



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016  
OF THE CONDITION AND AFFAIRS OF THE

## CINCINNATI INDEMNITY COMPANY

NAIC Group Code	0244 (Current Period)	0244 (Prior Period)	NAIC Company Code	23280	Employer's ID Number	31-1241230
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio		
Country of Domicile	United States					
Incorporated/Organized	05/19/1988		Commenced Business	01/01/1989		
Statutory Home Office	6200 SOUTH GILMORE ROAD (Street and Number)		FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code)			
Main Administrative Office	6200 SOUTH GILMORE ROAD (Street and Number)		FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code)		513-870-2000 (Area Code) (Telephone Number)	
Mail Address	P.O. BOX 145496 (Street and Number or P.O. Box)		CINCINNATI, OH, US 45250-5496 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	6200 SOUTH GILMORE ROAD (Street and Number)		FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code)		513-870-2000-4414 (Area Code) (Telephone Number)	
Internet Web Site Address	www.cinfin.com					
Statutory Statement Contact	Christina Scherpenberg (Name)		513-870-2000 (Area Code) (Telephone Number) (Extension)			
	christina_scherpenberg@cinfin.com (E-Mail Address)		513-603-5500 (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 #	SENIOR 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	MARTIN JOSEPH MULLEN	SENIOR VICE PRESIDENT
JACOB FERDINAND SCHERER	EXECUTIVE VICE PRESIDENT	STEPHEN MICHAEL SPRAY	SENIOR VICE PRESIDENT
KENNETH WILLIAM STECHER	CHAIRMAN OF THE BOARD	CHARLES PHILIP STONEBURNER	SENIOR VICE PRESIDENT
TIMOTHY LEE TIMMEL	SENIOR VICE PRESIDENT	WILLIAM HAROLD VAN DEN HEUVEL	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	DAVID PAUL OSBORN	JACOB FERDINAND SCHERER
JOHN JEFFERSON SCHIFF JR	THOMAS REID SCHIFF	MICHAEL JAMES SEWELL	STEPHEN MICHAEL SPRAY
KENNETH WILLIAM STECHER	JOHN FREDERICK STEELE JR	CHARLES PHILIP STONEBURNER	TIMOTHY LEE TIMMEL
WILLIAM HAROLD VAN DEN HEUVEL	LARRY RUSSEL WEBB	II	

State of ..... OHIO .....

County of ..... BUTLER ..... 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 SENIOR VICE PRESIDENT, TREASURER
--	--	---

Subscribed and sworn to before me this  
4TH day of NOVEMBER, 2016

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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 .....	70,225,260		70,225,260	66,797,431
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	22,900,935		22,900,935	21,164,188
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 (\$ ..... 1,303,319 ), cash equivalents (\$ ..... 0 ) and short-term investments (\$ ..... 0 ) .....	1,303,319		1,303,319	2,664,053
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	2,924		2,924	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) .....	94,432,438	0	94,432,438	90,625,672
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	866,651		866,651	836,154
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 (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	20,024,282		20,024,282	15,156,065
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	4,090,508		4,090,508	3,782,156
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	262,972		262,972	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
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 .....	388,741		388,741	13,981,538
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	105,201	0	105,201	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	120,170,793	0	120,170,793	124,381,586
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	120,170,793	0	120,170,793	124,381,586
<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. Miscellaneous Receivables .....	105,201		105,201	0
2502. .....			0	0
2503. .....			0	0
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) .....	105,201	0	105,201	0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ ..... )	0	0
2. Reinsurance payable on paid losses and loss adjustment expenses	.4,853	.4,853
3. Loss adjustment expenses	0	0
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	2,607	2,168
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	0	0
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses))	19,813	19,813
7.2 Net deferred tax liability	3,597,099	2,968,366
8. Borrowed money \$ ..... and interest thereon \$ .....	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... 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	0
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	.23,487,510	32,469,151
13. Funds held by company under reinsurance treaties	0	0
14. Amounts withheld or retained by company for account of others	1,125,853	1,130,890
15. Remittances and items not allocated	0	0
16. Provision for reinsurance (including \$ ..... certified)	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities	198	30,792
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	.28,213,266	36,626,033
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	.28,213,266	36,626,033
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,600,000	3,600,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	.21,600,000	21,600,000
35. Unassigned funds (surplus)	.66,757,527	62,555,553
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... )	0	0
36.2 ..... shares preferred (value included in Line 31 \$ ..... )	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	91,957,527	87,755,553
38. Totals (Page 2, Line 28, Col. 3)	120,170,793	124,381,586
<b>DETAILS OF WRITE-INS</b>		
2501. Accounts Payable -- Other	198	30,792
2502.	0	0
2503.	0	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)	198	30,792
2901.	0	0
2902.	0	0
2903.	0	0
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.	0	0
3202.	0	0
3203.	0	0
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 AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 327,086,121 )	328,144,093	320,289,111	426,974,025
1.2 Assumed (written \$ 5 )	5	2	61
1.3 Ceded (written \$ 327,086,126 )	328,144,097	320,289,113	426,974,086
1.4 Net (written \$ 0 )	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	160,997,435	149,993,245	195,046,943
2.2 Assumed	9,575	(5,832)	(46,380)
2.3 Ceded	161,007,010	149,987,414	195,000,563
2.4 Net	0	0	0
3. Loss adjustment expenses incurred			0
4. Other underwriting expenses incurred			0
5. Aggregate write-ins for underwriting deductions		0	0
6. Total underwriting deductions (Lines 2 through 5)	0	0	0
7. Net income of protected cells		0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	0	0	0
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	2,540,162	2,404,601	3,210,013
10. Net realized capital gains (losses) less capital gains tax of \$ 535,911	995,262	1,043	22,038
11. Net investment gain (loss) (Lines 9 + 10)	3,535,424	2,405,644	3,232,051
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )		0	0
13. Finance and service charges not included in premiums		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)	3,535,424	2,405,644	3,232,051
17. Dividends to policyholders		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)	3,535,424	2,405,644	3,232,051
19. Federal and foreign income taxes incurred	484,118	422,553	572,946
20. Net income (Line 18 minus Line 19)(to Line 22)	3,051,306	1,983,091	2,659,105
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	87,755,553	85,579,254	85,579,254
22. Net income (from Line 20)	3,051,306	1,983,091	2,659,105
23. Net transfers (to) from Protected Cell accounts		0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 622,790	1,156,611	(1,025,441)	(476,637)
25. Change in net unrealized foreign exchange capital gain (loss)		0	0
26. Change in net deferred income tax	(5,943)	(5,543)	(6,169)
27. Change in nonadmitted assets		0	0
28. Change in provision for reinsurance		0	0
29. Change in surplus notes		0	0
30. Surplus (contributed to) withdrawn from protected cells		0	0
31. Cumulative effect of changes in accounting principles		0	0
32. Capital changes:			
32.1 Paid in		0	0
32.2 Transferred from surplus (Stock Dividend)		0	0
32.3 Transferred to surplus		0	0
33. Surplus adjustments:			
33.1 Paid in		0	0
33.2 Transferred to capital (Stock Dividend)		0	0
33.3 Transferred from capital		0	0
34. Net remittances from or (to) Home Office		0	0
35. Dividends to stockholders		0	0
36. Change in treasury stock		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)	4,201,974	952,107	2,176,299
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	91,957,527	86,531,362	87,755,553
<b>DETAILS OF WRITE-INS</b>			
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

