

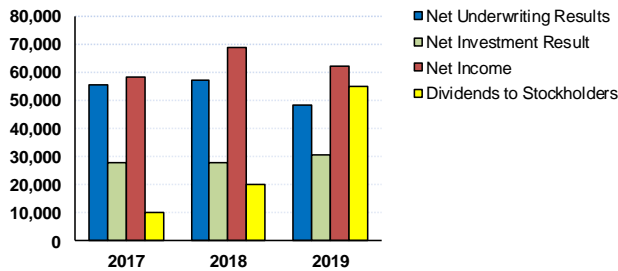


**CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY, NAIC #13037
CINNINATI FINANCIAL CORPORATION**

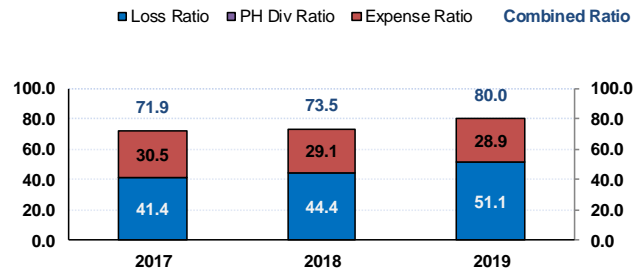
Dollars in 000

	2017	2018	2019		2017	2018	2019
Total Assets	820,570	916,163	1,048,729	RBC Ratio (%)	1,231.4	1,179.1	980.5
Total Liabilities	384,610	437,412	522,648	2yr Res Development	-57,341	-44,859	-30,496
Policyholder Surplus	435,960	478,750	526,082	2yr Dev / Surplus	-18.7%	-12.1%	-7.0%
Cash & Invested Assets	788,238	862,350	981,462	Affiliated Common Stock	0	0	0
Cash & Invested Assets/ Total Assets	96.1%	94.1%	93.6%	Affiliated CS / Surplus	0.0%	0.0%	0.0%
Net Cash from Operations	92,518	122,352	140,024	Net Reins Recoverable	7,459	12,663	14,896
Loss & LAE Reserves	261,071	290,850	342,642	Net Reins Rec / Surplus	1.7%	2.6%	2.8%
Loss & LAE Reserves/Surplus	59.9%	60.8%	65.1%	AMB / S&P Ratings	A+ / NR	A+ / NR	A+ / NR

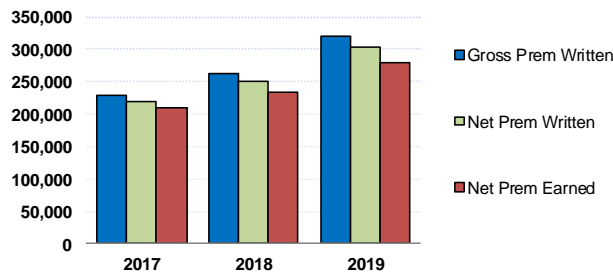
Income/Loss Trends (\$000)



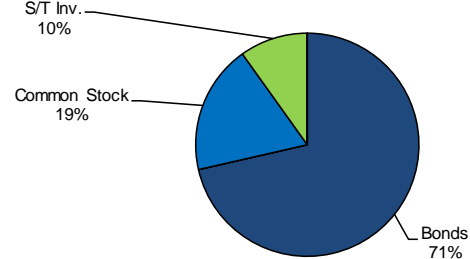
Combined Ratio (%) Trends



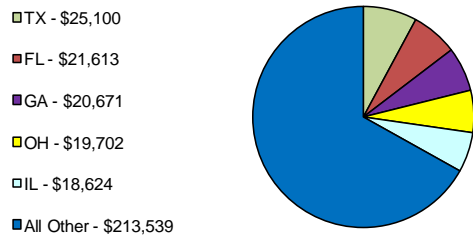
Premium Trends (\$000)



2019 Investment Portfolio

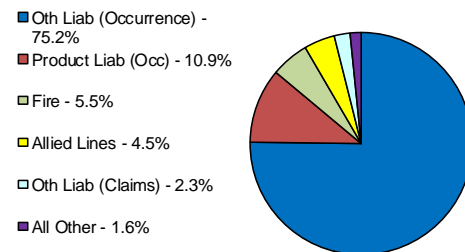


2019 Top 5 Geographies (DPW - \$000)



Total NY State DPW \$14,767
Total US ex Terr DPW \$319,249

2019 Top 5 Lines of Business (DPW/Total DPW)



Total All Lines \$319,249

Top 5 Reinsurers for Cincinnati Spclty Underwriters by Gross Recoverables

Period: 2019Y

Dollars in 000

Reinsurer	Reinsurance Class	Reins Authorized Status	Gross Recov	Over 120 Days Overdue
1 - Cincinnati Insurance Company	US Affiliated Non-captive Non-pooling	Authorized	15,330	0
2 - General Reinsurance Corporation	US Unaffiliated	Authorized	634	0
3 - Arch Reinsurance Company	US Unaffiliated	Authorized	380	0
4 - XL Reinsurance America Inc.	US Unaffiliated	Authorized	220	0
5 - Hartford Steam Boiler Inspection and Insurance Company	US Unaffiliated	Authorized	74	0

HISTORY

Cincinnati Specialty Underwriters Insurance Company (Cincinnati Specialty) was incorporated in the State of Delaware in August 2007, as a subsidiary of Cincinnati Insurance Company (Cincinnati Insurance), itself a subsidiary of Cincinnati Financial Corporation (Cincinnati Financial). The company has been eligible to write surplus lines business in New York since December 16, 2008. As of December 31, 2019, Cincinnati Specialty is a Delaware domestic surplus lines insurer and operated on a non-admitted basis in forty-nine (49) states and the District of Columbia.

