



QUARTERLY STATEMENT

AS OF JUNE 30, 2009

OF THE CONDITION AND AFFAIRS OF THE

CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

NAIC Group Code 0244 (Current Period), 0244 (Prior Period) NAIC Company Code 13037 Employer's ID Number 65-1316588

Organized under the Laws of Delaware, State of Domicile or Port of Entry Delaware

Country of Domicile United States

Incorporated/Organized 08/13/2007 Commenced Business 11/02/2007

Statutory Home Office Brandywine Village, 1807 North Market St (Street and Number), Wilmington, DE 19802-4810 (City or Town, State and Zip Code)

Main Administrative Office 6200 South Gilmore Rd (Street and Number), Fairfield, OH 45014-5141 (City or Town, State 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 45250-5496 (City or Town, State and Zip Code)

Primary Location of Books and Records 6200 South Gilmore Rd (Street and Number), Fairfield, OH 45014-5141 (City or Town, State and Zip Code) 513-870-2000-4825 (Area Code) (Telephone Number)

Internet Web Site Address www.cinfin.com

Statutory Statement Contact Brandon McIntosh (Name) 513-870-2000-4825 (Area Code) (Telephone Number) (Extension)
brandon_mcintosh@cinfin.com (E-Mail Address) 513-603-5500 (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>KENNETH WILLIAM STECHER</u>	<u>CHIEF EXECUTIVE OFFICER, PRESIDENT</u>	<u>STEVEN JUSTUS JOHNSTON</u>	<u>CHIEF FINANCIAL OFFICER, SECRETARY, TREASURER</u>

OTHER OFFICERS

<u>DONALD JOSEPH DOYLE JR</u>	<u>SENIOR VICE PRESIDENT</u>	<u>MARTIN FRANCIS HOLLENBECK</u>	<u>SENIOR VICE PRESIDENT</u>
<u>MARC JON SCHAMBOW</u>	<u>ASSISTANT SECRETARY</u>	<u>SCOTT EDWARD HINTZE</u>	<u>ASSISTANT SECRETARY</u>
<u>STEVEN MICHAEL SPRAY</u>	<u>SECRETARY</u>		

DIRECTORS OR TRUSTEES

<u>WILLIAM FORREST BAHL</u>	<u>JAMES EUGENE BENOSKI</u>	<u>GREGORY THOMAS BIER</u>	<u>DONALD JOSEPH DOYLE JR</u>
<u>THOMAS ANTHONY JOSEPH</u>	<u>WILLIAM RODNEY MCMULLEN</u>	<u>JOHN FREDERICK STEELE JR #</u>	<u>JACOB FERDINAND SCHERER JR</u>
<u>JOHN JEFFERSON SCHIFF JR</u>	<u>THOMAS REID SCHIFF</u>	<u>TIMOTHY LEE TIMMEL</u>	<u>LARRY RUSSEL WEBB</u>
	<u>MARTIN FRANCIS HOLLENBECK</u>		
<u>EARNEST ANTHONY WOODS</u>	<u>#</u>	<u>STEVEN JUSTUS JOHNSTON #</u>	<u>MARTIN JOSEPH MULLEN #</u>
<u>CHARLES PHILIP STONEBURNER II #</u>	<u>KENNETH WILLIAM STECHER</u>		

State of OHIO

ss

County of BUTLER

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.