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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.....	(8,981,641)	(8,614,809)	(328,481)
2. Net investment income.....	2,630,853	2,567,347	3,386,687
3. Miscellaneous income.....	0	0	0
4. Total (Lines 1 to 3).....	(6,350,788)	(6,047,462)	3,058,206
5. Benefit and loss related payments.....	5,181,423	1,332,072	1,168,426
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 \$ 404,900 tax on capital gains (losses).....	1,302,813	489,160	638,160
10. Total (Lines 5 through 9).....	6,484,236	1,821,232	1,806,586
11. Net cash from operations (Line 4 minus Line 10).....	(12,835,023)	(7,868,693)	1,251,620
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	2,185,112	11,570,683	15,621,129
12.2 Stocks.....	3,244,781	0	0
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.....	0	1,153,520	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	5,429,893	12,724,203	15,621,129
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	5,733,168	18,013,593	20,956,653
13.2 Stocks.....	1,671,476	0	0
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).....	7,404,644	18,013,593	20,956,653
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).....	(1,974,751)	(5,289,390)	(5,335,523)
<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.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	13,449,041	8,927,221	1,137,241
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	13,449,041	8,927,221	1,137,241
<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).....	(1,360,734)	(4,230,863)	(2,946,662)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	2,664,053	5,610,715	5,610,715
19.2 End of period (Line 18 plus Line 19.1).....	1,303,319	1,379,852	2,664,053

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Cincinnati Indemnity 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.

	<u>STATE OF DOMICILE</u>	<u>2016</u>	<u>2015</u>
<b><u>NET INCOME</u></b>			
(1) Company state basis (Page 4, Line 20, Columns 1 & 3)	Ohio	\$3,051,306	\$2,659,105
(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	\$3,051,306	\$2,659,105
<b><u>SURPLUS</u></b>			
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	\$91,957,527	\$87,755,553
(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	\$91,957,527	\$87,755,553

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

C. Accounting Policy – No Change

D. Going Concern- As of September 30, 2016 management's evaluation of the Cincinnati Indemnity Company determined there was no going concerns to report.

2. Accounting Changes and Correction of Errors – No Change

3. Business Combinations and Goodwill – No Change

4. Discontinued Operations – No Change

5. Investments

G. Low-income Housing Tax Credit (LIHTC)

1. The Cincinnati Indemnity Company holds one investment in a low income housing tax credit which reduces the company's premium tax liability in Georgia and Missouri. The investment is required to be held through 2028 and the credit will expire at that time
2. The company received no tax credit and benefits during 2016
3. The balance of the investment recognized in the September 30<sup>th</sup>, 2016 balance sheet is \$2,924
4. We are not aware that the low income housing tax credit investment is subject to any regulatory reviews
5. The low income housing tax credit investment does not exceed 10% of non-admitted assets
6. There was no impairment of the investment in 2016
7. There were no write-downs or losses of tax credits in 2016

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):

	<b>2016</b>		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ -	\$ 135,721	\$ 135,721
(b) Statutory Valuation Allowance	- -	- -	- -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	- -	135,721	135,721
(d) Deferred Tax Assets Nonadmitted	- -	- -	- -
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	- -	135,721	135,721
(f) Deferred Tax Liabilities	\$ 9,841	\$ 3,722,979	\$ 3,732,820
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	\$ (9,841)	\$ (3,587,258)	\$ (3,597,099)

	<b>2015</b>		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ -	\$ 139,960	\$ 139,960
(b) Statutory Valuation Allowance	- -	- -	- -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	- -	139,960	139,960
(d) Deferred Tax Assets Nonadmitted	- -	- -	- -
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	- -	139,960	139,960
(f) Deferred Tax Liabilities	\$ 8,137	\$ 3,100,189	\$ 3,108,326
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	\$ (8,137)	\$ (2,960,229)	\$ (2,968,366)

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

	Change		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ -	\$ (4,239)	\$ (4,239)
(b) Statutory Valuation Allowance	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	-	(4,239)	(4,239)
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c- 1d)	-	(4,239)	(4,239)
(f) Deferred Tax Liabilities	\$ 1,704	\$ 622,790	\$ 624,494
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	\$ (1,704)	\$ (627,029)	\$ (628,733)

2.

	2016		
<b>SSAP 101, paragraphs 11.a., 11.b., and 11.c.:</b>	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	13,793,629	13,793,629	13,793,629
(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	-	135,721	135,721
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	135,721	135,721

	2015		
<b>SSAP 101, paragraphs 11.a., 11.b., and 11.c.:</b>	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	13,163,333	13,163,333	13,163,333
(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	-	139,960	139,960
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	139,960	139,960

	Change		
<b>SSAP 101, paragraphs 11.a., 11.b., and 11.c.:</b>	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	630,296	630,296	630,296
(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	-	(4,239)	(4,239)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c))	-	(4,239)	(4,239)

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

3.

