



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2013
OF THE CONDITION AND AFFAIRS OF THE

CINCINNATI CASUALTY COMPANY

NAIC Group Code	0244	0244	NAIC Company Code	28665	Employer's ID Number	31-0826946
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	12/27/1972		Commenced Business	03/31/1973		
Statutory Home Office	6200 SOUTH GILMORE ROAD		FAIRFIELD, OH, US 45014-5141			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	6200 SOUTH GILMORE ROAD		FAIRFIELD, OH, US 45014-5141		513-870-2000	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	P.O. BOX 145496		CINCINNATI, OH, US 45250-5496			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	6200 SOUTH GILMORE ROAD		FAIRFIELD, OH, US 45014-5141		513-870-2000-4938	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.cinfin.com					
Statutory Statement Contact	Eric Lievestro		513-870-2000			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	eric_lievestro@cinfin.com		513-603-5500			
	(E-mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
STEVEN JUSTUS JOHNSTON	CHIEF EXECUTIVE OFFICER, PRESIDENT	MICHAEL JAMES SEWELL	CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT
THERESA ANN HOFFER	VICE PRESIDENT, TREASURER		

OTHER OFFICERS

TERESA CURRIN CRACAS	SENIOR VICE PRESIDENT	DONALD JOSEPH DOYLE JR	SENIOR VICE PRESIDENT
MARTIN FRANCIS HOLLENBECK	SENIOR VICE PRESIDENT	JOHN SCOTT KELLINGTON	SENIOR VICE PRESIDENT
LISA ANNE LOVE	SENIOR VICE PRESIDENT, CORPORATE SECRETARY	ERIC NEIL MATHEWS	SENIOR VICE PRESIDENT
MARTIN JOSEPH MULLEN	SENIOR VICE PRESIDENT	JACOB FERDINAND SCHERER	EXECUTIVE VICE PRESIDENT
JOHN JEFFERSON SCHIFF JR	CHAIRMAN OF THE EXECUTIVE COMMITTEE	JOAN O'CONNOR SHEVCHIK	SENIOR VICE PRESIDENT
STEPHEN MICHAEL SPRAY	SENIOR VICE PRESIDENT	KENNETH WILLIAM STECHER	CHAIRMAN OF THE BOARD
CHARLES PHILIP STONEBURNER II	SENIOR VICE PRESIDENT	TIMOTHY LEE TIMMEL	SENIOR VICE PRESIDENT

DIRECTORS OR TRUSTEES

WILLIAM FORREST BAHL	GREGORY THOMAS BIER	TERESA CURRIN CRACAS	DONALD JOSEPH DOYLE JR
MARTIN FRANCIS HOLLENBECK	STEVEN JUSTUS JOHNSTON	JOHN SCOTT KELLINGTON	LISA ANNE LOVE
WILLIAM RODNEY MCMULLEN	MARTIN JOSEPH MULLEN	JACOB FERDINAND SCHERER	JOHN JEFFERSON SCHIFF JR
THOMAS REID SCHIFF	MICHAEL JAMES SEWELL	STEPHEN MICHAEL SPRAY	KENNETH WILLIAM STECHER
JOHN FREDRICK STEELE JR	CHARLES PHILIP STONEBURNER II	TIMOTHY LEE TIMMEL	LARRY RUSSELL WEBB
EARNEST ANTHONY WOODS			

State ofOhio.....