KENNETH W STECHER
CHIEF EXECUTIVE OFFICER, PRESIDENT

STEVEN J JOHNSTON
CHIEF FINANCIAL OFFICER, SECRETARY,
AND TREASURER

DONALD J DOYLE JR
SENIOR VICE PRESIDENT

Subscribed and sworn to before me this
13 day of AUGUST, 2009

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 JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	181,462,605		181,462,605	135,787,882
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				10,829,100
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$9,018,674), cash equivalents (\$) and short-term investments (\$)	9,018,674		9,018,674	41,076,495
6. Contract loans (including \$ premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	190,481,278		190,481,278	187,693,477
11. Title plants less \$ charged off (for Title insurers only)				
12. Investment income due and accrued	2,764,771		2,764,771	2,166,172
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	133,828		133,828	260,230
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon	2,149,866		2,149,866	
16.2 Net deferred tax asset	3,101,789	1,877,000	1,224,789	682,301
17. Guaranty funds receivable or on deposit				
18. Electronic data processing equipment and software				
19. Furniture and equipment, including health care delivery assets (\$)				
20. Net adjustment in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	3,036,200		3,036,200	2,498,852
22. Health care (\$) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	81,813		81,813	
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	201,749,544	1,877,000	199,872,544	193,301,032
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	201,749,544	1,877,000	199,872,544	193,301,032
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998)(Line 9 above)				
2301. Miscellaneous Receivable	81,813		81,813	
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	81,813		81,813	

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$286,668)	8,832,424	3,671,351
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	3,334,000	913,000
4. Commissions payable, contingent commissions and other similar charges	224,450	125,000
5. Other expenses (excluding taxes, licenses and fees)	697,946	711,459
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	83,422	45,916
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		932,060
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$325,904 and including warranty reserves of \$)	16,376,099	9,222,363
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	114,290	98,207
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		162
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	644,908	3,260,702
20. Payable for securities		
21. Liability for amounts held under uninsured plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities		12,989
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	30,307,537	18,993,209
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	30,307,537	18,993,209
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	5,250,000	5,250,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	194,750,000	194,803,047
33. Unassigned funds (surplus)	(30,434,993)	(25,745,224)
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		
34.2 shares preferred (value included in Line 29 \$)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	169,565,007	174,307,823
36. TOTALS	199,872,544	193,301,032
DETAILS OF WRITE-INS		
2301. Accounts Payable - Other		12,989
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)		12,989
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 17,911,984)	10,561,637	678,350	5,036,287
1.2 Assumed (written \$)			
1.3 Ceded (written \$ 658,888)	462,277	165,732	534,281
1.4 Net (written \$ 17,253,096)	10,099,360	512,618	4,502,006
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 2,888,517):			
2.1 Direct	5,694,317	435,000	3,750,353
2.2 Assumed			
2.3 Ceded	18,000	27,000	50,000
2.4 Net	5,676,317	408,000	3,700,353
3. Loss adjustment expenses incurred	2,714,013	464,950	1,230,608
4. Other underwriting expenses incurred	11,017,770	2,200,191	11,124,733
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	19,408,099	3,073,141	16,055,694
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1.4 minus Line 6 + Line 7)	(9,308,739)	(2,560,523)	(11,553,688)
INVESTMENT INCOME			
9. Net investment income earned	4,423,349	4,429,789	8,400,760
10. Net realized capital gains (losses) less capital gains tax of \$ (1,115,052)	(2,447,113)	(207,046)	(23,011,794)
11. Net investment gain (loss) (Lines 9 + 10)	1,976,236	4,222,743	(14,611,034)
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)			
16. Net income before dividends to policyholders after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(7,332,504)	1,662,220	(26,164,722)
17. Dividends to policyholders			
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)	(7,332,504)	1,662,220	(26,164,722)
19. Federal and foreign income taxes incurred	(1,036,874)	270,150	11,907,026
20. Net income (Line 18 minus Line 19)(to Line 22)	(6,295,630)	1,392,070	(38,071,748)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	174,307,822	195,946,297	195,946,297
22. Net income (from Line 20)	(6,295,630)	1,392,070	(38,071,748)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 325,290	604,110	(38,027,946)	(19,704,056)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	1,603,752	(12,249,476)	14,093,486
27. Change in nonadmitted assets	(602,000)		(1,275,000)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	(53,047)	35,669,033	23,318,843
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(4,742,815)	(13,216,319)	(21,638,475)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	169,565,007	182,729,978	174,307,822
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	17,395,580	13,562,346
2. Net investment income	3,696,246	7,249,987
3. Miscellaneous income		
4. Total (Lines 1 to 3)	21,091,826	20,812,333
5. Benefit and loss related payments	808,256	346,610
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions	10,901,000	10,267,235
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$(1,115,052) tax on capital gains (losses)	796,028	(1,510,767)
10. Total (Lines 5 through 9)	12,505,284	9,103,078
11. Net cash from operations (Line 4 minus Line 10)	8,586,542	11,709,255
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,736,450	2,655,000
12.2 Stocks	10,245,337	26,508,054
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,981,787	29,163,054
13. Cost of investments acquired (long-term only):		
13.1 Bonds	50,324,998	85,068,685
13.2 Stocks		838,060
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		3,315,351
13.7 Total investments acquired (Lines 13.1 to 13.6)	50,324,998	89,222,096
14. Net increase (or decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(37,343,211)	(60,059,042)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	(53,047)	
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied).....	(3,248,105)	292,381
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(3,301,152)	292,381
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(32,057,821)	(48,057,406)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	41,076,495	89,133,901
19.2 End of period (Line 18 plus Line 19.1)	9,018,674	41,076,495