	2016 Percentage	2015 Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	3119%	3119%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b) 2 above	\$ 87,755,553	\$ 87,755,553

4.

	2016		
	Ordinary	Capital	Total
<b>Impact of Tax Planning Strategies</b>			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	-	135,721	135,721
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	-	135,721	135,721
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.			

	2015		
	Ordinary	Capital	Total
<b>Impact of Tax Planning Strategies</b>			
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	-	139,960	139,960
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	-	139,960	139,960
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) 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) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	-	(4,239)	(4,239)
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	-	(4,239)	(4,239)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.			

B. Unrecognized DTLs

Not applicable

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

C. Current Tax and Change in Deferred Tax

1. Current income tax:

	2016	2015	Change
(a) Federal	\$ 484,118	\$ 572,946	\$ (88,828)
(b) Foreign	-	-	-
(c) Subtotal	484,118	572,946	(88,828)
(d) Federal Income Tax on capital gains/(losses)	535,911	11,867	524,044
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
<b>Federal income taxes incurred</b>	<b>\$ 1,020,029</b>	<b>\$ 584,813</b>	<b>\$ 435,216</b>

2. Deferred tax assets

	September 30, 2016	December 31, 2015	Change
(a) Ordinary			
(1) Unearned premium reserve	\$ -	\$ -	\$ -
(2) Unpaid loss reserve	-	-	-
(3) Contingent commission	-	-	-
(4) Nonadmitted assets	-	-	-
(5) Other deferred tax assets	-	-	-
(99) Subtotal	-	-	-
(b) Statutory valuation allowance adj	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ -	\$ -	\$ -
(e) Capital			
(1) Investments	\$ 135,721	\$ 139,960	\$ (4,239)
(2) Unrealized (gain)/loss on investments	-	-	-
(99) Subtotal	135,721	139,960	(4,239)
(f) Statutory valuation allowance adj	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	\$ 135,721	\$ 139,960	\$ (4,239)
(i) Admitted deferred tax assets (2d + 2h)	\$ 135,721	\$ 139,960	\$ (4,239)

3. Deferred tax liabilities

	September 30, 2016	December 31, 2015	Change
(a) Ordinary			
(1) Commission expense	\$ -	\$ -	\$ -
(2) Other, net	9,841	8,137	1,704
(99) Subtotal	9,841	8,137	1,704
(b) Capital			
(1) Unrealized (gain)/loss on investments	\$ 3,722,979	\$ 3,100,189	\$ 622,790
(99) Subtotal	3,722,979	3,100,189	622,790
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 3,732,820	\$ 3,108,326	\$ 624,494

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

\$ (3,597,099) \$ (2,968,366) \$ (628,733)

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, 2016	December 31, 2015	Change
Total deferred tax assets	\$ 135,721	\$ 139,960	\$ (4,239)
Total deferred tax liabilities	3,732,820	3,108,326	624,494
Net deferred tax asset/(liability)	\$ (3,597,099)	\$ (2,968,366)	\$ (628,733)
Tax effect of unrealized (gains)/losses			622,790
Change in net deferred income tax (charge)/benefit			<u>\$ (5,943)</u>

	December 31, 2015	December 31, 2014	Change
Total deferred tax assets	\$ 139,960	\$ 145,515	\$ (5,555)
Total deferred tax liabilities	3,108,326	3,364,363	(256,037)
Net deferred tax asset/(liability)	\$ (2,968,366)	\$ (3,218,848)	\$ 250,482
Tax effect of unrealized (gains)/losses			<u>(256,650)</u>
Change in net deferred income tax (charge)/benefit			<u>\$ (6,168)</u>

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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, 2016			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ 4,071,335	\$ 1,424,967	35.00%
Net tax exempt interest	(874,118)	(305,941)	-7.51%
Net dividends received deduction	(273,974)	(95,891)	-2.36%
Other items permanent, net	9	3	0.00%
DRD on accrued	8,098	2,834	0.07%
<b>Total</b>	<b>\$ 2,931,350</b>	<b>\$ 1,025,972</b>	<b>25.20%</b>
Federal income taxes incurred expense/(benefit)	\$ 1,383,195	\$ 484,118	11.89%
Tax on capital gains/(losses)	1,531,174	535,911	13.16%
Change in net deferred income tax charge/(benefit)	16,981	5,943	0.15%
<b>Total statutory income taxes incurred</b>	<b>\$ 2,931,350</b>	<b>\$ 1,025,972</b>	<b>25.20%</b>
As of December 31, 2015			
Description	Amount	Tax Effect	Effective Tax Rate
Income before taxes	\$ 3,243,918	\$ 1,135,371	35.00%
Net tax exempt interest	(1,186,001)	(415,100)	-12.80%
Net dividends received deduction	(366,833)	(128,391)	-3.96%
Other items permanent, net	9	3	0.00%
DRD on accrued	(2,576)	(902)	-0.02%
<b>Total</b>	<b>\$ 1,688,517</b>	<b>\$ 590,981</b>	<b>18.22%</b>
Federal income taxes incurred expense/(benefit)	\$ 1,636,988	\$ 572,946	17.66%
Tax on capital gains/(losses)	33,905	11,867	0.37%
Change in net deferred income tax charge/(benefit)	17,624	6,168	0.19%
<b>Total statutory income taxes incurred</b>	<b>\$ 1,688,517</b>	<b>\$ 590,981</b>	<b>18.22%</b>

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

(1) At September 30, 2016, the Company had net operating loss and tax credit carryforwards of: \$ -  
 (2) At September 30, 2016, 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
2016	\$ 484,118	\$ 535,911	\$ 1,020,029
2015	572,946	11,867	584,813
2014	-	207,467	207,467
Total	\$ 1,057,064	\$ 755,245	\$ 1,812,309

(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 Specialty Underwriters Insurance Company  
The Cincinnati Life 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 did not have tax contingencies under the principles of SSAP No. 5, *Liabilities, Contingencies and Impairment of Assets*. This is subject to change but it is not expected to significantly increase in the 12 month period following the balance sheet date. The Company is primarily subject to examination by U.S. federal and various U.S. state and local tax authorities. The statute of limitations for federal tax purposes have closed for tax years 2011 and earlier. The statute of limitations for state income tax purposes has closed for tax years 2011 and earlier. There are no U.S. federal or state returns under examination.