County ofButler.....ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

STEVEN J. JOHNSTON
CHIEF EXECUTIVE OFFICER, PRESIDENT

MICHAEL J. SEWELL
CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT

THERESA A. HOFFER
VICE PRESIDENT, TREASURER

Subscribed and sworn to before me this
4th day of November, 2013

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE CINCINNATI CASUALTY COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	235,773,419		235,773,419	221,426,854
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	82,654,525		82,654,525	67,845,400
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 (\$3,334,502), cash equivalents (\$0) and short-term investments (\$0)	3,334,502		3,334,502	9,419,534
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	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)	321,762,446	0	321,762,446	298,691,788
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,954,853		2,954,853	2,599,517
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	28,581,643		28,581,643	13,208,507
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	3,736,524		3,736,524	2,101,717
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	0		0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	6,459,779		6,459,779	12,692,667
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	84,770	0	84,770	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	363,580,014	0	363,580,014	329,294,196
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	363,580,014	0	363,580,014	329,294,196
DETAILS OF WRITE-INS				
1101.			0	0
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. Equities and Deposits in Pools and Associations	5,436		5,436	0
2502. Miscellaneous Receivables	79,334		79,334	0
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	84,770	0	84,770	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)		0
2. Reinsurance payable on paid losses and loss adjustment expenses	129,996	10
3. Loss adjustment expenses		0
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)	2,278	3,617
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		0
7.1 Current federal and foreign income taxes (including \$27 on realized capital gains (losses))	23,052	192,798
7.2 Net deferred tax liability	12,415,431	7,210,592
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$137,437,980 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)		0
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	38,455,776	27,836,752
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others	1,311,935	1,403,761
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives		0
21. Payable for securities	1,591,470	0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	53,929,938	36,647,530
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	53,929,938	36,647,530
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,750,000	3,750,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	18,000,000	18,000,000
35. Unassigned funds (surplus)	287,900,076	270,896,666
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	309,650,076	292,646,666
38. Totals (Page 2, Line 28, Col. 3)	363,580,014	329,294,196
DETAILS OF WRITE-INS		
2501. Accounts Payable--Other.....		0
2502.		0
2503.		0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 229,712,931)	223,309,595	189,812,873	261,586,580
1.2 Assumed (written \$ 25)	25	153	155
1.3 Ceded (written \$ 229,712,956)	223,309,620	189,813,025	261,586,735
1.4 Net (written \$ 0)	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$)::			
2.1 Direct	125,279,829	120,216,683	169,781,853
2.2 Assumed	(63,898)	(164,940)	(299,709)
2.3 Ceded	125,215,931	120,051,743	169,482,144
2.4 Net	0	0	0
3. Loss adjustment expenses incurred	0	0	0
4. Other underwriting expenses incurred	0	0	0
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	0	0	0
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	0	0	0
INVESTMENT INCOME			
9. Net investment income earned	9,134,477	8,949,574	12,044,947
10. Net realized capital gains (losses) less capital gains tax of \$ 2,016	3,744	(168,352)	(168,283)
11. Net investment gain (loss) (Lines 9 + 10)	9,138,221	8,781,222	11,876,664
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0	0
13. Finance and service charges not included in premiums	0	0	0
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	0	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	9,138,221	8,781,222	11,876,664
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	9,138,221	8,781,222	11,876,664
19. Federal and foreign income taxes incurred	1,739,096	1,551,874	2,116,639
20. Net income (Line 18 minus Line 19)(to Line 22)	7,399,125	7,229,348	9,760,026
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	292,646,666	279,979,226	279,979,226
22. Net income (from Line 20)	7,399,125	7,229,348	9,760,026
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	9,625,931	2,461,539	3,162,079
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(21,646)	(250,168)	(254,666)
27. Change in nonadmitted assets	0	0	0
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	17,003,410	9,440,719	12,667,439
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	309,650,076	289,419,946	292,646,666
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	10,392,104	4,275,488	684,691
2. Net investment income	9,174,623	8,691,711	12,274,593
3. Miscellaneous income	0	0	0
4. Total (Lines 1 to 3)	19,566,727	12,967,198	12,959,284
5. Benefit and loss related payments	16,656,473	(1,494,910)	1,162,658
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	0	0	0
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ (108,810) tax on capital gains (losses).....	1,910,858	(311,476)	324,524
10. Total (Lines 5 through 9)	18,567,331	(1,806,386)	1,487,182
11. Net cash from operations (Line 4 minus Line 10)	999,396	14,773,584	11,472,102
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	18,650,000	23,121,000	29,541,000
12.2 Stocks	0	1,344,175	1,344,175
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	4,021	0	0
12.7 Miscellaneous proceeds	1,591,470	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	20,245,491	24,465,175	30,885,175
13. Cost of investments acquired (long-term only):			
13.1 Bonds	33,391,647	30,266,731	32,361,691
13.2 Stocks	0	2,920,808	2,920,808
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	33,391,647	33,187,539	35,282,499
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(13,146,156)	(8,722,363)	(4,397,323)
Cash from Financing and Miscellaneous Sources			
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	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	6,061,727	(5,327,924)	948,007
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	6,061,727	(5,327,924)	948,007
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(6,085,033)	723,297	8,022,786
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	9,419,534	1,396,748	1,396,750
19.2 End of period (Line 18 plus Line 19.1)	3,334,502	2,120,045	9,419,537

STATEMENT AS OF SEPTEMBER 30, 2013 FOR THE CINCINNATI CASUALTY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Cincinnati Casualty 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, version effective January 1, 2001 and updates through current year have been adopted as a component of prescribed or permitted practices by the state of Ohio.