STATEMENT AS OF JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

**CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY
STATUTORY FOOTNOTE 9
6/30/2009**

1. Summary of Significant Accounting Policies - No Change.
2. Accounting Changes and Corrections of Errors - No Change.
3. Business Combinations and Goodwill - No Change.
4. Discontinued Operations - No Change.
5. Investments - No Change.
6. Joint Ventures, Partnerships - No Change.
7. Investment Income - No Change.
8. Derivative Instruments - No Change.
9. Income Taxes - No Change.

A. The components of the net deferred tax asset/ (liability) are as follows:

	June 30 2009	December 31, 2008
Total of gross deferred tax assets (admitted and nonadmitted)	3,101,789	1,957,301
Total of gross deferred tax liabilities	-	-
Net deferred tax liability	(3,101,789)	(1,957,301)
Deferred tax asset nonadmitted	(1,877,000)	(1,275,000)
Net admitted deferred tax liability	(1,224,789)	(682,301)
(Increase)decrease in deferred tax asset nonadmitted	602,000	

B. The Company has recognized all deferred tax liabilities.

C. Current income taxes incurred consist of the following major components:

	2009	2008
Current year tax-operations	(1,036,874)	11,907,026
Current year tax- capital gains	(1,115,052)	(12,390,966)
Current income taxes incurred	(2,151,926)	(483,940)

	2009	2008
Deferred tax assets:		
Unearned premium reserve	1,146,327	645,565
Unpaid loss reserves	418,796	157,804
Investments	1,411,198	700,258
Other deferred tax assets	125,469	128,383
Unrealized gain/(loss) on investments	-	325,290
Total deferred tax assets	3,101,789	1,957,301
Non-admitted deferred tax assets	(1,877,000)	(1,275,000)
Admitted deferred tax assets	1,224,789	682,301
Deferred tax liabilities:		
Unrealized gain/(loss) on investments	-	-
Other deferred tax liabilities	-	-
Total deferred tax liabilities	-	-
Net admitted deferred tax asset (liability)	1,224,789	682,301

	2009	2008	Change
Total deferred tax assets	3,101,789	1,957,301	1,144,488
Total deferred tax liabilities	-	-	-
Net deferred tax asset/ (liability)	3,101,789	1,957,301	1,144,488
Tax effect of unrealized gains/ (losses)			325,290
Change in net deferred income tax excluding unrealized			1,469,778

D. The provision for federal and foreign 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:

	June 30, 2009	Effective Tax Rate
Provision computed at statutory rate	(2,956,644)	35.00%
Items permanent in nature	(665,060)	7.87%
Total	(3,621,705)	42.87%
Current income taxes incurred	(2,151,926)	25.47%
Change in net deferred income tax excluding unrealized	(1,469,778)	17.40%
Total statutory income taxes incurred	(3,621,705)	42.87%

- E. (1) At June 30, 2009, the company had no loss carry forwards to utilize in future years.
(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

2009	-
2008	-

(3) There were no aggregate amount of deposits admitted under Sec. 6603 of the Internal Revenue Code.

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

Cincinnati Financial Corporation (Parent)
The Cincinnati Insurance Company
The Cincinnati Casualty Company
The Cincinnati Indemnity Company
The Cincinnati Life Insurance Company
CFC Investment Company
CinFin Capital Management Company
CSU Producer Resources, Inc.