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. Not applicable
- B. Not applicable
- C. Not applicable
- D. At September 30, 2016, the Company reported \$388,741 due from the Parent Company, The Cincinnati Insurance Company. The terms of the settlement require that these amounts be settled within 30 days.
- E. Not applicable
- F. The Company has the following management agreements with related parties:
  - (1) Inter-company Benefits and Expense Allocation Agreement.
  - (2) Inter-company Cost Sharing and Expense Allocation Agreement.
  - (3) Inter-company Tax Sharing Agreement.
  - (4) Inter-company Reinsurance Agreement.
- G. All outstanding shares of The Company are owned by the Parent Company, The Cincinnati Insurance Company, an insurance company domiciled in the State of Ohio.
- H. Not applicable
- I. Not applicable
- J. Not applicable
- K. Not applicable
- L. Not applicable
- M. Not applicable
- N. Not applicable

11. Debt – No Change

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. Defined Benefit Plan – Not applicable
- B. Not applicable
- C. Not applicable
- D. Not applicable
- E. Defined Contribution Plans – Not applicable
- F. Multiemployer Plans – Not applicable
- G. Consolidated/Holding Company Plans
  - (1) Defined Benefit Pension Plan – The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Cincinnati Financial Corporation, the ultimate parent. The Company has no legal obligations for benefits under these plans.
  - (2) Defined Contribution Plans - The Company participates in a qualified, defined contribution plan sponsored by Cincinnati Financial Corporation, the ultimate parent. The Company has no legal obligations for benefits under these plans. Cincinnati Financial Corporation allocates amounts to the Company based on an inter-company management fee. The Company's share of net expense for the contribution plan was \$1,482 and \$1,749 for 2016 and 2015 respectively.
- H. Postemployment Benefits and Compensated Absences – Not applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits – Not applicable

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

- A. Not applicable
- B. Not applicable
- 2.
  - a. Not applicable
  - b. Not applicable
  - c. Not applicable
- C. Not applicable

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.

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>
<b>Bonds</b>	74,343,459	70,225,260	991,089	73,352,370		
<b>Common Stock</b>	22,900,935	22,900,935	22,900,935			
<b>Perpetual Preferred Stock</b>						
<b>Mortgage Loans</b>						

- 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

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**

- 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

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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: .....

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1 and 1A.

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

3.3 If the response to 3.2 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 [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. ..... 12/31/2014

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. ..... 12/31/2014

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). ..... 10/05/2015

6.4 By what department or departments?

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 [X] No [ ] NA [ ]

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 SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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: ..... \$ 388,741

**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 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 .....	\$ .....	\$ .....
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.

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

**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 Name of Custodian(s)	2 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 Name(s)	2 Location(s)	3 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 Old Custodian	2 New Custodian	3 Date of Change	4 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 Central Registration Depository	2 Name(s)	3 Address
.....	.....	.....

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? ..... Yes [X] No [ ]  
 18.2 If no, list exceptions:  
 .....

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

# **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 [ ]

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? .....

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:

## 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, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

## **SCHEDULE F - CEDED REINSURANCE**

**Showing All New Reinsurers - Current Year to Date**

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

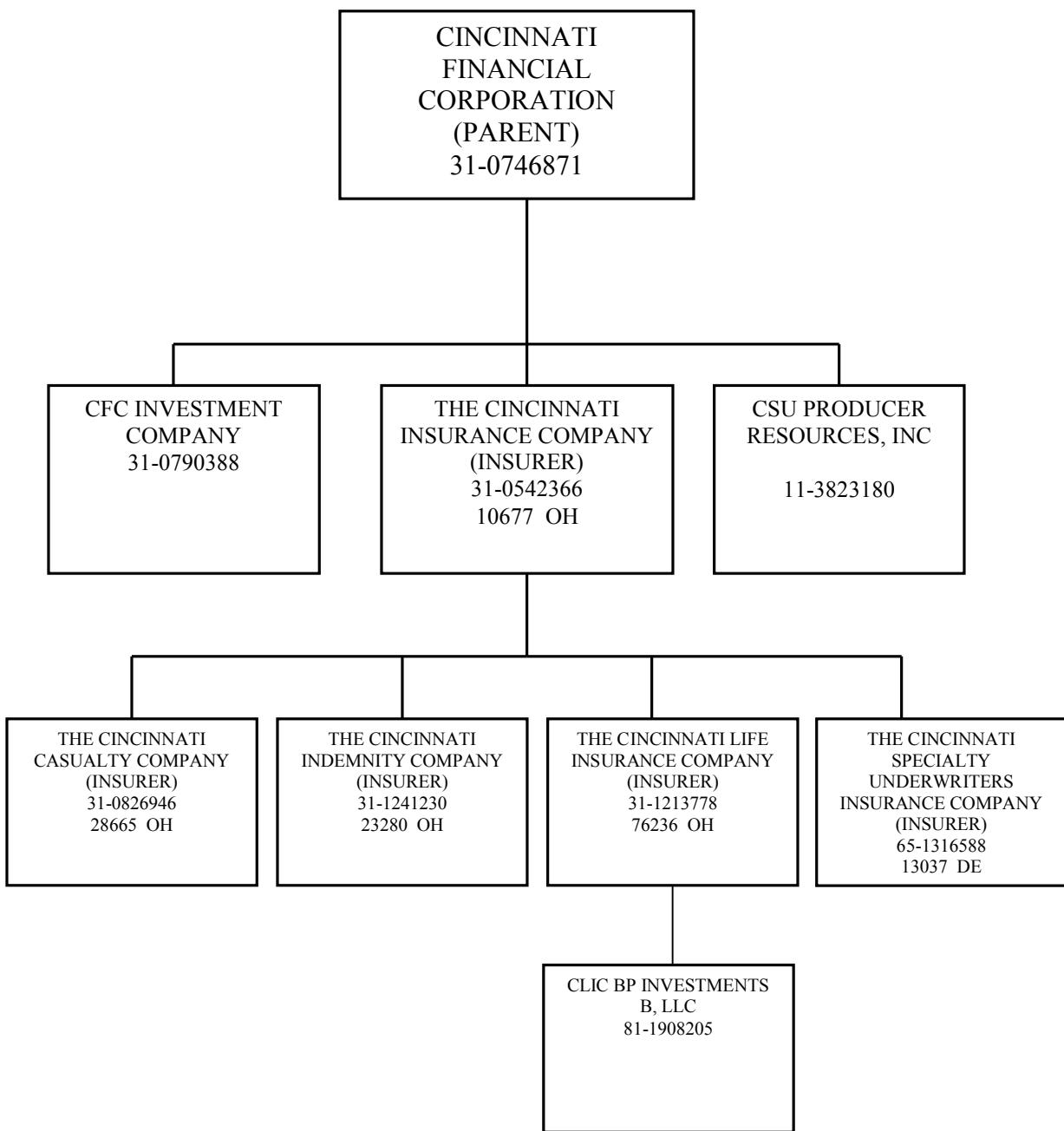
**Current Year to Date - Allocated by States and Territories**

