

HARTFORD FINANCIAL SERVICES GROUP INC/DE

Form 11-K

June 30, 2008

**Table of Contents**

**FORM 11-K  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the fiscal year ended December 31, 2007**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission file number 001-13958**

A. Full title of the Plan and the address of the Plan, if different from that of the issuer named below:

**THE HARTFORD INVESTMENT AND SAVINGS PLAN**

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office:

**THE HARTFORD FINANCIAL SERVICES GROUP, INC.**

**One Hartford Plaza, Hartford, Connecticut 06155**

**The Hartford Investment and Savings Plan  
TABLE OF CONTENTS  
December 31, 2007 and 2006**

|   | Page No(s). |
|---|-------------|
| <u>Report of Independent Registered Public Accounting Firm</u>  | F-1         |
| Financial Statements:   |             |
| <u>Statements of Net Assets Available for Benefits as of December 31, 2007 and 2006</u>   | F-2         |
| <u>Statement of Changes in Net Assets Available for Benefits for the Year Ended December 31, 2007</u>   | F-3         |
| <u>Notes to Financial Statements</u>  | F-4 F-11    |
| Supplemental Schedule:  |             |
| <u>Form 5500, Schedule H, Part IV, Line 4i Schedule of Assets (Held at End of Year) as of<br/>December 31, 2007</u>   | F-12 F-14   |
| <u>Signature</u>  | F-15        |
| <b>Exhibits</b>   |             |
| Exhibit 23.1 Consent of Independent Registered Public Accounting Firm   |             |
| <u>EX-23.1: CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>  |             |
| All other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable. |             |

---

**Table of Contents**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Plan Administrator and Members of  
The Hartford Investment and Savings Plan  
Hartford, Connecticut

We have audited the accompanying statements of net assets available for benefits of The Hartford Investment and Savings Plan (the Plan) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America. Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2007 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan's management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2007 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

DELOITTE & TOUCHE LLP  
Hartford, Connecticut  
June 25, 2008

F-1

---

**Table of Contents**EIN# 06-0383750  
Plan# 100

**THE HARTFORD INVESTMENT AND SAVINGS PLAN**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**  
**AS OF DECEMBER 31, 2007 AND 2006**  
**(\$ IN THOUSANDS)**

|  | 2007                | 2006                |
|--|---------------------|---------------------|
| <b>Assets</b>  |                     |                     |
| Investments:   |                     |                     |
| The Hartford Financial Services Group, Inc. common stock (at fair value)<br>(7,465,472 and 8,386,891 shares at December 31, 2007 and 2006, respectively) | \$ 650,914          | \$ 782,581          |
| Index fund (at fair value)   | 246,149             | 246,581             |
| Mutual funds (at fair value)   | 1,460,964           | 1,156,980           |
| Pooled temporary investments (at fair value)   | 4,283               | 11,482              |
| Group annuity contracts (at fair value)  | 627,250             | 625,987             |
| Loans receivable from Members (at outstanding balance)   | 43,619              | 42,380              |
| <br>   |                     |                     |
| Total investments  | 3,033,179           | 2,865,991           |
| Dividends and interest receivable  | 6,729               | 6,748               |
| <br>   |                     |                     |
| <b>Total assets</b>  | <b>3,039,908</b>    | <b>2,872,739</b>    |
| <br>   |                     |                     |
| <b>Liabilities</b>   |                     |                     |
| Administrative expenses payable  | 486                 | 313                 |
| <br>   |                     |                     |
| <b>Total liabilities</b>   | <b>486</b>          | <b>313</b>          |
| <br>   |                     |                     |
| <b>Net assets available for benefits at fair value</b>   | <b>3,039,422</b>    | <b>2,872,426</b>    |
| <br>   |                     |                     |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts   | 4,052               | 6,376               |
| <br>   |                     |                     |
| <b>Net assets available for benefits</b>   | <b>\$ 3,043,474</b> | <b>\$ 2,878,802</b> |