	STATE OF DOMICILE	2013	2012
NET INCOME			
(1) Company state basis (Page 4, Line 20, Columns 1 & 3)	Ohio	\$7,399,125	\$9,760,026
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) NAIC SAP (1-2-3=4)	Ohio	\$7,399,125	\$9,760,026
SURPLUS			
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$309,650,076	\$292,646,666
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(8) NAIC SAP (5-6-7=8)	Ohio	\$309,650,076	\$292,646,666

B. Use of Estimates in the Preparation of the Financial Statements – No Change

C. Accounting Policy – No Change

2. Accounting Changes and Correction of Errors – No Change
3. Business Combinations and Goodwill – No Change
4. Discontinued Operations – No Change
5. Investments – No Change
6. Joint Ventures, Partnerships and Limited Liability Companies – No Change
7. Investment Income – No Change
8. Derivative Instruments – No Change

9 - Income Taxes

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

1.

	2013		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ -	\$ 131,779	\$ 131,779
(b) Statutory valuation allowance	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	-	131,779	131,779
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	-	131,779	131,779
(f) Deferred Tax Liabilities	11,383	12,535,828	12,547,211
(g) Net admitted deferred tax asset/(liability) (1e - 1f)	\$ (11,383)	\$ (12,404,049)	\$ (12,415,432)

	2012		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ -	\$ 150,918	\$ 150,918
(b) Statutory valuation allowance	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	-	150,918	150,918
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	-	150,918	150,918
(f) Deferred Tax Liabilities	8,876	7,352,634	7,361,510
(g) Net admitted deferred tax asset/(liability) (1e - 1f)	\$ (8,876)	\$ (7,201,716)	\$ (7,210,592)

	Change		
	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ -	\$ (19,139)	\$ (19,139)
(b) Statutory valuation allowance	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	-	(19,139)	(19,139)
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	-	(19,139)	(19,139)
(f) Deferred Tax Liabilities	2,507	5,183,194	5,185,701
(g) Net admitted deferred tax asset/(liability) (1e - 1f)	\$ (2,507)	\$ (5,202,333)	\$ (5,204,840)

STATEMENT AS OF SEPTEMBER 30, 2013 FOR THE CINCINNATI CASUALTY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

2.

2013			
SSAP 101, paragraphs 11.a., 11.b., and 11.c.:	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -
(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. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	46,447,511	46,447,511	46,447,511
(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	-	131,779	131,779
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	131,779	131,779

2012			
SSAP 101, paragraphs 11.a., 11.b., and 11.c.:	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -
(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. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	43,897,000	43,897,000	43,897,000
(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	-	150,918	150,918
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	150,918	150,918

Change			
SSAP 101, paragraphs 11.a., 11.b., and 11.c.:	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -
(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. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	2,550,511	2,550,511	2,550,511
(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	-	(19,139)	(19,139)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	(19,139)	(19,139)

3.

2013		2012
Percentage		Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	3433%	3433%
(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.

4.

2013			
Impact of Tax Planning Strategies			
	Ordinary	Capital	Total
(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%	0.00%	0.00%

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

2012			
Impact of Tax Planning Strategies			
	Ordinary	Capital	Total
(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%	0.00%	0.00%

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

Change			
Impact of Tax Planning Strategies			
	Ordinary	Capital	Total
(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%	0.00%	0.00%

B. Unrecognized DTLs

Not applicable

STATEMENT AS OF SEPTEMBER 30, 2013 FOR THE CINCINNATI CASUALTY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

C. Current Tax and Change in Deferred Tax

1. Current income tax:

	2013	2012	Change
(a) Federal	\$ 1,739,095	\$ 2,116,639	\$ (377,544)
(b) Foreign	-	-	-
(c) Subtotal	1,739,095	2,116,639	(377,544)
(d) Federal Income Tax on capital gains/(losses)	2,016	(441,288)	443,304
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
Federal income taxes incurred	\$ 1,741,111	\$ 1,675,351	\$ 65,760

2. Deferred tax assets

	September 30, 2013	December 31, 2012	Change
(a) Ordinary			
(1) Other	-	-	\$ -
(99) Subtotal	-	-	-
(b) Statutory valuation allowance adj	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	-	-	-
(e) Capital			
(1) Investments	131,779	\$ 150,918	(19,139)
(2) Unrealized losses on investments	-	-	-
(99) Subtotal	131,779	150,918	(19,139)
(f) Statutory valuation allowance adj	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	131,779	150,918	(19,139)
(i) Admitted deferred tax assets (2d + 2h)	131,779	150,918	(19,139)

3. Deferred tax liabilities

	September 30, 2013	December 31, 2012	Change
(a) Ordinary			
(1) Other, net	11,383	8,876	2,507
(99) Subtotal	11,383	8,876	2,507
(b) Capital			
(1) Unrealized gains on investments	12,535,828	7,352,634	5,183,194
(2) Other	-	-	-
(99) Subtotal	12,535,828	7,352,634	5,183,194
(c) Deferred tax liabilities (3a99 + 3b99)	12,547,211	7,361,510	5,185,701

