. Total (Lines 5801 through 5803 + 5898) (Line 58 above)		XXX	39	0	0	39	0
9401.		XXX				0	
9402.		XXX					
9403.		XXX					
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX	0	0	0	0	0
9499. Total (Lines 9401 through 9403 + 9498) (Line 94 above)		XXX	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

Schedule Y - Part 1  
**NONE**

Schedule Y - Part 1A  
**NONE**

# STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	<u>RESPONSE</u>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	.....NO.....
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?	.....NO.....
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?	.....NO.....
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?	.....NO.....
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC?	.....NO.....

### Explanation:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.

### Bar Code:

1.  7 6 2 3 6 2 0 1 2 4 9 0 0 0 0 0 1

2.  7 6 2 3 6 2 0 1 2 3 6 5 0 0 0 0 1

3.  7 6 2 3 6 2 0 1 2 4 4 5 0 0 0 0 1

4.  7 6 2 3 6 2 0 1 2 4 4 6 0 0 0 0 1

5.  7 6 2 3 6 2 0 1 2 4 4 7 0 0 0 0 1

6.  7 6 2 3 6 2 0 1 2 4 4 8 0 0 0 0 1

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

7.



STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

**OVERFLOW PAGE FOR WRITE-INS**

LQ002 Additional Aggregate Lines for Page 02 Line 25.  
 \*ASSETS

	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 – 2)	4 December 31 Prior Year Net Admitted Assets
2504. RETURNED CHECKS.....	62	.62	0	0
2505. AGENTS' BALANCES.....	32,664	32,664	0	0
2506. TUITION REIMBURSEMENT RECEIVABLE.....	156,298	22,646	133,652	142,526
2597. Summary of remaining write-ins for Line 25 from Page 02	189,024	55,372	133,652	142,526

LQ003 Additional Aggregate Lines for Page 03 Line 25.  
 \*LIAB

	1 Current Statement Date	2 December 31 Prior Year
2504. ACCOUNTS PAYABLE - LONG TERM CARE.....	102,725	127,855
2505. RETIRED LIVES RESERVE.....	20,877	20,877
2597. Summary of remaining write-ins for Line 25 from Page 03	123,602	148,732

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**SCHEDULE A – VERIFICATION**

**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Current year change in encumbrances.....	0	0
4. Total gain (loss) on disposals.....	0	0
5. Deduct amounts received on disposals.....	0	0
6. Total foreign exchange change in book/adjusted carrying value.....	0	0
7. Deduct current year's other than temporary impairment recognized.....	0	0
8. Deduct current year's depreciation.....	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....	0	0
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

**NONE**

**SCHEDULE B – VERIFICATION**

**Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	0	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	0	0
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....	0	0
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....	0	0
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	42,396,810	39,463,832
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....	2,990,730	0
2.2 Additional investment made after acquisition.....	0	0
3. Capitalized deferred interest and other.....	0	0
4. Accrual of discount.....	3,111	12,696
5. Unrealized valuation increase (decrease).....	0	0
6. Total gain (loss) on disposals.....	0	0
7. Deduct amounts received on disposals.....	0	0
8. Deduct amortization of premium and depreciation.....	18,056	70,448
9. Total foreign exchange change in book/adjusted carrying value.....	0	0
10. Deduct current year's other than temporary impairment recognized.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	42,381,864	42,396,810
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	42,381,864	42,396,810

**SCHEDULE D – VERIFICATION**

**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	2,368,365,509	2,184,613,563
2. Cost of bonds and stocks acquired.....	176,907,858	626,330,406
3. Accrual of discount.....	1,195,148	5,326,529
4. Unrealized valuation increase (decrease).....	176,007	10,483,923
5. Total gain (loss) on disposals.....	627,777	17,829,214
6. Deduct consideration for bonds and stocks disposed of.....	98,019,876	442,064,926
7. Deduct amortization of premium.....	994,885	3,441,276
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other than temporary impairment recognized.....	0	30,711,924
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,448,257,538	2,368,365,509
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	2,448,257,538	2,368,365,509

STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	1,359,848,529	92,439,540	.87,841,614	3,558,822	1,368,005,278	0	0	1,359,848,529
2. Class 2 (a).....	956,663,185	80,926,990	8,354,463	(4,658,456)	1,024,577,255	0	0	956,663,185
3. Class 3 (a).....	22,157,135	3,499,980	53,196	5,080,738	.30,684,657	0	0	22,157,135
4. Class 4 (a).....	13,144,318		68,826	(3,846,398)	9,229,094	0	0	13,144,318
5. Class 5 (a).....	600,428	41,348		33,993	.675,769	0	0	600,428
6. Class 6 (a).....		1,234,390		31,565	1,265,955	0	0	1,234,390
7. Total Bonds	2,353,647,985	176,907,858	96,318,100	200,264	2,434,438,007	0	0	2,353,647,985
<b>PREFERRED STOCK</b>								
8. Class 1 .....	0				.0	0	0	0
9. Class 2 .....	8,146,800		.1,074,000		7,072,800	0	0	8,146,800
10. Class 3 .....	3,499,688				3,499,688	0	0	3,499,688
11. Class 4 .....	0				.0	0	0	0
12. Class 5 .....	0				.0	0	0	0
13. Class 6 .....	0				0	0	0	0
14. Total Preferred Stock.....	11,646,488	0	1,074,000	0	10,572,488	0	0	11,646,488
15. Total Bonds & Preferred Stock	2,365,294,473	176,907,858	97,392,100	200,264	2,445,010,495	0	0	2,365,294,473

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ ..... ; NAIC 2 \$ ..... ;

NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

Schedule DA - Part 1

**NONE**

Schedule DA - Verification

**NONE**

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3  
**NONE**

Schedule BA - Part 2  
**NONE**

Schedule BA - Part 3  
**NONE**

STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
313378-Q8-7.....	FEDERAL HOME LOAN BANK.....		03/15/2012.....	BNY CONVERGEX.....		14,000,000.....	14,000,000.....		.1FE.....
3136FT-7H-6.....	FANNIE MAE.....		03/15/2012.....	BNY CONVERGEX.....		4,000,000.....	4,000,000.....		.1FE.....
0599999 - Bonds - U.S. Governments						18,000,000.....	18,000,000.....	0	XXX.....
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
.001055-AH-5.....	AFLAC INC.....		.02/08/2012.....	JP MORGAN.....		1,998,220.....	2,000,000.....		.1FE.....
.015271-AC-3.....	ALEXANDRIA REAL ESTATE INC.....		.02/22/2012.....	GOLDMAN SACHS.....		2,997,450.....	3,000,000.....		.2FE.....
.040447-AL-0.....	ARISTOTLE HOLDING INC.....		.02/06/2012.....	CREDIT SUISSE.....		4,951,250.....	5,000,000.....		.2FE.....
.055921-AB-6.....	BMC SOFTWARE INC.....		.02/08/2012.....	BANK OF AMERICA.....		2,984,040.....	3,000,000.....		.2FE.....
.084423-AS-1.....	BERKLEY (WR) CORPORATION.....		.03/13/2012.....	BANK OF AMERICA.....		3,984,800.....	4,000,000.....		.2FE.....
.126191-AA-3.....	COMMERCIAL MORTGAGE PASS THRU CERT.....		.02/15/2012.....	DEUTSCHE BANK.....		1,009,996.....	1,000,000.....		.1FE.....
.23311V-AB-3.....	DCP MIDSTREAM OPERATING.....		.03/08/2012.....	WELLS FARGO.....		1,990,700.....	2,000,000.....		.2FE.....
.233851-AJ-3.....	DAIMLER FINANCE NA LLC.....		.01/04/2012.....	CITI GROUP GLOBAL MARKETS.....		2,996,220.....	3,000,000.....		.1FE.....
.233851-AK-0.....	DAIMLER FINANCE NA LLC.....		.01/04/2012.....	CITI GROUP GLOBAL MARKETS.....		3,993,000.....	4,000,000.....		.1FE.....
.26884L-AA-7.....	EOT CORP.....		.02/03/2012.....	SEAPORT GROUP.....		5,912,150.....	5,000,000.....		.75,608.....
.26884T-AF-9.....	ERAC USA FINANCE CO.....		.03/12/2012.....	JP MORGAN.....		999,720.....	1,000,000.....		.2FE.....
.345397-VX-8.....	FORD MOTOR CREDIT CO.....		.01/31/2012.....	BANK OF AMERICA.....		2,500,000.....	2,500,000.....		.3FE.....
.36962G-5M-2.....	GENERAL ELEC CAP CORP.....		.01/04/2012.....	CITI GROUP GLOBAL MARKETS.....		4,994,800.....	5,000,000.....		.1FE.....
.36962G-5N-0.....	GENERAL ELEC CAP CORP.....		.01/04/2012.....	CITI GROUP GLOBAL MARKETS.....		6,989,990.....	7,000,000.....		.1FE.....
.38141G-GS-7.....	GOLDMAN SACHS GROUP INC.....		.01/19/2012.....	GOLDMAN SACHS.....		2,995,950.....	3,000,000.....		.1FE.....
.404132-AH-5.....	HCC INSURANCE HOLDINGS I.....		.01/30/2012.....	WELLS FARGO.....		8,553,344.....	7,600,000.....		.102,410.....
.40414L-AF-6.....	HCP INC.....		.01/18/2012.....	UBS SECURITIES.....		2,985,690.....	3,000,000.....		.2FE.....
.41283L-AB-1.....	HARLEY-DAVIDSON.....		.01/26/2012.....	CITI GROUP GLOBAL MARKETS.....		2,999,340.....	3,000,000.....		.2FE.....
.42217K-AY-2.....	HEALTH CARE REIT INC.....		.03/27/2012.....	JP MORGAN.....		1,993,880.....	2,000,000.....		.2FE.....
.428236-BW-2.....	HEWLETT-PACKARD CO.....		.03/07/2012.....	BANK OF AMERICA.....		1,999,700.....	2,000,000.....		.2FE.....
.488044-AL-2.....	KELLWOOD CORP.....		.01/20/2012.....	PAYMENT IN KIND.....		.41,348.....	.41,348.....		.5.....
.49306S-AA-4.....	KEY BANK NA.....		.03/02/2012.....	KEY CAPITAL MARKETS.....		2,264,380.....	2,000,000.....		.49,832.....
.718546-AA-2.....	PHILLIPS 66.....		.03/07/2012.....	JP MORGAN.....		1,995,260.....	2,000,000.....		.2FE.....