*See Notes to Financial Statements.*

Table of ContentsEIN# 06-0383750  
Plan# 100

**THE HARTFORD INVESTMENT AND SAVINGS PLAN**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(\$ IN THOUSANDS)**

|  | <b>2007</b>        |
|--|--------------------|
| <b>Additions to net assets attributed to:</b>    |                    |
| Investment income:                               |                    |
| Net depreciation in fair value of investments    | \$ (4,236)         |
| Dividends and interest                           | 186,154            |
| <br>   |                    |
| Total investment income                          | 181,918            |
| Interest on Member loans                         | 3,334              |
| Employee contributions                           | 139,362            |
| Employer contributions, net of forfeitures       | 61,905             |
| Rollover contributions                           | 17,172             |
| <br>   |                    |
| <b>Total additions</b>                           | <b>403,691</b>     |
| <br>   |                    |
| <b>Deductions from net assets attributed to:</b> |                    |
| Benefits paid to Members                         | 236,599            |
| Administrative expenses                          | 2,420              |
| <br>   |                    |
| <b>Total deductions</b>                          | <b>239,019</b>     |
| <br>   |                    |
| <b>Net increase</b>                              | <b>164,672</b>     |
| <br>   |                    |
| <b>Net assets available for benefits:</b>        |                    |
| Beginning of year                                | 2,878,802          |
| <br>   |                    |
| End of year                                      | <b>\$3,043,474</b> |

*See Notes to Financial Statements.*

**Table of Contents**

**THE HARTFORD INVESTMENT AND SAVINGS PLAN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006  
(*\$ in thousands*)**

**Note 1. Description of the Plan**

The following description of The Hartford Investment and Savings Plan (the Plan) is provided for general information purposes only. Members should refer to the Plan Document for more complete information.

The Hartford Financial Services Group, Inc., a Delaware corporation, and its subsidiaries (collectively, The Hartford or the Company) provide investment products, life insurance, group benefits, automobile and homeowners products, and business and property-casualty insurance to both individual and commercial customers in the United States and internationally. The Plan Sponsor, Hartford Fire Insurance Company, is a wholly owned subsidiary of The Hartford. Information with regard to eligibility, contributions, distributions, vesting, trustees, withdrawals, loans, fund redistribution and definitions of all capitalized terms are contained in the Plan Document. A Summary Plan Document describing the highlights of the Plan is available to Members on the Fidelity NetBenefits website.

**Plan Changes**

See Note 9 for a general description of amendments made to the Plan Document during the year ended December 31, 2007 and 2006.

**General**

The Plan is a defined contribution plan covering substantially all full-time and part-time employees of the Company who have attained age 18. The Pension Administrative Committee of the Company controls and manages the operation and administration of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Trust, as defined in the Plan Document, is the aggregate funds held by the Trustee, State Street Bank and Trust Company, under the trust agreement established for the purposes of this Plan.

**Contributions**

Plan Members may elect to save a percentage of their base salary and may designate their savings as before-tax, after-tax or a combination of both. Generally, savings may be elected based on 1% to 30% of base salary. Members who are highly compensated employees may have contribution limits of less than 30% due to the operation of certain tests required under the Internal Revenue Code of 1986, as amended (the Code). Pursuant to the terms of the Plan, highly compensated employees are employees whose prior year earnings are equal to or exceed \$100 and \$95 per annum for 2007 and 2006, respectively.

Basic Savings are contributions which are not in excess of the first 6% of a Member's base salary. For Members who have completed at least six months of service, an amount equal to 50% of a Member's Basic Savings is matched by the Company (Matching Company contribution). Members' savings in excess of 6% of base salary are Supplemental Savings that are not matched by the Company. In addition, the Company contributes 0.5% of highly compensated eligible employees' base salary and 1.5% of all other eligible employees' base salary (Floor Company contribution) to each employee's Floor Company contribution account. An employee becomes eligible for Floor Company contributions after reaching the age of 18 and completing six months of service, regardless of whether the employee elects to participate in the Plan.

**Administrative Costs**

The Trust pays certain administrative expenses of the Plan out of the assets of the Trust. Expenses not paid by the Trust are borne by the Company.

**Table of Contents**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Member Accounts**

Each Member's account is credited with that Member's contributions and allocations of (a) the Matching Company contributions and Floor Company contributions and (b) Plan earnings, and is charged with withdrawals and an allocation of administrative expenses and Plan losses. Allocations are based on Member account balances, as defined in the Plan Document. The benefit to which a Member is entitled is the benefit that can be provided from that Member's vested account balance.