4. Net deferred tax assets/liabilities (2i-3c)	(12,415,432)	(7,210,592)	(5,204,840)
--	--------------	-------------	-------------

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):

	September 30, 2013	December 31, 2012	Change
Total deferred tax assets	\$ 131,779	\$ 150,918	\$ (19,139)
Total deferred tax liabilities	12,547,211	7,361,510	5,185,701
Net deferred tax asset(liability)	\$ (12,415,432)	\$ (7,210,592)	\$ (5,204,840)
Tax effect of unrealized (gains)/losses			5,183,194
Change in net deferred income tax (charge)/benefit			\$ (21,646)

	December 31, 2012	December 31, 2011	Change
Total deferred tax assets	\$ 150,918	\$ 406,164	\$ (255,246)
Total deferred tax liabilities	7,361,510	5,659,431	1,702,079
Net deferred tax asset(liability)	\$ (7,210,592)	\$ (5,253,267)	\$ (1,957,325)
Tax effect of unrealized (gains)/losses			1,702,658
Change in net deferred income tax (charge)/benefit			\$ (254,667)

STATEMENT AS OF SEPTEMBER 30, 2013 FOR THE CINCINNATI CASUALTY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

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

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:			
As of September 30, 2013			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes Tax	\$ 9,140,237	\$ 3,199,083	35.00%
Exempt Interest Dividends	(3,086,566)	(1,080,298)	-11.82%
received deduction	(1,006,869)	(352,404)	-3.86%
Other items permanent in nature	-	-	0.00%
Other	170	59	0.00%
DRD on Accrued	(10,523)	(3,683)	-0.04%
Total	\$ 5,036,449	\$ 1,762,757	19.28%
Federal income taxes incurred expense/(benefit)	\$ 4,968,843	\$ 1,739,095	19.03%
Tax on capital gains/(losses)	5,760	2,016	0.01%
Change in net deferred income tax charge/(benefit)	61,846	21,646	0.24%
Total statutory income taxes	\$ 5,036,449	\$ 1,762,757	19.28%
As of December 31, 2012			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes Tax	\$ 11,435,377	\$ 4,002,382	35.00%
Exempt Interest Dividends	(4,621,009)	(1,617,353)	-14.14%
received deduction Other	(1,286,906)	(450,417)	-3.94%
DRD on Accrued	(15,559)	(5,446)	-0.05%
Total	2,434	852	0.01%
Federal income taxes incurred expense/(benefit)	\$ 5,514,337	\$ 1,930,018	16.88%
Tax on capital gains/(losses)	\$ 6,047,540	\$ 2,116,639	18.51%
Change in net deferred income tax charge/(benefit)	(1,260,823)	(441,288)	-3.86%
Total statutory income taxes	727,620	254,667	2.23%
	\$ 5,514,337	\$ 1,930,018	16.88%

E. Operating Loss and Tax Credit Carryforwards

- (1) At September 30, 2013, the Company had net operating loss carryforwards of:
- (2) At September 30, 2013, the Company had capital loss carryforwards of:
-
-

(3) The following is income tax expense for the current and prior years that is available for recoupment in the event of future net losses:			
Year	Ordinary	Capital	Total
2013	\$ 1,739,036	\$ 2,016	\$ 1,741,052
2012	2,122,144	(441,288)	1,680,856
2011	-	3,596,374	3,596,374
Total	\$ 3,861,180	\$ 3,157,102	\$ 7,018,282

- (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 Indemnity Company
The Cincinnati Life Insurance 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 the company receiving a current benefit for losses generated to the extent federal taxes are reduced for the consolidated tax group. Furthermore, tax allocations are computed without regard to any amount attributable to any minimum tax arising under Code Section 55 or minimum tax credit arising under Code Section 53.

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.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties – No Change
11. Debt – No Change
12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans – No Change
13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations – No Change
14. Contingencies – No Change
15. Leases - The Company does not have material lease obligations at this time.
16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit 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. The Company does not have any direct premiums written through managing general agents or third party administrators equal or greater than 5% of surplus.