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	5,277,062	5,108,227	1,890,926	1,087,484	3,704,304	3,800,986
2. Alaska	AK	L	0	0	0	0	0
3. Arizona	AZ	L	8,896,080	9,503,307	2,367,535	2,514,925	9,201,226
4. Arkansas	AR	L	2,969,565	2,995,618	661,702	876,398	4,273,666
5. California	CA	L	356,505	292,673	301,648	34,644	475,324
6. Colorado	CO	L	13,511,574	12,903,996	6,046,086	4,913,125	21,885,129
7. Connecticut	CT	L	503,368	312,476	273,554	101,421	475,378
8. Delaware	DE	L	1,027,777	1,247,680	298,030	473,128	1,224,924
9. Dist. Columbia	DC	L	160,293	128,048	(7,180)	543	69,951
10. Florida	FL	L	19,430,119	18,606,806	1,657,053	2,403,783	9,888,542
11. Georgia	GA	L	9,821,030	10,255,346	7,090,486	2,873,739	13,036,192
12. Hawaii	HI	L	7,197	2,490	0	0	1,952
13. Idaho	ID	L	3,217,399	3,361,316	1,277,220	1,090,785	4,207,687
14. Illinois	IL	L	31,137,303	32,366,743	9,376,780	9,852,874	42,505,045
15. Indiana	IN	L	16,476,490	16,286,743	5,664,657	5,065,133	23,872,108
16. Iowa	IA	L	8,366,866	10,746,117	2,670,473	5,338,703	21,435,365
17. Kansas	KS	L	5,350,889	5,751,966	1,654,650	2,869,804	7,548,376
18. Kentucky	KY	L	6,957,763	7,296,997	3,044,101	2,591,286	6,177,485
19. Louisiana	LA	L	194,351	190,959	56,287	7,097	167,155
20. Maine	ME	L	9,722	4,528	0	0	2,984
21. Maryland	MD	L	9,485,291	8,950,511	3,338,194	2,280,509	17,086,704
22. Massachusetts	MA	L	0	0	0	0	0
23. Michigan	MI	L	15,414,032	15,635,051	4,820,296	5,835,190	19,205,515
24. Minnesota	MN	L	12,042,294	12,064,445	2,913,149	3,305,042	10,284,754
25. Mississippi	MS	L	150,638	146,701	60,165	22,792	143,499
26. Missouri	MO	L	9,142,204	9,133,075	2,286,148	2,942,547	13,986,324
27. Montana	MT	L	2,176,425	2,465,421	979,589	358,400	1,153,834
28. Nebraska	NE	L	3,803,374	4,699,827	2,042,996	1,515,481	8,557,292
29. Nevada	NV	L	97,597	100,132	16,413	1,344	164,102
30. New Hampshire	NH	L	2,395,963	2,307,016	468,533	484,051	1,345,053
31. New Jersey	NJ	L	190,081	157,952	1,717	686	75,436
32. New Mexico	NM	L	2,617,142	2,739,830	626,129	2,168,957	1,639,720
33. New York	NY	L	4,544,740	4,728,653	1,547,726	908,250	7,161,768
34. No. Carolina	NC	L	12,957,436	12,183,905	4,643,663	3,932,969	15,626,894
35. No. Dakota	ND	L	1,383,570	1,886,640	389,208	457,859	549,140
36. Ohio	OH	L	23,892,877	22,146,043	6,887,051	6,981,076	17,947,551
37. Oklahoma	OK	L	133,652	113,356	34,332	24,220	181,019
38. Oregon	OR	L	1,826,078	1,395,557	481,994	413,586	1,995,319
39. Pennsylvania	PA	L	25,713,254	27,275,480	13,753,296	8,273,571	34,898,016
40. Rhode Island	RI	L	33,330	12,245	0	0	10,836
41. So. Carolina	SC	L	3,129,140	3,203,170	1,147,194	847,359	5,365,618
42. So. Dakota	SD	L	1,538,459	1,522,234	600,594	708,021	2,259,479
43. Tennessee	TN	L	14,572,030	14,351,726	2,904,008	3,778,648	19,845,727
44. Texas	TX	L	15,133,619	15,799,807	10,685,569	5,860,968	19,619,536
45. Utah	UT	L	3,173,652	3,392,133	482,331	564,828	3,588,377
46. Vermont	VT	L	2,485,219	2,480,181	1,469,550	1,652,330	3,701,665
47. Virginia	VA	L	13,000,015	13,214,384	5,693,685	4,011,346	13,796,631
48. Washington	WA	L	2,208,700	1,702,836	364,417	289,419	1,924,514
49. West Virginia	WV	L	2,773,457	3,580,725	1,084,082	1,185,750	2,348,701
50. Wisconsin	WI	L	6,840,232	5,068,695	1,413,200	2,109,437	12,679,219
51. Wyoming	WY	L	560,267	703,218	444,431	212,476	1,592,529
52. American Samoa	AS	N	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	(a)	51	327,086,121	330,522,985	115,903,668	103,221,986	408,887,561
<b>DETAILS OF WRITE-INS</b>							
58001.		XXX.					
58002.		XXX.					
58003.		XXX.					
58998.	Summary of remaining write-ins for Line 58 from overflow page		0	0	0	0	0
58999.	TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 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 – INFORMATION CONCERNING ACTIVITES OF  
INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1  
– ORGANIZATIONAL CHART**



**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

Asterisk	Explanation
*	Indicates a required field.