.718546-AD-6.....	PHILLIPS 66.....		.03/08/2012.....	CITI GROUP GLOBAL MARKETS.....		1,999,080.....	2,000,000.....		.2FE.....
.718546-AG-9.....	PHILLIPS 66.....		.03/07/2012.....	CREDIT SUISSE.....		2,999,460.....	3,000,000.....		.2FE.....
.759468-AC-5.....	RELIANCE HOLDINGS USA.....		.02/23/2012.....	CITI GROUP GLOBAL MARKETS.....		4,025,350.....	4,000,000.....		.6,300.....
.78573A-AB-6.....	SABMILLER HOLDINGS INC.....		.01/10/2012.....	JP MORGAN.....		2,994,270.....	3,000,000.....		.2FE.....
.88947E-AK-6.....	TOLL BROS FINANCE CORP.....		.01/31/2012.....	CITI GROUP GLOBAL MARKETS.....		999,980.....	1,000,000.....		.3FE.....
.90265E-AG-5.....	UDR INC.....		.01/05/2012.....	CITI GROUP GLOBAL MARKETS.....		991,000.....	1,000,000.....		.2FE.....
.903243-AA-1.....	URS CORP.....		.03/09/2012.....	MORGAN STANLEY.....		4,993,100.....	5,000,000.....		.2FE.....
.903243-AB-9.....	URS CORP.....		.03/09/2012.....	BANK OF AMERICA.....		2,997,090.....	3,000,000.....		.2FE.....
.92276M-AX-3.....	VENTAS REALTY LP.....		.02/01/2012.....	BANK OF AMERICA.....		1,984,280.....	2,000,000.....		.2FE.....
.984121-CF-8.....	XEROX CORP.....		.03/08/2012.....	MERRILL LYNCH.....		.998,750.....	1,000,000.....		.2FE.....
.06366G-W8-6.....	BANK OF MONTREAL.....	A	.01/06/2012.....	JP MORGAN.....		4,989,750.....	5,000,000.....		.1FE.....
.00084D-AE-0.....	ABN AMRO BANK NV.....	F	.01/30/2012.....	MORGAN STANLEY.....		4,995,100.....	5,000,000.....		.1FE.....
.21685W-DD-6.....	RABOBANK NEDERLAND.....	F	.02/01/2012.....	BANK OF AMERICA.....		6,945,540.....	7,000,000.....		.1FE.....
.23329P-AA-8.....	DNB BANK ASA.....	F	.03/26/2012.....	GOLDMAN SACHS.....		9,991,300.....	10,000,000.....		.1FE.....
.25156P-AQ-6.....	DEUTSCHE TELEKOM INT FIN.....	F	.02/28/2012.....	CREDIT SUISSE.....		.994,370.....	1,000,000.....		.2FE.....
.38239F-AE-9.....	GOODMAN FUNDING PTY LTD.....	F	.03/15/2012.....	BARCLAYS CAPITAL.....		2,982,660.....	3,000,000.....		.2FE.....
.44920U-AD-0.....	HYUNDAI CAPITAL SERVICES.....	F	.03/06/2012.....	BNP PARIBAS.....		1,992,580.....	2,000,000.....		.2FE.....
.63254A-AA-6.....	NATIONAL AUSTRALIA BK-NY.....	F	.03/01/2012.....	DEUTSCHE BANK.....		4,998,550.....	5,000,000.....		.1FE.....
.65557F-AB-2.....	NORDEA BANK AB.....	F	.03/14/2012.....	GOLDMAN SACHS.....		4,996,300.....	5,000,000.....		.1FE.....
.65557F-AC-0.....	NORDEA BANK AB.....	F	.03/14/2012.....	CITI GROUP GLOBAL MARKETS.....		3,991,480.....	4,000,000.....		.1FE.....
.71645W-AU-5.....	PETROBRAS INTL FIN CO.....	F	.02/01/2012.....	CITI GROUP GLOBAL MARKETS.....		3,976,760.....	4,000,000.....		.2FE.....
.71645W-AV-3.....	PETROBRAS INTL FIN CO.....	F	.02/01/2012.....	MORGAN STANLEY.....		1,989,980.....	2,000,000.....		.2FE.....
.71656L-AL-5.....	PETROLEOS MEXICANOS.....	F	.01/17/2012.....	BANK OF AMERICA.....		3,964,760.....	4,000,000.....		.2FE.....
.91911T-AM-5.....	VALE OVERSEAS LIMITED.....	F	.01/05/2012.....	JP MORGAN.....		.988,040.....	1,000,000.....		.2FE.....
.94707V-AC-4.....	WEATHERFORD INTL LTD.....	F	.03/30/2012.....	JP MORGAN.....		1,997,100.....	2,000,000.....		.2FE.....
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						158,907,858.....	157,141,348.....		235,792.....
8399997 - Subtotals- Bonds - Part 3						176,907,858.....	175,141,348.....		235,792.....
8399999 - Subtotals - Bonds						176,907,858.....	175,141,348.....		235,792.....
9999999 Totals						176,907,858.....	XXX		235,792.....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