**Vesting**

Members are 100% vested at all times with respect to employee and Floor Company contributions and earnings thereon. Vesting in Matching Company contributions begins after one year of service at which time Members are 20% vested. The vesting increases 20% each consecutive year until the fifth anniversary of service at which time the Members are 100% vested. Notwithstanding the foregoing statement, a Member becomes fully vested in such Member's Matching Company contribution account upon retirement (for certain Members), disability, death, reaching age 65, or upon the complete discontinuance of Matching Company contributions or termination of the Plan.

**Investment Options**

As of December 31, 2007, contributions of Member savings and Company contributions may be invested in any of the twenty investment options of the Plan (see Note 9) in multiples of 1%, as elected by the Member (Member directed investments).

Certain investment options are parties-in-interest with The Hartford. See Notes 3 and 8 for further discussion.

**Member Loans**

Members may borrow from their accounts a minimum of \$0.5 to a maximum equal to the lesser of \$50 or 50% of their vested account balances. Loan transactions are treated as transfers between the investment funds and the loan fund. Loan terms range from one to five years, or up to 15 years for the purchase of a primary residence. The loan is secured by the balance in the Member's account and bears interest at the prime rate in the 3-month calendar quarter in which the loan originates (as published in the Wall Street Journal) plus 1% and is fixed for the term of the loan. Principal and interest is paid ratably through payroll deductions.

**Payment of Benefits**

On termination of service due to death, disability, retirement, or other reasons, Members or their designated beneficiaries may elect to receive either a lump sum amount equal to the value of the vested interest in their respective accounts, annual installments over a period not greater than thirty years (subject to certain conditions), or annual installments over the recipient's life expectancy and may be paid in cash or stock distributions. Members or their designated beneficiaries may also elect to defer distributions subject to certain conditions.

**Forfeitures**

At December 31, 2007 and 2006, forfeited non-vested accounts totaled \$1,136 and \$302, respectively. These forfeitures are applied to reduce future employer contributions. During the year ended December 31, 2007, employer contributions were reduced by \$289 from forfeitures.

**Note 2. Accounting Policies**

**Basis of Accounting**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



**Table of Contents**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Plan to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition**

The Plan utilizes various investment instruments, including mutual funds, company stock and investment contracts. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities may occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

The Plan's investments are stated at fair value. The fair value of the common stock of The Hartford Financial Services Group, Inc. ( HFSG ) is based on quoted market prices. Mutual funds and pooled temporary investment funds are valued at the net asset value of shares held by the Plan at year end. The Stable Value Fund includes synthetic and traditional guaranteed investment contracts (the GIC s ) whose underlying investments are stated at fair value. Fair value of the underlying investments in the GIC s is determined by the issuer based on the replacement cost methodology for the synthetic GICs and the discounted cash flow methodology for the traditional GICs. Member loans are valued at their outstanding balances, which approximate fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment expenses charged to the Plan for investments in the mutual funds are charged directly against the assets of the Fund and are not separately reflected. Consequently, investment expenses are reflected as a reduction of investment return for such investments.

**Adoption of Accounting Guidance**

*Reporting of Fully Benefit-Responsive Investment Contracts*

Effective January 1, 2006, the Plan adopted Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the American Institute of Certified Public Accountants (the AICPA ) Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans (the FSP ). As required by the FSP, the statements of net assets available for benefits present investment contracts at fair value and include an additional line item to adjust fully benefit-responsive contracts from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis in accordance with the FSP and is, therefore, consistent with the prior year presentation.

**Future Adoption of New Accounting Guidance**

In September 2006, the Financial Accounting Standards Board ( FASB ) issued Statement of Financial Accounting Standards ( SFAS ) No. 157, Fair Value Measurements ( SFAS 157 ). For financial statement elements currently required to be measured at fair value, SFAS 157 redefines fair value, establishes a framework for measuring fair value under U.S. GAAP and enhances disclosures about fair value measurements. The new definition of fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). SFAS 157 provides guidance on how to measure fair value, when required, under existing accounting standards. SFAS 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels ( Level 1, 2, and 3 ). SFAS No. 157 is effective for fiscal years beginning after November 15, 2007, and, as such, will be adopted by the Plan in 2008. Adoption of SFAS 157 is not expected to have a material impact to the Plan.

**Payment of Benefits**

Benefits paid to Members are recorded when distributed (see Note 7).

Contributions

Employee and employer contributions are recorded in the period during which the Company makes payroll deductions from Members' compensation.