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY

**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	11,397,815	1,436,541	12.6	33.8
2. Allied lines	12,525,484	6,398,580	51.1	51.2
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	0	0	0.0	0.0
5. Commercial multiple peril	78,563,338	42,429,827	54.0	36.4
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	5,224,936	488,848	9.4	17.8
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence	1,687,389	693,285	41.1	14.5
11.2 Medical professional liability -claims made	748	0	0.0	0.0
12. Earthquake	217,451	0	0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation	102,582,915	47,721,473	46.5	53.9
17.1 Other liability occurrence	47,999,153	18,657,176	38.9	33.2
17.2 Other liability-claims made	736,049	244,438	33.2	27.8
17.3 Excess Workers' Compensation	0	0	0.0	0.0
18.1 Products liability-occurrence	5,472,246	3,172,452	58.0	50.6
18.2 Products liability-claims made	0	0	0.0	0.0
19.1,19.2 Private passenger auto liability	26,296	13,557	51.6	0.2
19.3,19.4 Commercial auto liability	41,818,235	28,116,908	67.2	69.1
21. Auto physical damage	18,145,155	11,467,100	63.2	55.1
22. Aircraft (all perils)	0	0	0.0	0.0
23. Fidelity	0	0	0.0	0.0
24. Surety	0	0	0.0	0.0
26. Burglary and theft	584,329	2,596	0.4	23.4
27. Boiler and machinery	1,162,553	154,655	13.3	6.5
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			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
<b>TOTALS</b>	<b>328,144,093</b>	<b>160,997,435</b>	<b>49.1</b>	<b>46.8</b>
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	
1. Fire	3,163,179	10,843,114	10,938,075	
2. Allied lines	3,781,724	12,416,424	12,376,553	
3. Farmowners multiple peril	0	0	0	
4. Homeowners multiple peril	0	0	0	
5. Commercial multiple peril	19,129,853	78,210,678	80,455,394	
6. Mortgage guaranty	0	0	0	
8. Ocean marine	0	0	0	
9. Inland marine	1,415,091	5,363,881	5,022,042	
10. Financial guaranty	0	0	0	
11.1 Medical professional liability-occurrence	580,389	1,774,204	1,757,235	
11.2 Medical professional liability-claims made	272	272	1,582	
12. Earthquake	93,679	234,463	220,957	
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	29,619,569	97,866,315	102,912,419	
17.1 Other liability occurrence	12,902,247	49,219,381	48,495,288	
17.2 Other liability-claims made	283,049	879,923	714,576	
17.3 Excess Workers' Compensation	0	0	0	
18.1 Products liability-occurrence	1,291,591	5,459,305	5,218,382	
18.2 Products liability-claims made	0	0	0	
19.1,19.2 Private passenger auto liability	5,017	26,157	22,662	
19.3,19.4 Commercial auto liability	10,732,181	43,179,238	43,106,538	
21. Auto physical damage	5,031,527	19,828,775	17,578,760	
22. Aircraft (all perils)	0	0	0	
23. Fidelity	0	0	0	
24. Surety	0	0	0	
26. Burglary and theft	196,733	623,876	569,148	
27. Boiler and machinery	375,645	1,160,115	1,133,374	
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	
<b>TOTALS</b>	<b>88,601,746</b>	<b>327,086,121</b>	<b>330,522,985</b>	
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0
<b>3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

## **PART 3 (000 omitted)**

## **LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

## STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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.

### 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?	.....YES.....
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 Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....YES.....

### Explanation:

1.

3.

### Bar Code:

1.   
2 3 2 8 0 2 0 1 6 4 9 0 0 0 0 0 3

3.   
2 3 2 8 0 2 0 1 6 3 6 5 0 0 0 0 0 3

**OVERFLOW PAGE FOR WRITE-INS**

---

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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

**NONE**

**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	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	2,924	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 depreciation	0	0
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)	2,924	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	2,924	0

**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	87,961,619	83,460,974
2. Cost of bonds and stocks acquired	7,404,645	20,956,653
3. Accrual of discount	19,258	25,362
4. Unrealized valuation increase (decrease)	1,779,401	(733,288)
5. Total gain (loss) on disposals	1,531,173	33,905
6. Deduct consideration for bonds and stocks disposed of	5,429,893	15,621,129
7. Deduct amortization of premium	140,008	160,858
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other-than-temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9)	93,126,195	87,961,619
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	93,126,195	87,961,619

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY

**SCHEDULE D - PART 1B**

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

NAIC Designation	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. NAIC 1 (a).....	46,194,538	252,773		(40,390)	46,484,506	46,194,538	46,406,922	46,374,167
2. NAIC 2 (a).....	21,296,089	499,195	18,861	1,607	21,294,458	21,296,089	21,778,030	20,423,264
3. NAIC 3 (a).....	1,985,000			55,308	1,850,000	1,985,000	2,040,308	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds.....	69,475,627	751,968	18,861	16,526	69,628,963	69,475,627	70,225,260	66,797,431
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock.....	69,475,627	751,968	18,861	16,526	69,628,963	69,475,627	70,225,260	66,797,431