STATEMENT AS OF SEPTEMBER 30, 2013 FOR THE CINCINNATI CASUALTY COMPANY

NOTES TO THE FINANCIAL STATEMENTS

20. Fair Value Measurement
- A. Not applicable
- B. Not applicable
- C.

<u>Type of Financial Instrument</u>	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Not Practicable (Carrying Value)</u>
Bonds	248,333,334	235,773,419	1,402,138	246,931,196		
Common Stock	82,654,525	82,654,525	82,654,525			
Perpetual Preferred Stock						
Mortgage Loans						

- D. Not applicable
21. Other Items – No Change
22. Subsequent Events – No Change
23. Reinsurance – No Change
24. Retrospectively Rated Contracts and Contracts Subject to Redetermination– No Change
25. Change in Incurred Losses and Loss Adjustment Expenses – No Change
26. Intercompany Pooling Arrangements – 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. High Deductibles – No Change
32. The Company does not discount unpaid losses or loss adjustment expenses except for income tax purposes.
33. Asbestos and Environmental Reserves – No Change
34. Subscriber Savings Accounts – No Change
35. Multiple Peril Crop Insurance – No Change
36. Financial Guaranty Insurance – No Change
37. Other – No Change

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 ☒
- 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 ☒
- 2.2

If yes, date of change:
- 3.1

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 3.2

If the response to 3.1 is yes, provide a brief description of those changes.
.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 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	2	3
Name of Entity	NAIC Company Code	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?
If yes, attach an explanation.

Yes ☐ No ☒ NA ☐
- 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.

08/03/2010
- 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?
.....
- 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 ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

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

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?
(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.

Yes [X] No []

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 [] No [X]

10.2

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

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 [X]

11.2

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

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?

Yes [] No [X]

14.2

If yes, please complete the following:

		1	2
		Prior Year-End Book/Adjusted Carrying Value	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	\$	\$
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

15.1

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

Yes [] No [X]

15.2

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

Yes [] No []

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

16.3 Total payable for securities lending reported on the liability page
- \$

\$

\$

17. 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 [X] No []

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

1	2
Name of Custodian(s)	Custodian Address
FIFTH THIRD BANK.....	FIFTH THIRD CENTER, CINCINNATI, OHIO 45263.....

17.2 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	2	3
Name(s)	Location(s)	Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [] No [X]

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

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

17.5 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	2	3
Central Registration Depository	Name(s)	Address

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

Yes [X] No []

18.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] NA []
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto.
.....

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
.....										
.....										
.....										
.....										
.....										
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:
5.1 A&H loss percent %
5.2 A&H cost containment percent %
5.3 A&H expense percent excluding cost containment expenses %

6.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$
6.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE CINCINNATI CASUALTY COMPANY