F-6

---

**Table of Contents****NOTES TO FINANCIAL STATEMENTS (Continued)****Note 3. Investments**

Investments of the Plan consist of common stock of the Company, various investment funds (including index and mutual funds managed by the Company and pooled temporary investment funds managed by the Trustee), group annuity contracts issued by unaffiliated insurers that are held by an investment fund sponsored by the Company, and loans receivable from Members.

The following investments represented 5% or more of the fair value of the Plan's net assets at the end of the Plan year:

|   | <b>December 31,</b> |             |
|---|---------------------|-------------|
|   | <b>2007</b>         | <b>2006</b> |
| * The Hartford Financial Services Group, Inc. common stock (7,465,472 and 8,386,891 shares at December 31, 2007 and 2006, respectively) | \$650,914           | \$782,581   |
| * Index fund  | 246,149             | 246,581     |
| Mutual funds:   |                     |             |
| * Capital Appreciation HLS Fund   | 334,036             | 273,423     |
| * MidCap HLS Fund   | 225,312             | 189,544     |
| Group annuity contracts:  |                     |             |
| JPMorgan Chase Bank, Contract #AITTH01  | 163,688             | 154,676     |
| UBS AG, Contract #3024  | 162,777             | 153,780     |

\* *Indicates  
party-in-interest*

For the year ended December 31, 2007, the Plan's investments had net appreciation (depreciation), including gains and losses on investments bought and sold, as well as held during the year, as follows:

|  |            |
|--|------------|
| The Hartford Financial Services Group, Inc. common stock | \$(42,924) |
| Index fund   | 13,601     |
| Mutual funds   | 25,087     |
| Net depreciation in fair value of investments            | \$ (4,236) |

**Note 4. Investments in Group Annuity Contracts**

The Plan has entered into numerous traditional and synthetic group annuity contracts with unaffiliated insurance carriers. A synthetic group annuity contract is an investment contract through an issuer's guarantee of a specific interest rate (the wrapper contract) and a fixed income portfolio of financial instruments that are owned by the Plan. The key differences between a synthetic group annuity contract and a traditional group annuity contract are that the Plan owns the assets underlying the synthetic group annuity contract and traditional group annuity contracts have fixed crediting interest rates. The synthetic GIC contracts include underlying assets which are held in a trust owned by the Plan and utilize a benefit-responsive wrapper contract managed by DB Advisors, formerly known as Deutsche Asset Management. The fair value of the benefit-responsive wrapper contract was zero at December 31, 2007 and 2006. The contract provides that participants execute Plan transactions at contract value. These contracts are fully benefit-responsive and are included in the financial statements at fair value (see Note 2). Fully benefit-responsive contracts provide for a stated return on principal invested over a specified period and permit withdrawals at contract value for benefit payments, loans, or transfers. Contract value represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. Certain events, such as Plan termination or a Plan merger initiated by the Plan Sponsor, may limit the ability of the Plan to transact at contract value or may allow for the termination of the wrapper contract at less than contract value. The Plan Sponsor does not believe that any events that may limit the ability of the Plan to transact at contract value are probable.

The relationship of future crediting rates and the adjustments to contract value reported on the statements of net assets available for benefits are provided through the mechanism of the crediting rate formula. The difference between the contract value and the fair market value of the investments of each contract is periodically amortized into each contract's crediting rate. The amortization factor is calculated by dividing the difference between the fair market value of the investments and the contract value by the duration of the bond portfolio covered by the investment contract. Key factors that could influence future crediting rates include,

F-7

---

**Table of Contents****NOTES TO FINANCIAL STATEMENTS (Continued)****Note 4. Investments in Group Annuity Contracts (continued)**

but are not limited to, Plan cash flows, changes in interest rates, total return performance of the fair market value bond strategies underlying each synthetic GIC contract, default or credit failures of any of the securities, investment contracts, or other investments held in the fund and the initiation of an extended termination of one or more synthetic GIC contracts by the manager or the contract issuer. The interest rates are reset quarterly based on market rates of other similar investments, the current yield of the underlying investments and the spread between the market value and contract value, but the rate can not be less than zero.