(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**

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

## **SCHEDULE BA - PART 2**

**Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter**

## SCHEDULE BA - PART 3

**Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter**

# **NONE**

四

## STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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 <sup>(a)</sup>
<b>Bonds - U.S. Governments</b>									
912828-S3-5.....	US TREASURY N/B.		07/06/2016.....	DEUTSCHE BANK.....		252,773	250,000	.65	1.....
0599999 - Bonds - U.S. Governments						252,773	250,000	65	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
25156P-AU-7.....	DEUTSCHE TELEKOM INT FIN.	R.....	09/13/2016.....	RBC CAPITAL MARKETS.....		499,195	500,000		2FE.....
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						499,195	500,000	0	XXX
8399997 - Subtotals - Bonds - Part 3						751,968	750,000	65	XXX
8399999 - Subtotals - Bonds						751,968	750,000	65	XXX

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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 - Industrial and Miscellaneous (Unaffiliated)</b>																						
023654-AW-6... INC.	AMERICAN AIRLINES GROUP		07/05/2016.	SCHEDULED REDEMPTION			18,861	18,861	18,861	18,861				0	18,861				0	1,496	01/02/2019.	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)							18,861	18,861	18,861	18,861	0	0	0	0	0	18,861	0	0	0	1,496	XXX	XXX
8399997 - Subtotals - Bonds - Part 4							18,861	18,861	18,861	18,861	0	0	0	0	0	18,861	0	0	0	1,496	XXX	XXX
8399999 - Subtotals - Bonds							18,861	18,861	18,861	18,861	0	0	0	0	0	18,861	0	0	0	1,496	XXX	XXX
9999999 Totals							18,861	XXX	18,861	18,861	0	0	0	0	0	18,861	0	0	0	1,496	XXX	XXX

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

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, 2016 OF THE CINCINNATI INDEMNITY 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, OH.....					1,315,208	2,011,704	1,303,319	XXX
0199998 Deposits in ..... depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Total Open Depositories	XXX	XXX	0	0	1,315,208	2,011,704	1,303,319	XXX
0399999 Total Cash on Deposit	XXX	XXX	0	0	1,315,208	2,011,704	1,303,319	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
<b>0599999 Total</b>	<b>XXX</b>	<b>XXX</b>	<b>0</b>	<b>0</b>	<b>1,315,208</b>	<b>2,011,704</b>	<b>1,303,319</b>	<b>XXX</b>

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY 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**

四  
三



**SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

Designate the type of health care providers reported on this page.

Physicians

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL							
2. Alaska	AK							
3. Arizona	AZ							
4. Arkansas	AR							
5. California	CA							
6. Colorado	CO							
7. Connecticut	CT							
8. Delaware	DE							
9. District of Columbia	DC							
10. Florida	FL							
11. Georgia	GA							
12. Hawaii	HI							
13. Idaho	ID							
14. Illinois	IL							
15. Indiana	IN							
16. Iowa	IA		255			(95)		
17. Kansas	KS							
18. Kentucky	KY							
19. Louisiana	LA							
20. Maine	ME							
21. Maryland	MD							
22. Massachusetts	MA							
23. Michigan	MI							
24. Minnesota	MN							
25. Mississippi	MS							
26. Missouri	MO							
27. Montana	MT							
28. Nebraska	NE							
29. Nevada	NV							
30. New Hampshire	NH							
31. New Jersey	NJ							
32. New Mexico	NM							
33. New York	NY							
34. North Carolina	NC							
35. North Dakota	ND							
36. Ohio	OH	9,651	7,238			(378)		2,173
37. Oklahoma	OK							
38. Oregon	OR							
39. Pennsylvania	PA							
40. Rhode Island	RI							
41. South Carolina	SC							
42. South Dakota	SD							
43. Tennessee	TN							
44. Texas	TX							
45. Utah	UT							
46. Vermont	VT							
47. Virginia	VA							
48. Washington	WA							
49. West Virginia	WV							
50. Wisconsin	WI							
51. Wyoming	WY							
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate other alien	OT	0	0	0	0	0	0	0
59. Totals		9,651	7,493	0	0	(473)	0	2,173
<b>DETAILS OF WRITE-INS</b>								
58001.								
58002.								
58003.								
58998. Sum. of remaining write-ins for Line 58 from overflow page		0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0



**SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

Designate the type of health care providers reported on this page.

Hospitals

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL							
2. Alaska	AK							
3. Arizona	AZ							
4. Arkansas	AR							
5. California	CA							
6. Colorado	CO							
7. Connecticut	CT							
8. Delaware	DE							
9. District of Columbia	DC							
10. Florida	FL							
11. Georgia	GA							
12. Hawaii	HI							
13. Idaho	ID							
14. Illinois	IL							
15. Indiana	IN							
16. Iowa	IA							
17. Kansas	KS							
18. Kentucky	KY							
19. Louisiana	LA							
20. Maine	ME							
21. Maryland	MD							
22. Massachusetts	MA							
23. Michigan	MI							
24. Minnesota	MN							
25. Mississippi	MS							
26. Missouri	MO							
27. Montana	MT							
28. Nebraska	NE							
29. Nevada	NV							
30. New Hampshire	NH							
31. New Jersey	NJ							
32. New Mexico	NM							
33. New York	NY							
34. North Carolina	NC							
35. North Dakota	ND							
36. Ohio	OH							
37. Oklahoma	OK							
38. Oregon	OR							
39. Pennsylvania	PA							
40. Rhode Island	RI							
41. South Carolina	SC							
42. South Dakota	SD							
43. Tennessee	TN							
44. Texas	TX							
45. Utah	UT							
46. Vermont	VT							
47. Virginia	VA							
48. Washington	WA							
49. West Virginia	WV							
50. Wisconsin	WI	760			(1,109)			
51. Wyoming	WY							
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate other alien	OT	0	0	0	0	0	0	0
59. Totals		0	760	0	(1,109)	0	0	0
<b>DETAILS OF WRITE-INS</b>								
58001.								
58002.								
58003.								
58998. Sum. of remaining write-ins for Line 58 from overflow page		0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0



**SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

Designate the type of health care providers reported on this page.