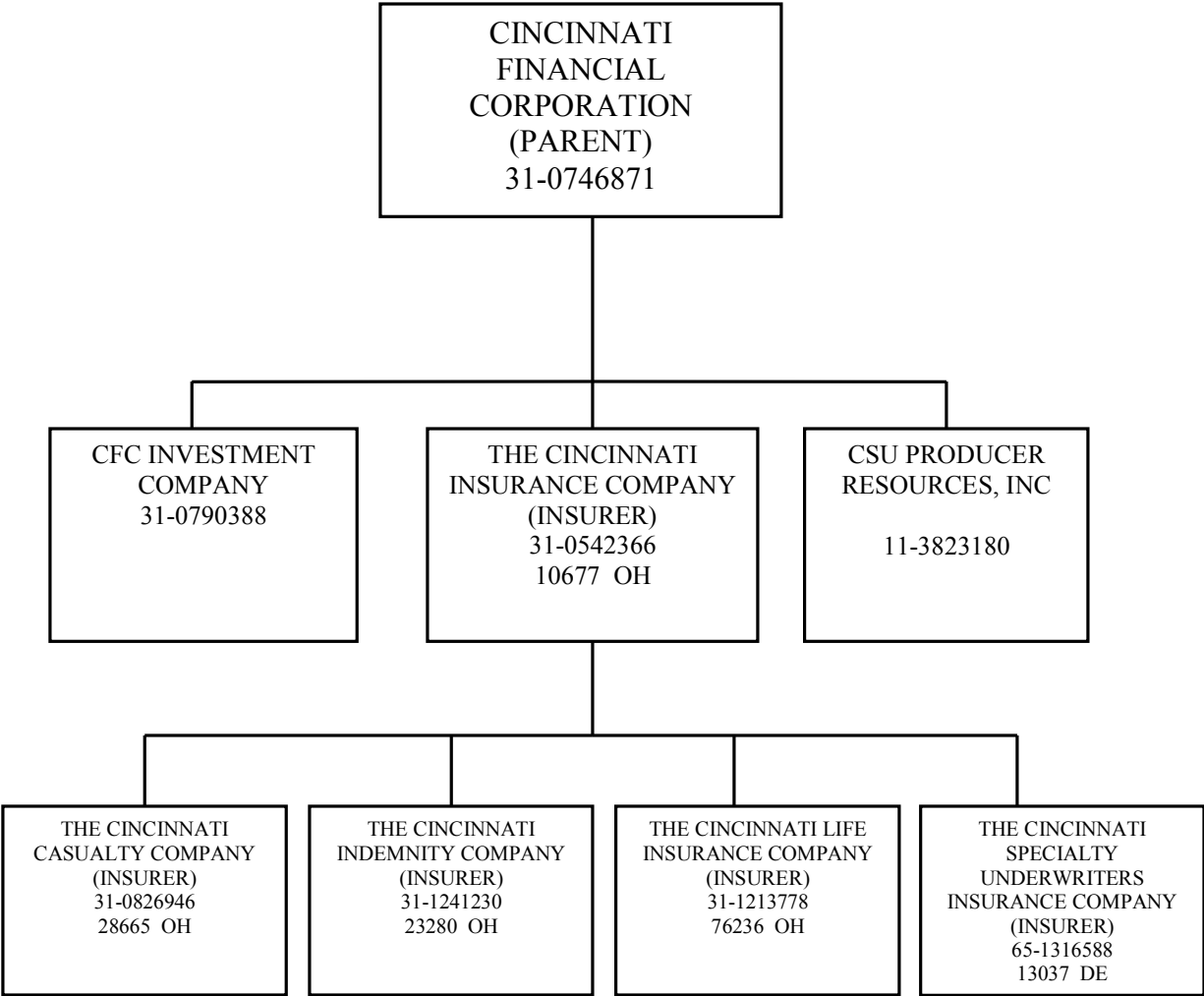
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL L	5,087,745	4,294,123	801,389	1,229,918	2,353,830	1,783,317
2. Alaska	AK L	0	0	0	0	0	0
3. Arizona	AZ L	1,448,607	749,686	226,663	162,243	587,020	455,312
4. Arkansas	AR L	2,627,629	1,918,305	595,871	620,485	2,811,179	2,429,665
5. California	CA L	50,398	0	0	0	1,924	(5)
6. Colorado	CO L	2,264,470	1,628,732	471,106	751,061	3,194,337	2,868,359
7. Connecticut	CT L	111,813	37,849	9,953	5,437	44,325	9,370
8. Delaware	DE L	1,019,635	825,074	510,738	589,291	2,721,421	2,911,266
9. Dist. Columbia	DC L	7,641	167,013	27,716	0	75,518	47,830
10. Florida	FL L	674,180	689,449	252,360	305,315	2,674,923	2,704,049
11. Georgia	GA L	10,424,894	8,249,703	4,171,489	2,632,075	15,051,398	12,755,420
12. Hawaii	HI L	3,454	0	0	0	1,060	0
13. Idaho	ID L	885,975	616,530	146,927	23,613	374,583	9,648
14. Illinois	IL L	34,066,657	34,827,748	19,384,141	20,017,734	111,344,971	106,011,552
15. Indiana	IN L	19,694,866	17,375,642	12,286,541	8,358,346	43,654,760	47,584,167
16. Iowa	IA L	4,877,779	4,886,482	3,165,246	4,041,982	18,161,608	18,605,684
17. Kansas	KS L	4,176,976	2,976,697	2,159,478	1,542,514	7,529,378	5,091,787
18. Kentucky	KY L	3,872,792	3,395,323	460,522	658,317	6,122,143	6,087,375
19. Louisiana	LA L	41,321	12,486	0	0	10,784	1,686
20. Maine	ME L	2,122	0	0	0	355	0
21. Maryland	MD L	4,995,617	3,981,906	2,551,075	2,111,894	12,006,634	10,449,759
22. Massachusetts	MA L	0	0	0	0	282	434
23. Michigan	MI L	16,051,672	14,566,517	5,921,400	5,103,983	37,500,789	34,820,190
24. Minnesota	MN L	5,426,183	4,338,102	2,556,105	1,613,702	8,191,879	4,898,568
25. Mississippi	MS L	220,713	172,039	19,690	8,839	204,025	180,153
26. Missouri	MO L	8,046,492	6,701,864	7,824,996	4,663,169	24,200,173	40,295,617
27. Montana	MT L	531,546	468,412	81,015	99,553	331,885	123,109
28. Nebraska	NE L	2,882,144	1,784,055	2,763,926	696,960	5,836,080	3,853,723
29. Nevada	NV L	1,714	22,828	0	1,794	8,660	10,040
30. New Hampshire	NH L	1,083,312	544,708	380,951	266,932	2,187,127	2,339,057