(2) The method of allocation between the companies is subject to written agreement, approved by each company's respective Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled annually in the third quarter.

10. Parent, Subsidiaries, Affiliates - No Change.
11. Debt - No Change.
12. Retirement Plans - No Change.
13. Capital and Surplus... - No Change.
14. Contingencies - No Change.
15. Leases - No Change.
16. Information About Financial Instruments... - No Change.
17. Sale, Transfer, and Servicing of Financial Assets... - No Change.
18. Gain or Loss from Uninsured A&H Plans... - No Change.
19. Direct Premium Written/Produced by Managing General Agents... - No Change.
20. September 11 Events - No Change.
21. Other Items - No Change.
22. Events Subsequent - No Change.
23. Reinsurance - No Change.
24. Retrospectively Rated Contracts - Reserves as of December 31, 2008 were \$4,584,351. As of June 30, 2009, \$337,982 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$4,209,574 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on commercial casualty lines of insurance. Therefore, there has been \$36,795 favorable prior-year development since December 31, 2008 to June 30, 2009. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. Because the Company does not write retrospectively rated policies, prior-year development does not effect premium adjustments.
25. Change in Incurred Losses - No Change.
26. Intercompany Pooling Arrangements - No Change.
27. Structured Settlements - No Change.
28. Health Care Receivables - No Change.
29. Participating Policies - No Change.
30. Premium Deficiency Reserves - No Change.
31. High Deductibles - No Change.
32. Discounting of Liabilities for Unpaid Losses - No Change.
33. Asbestos/Environmental Reserves - No Change.
34. Subscriber Savings Accounts - No Change.
35. Multiple Peril Crop Insurance - No Change.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted.)

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
3. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008
- 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. 10/09/2007
- 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). 11/02/2007
- 6.4 By what department or departments?
.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] NA [X]
- 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 Office of Thrift Supervision (OTS), 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 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?..... Yes 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

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

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

.....

FINANCIAL

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....\$640,199

INVESTMENT

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

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

.....

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

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).....	\$	\$
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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. 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 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....

Yes [X] No []

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

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

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

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

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

Yes [] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

Yes [X] No []

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

PART 2 PROPERTY & CASUALTY INTERROGATORIES

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

If yes, attach an explanation.

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

If yes, attach an explanation.

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

3.2 If yes, give full and complete information thereto.

.....

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

4.2 If yes, complete the following schedule:

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

Schedule F
NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL E	353,605		1,917		105,360	
2. Alaska	AK E						
3. Arizona	AZ E	205,678				84,819	
4. Arkansas	AR E	305,985				52,882	
5. California	CA N						
6. Colorado	CO E						
7. Connecticut	CT E						
8. Delaware	DE L						
9. District of Columbia	DC E						
10. Florida	FL N					119,419	
11. Georgia	GA E	1,401,017	446,616			859,225	35,354
12. Hawaii	HI E						
13. Idaho	ID E	71,993				6,618	
14. Illinois	IL E	1,771,943	1,001,921	60,013		1,204,955	91,232
15. Indiana	IN E	2,346,725	967,590	10,880		999,707	76,450
16. Iowa	IA E	175,280				297,828	
17. Kansas	KS E	143,305				10,934	
18. Kentucky	KY E	725,766		3,390		67,412	
19. Louisiana	LA E						
20. Maine	ME E						
21. Maryland	MD E	346,527		14,690		153,530	
22. Massachusetts	MA E						
23. Michigan	MI E	902,954	53,592			245,630	960
24. Minnesota	MN E	588,713		200		97,736	
25. Mississippi	MS E						
26. Missouri	MO E	642,304		2,000		133,633	
27. Montana	MT E	161,419		1,415		51,472	
28. Nebraska	NE E	116,235				7,697	
29. Nevada	NV E						
30. New Hampshire	NH E	113,650				8,641	
31. New Jersey	NJ E						
32. New Mexico	NM E	81,089				9,687	
33. New York	NY E	216,157				11,848	
34. North Carolina	NC E	795,800	24,985			342,932	302
35. North Dakota	ND E	42,766				5,008	
36. Ohio	OH E	2,428,803	1,090,778	401,057		3,192,539	213,916
37. Oklahoma	OK E						
38. Oregon	OR E						
39. Pennsylvania	PA E	681,813				46,157	
40. Rhode Island	RI N						
41. South Carolina	SC E	221,345				90,085	
42. South Dakota	SD E	66,245				4,962	
43. Tennessee	TN E	557,522				47,202	
44. Texas	TX E	107,827				5,462	
45. Utah	UT E	611,914		1,224		85,247	
46. Vermont	VT E	144,218				21,396	
47. Virginia	VA E	574,281	750	16,972		177,145	
48. Washington	WA E	33,618				1,348	
49. West Virginia	WV E	422,638		1,235		104,215	
50. Wisconsin	WI E	552,849	162,406	250		247,696	16,786
51. Wyoming	WY E						
52. American Samoa	AS N						
53. Guam	GU N						
54. Puerto Rico	PR N						
55. U.S. Virgin Islands	VI N						
56. Northern Mariana Islands	MP N						
57. Canada	CN N						
58. Aggregate Other Alien	OT XXX						
59. Totals	(a) 1	17,911,984	3,748,638	515,243		8,900,424	435,000
DETAILS OF WRITE-INS							
5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX						
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX						