**SCHEDULE D - PART 4**

**Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter**

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B.A.C.V.									
<b>Bonds - U.S. Governments</b>																							
313370-JJ-8...	FEDERAL HOME LOAN BANK	..02/27/2012.	SECURITY CALLED BY ISSUER at 100.000		5,000,000	5,000,000	5,000,000	5,000,000					0		5,000,000				0	75,000	..08/26/2022	1FE	
3136FP-UP-0...	FANNIE MAE	..01/30/2012.	SECURITY CALLED BY ISSUER at 100.000		5,000,000	5,000,000	5,000,000	5,000,000					0		5,000,000				0	26,563	..10/28/2020	1FE	
3136FR-E8-2...	FANNIE MAE	..01/27/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	100,000	..07/27/2026	1FE	
3136FR-G5-6...	FANNIE MAE	..02/10/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	150,000	..08/10/2026	1FE	
3136FR-L7-6...	FANNIE MAE	..02/24/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	100,000	..08/24/2021	1FE	
3136FR-WC-3...	FANNIE MAE	..01/20/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	100,000	..07/20/2026	1FE	
3136FR-Z6-3...	FANNIE MAE	..03/21/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	50,000	..09/21/2026	1FE	
3136FR-Z7-1...	FANNIE MAE	..03/21/2012.	SECURITY CALLED BY ISSUER at 100.000		10,000,000	10,000,000	10,000,000	10,000,000					0		10,000,000				0	50,000	..09/21/2026	1FE	
<b>0599999 - Bonds - U.S. Governments</b>					70,000,000	70,000,000	70,000,000	70,000,000	0	0	0	0	0	0	70,000,000	0	0	0	0	651,563	XXX	XXX	
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																							
126650-AP-7...	CVS CORP PASS THRU CERTS	..01/10/2012.	MATURITY		2,023,875	2,023,875	2,023,875	2,023,875					0		2,023,875					0	13,105	..01/10/2012	2FE
126650-AL-4...	CVS PASS-THROUGH TRUST	..03/12/2012.	SINKING FUND REDEMPTION		31,573	31,573	31,573	31,573					0		31,573					0	322	..01/10/2013	2FE
126650-BY-5...	CVS PASS-THROUGH TRUST	..03/12/2012.	SINKING FUND REDEMPTION		3,710	3,710	3,710	3,710					0		3,710					0	39	..01/10/2034	2FE
22541L-AC-7...	CREDIT SUISSE USA INC.	..01/15/2012.	MATURITY		1,000,000	1,000,000	1,013,750	1,000,073					(73)		1,000,000					0	32,500	..01/15/2012	1FE
233835-AT-4...	DAIMLER FINANCE NA LLC	..01/15/2012.	MATURITY		1,000,000	1,000,000	996,440	998,981					19		1,000,000					0	36,500	..01/15/2012	1FE
264399-DW-3...	DUKE ENERGY CAROLINAS	..01/15/2012.	MATURITY		4,000,000	4,000,000	3,788,992	3,998,833					1,167		4,000,000					0	125,000	..01/15/2012	1FE
368770-AA-4...	GEN AMER RAILCAR 1999-1	..03/20/2012.	SINKING FUND REDEMPTION		53,196	53,196	53,196	53,196					0		53,196					0	681	..08/20/2018	3FE
461202-AA-1...	INTUIT INC	..03/15/2012.	MATURITY		1,000,000	1,000,000	999,950	999,998					2		1,000,000					0	27,000	..03/15/2012	2FE
472319-AA-0...	JEFFERIES GROUP INC	..03/15/2012.	MATURITY		5,000,000	5,000,000	4,983,500	4,996,603					3,398		5,000,000					0	193,750	..03/15/2012	2FE
59832W-AP-6...	PASS THRU CERTS	..01/04/2012.	SINKING FUND REDEMPTION		68,826	68,826	68,955	68,826					0		68,826					0	2,946	..01/02/2016	4FE
637432-CU-7...	NATIONAL RURAL UTILITIES	..03/01/2012.	MATURITY		3,345,925	3,345,925	3,335,814	3,345,691					234		3,345,925					0	121,290	..03/01/2012	1FE
78387G-AK-9...	AT&T INC	..03/30/2012.	SECURITY CALLED BY ISSUER at 102.039		4,081,560	4,000,000	3,978,730	3,998,277					679		3,998,956		82,605		82,605	146,875	..08/15/2012	1FE	
91019P-CN-0...	UDR INC	..01/15/2012.	MATURITY		250,000	250,000	247,165	249,982					18		250,000					0	6,250	..01/15/2012	2FE
97180*-VN-5...	NOTES	..02/01/2012.	MATURITY		45,306	45,306	45,306	45,306					0		45,306					0	1,764	..02/01/2012	2
06738C-CE-7...	BARCLAYS BANK	F..01/05/2012.	BARCLAYS CAPITAL		3,014,100	3,000,000	3,000,000	3,000,000					0		3,000,000		14,100		14,100	57,298	..03/01/2017	1FE	
22541H-CC-4...	CREDIT SUISSE NEW YORK	R..03/22/2012.	TENDERED		1,601,805	1,500,000	1,495,065	1,496,630					103		1,496,733		105,072		105,072	54,250	..02/15/2018	1FE	
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>					26,519,876	26,322,411	25,966,021	26,312,554	0	5,545	0	5,545	0	26,318,100	0	201,777	201,777	201,777	819,569	XXX	XXX		
<b>8399997 - Subtotals - Bonds - Part 4</b>					96,519,876	96,322,411	95,966,021	96,312,554	0	5,545	0	5,545	0	96,318,100	0	201,777	201,777	201,777	1,471,131	XXX	XXX		
<b>8399999 - Subtotals - Bonds</b>					96,519,876	96,322,411	95,966,021	96,312,554	0	5,545	0	5,545	0	96,318,100	0	201,777	201,777	201,777	1,471,131	XXX	XXX		
<b>Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>																							
92553P-30-0...	VIACOM INC	..01/09/2012.	SECURITY CALLED BY ISSUER at 25.000		60,000,000	1,500,000	25,00	1,500,000	1,074,000				0		1,074,000		426,000		426,000	6,850	XXX	RP2LFE	
<b>8499999 - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)</b>					1,500,000	XXX	1,500,000	1,074,000	0	0	0	0	0	1,074,000	0	426,000		426,000	6,850	XXX	XXX		
<b>8999997 - Total - Preferred Stocks - Part 4</b>					1,500,000	XXX	1,500,000	1,074,000	0	0	0	0	0	1,074,000	0	426,000		426,000	6,850	XXX	XXX		
<b>8999999 - Subtotals - Preferred Stocks</b>					1,500,000	XXX	1,500,000	1,074,000	0	0	0	0	0	1,074,000	0	426,000		426,000	6,850	XXX	XXX		
<b>9899999 - Subtotals - Preferred and Common Stocks</b>					1,500,000	XXX	1,500,000	1,074,000	0	0	0	0	0	1,074,000	0	426,000		426,000	6,850	XXX	XXX		
<b>9999999 Totals</b>																							
(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues																							