31. New Jersey	NJ L	54,899	0	224	0	4,721	0
32. New Mexico	NM L	829,276	654,885	172,757	114,460	567,634	645,992
33. New York	NY L	4,642,539	4,317,926	599,684	726,337	4,872,807	2,961,870
34. No. Carolina	NC L	10,740,098	10,495,807	5,112,133	6,666,863	26,580,634	26,739,461
35. No. Dakota	ND L	186,035	153,861	4,696	24,771	59,853	14,056
36. Ohio	OH L	16,203,541	15,204,914	4,112,809	1,877,781	7,857,553	2,416,584
37. Oklahoma	OK L	546,128	352,212	116,632	142,204	614,523	521,111
38. Oregon	OR L	2,055,447	1,096,202	235,786	66,460	2,724,774	324,879
39. Pennsylvania	PA L	23,473,699	20,025,342	7,644,165	7,750,800	36,809,943	36,425,890
40. Rhode Island	RI L	(3,796)	13,173	15,982	3,857	56,325	34,175
41. So. Carolina	SC L	2,190,337	2,309,727	1,030,816	898,077	7,186,464	7,441,160
42. So. Dakota	SD L	614,875	431,756	138,135	272,130	1,768,918	1,547,624
43. Tennessee	TN L	5,938,046	4,265,795	1,477,319	1,962,933	12,276,705	11,320,977
44. Texas	TX L	10,112,639	9,889,840	13,568,168	8,317,451	14,637,824	12,514,094
45. Utah	UT L	1,603,127	1,369,391	207,457	243,663	831,235	297,897
46. Vermont	VT L	1,861,466	1,556,341	1,319,135	1,071,146	6,748,125	6,922,201
47. Virginia	VA L	6,570,563	5,418,372	3,077,589	3,965,758	19,137,337	20,515,749
48. Washington	WA L	299,360	339,599	33,280	651	108,439	42,978
49. West Virginia	WV L	2,064,449	1,950,529	327,839	565,906	1,549,270	997,810
50. Wisconsin	WI L	8,936,851	7,682,129	3,408,161	2,496,141	15,760,075	11,406,578
51. Wyoming	WY L	215,005	271,215	34,722	37,504	60,453	18,121
52. American Samoa	AS N		0		0		0
53. Guam	GU N		0		0		0
54. Puerto Rico	PR N		0		0		0
55. U.S. Virgin Islands	VI N		0		0		0
56. Northern Mariana Islands	MP N		0		0		0
57. Canada	CAN N		0		0		0
58. Aggregate Other Alien	OT XXX	0	0	0	0	0	0
59. Totals	(a) 51	229,712,931	203,030,289	109,406,789	92,710,048	467,396,663	449,436,342
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	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 – INFORMATION CONCERNING ACTIVITES OF
INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1
– ORGANIZATIONAL CHART**