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

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART**

NONE

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	947,029	702,580	74.2	
2. Allied Lines	456,431	345,680	75.7	
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	247,434	71,500	28.9	
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake	6,130			
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence	4,977,111	2,731,189	54.9	85.1
17.2 Other liability - claims-made	(43,173)			
18.1 Products liability - occurrence	4,189,182	1,799,907	43.0	49.7
18.2 Products liability - claims-made	(218,507)	43,460	(19.9)	
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
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				
35. TOTALS	10,561,637	5,694,316	53.9	64.1
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	1,395,691	2,193,557	
2. Allied Lines	636,961	1,129,830	
3. Farmowners multiple peril			
4. Homeowners multiple peril	(1,850)		
5. Commercial multiple peril	178,716	356,416	39,159
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims-made			
12. Earthquake	12,325	17,482	
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence	4,839,382	8,576,857	1,954,712
17.2 Other liability - claims-made	43,245	47,805	
18.1 Products liability - occurrence	2,967,008	5,218,685	1,754,767
18.2 Products liability - claims-made	217,629	371,352	
19.1,19.2 Private passenger auto liability			
19.3,19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
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			
35. TOTALS	10,289,107	17,911,984	3,748,638
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)			

STATEMENT AS OF JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2009 Loss and LAE Payments on Claims Reported as of Prior Year-End	2009 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2009 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2006 + Prior													
2. 2007													
3. Subtotals 2007 + Prior													
4. 2008.....	2,968	1,616	4,584	.68	.270	.338	1,458	1,551	1,201	4,210	(1,442)	1,406	(36)
5. Subtotals 2008 + Prior	2,968	1,616	4,584	.68	.270	.338	1,458	1,551	1,201	4,210	(1,442)	1,406	(36)
6. 2009	XXX	XXX	XXX	XXX	.470	.470	XXX	2,601	5,355	7,956	XXX	XXX	XXX
7. Totals	2,968	1,616	4,584	.68	.740	.808	1,458	4,152	6,556	12,166	(1,442)	1,406	(36)
8. Prior Year-End's Surplus As Regards Policyholders	174,308										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. (48.6)	2. 87.0	3. (0.8)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (0.0)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing on "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 question.

RESPONSE

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

Explanation:

- 1.
- 2.
- 3.

Bar Code:

- 1. 
1 3 0 3 7 2 0 0 9 4 9 0 0 0 0 0 2
- 2. 
1 3 0 3 7 2 0 0 9 4 5 5 0 0 0 0 2
- 3. 
1 3 0 3 7 2 0 0 9 3 6 5 0 0 0 0 2

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
NONE		
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
NONE		
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

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	146,616,981	119,804,892
2. Cost of bonds and stocks acquired	50,324,999	155,400,245
3. Accrual of discount	140,751	117,188
4. Unrealized valuation increase (decrease)	929,400	(30,313,933)
5. Total gain (loss) on disposals	(1,772,438)	(32,899,714)
6. Deduct consideration for bonds and stocks disposed of	12,981,787	62,987,521
7. Deduct amortization of premium	5,574	1,130
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized	1,789,727	2,503,046
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	181,462,605	146,616,981
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	181,462,605	146,616,981