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
FIFTH THIRD BANK.....	CINCINNATI, OHIO.....				102,103,026	85,928,378	101,127,295	XXX
US BANK.....	TORRENCE, CALIFORNIA.....				270,036	172,946	186,797	XXX
THE NORTHERN TRUST COMPANY.....	CHICAGO, ILLINOIS.....				193,318	219,526	316,873	XXX
MERRILL LYNCH.....	BOSTON, MASSACHUSETTS.....		1,393		3,780,846	4,138,718	345,846	XXX
JP MORGANCHASE.....	SAN ANTONIO, TEXAS.....				92,334	603,470	102,535	XXX
WELLS FARGO BANK.....	WINSTON SALEM, NORTH CAROLINA.....				21,562	(8,342)	(13,222)	XXX
0199998 Deposits in ..... (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	1,393	0	106,461,122	91,054,697	102,066,124	XXX
0399999 Total Cash on Deposit	XXX	XXX	1,393	0	106,461,122	91,054,697	102,066,124	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
<b>0599999 Total</b>	<b>XXX</b>	<b>XXX</b>	<b>1,393</b>	<b>0</b>	<b>106,461,122</b>	<b>91,054,697</b>	<b>102,066,124</b>	<b>XXX</b>

**STATEMENT AS OF MARCH 31, 2012 OF THE CINCINNATI LIFE INSURANCE COMPANY**

## **SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year

**NONE**

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