12

PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
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Explanation

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire	2,125,554	(13,187)	(0.6)	74.8
2.	Allied lines	2,085,087	2,362,845	113.3	165.6
3.	Farmowners multiple peril	0	0	0.0	0.0
4.	Homeowners multiple peril	66	(500)	(752.1)	0.0
5.	Commercial multiple peril	49,568,080	32,847,311	66.3	99.5
6.	Mortgage guaranty	0	0	0.0	0.0
8.	Ocean marine	0	0	0.0	0.0
9.	Inland marine	1,024,069	487,655	47.6	29.0
10.	Financial guaranty	0	0	0.0	0.0
11.1	Medical professional liability -occurrence	888,307	(295,090)	(33.2)	3.4
11.2	Medical professional liability -claims made	0	0	0.0	0.0
12.	Earthquake	54,600	0	0.0	0.0
13.	Group accident and health	0	0	0.0	0.0
14.	Credit accident and health	0	0	0.0	0.0
15.	Other accident and health	0	0	0.0	0.0
16.	Workers' compensation	125,156,232	72,662,243	58.1	59.8
17.1	Other liability occurrence	3,675,503	678,791	18.5	14.3
17.2	Other liability-claims made	459,186	127,354	27.7	50.3
17.3	Excess Workers' Compensation	0	0	0.0	0.0
18.1	Products liability-occurrence	18,125,832	4,003,730	22.1	7.6
18.2	Products liability-claims made	0	0	0.0	0.0
19.1,19.2	Private passenger auto liability	10,212	1,330,278	13,026.7	926.5
19.3,19.4	Commercial auto liability	14,985,078	7,449,922	49.7	44.9
21.	Auto physical damage	4,766,015	3,608,986	75.7	83.4
22.	Aircraft (all perils)	0	0	0.0	0.0
23.	Fidelity	0	0	0.0	0.0
24.	Surety	62,749	(9,511)	(15.2)	0.0
26.	Burglary and theft	70,569	25,000	35.4	0.0
27.	Boiler and machinery	252,454	14,000	5.5	13.5
28.	Credit	0	0	0.0	0.0
29.	International	0	0	0.0	0.0
30.	Warranty	0	0	0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	223,309,595	125,279,829	56.1	63.3
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	509,002	1,974,307	1,971,266
2.	Allied lines	491,453	1,794,013	1,792,477
3.	Farmowners multiple peril	0	0	0
4.	Homeowners multiple peril	14	82	69
5.	Commercial multiple peril	14,423,066	52,778,101	44,352,922
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	276,828	1,135,610	1,038,571
10.	Financial guaranty	0	0	0
11.1	Medical professional liability-occurrence	327,225	789,553	1,230,097
11.2	Medical professional liability-claims made	0	0	(227)
12.	Earthquake	13,311	41,374	78,543
13.	Group accident and health	0	0	0
14.	Credit accident and health	0	0	0
15.	Other accident and health	0	0	0
16.	Workers' compensation	41,631,081	128,032,397	114,509,398
17.1	Other liability occurrence	4,085,606	16,136,032	14,500,372
17.2	Other liability-claims made	131,024	461,791	347,993
17.3	Excess Workers' Compensation	0	0	0
18.1	Products liability-occurrence	1,170,701	5,547,142	4,889,410
18.2	Products liability-claims made	0	0	0
19.1,19.2	Private passenger auto liability	4,075	10,986	14,725
19.3,19.4	Commercial auto liability	4,513,348	15,784,506	13,342,235
21.	Auto physical damage	1,444,177	4,937,604	4,511,707
22.	Aircraft (all perils)	0	0	0
23.	Fidelity	0	0	0
24.	Surety	9,941	5,011	145,967
26.	Burglary and theft	16,084	61,925	64,261
27.	Boiler and machinery	78,688	222,497	240,503
28.	Credit	0	0	0
29.	International	0	0	0
30.	Warranty	0	0	0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	TOTALS	69,125,624	229,712,931	203,030,289
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2013 Loss and LAE Payments on Claims Reported as of Prior Year-End	2013 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2013 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2010 + Prior			0			0				0	0	0	0
2. 2011			0			0				0	0	0	0
3. Subtotals 2011 + prior	0	0	0	0	0	0	0	0	0	0	0	0	0
4. 2012.....			0			0				0	0	0	0
5. Subtotals 2012 + prior	0	0	0	0	0	0	0	0	0	0	0	0	0
6. 2013	XXX	XXX	XXX	XXX		0	XXX			0	XXX	XXX	XXX
7. Totals	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Prior Year-End Surplus As Regards Policy-holders	292,647										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 0.0	2. 0.0	3. 0.0
											Col. 13, Line 7 Line 8		
											4. 0.0		

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.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO.....
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	YES.....

Explanation:

- 1.
- 2.
- 3.

Bar Code:

1.



286652013490000003

2.



286652013455000003

3.



286652013365000003

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	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
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		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

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	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
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		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
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	2
	Year To Date	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
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	289,272,253	280,878,201
2. Cost of bonds and stocks acquired	33,391,647	35,282,499
3. Accrual of discount	58,759	71,426
4. Unrealized valuation increase (decrease)	14,809,125	4,864,737
5. Total gain (loss) on disposals	1,739	44,377
6. Deduct consideration for bonds and stocks disposed of	18,650,000	30,885,175
7. Deduct amortization of premium	455,580	329,863
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		653,948
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	318,427,943	289,272,254
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	318,427,943	289,272,254

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE CINCINNATI CASUALTY 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
BONDS								
1. Class 1 (a).....	147,074,096	5,678,268	1,165,000	(1,955,385)	143,836,514	147,074,096	149,631,980	146,745,695
2. Class 2 (a).....	85,019,328	987,830	1,665,000	1,799,281	84,063,568	85,019,328	86,141,439	74,681,158
3. Class 3 (a).....	0				994,200	0	0	0
4. Class 4 (a).....	0				0	0	0	0
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	0				0	0	0	0
7. Total Bonds	232,093,424	6,666,098	2,830,000	(156,104)	228,894,282	232,093,424	235,773,419	221,426,854
PREFERRED STOCK								
8. Class 1	0				0	0	0	0
9. Class 2	0				0	0	0	0
10. Class 3	0				0	0	0	0
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.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	232,093,424	6,666,098	2,830,000	(156,104)	228,894,282	232,093,424	235,773,419	221,426,854

(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

E04

[illegible]

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

E05

E05

E05

E05

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF SEPTEMBER 30, 2013 OF THE CINCINNATI CASUALTY COMPANY

SCHEDULE E - PART 1 - CASH

[illegible]

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							
8699999 Total Cash Equivalents					0	0	0



DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

NAIC Group Code 0244 Year To Date For The Period Ended 2013 NAIC Company Code 28665

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 3,623	\$ 3,021	\$

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes ☒ No ☐
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes ☒ No ☐
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$ 25,467

2.32 Amount estimated using reasonable assumptions: \$
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$ (198)