STATEMENT AS OF JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

SCHEDULE D - PART 1B

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

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a).....	160,963,614	4,978,620		(2,856,706)	160,963,614	163,085,527		127,753,968
2. Class 2 (a).....	11,848,741	3,974,440		863,534	11,848,741	16,686,714		8,033,914
3. Class 3 (a).....				1,690,363		1,690,363		
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds	172,812,354	8,953,060		(302,810)	172,812,354	181,462,605		135,787,882
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	172,812,354	8,953,060		(302,810)	172,812,354	181,462,605		135,787,882

(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 \$.....

S102

Schedule DA - Part 1

NONE

Schedule DA - Verification

NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

Schedule E Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator ^(a)
.216181-EU-7	IL COOK KANE LAKE CNTY GO		.04/02/2009	RW BAIRD		.984,380	1,000,000	7,750	1FE
.815626-GQ-3	KS SEDGEWICK CNTY SD #259 UTGO		.05/06/2009	GK BAUM		2,000,000	2,000,000	8,984	1FE
2499999 - Total	- Bonds - U.S. Political Subdivisions of States, Territories and Possessions					2,984,380	3,000,000	16,734	XXX
.124857-AB-9	CBS CORP		.05/08/2009	JP MORGAN		1,975,920	2,000,000		2FE
.736508-BQ-4	PORTLAND GENERAL ELECTRIC CO		.04/13/2009	DEUTSCHE BANK		1,998,520	2,000,000		2FE
.872540-AM-1	TJX CO		.04/02/2009	BANK OF AMERICA		.998,120	1,000,000		1FE
.853254-AD-2	STANDARD CHARTERED	F	.05/13/2009	GOLDMAN SACHS		.996,120	1,000,000		1FE
3899999 - Total	- Bonds - Industrial, Misc.					5,968,680	6,000,000		XXX
8399997 - Total	- Bonds - Part 3					8,953,060	9,000,000	16,734	XXX
8399999 - Total	- Bonds					8,953,060	9,000,000	16,734	XXX
8999999 - Total	- Preferred Stocks						XXX		XXX
9799999 - Total	- Common Stocks						XXX		XXX
9899999 - Total	- Preferred and Common Stocks						XXX		XXX
9999999 - Totals						8,953,060	XXX	16,734	XXX

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

STATEMENT AS OF JUNE 30, 2009 OF THE CINCINNATI SPECIALTY UNDERWRITERS INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	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 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.									
8399999	Total - Bonds																				XXX	XXX	
8999999	Total - Preferred Stocks						XXX															XXX	XXX
742718-10-9	PROCTER & GAMBLE CORPORATION		05/18/2009	BARCLAYS CAPITAL	30,000.000	1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX
9099999	Common Stocks - Industrial and Miscellaneous					1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX
9799997	Common Stocks - Part 4					1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX
9799999	Total - Common Stocks					1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX
9899999	Total - Preferred and Common Stocks					1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX
9999999	Totals					1,556,531	XXX	2,124,000	1,854,600	269,400			269,400		2,124,000		(567,469)	(567,469)		25,200		XXX	XXX

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
THE FIFTH THIRD BANK REGULAR ACCOUNT..... CINCINNATI, OH.....			78,447		3,990,812	578,374	5,018,674	XXX
THE FIFTH THIRD BANK INVESTMENT ACCOUNT..... CINCINNATI, OH.....					5,000,000	4,000,000	4,000,000	XXX
0199998 Deposits in depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX						XXX
0199999 Totals - Open Depositories	XXX	XXX	78,447		8,990,812	4,578,374	9,018,674	XXX
0399999 Total Cash on Deposit	XXX	XXX	78,447		8,990,812	4,578,374	9,018,674	XXX
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999 Total Cash	XXX	XXX	78,447		8,990,812	4,578,374	9,018,674	XXX

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
8699999 Totals							

NONE