The contract issuer is not allowed to terminate any of the synthetic GIC s and settle at an amount different from contract value unless there is a breach of the contract which is not corrected within the applicable cure period. Actions that will result in a breach include, but are not limited to, material misrepresentation, failure to pay synthetic GIC fees, or any other payment due under the contract, and failure to adhere to investment guidelines.

|   |             |             |
|---|-------------|-------------|
| Average yields:                                     | <b>2007</b> | <b>2006</b> |
| Based on annualized earnings (1)                    | 5.16%       | 5.52%       |
| Based on interest rate credited to participants (2) | 5.22%       | 4.82%       |

(1) Calculated by taking the average of the quarterly market value weighted yields of the investments

(2) Calculated by dividing annualized earnings credited to participants by the market value of the funds

The following table represents the adjustment from fair value to contract value for each of the contracts for the year ended December 31, 2007:

| Carrier Name                      | Contract Number         | Major Credit Ratings | Investments at Contract Value | Investments at Fair Value | Adjustment to Contract Value |
|-----------------------------------|-------------------------|----------------------|-------------------------------|---------------------------|------------------------------|
| JPMorgan Chase Bank               | AITTH01                 | AA- /<br>Aa2         | \$ 163,226                    | \$ 163,688                | \$ (462)                     |
| UBS AG                            | 3024                    | AA+ /<br>Aa2         | 162,748                       | 162,777                   | (29)                         |
| Monumental Life Insurance Company | MDA00380TR<br>WR1879-01 | AA /<br>Aa3          | 132,223<br>81,311             | 129,679<br>79,695         | 2,544<br>1,616               |

|   |            |              |           |           |         |
|---|------------|--------------|-----------|-----------|---------|
| Natixis Financial Products Inc.<br>(formerly IXIS Financial<br>Products Inc.) |            | AAA /<br>Aaa |           |           |         |
| Monumental Life Insurance<br>Company  | ADA00212TR | AA /<br>Aa3  | 85,263    | 84,974    | 289     |
| Natixis Financial Products Inc.<br>(formerly IXIS Financial<br>Products Inc.) | BR-879-25  | AAA /<br>Aaa | 6,531     | 6,437     | 94      |
| Total   |            |              | \$631,302 | \$627,250 | \$4,052 |

The following table represents the adjustment from fair value to contract value for each of the contracts for the year ended December 31, 2006:

| Carrier Name  | Contract<br>Number | Major<br>Credit<br>Ratings | Investments<br>at Contract<br>Value | Investments<br>at Fair<br>Value | Adjustment<br>to<br>Contract<br>Value |
|---|--------------------|----------------------------|-------------------------------------|---------------------------------|---------------------------------------|
| JPMorgan Chase Bank   | AITTH01            | AA- /<br>Aa2               | \$155,230                           | \$154,676                       | \$ 554                                |
| UBS AG  | 3024               | AA+ /<br>Aa2               | 154,874                             | 153,780                         | 1,094                                 |
| Monumental Life Insurance<br>Company  | MDA00380TR         | AA /<br>Aa3                | 145,422                             | 143,414                         | 2,008                                 |
| Natixis Financial Products Inc.<br>(formerly IXIS Financial<br>Products Inc.) | WR1879-01          | AAA /<br>Aaa               | 89,327                              | 87,341                          | 1986                                  |
| Monumental Life Insurance<br>Company  | ADA00212TR         | AA /<br>Aa3                | 80,996                              | 80,283                          | 713                                   |
| Natixis Financial Products Inc.<br>(formerly IXIS Financial<br>Products Inc.) | BR-879-25          | AAA /<br>Aaa               | 6,514                               | 6,493                           | 21                                    |
| Total   |                    |                            | \$632,363                           | \$625,987                       | \$6,376                               |

**Table of Contents****NOTES TO FINANCIAL STATEMENTS (Continued)****Note 5. Federal Income Tax Status**

The Internal Revenue Service has determined and informed the Company by letter dated March 23, 2004 that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Company and the Plan Administrator believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

**Note 6. Plan Termination**

Although the Company has not expressed any intent to do so, the Company has the right under the Plan to suspend, reduce, or partially or completely discontinue its contributions at any time and to terminate the Plan, the Trust agreement and the Trust hereunder, subject to the provisions of ERISA. In the event of termination or partial termination of the Plan or complete discontinuance of contributions, the interests of affected Members automatically become fully-vested.