REINSURANCE

Cincinnati Specialty maintains various excess of loss (xol) and facultative treaties with its parent, Cincinnati Insurance, and non-affiliates. For property risks, the company retains \$1m, cedes amounts greater than \$1m up to \$5m on a xol basis to Cincinnati Insurance, and maintains facultative cover with non-affiliated reinsurers for amounts greater than \$5m. For casualty risks, the company retains \$2m, cedes amounts greater than \$2m up to \$6m on a xol basis to Cincinnati Insurance, and maintains facultative cover with non-affiliated reinsurers for amounts greater than \$6m. For property catastrophe risks, the company is a named participant on corporate catastrophe covers with non-affiliated reinsurers. For the years 2017 through 2019, Cincinnati Specialty net reinsurance recoverable did not exceed \$15m, or 2.8% of company surplus.

HOLDING COMPANY

Founded in 1950 by insurance agents and brothers John and Robert Schiff, with headquarters in Fairfield, OH, Cincinnati Financial Corporation offers primarily business, home and auto insurance, through The Cincinnati Insurance Company and its two standard market property casualty companies and offers specialty excess and surplus insurance through the Cincinnati Specialty. Other subsidiaries offer life insurance, disability income and fixed annuities. AM Best collectively rates the six (6) insurance subsidiaries of Cincinnati Financial, including Cincinnati Specialty Insurance Company. For the years 2017 through 2019 the group was rated 'A+' and assigned the financial size of XV (\$2bn - >).

SUBSEQUENT EVENTS

In March 2020, the Covid-19 influenza was recognized as a global pandemic, severely disrupting economic activity. As of April, 2020, the results of this event upon year-ending 2020 insurance operations and those of its parent group are not known. For those companies exposed however, the potential for reduced premiums, return of premiums, and an increase in collections and operation expense may reduce cash flows. Losses and loss adjustment expenses may increase when losses become known and investments in affiliates and equity investments may suffer a decline in values. Also, the effect of future legislation, regulation and litigation could cause an adverse financial impact on those companies exposed.

Important Information Regarding Financial Summaries

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

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

ULTIMATE PARENT – Cincinnati Financial Corporation

Corporate Profile		Financial Strength Ratings	
Address:	Cincinnati Financial Corporation 6200 South Gilmore Road Fairfield, OH, 45014	S&P Global:	-
Website:	https://www.cinfin.com/	Moody's:	-
President :	Steven Justus Johnston	Fitch:	-
Ticker Symbol:	NASDAQ: CIN	AM Best - P&C:	-
2019 Form 10-K:	https://www.sec.gov/ix?doc=/Archives/edgar/data/20286/000002028620000011/cinf-20191231x10k.htm		

Highlights (\$000)	2016	2017	2018	2019
Total Assets	20,386,000	21,843,000	21,935,000	25,408,000
Total Policy Reserves	10,063,000	10,406,000	11,002,000	11,770,000
Total Debt	846,000	851,000	866,000	885,000
Total Other Liabilities	786,000	792,000	804,000	928,000
Sep Account Liabilities	766,000	806,000	803,000	882,000
Total Liabilities	13,326,000	13,600,000	14,102,000	15,544,000
Total Equity	7,060,000	8,243,000	7,833,000	9,864,000
Total Liab & Equity	20,386,000	21,843,000	21,935,000	25,408,000
Book Value / Share (\$)	42.95	50.29	48.10	60.55
Reserves / Investments & Cash (x)	0.62	0.59	0.63	0.57
Reserves / Liabilities (x)	0.76	0.77	0.78	0.76
Reserves / Equity (x)	1.43	1.26	1.40	1.19
Debt / Equity (x)	0.12	0.10	0.11	0.09
Dec. 31 Closing Price (\$)	75.75	74.97	77.42	105.15
Net Income (\$)	591,000	1,045,000	287,000	1,997,000
Basic EPS (\$)	3.59	6.36	1.76	12.24
Investment Yield (%)	4.53	4.46	1.23	11.94
Ratios (%)				
Loss Ratio	63.80	66.40	65.50	62.80
Expense Ratio	31.00	31.10	30.90	31.00
PH Dividend Ratio	0.00	0.00	0.00	0.00
Combined Ratio	94.80	97.50	96.40	93.80

Company Description and Notes

Industries: Property and Casualty on Home, Auto and Business, Specialty Lines, Life, Annuities, Insurance Services, Claims Management and Associated Investment Management

Geography: United States

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