Other Health Care Professionals

**SUPPLEMENT "A" TO SCHEDULE T**  
**EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported	
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims		
1. Alabama	AL	147,195	113,215		(15,956)			31,699	
2. Alaska	AK								
3. Arizona	AZ	10,587	12,100		702			3,620	
4. Arkansas	AR	(1,083)	4,176		(4,396)			405	
5. California	CA								
6. Colorado	CO	12,541	10,854		(1,966)			2,783	
7. Connecticut	CT	3,591	5,605		(722)			1,636	
8. Delaware	DE								
9. District of Columbia	DC								
10. Florida	FL	211,383	214,232		52,325	.74,884	2	.56,922	
11. Georgia	GA	42,997	47,875		5,122	5,000	1	15,044	
12. Hawaii	HI								
13. Idaho	ID	.6,587	.5,446		389			.1,692	
14. Illinois	IL	114,883	125,869	11,438	1	492,157	631,742	.2	38,903
15. Indiana	IN	21,956	21,237			(988)	.46,129	.1	.6,437
16. Iowa	IA	20,596	17,640			(1,555)			.4,798
17. Kansas	KS	12,615	10,311			(2,456)			.324
18. Kentucky	KY	15,649	16,067			(4,709)			.4,855
19. Louisiana	LA								
20. Maine	ME								
21. Maryland	MD	.6,187	.4,640		625			.1,449	
22. Massachusetts	MA								
23. Michigan	MI	135,171	150,834	12,179		(28,201)	.54,021	.4	.52,549
24. Minnesota	MN	41,925	37,483			(2,960)	.30,000	.1	.9,634
25. Mississippi	MS								
26. Missouri	MO	25,468	22,105			(1,621)			.5,748
27. Montana	MT	49,861	37,329			(3,260)			.9,983
28. Nebraska	NE	.78	1,744			.9,652	24,909	.1	.493
29. Nevada	NV								
30. New Hampshire	NH	19,610	15,728			1,964			.4,583
31. New Jersey	NJ								
32. New Mexico	NM		.1,976			.146			.645
33. New York	NY	86,340	76,305			.6,165			.26,563
34. North Carolina	NC	24,521	20,740			(12)			.6,101
35. North Dakota	ND								
36. Ohio	OH	202,913	187,489			228,719	260,706	.1	.45,677
37. Oklahoma	OK								
38. Oregon	OR					(82)			(246)
39. Pennsylvania	PA	63,518	.79,062			(17,926)			10,896
40. Rhode Island	RI								
41. South Carolina	SC	.5,583	.6,268			.573			.1,809
42. South Dakota	SD								
43. Tennessee	TN	33,757	.45,185			(852)			.11,858
44. Texas	TX	27,027	.35,888			(3,421)			.8,158
45. Utah	UT	27,696	20,730			(2,925)			.3,978
46. Vermont	VT	.120	.7,182			.301			.2,375
47. Virginia	VA	35,984	.35,310			(4,641)			.7,907
48. Washington	WA	.949	.712			.49			.253
49. West Virginia	WV	14,167	.10,626			(1,429)			.2,848
50. Wisconsin	WI	72,630	.70,046			(35,925)	.5,000	.1	.6,920
51. Wyoming	WY	.8,521	.5,995			.813			.1,319
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. U.S. Virgin Islands	VI								
56. Northern Mariana Islands	MP								
57. Canada	CAN								
58. Aggregate other alien	OT	0	0	0	0	0	0	0	0
59. Totals		1,501,523	1,478,004	23,617	1	663,697	1,132,391	14	390,617
<b>DETAILS OF WRITE-INS</b>									
58001.									
58002.									
58003.									
58998. Sum. of remaining write-ins for Line 58 from overflow page		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0	0



**SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

Designate the type of health care providers reported on this page.

Other Health Care Facilities

**SUPPLEMENT "A" TO SCHEDULE T  
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN  
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL	.231	.231		(1,165)			.50
2. Alaska	AK							
3. Arizona	AZ							
4. Arkansas	AR							
5. California	CA							
6. Colorado	CO							
7. Connecticut	CT							
8. Delaware	DE							
9. District of Columbia	DC							
10. Florida	FL							
11. Georgia	GA							
12. Hawaii	HI							
13. Idaho	ID							
14. Illinois	IL							
15. Indiana	IN							
16. Iowa	IA							
17. Kansas	KS							
18. Kentucky	KY							
19. Louisiana	LA							
20. Maine	ME							
21. Maryland	MD							
22. Massachusetts	MA							
23. Michigan	MI	.521			(2,920)			
24. Minnesota	MN							
25. Mississippi	MS							
26. Missouri	MO							
27. Montana	MT							
28. Nebraska	NE							
29. Nevada	NV							
30. New Hampshire	NH							
31. New Jersey	NJ							
32. New Mexico	NM							
33. New York	NY		1,384		(675)			
34. North Carolina	NC							
35. North Dakota	ND							
36. Ohio	OH	118,325	.89,945		(3,927)			26,636
37. Oklahoma	OK							
38. Oregon	OR							
39. Pennsylvania	PA	103,564	.78,016		5,243			17,825
40. Rhode Island	RI							
41. South Carolina	SC							
42. South Dakota	SD							
43. Tennessee	TN							
44. Texas	TX							
45. Utah	UT							
46. Vermont	VT							
47. Virginia	VA	38,220	.28,665		(1,287)			8,399
48. Washington	WA							
49. West Virginia	WV							
50. Wisconsin	WI	.3,172	.3,276		35,900	112,907	2	302
51. Wyoming	WY							
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate other alien	OT	0	0	0	0	0	0	0
59. Totals		263,512	202,038	0	31,170	112,907	2	53,211
<b>DETAILS OF WRITE-INS</b>								
58001.								
58002.								
58003.								
58998. Sum. of remaining write-ins for Line 58 from overflow page		0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0



**SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE CINCINNATI INDEMNITY COMPANY**

**DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT**

Year To Date For The Period Ended 2016

NAIC Group Code 0244

NAIC Company Code 23280

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
\$ 54,090	\$ 56,039	\$ 738

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 [X] 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 [X] 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: \$ ..... 69,715

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. \$ ..... 904