**Note 7. Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of net assets available for benefits between the accompanying financial statements and the amounts reflected in Form 5500 as of December 31, 2007 and 2006:

|  | <b>2007</b> | <b>2006</b> |
|--|-------------|-------------|
| Net assets available for benefits per accompanying financial statements                        | \$3,043,474 | \$2,878,802 |
| Amounts allocated to withdrawing Members   |             |             |
| Adjustment from contract value to fair value for fully benefit-responsive investment contracts | (4,052)     | (6,376)     |
| Net assets per Form 5500   | \$3,039,422 | \$2,872,426 |

The following is a reconciliation of total additions between the accompanying financial statements and the amount reflected in Form 5500 for the year ended December 31, 2007:

|  |           |
|--|-----------|
| Total additions per accompanying financial statements  | \$403,691 |
| Add Adjustment from contract value to fair value for fully benefit-responsive investment contracts at beginning of the year  | 6,376     |
| Deduct Adjustment from contract value to fair value for fully benefit-responsive investment contracts at the end of the year | (4,052)   |
| Total additions per Form 5500  | \$406,015 |

The following is a reconciliation of benefits paid to Members between the accompanying financial statements and the amount reflected in Form 5500 for the year ended December 31, 2007:

|  |           |
|--|-----------|
| Benefits paid to Members per accompanying financial statements | \$236,599 |
| Deduct amounts allocated to deemed loan distributions          | (114)     |
| Benefits paid to Members per Form 5500                         | \$236,485 |

**Table of Contents**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Note 8. Party-in-Interest Transactions**

Certain plan investments are in funds managed by State Street Bank and Trust Company (the Trustee), certain subsidiaries of the Company and DB Advisors. Fees paid by the Plan for trustee, custodial and investment management services amounted to \$784 for the year ended December 31, 2007. Fees paid by the Plan to a subsidiary of the Company pursuant to a group annuity contract issued by a subsidiary amounted to \$55 for the year ended December 31, 2007. In addition, certain Plan investments are shares of mutual funds that are sponsored by The Hartford and shares of The Hartford's common stock. At December 31, 2007 and 2006, the Plan held 7,465,472 shares and 8,386,891 shares of common stock of The Hartford with a cost basis of \$304,820 and \$340,813, respectively. During the year ended December 31, 2007, the Plan recorded dividend income from The Hartford's common stock and mutual funds of \$185,638.

**Note 9. Plan Amendments**

During 2007, the following changes were made to the Plan:

Effective January 1, 2007 the service definition was clarified to provide that periods of employment with acquired businesses may be credited as provided by the Plan Administrator.

Effective May 1, 2007 beneficiaries may elect to roll over distributions.

As of December 31, 2007 the Plan document was amended to include the following changes effective January 1, 2008:

Roth 401(k) contributions may be made under the Plan.

Sixty days after becoming eligible to participate, employees hired on and after January 1, 2008 are automatically enrolled at a 3% pre-tax contribution level.

Automatically enrolled employees will have their pre-tax contribution increased by 1% in April of each year to a maximum of 10%. Alternatively, any participant may elect to have their contribution increased annually by a specified percent on a chosen date.

The Salary definition was revised to exclude severance pay and accrued vacation pay paid upon termination of employment.

Effective January 1, 2006, the following changes were made to the Plan:

PLANCO Financial Services LLC employees that participate in the Plan became eligible for Matching Company contributions and Floor Company contributions.

The minimum eligibility age to participate in the Plan, as well as to receive Floor Company contributions, was lowered from age 19 to age 18.

The minimum percentage of base salary designated for before-tax savings was lowered from 2% to 1%.

In addition, the following changes were made to the Plan in 2006:

Beginning June 15, 2006, six individual Target Retirement Funds were made available as investment options.

Effective September 1, 2006, the Stock HLS Fund and the Advisers HLS Fund were no longer available as investment options. The Capital Appreciation HLS Fund and the Vanguard Target Retirement Date Funds were determined as default funds to which assets from the Stock HLS Fund and Advisers HLS Fund would be transferred, respectively, should participants not designate another fund.

Effective September 1, 2006, no more than 10% of future contributions and fund transfers can be directed to The Hartford Financial Services Group, Inc. Stock Fund.





**Table of Contents**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

Effective September 1, 2006, the default investment option for Plan Members that have not made an investment election is the Target Retirement Fund nearest to the Plan Member's expected retirement date (the Company assumes this to be age 65).

F-11

---

Table of Contents

EIN# 06-0383750

Plan# 100

**THE HARTFORD INVESTMENT AND SAVINGS PLAN SUPPLEMENTAL SCHEDULE  
FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2007  
(\$ IN THOUSANDS)**

| (c) Description of Investment Including Maturity Date, |   |  | (e) Current    |
|--|---|--|----------------|
| (a)  | (b) Identity of Party   | Rate of Interest, Collateral, Par or Maturity Value                                | (d) Cost Value |
|  | The Hartford Financial Services Group, Inc. Stock Fund                        |  |                |
| *  | The Hartford  | The Hartford Financial Services Group, Inc. common stock<br>(7,465,472 shares)     | *** \$ 650,914 |
| *  | State Street Bank and Trust   | State Street Cash Fund STIF  | *** 2,101      |
| <b>Subtotal Stock Fund</b>                             |   |  | <b>653,015</b> |
|  | Index Fund  |  |                |
| *  | The Hartford  | Index Fund, Fund #NCD5   | *** 246,149    |
| <b>Subtotal Index Fund</b>                             |   |  | <b>246,149</b> |
|  | Stable Value Fund   |  |                |
| *  | DB Advisors   | Stable Value Fund, Fund #NCD6, including<br>the following group annuity contracts: |                |
|  | Natixis Financial Products<br>Inc. (Formerly IXIS<br>Financial Products Inc.) | Group Annuity Contract #WR1879-01, 4.77%, 6/30/2036                                | *** 79,695     |
|  | Natixis Financial Products<br>Inc. (Formerly IXIS<br>Financial Products Inc.) | Group Annuity Contract #BR-879-25, 4.41%, 4/27/2011                                | *** 6,437      |
|  | Monumental Life<br>Insurance Company  | Group Annuity Contract #MDA00380TR, 4.81%,<br>6/30/2036                            | *** 129,679    |
|  | Monumental Life<br>Insurance Company  | Group Annuity Contract #ADA00212TR, 5.50% **                                       | *** 84,974     |
|  | JPMorgan Chase Bank   | Group Annuity Contract #AITTH01, 5.40% **  | *** 163,688    |
|  | UBS AG  | Group Annuity Contract #3024, 5.34% **   | *** 162,777    |
| <b>Subtotal Group Annuity Contracts</b>                |   |  | <b>627,250</b> |
| *  | State Street Bank and Trust   | State Street Cash Fund STIF  | *** 1,300      |
| <b>Subtotal Stable Value Fund</b>                      |   |  | <b>628,550</b> |

\* *Indicates  
party-in-interest.*

\*\* *These synthetic  
portfolios have  
no final maturity  
date. Final  
maturity is based  
on the underlying  
assets in the bond  
portfolios.*

\*\*\* *Cost information  
is not required  
for Member  
directed  
investments, and  
therefore is not  
included.*

F-12

---

**Table of Contents**

EIN# 06-0383750

Plan# 100

**THE HARTFORD INVESTMENT AND SAVINGS PLAN SUPPLEMENTAL SCHEDULE  
FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2007 (CONTINUED)  
(\$ IN THOUSANDS)**

| (a) | (b) Identity of Party                      | (c) Description of Investment<br>Including Maturity Date, Rate of<br>Interest, Collateral, Par or<br>Maturity Value | (d) Cost | (e) Current Value |
|-----|--|---|----------|-------------------|
|     | <b>Mutual Funds:</b>                       |   |          |                   |
|     | Total Return Bond<br>HLS Fund              |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. Bond HLS Fund,<br>Class IA shares, Fund #NCC3  | ***      | \$ 77,221         |
|     | Money Market HLS<br>Fund                   |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. Money Market HLS<br>Fund, Class IA shares, Fund #NCD1                                    | ***      | 63,762            |
|     | Dividend and Growth<br>HLS Fund            |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. Dividend and Growth<br>HLS Fund, Class IA shares, Fund #NCD4                             | ***      | 129,992           |
|     | International<br>Opportunities HLS<br>Fund |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. International<br>Opportunities HLS Fund, Class IA shares, Fund<br>#NCC6                  | ***      | 144,019           |
|     | Capital Appreciation<br>HLS Fund           |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. Capital Appreciation<br>HLS Fund, Class IA shares, Fund #NCD3                            | ***      | 334,036           |
|     | Small Company HLS<br>Fund                  |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. Small Company HLS<br>Fund, Class IA shares, Fund #NCC1                                   | ***      | 134,700           |
|     | MidCap HLS Fund                            |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. MidCap HLS Fund,<br>Class IA shares, Fund #NCC2  | ***      | 225,312           |
|     | High Yield HLS Fund                        |   |          |                   |
| *   | The Hartford                               | Hartford Series Fund, Inc. High Yield HLS Fund,<br>Class IA shares, Fund #NCC4                                      | ***      | 31,662            |
|     | Global Growth HLS<br>Fund                  |   |          |                   |
| *   | The Hartford                               |   | ***      | 50,412            |

Hartford Series Fund, Inc. Global Leaders HLS  
Fund, Class IA shares, Fund #NCC7

Global Health HLS  
Fund

|   |              |   |     |        |
|---|--------------|---|-----|--------|
| * | The Hartford | Hartford Series Fund, Inc. Global Health HLS<br>Fund, Class IA shares, Fund #NCC9 | *** | 33,738 |
|---|--------------|---|-----|--------|

\* *Indicates party-in-interest.*

\*\* *These synthetic portfolios have no final maturity date. Final maturity is based on the underlying assets in the bond portfolios.*

\*\*\* *Cost information is not required for Member directed investments, and therefore is not included.*

**Table of Contents**

EIN# 06-0383750

Plan# 100

**THE HARTFORD INVESTMENT AND SAVINGS PLAN SUPPLEMENTAL SCHEDULE  
FORM 5500, SCHEDULE H, PART IV, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
AS OF DECEMBER 31, 2007 (CONTINUED)  
(\$ IN THOUSANDS)**

| (a) | (b) Identity of Party            | (c) Description of Investment Including<br>Maturity Date, Rate of Interest, Collateral,<br>Par or Maturity Value | (d) Cost | (e) Current<br>Value |
|-----|----------------------------------|--|----------|----------------------|
|     | Global Technology HLS<br>Fund    |  |          |                      |
| *   | The Hartford                     | Hartford Series Fund, Inc. Global Technology HLS<br>Fund, Class IA shares, Fund #NCC8                            | ***      | \$ 26,709            |
|     | Target Retirement Income<br>Fund |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement Inc Fund, Fund<br>#NMA4   | ***      | 8,045                |
|     | Target Retirement 2005<br>Fund   |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement 2005 Fund, Fund<br>#NMA5  | ***      | 13,714               |
|     | Target Retirement 2015<br>Fund   |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement 2015 Fund, Fund<br>#NMA6  | ***      | 68,369               |
|     | Target Retirement 2025<br>Fund   |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement 2025 Fund, Fund<br>#NMA7  | ***      | 64,556               |
|     | Target Retirement 2035<br>Fund   |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement 2035 Fund, Fund<br>#NMA8  | ***      | 37,504               |
|     | Target Retirement 2045<br>Fund   |  |          |                      |
|     | Vanguard                         | Vanguard Target Retirement 2045 Fund, Fund<br>#NMA9  | ***      | 17,213               |
|     |                                  | <b>Subtotal Mutual Funds</b>   |          | <b>1,460,964</b>     |
|     | Clearing Account                 |  |          |                      |
| *   | State Street Bank and<br>Trust   | Clearing Account, Fund #NCD8   | ***      | 610                  |
|     |                                  | <b>Subtotal Clearing Account</b>   |          | <b>610</b>           |

|   |  |  |     |                     |
|---|--|--|-----|---------------------|
| * | Master Expense Account<br>State Street Bank and<br>Trust | Master Expense Account, Fund #NCD9   | *** | 272                 |
|   |  | <b>Subtotal Master Expense Account</b>   |     | <b>272</b>          |
| * | Loan Fund<br>Plan Members                                | Loans Receivable from Members, maturing in 2008<br>through 2022 bearing interest at rates from 5.00%<br>10.50% | N/A | 43,619              |
|   |  | <b>Subtotal Loan Fund</b>  |     | <b>43,619</b>       |
|   |  | <b>Total</b>   |     | <b>\$ 3,033,179</b> |

\* *Indicates party-in-interest.*

\*\* *These synthetic portfolios have no final maturity date. Final maturity is based on the underlying assets in the bond portfolios.*

\*\*\* *Cost information is not required for Member directed investments, and therefore is not included.*



**Table of Contents**

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on behalf of The Hartford Investment and Savings Plan by the undersigned thereunto duly authorized.

THE HARTFORD INVESTMENT AND  
SAVINGS PLAN

(Name of Plan)

BY: /s/ Lynn Farrell  
Lynn Farrell  
Plan Administrator  
June 25, 2008  
F-15