HARTFORD FINANCIAL SERVICES GROUP INC/DE
Form 424B5
May 15, 2006

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Registration Nos. 333-103915;
333-105392

PROSPECTUS SUPPLEMENT
(To prospectus dated April 10, 2003)

$689,825,000
The Hartford Financial Services Group, Inc.
5.550% Senior Notes due 2008

This is a remarketing of $689,825,000 aggregate principal amount of our senior notes due August 16, 2008, originally issued as components of the 13,800,000 Equity Units we issued in May 2003, on behalf of Normal Unit holders. The senior notes will mature on August 16, 2008. Interest on the senior notes is payable quarterly in arrears on August 16, November 16, February 16 and May 16 of each year. The interest rate on the senior notes has been reset to 5.550% per year, effective from and after May 16, 2006. Purchasers of senior notes in the remarketing will receive interest at the reset rate from May 16, 2006 commencing on the next interest payment date, August 16, 2006.

We will purchase $265,000,000 aggregate principal amount of senior notes being remarketed. We will retire all the senior notes we purchase. We will not receive any proceeds from the remarketing. See Use of Proceeds.

The senior notes are our direct, unsecured obligations and rank equally with all of our other existing and future unsecured and unsubordinated senior debt. The senior notes are being remarketed in denominations of $1,000 and integral multiples of $1,000.

Prior to this remarketing, there has been no public market for the senior notes. The senior notes will not be listed on any exchange.

To read about certain factors you should consider before investing in the senior notes, see Risk Factors beginning on page S-9 of this prospectus supplement and beginning on page 75 of our quarterly report on Form 10-Q for the quarterly period ended March 31, 2006, which is incorporated by reference in this prospectus supplement.

	Per Senior Note	Total
Price to Public(1)	100.00395%	$689,852,248
Remarketing Fee to Remarketing Agents(2)	.2488%	$1,716,050
Net Proceeds(3)	99.7552%	$688,136,198

(1) Plus accrued interest from May 16, 2006, if the settlement occurs after that date.

(2) Equals 0.25% of the treasury portfolio purchase price.

(3) We will not receive any proceeds from the remarketing. See Use of Proceeds in this prospectus supplement.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The remarketing agents expect to deliver the senior notes to investors on or about May 16, 2006, in book-entry form only through the facilities of The Depository Trust Company.

Merrill Lynch & Co.

Goldman, Sachs & Co.

JPMorgan

The date of this prospectus supplement is May 11, 2006.

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Prospectus Supplement

Prospectus

You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus and in any free writing prospectus with respect to the remarketing filed by us with the Securities and Exchange Commission. We have not, and the remarketing agents have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus with respect to the remarketing filed by us with the Securities and Exchange Commission and the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

The remarketing agents are offering to sell, and are seeking offers to buy, the senior notes only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the senior notes in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the offering of the senior notes and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this remarketing and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part, the accompanying prospectus, gives more general information, some of which does not apply to this remarketing.

If the description of this remarketing or the senior notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference into this prospectus supplement.

Unless we have indicated otherwise, or the context otherwise requires, references in this prospectus supplement and the accompanying prospectus to The Hartford, we, us and our or similar terms are to The Hartford Financial Services Group, Inc. and its subsidiaries.

FORWARD-LOOKING STATEMENTS

Some of the statements contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein and therein are forward-looking statements. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and include estimates and assumptions related to economic, competitive and legislative developments. These forward-looking statements are subject to change and uncertainty which are, in many instances, beyond our control and have been made based upon management s expectations and beliefs concerning future developments and their potential effect upon us. There can be no assurance that future developments will be in accordance with management s expectations or that the effect of future developments on us will be those anticipated by management. Actual results could differ materially from those expected by us, depending on the outcome of various factors, including, but not

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limited to, those set forth in Part II, Item 1A of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006. These factors include:

- the difficulty in predicting our potential exposure for asbestos and environmental claims;
- the possible occurrence of terrorist attacks;
- the response of reinsurance companies under reinsurance contracts and the availability, pricing and adequacy of reinsurance to protect us against losses;
- changes in the stock markets, interest rates or other financial markets, including the potential effect on our statutory capital levels;
- the inability to effectively mitigate the impact of equity market volatility on our financial position and results of operations arising from obligations under annuity product guarantees;
- our potential exposure arising out of regulatory proceedings or private claims relating to incentive compensation or payments made to brokers or other producers and alleged anti-competitive conduct;
- the uncertain effect on us of regulatory and market-driven changes in practices relating to the payment of incentive compensation to brokers and other producers, including changes that have been announced and those which may occur in the future;
- the possibility of more unfavorable loss development;
- the incidence and severity of catastrophes, both natural and man-made;
- stronger than anticipated competitive activity;
- unfavorable judicial or legislative developments;
- the potential effect of domestic and foreign regulatory developments, including those which could increase our business costs and required capital levels;
- the possibility of general economic and business conditions that are less favorable than anticipated;
- our ability to distribute products through distribution channels, both current and future;
- the uncertain effects of emerging claim and coverage issues;
- a downgrade in our financial strength or credit ratings;
- the ability of our subsidiaries to pay dividends to us;
- our ability to adequately price our property and casualty policies;
- our ability to recover our systems and information in the event of a disaster or other unanticipated event; and

other factors described in such forward-looking statements.

We undertake no obligation to update our forward-looking statements for any reason, whether as a result of new information, future events or otherwise.

You should review carefully the sections captioned Risk Factors in this prospectus supplement and in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006 for a more complete discussion of the risks and uncertainties of an investment in the senior notes.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary contains basic information about us and this remarketing and is qualified in its entirety by the more detailed information included elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. Because this is a summary, it does not contain all of the information that you should consider before investing. You should read this entire prospectus supplement, as well as the accompanying prospectus and the information incorporated by reference, before making an investment decision.

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

General

The Hartford Financial Services Group, Inc. is a diversified insurance and financial services holding company. We are among the largest providers of investment products, individual life, group life and disability insurance products, and property and casualty insurance products in the United States. Hartford Fire Insurance Company, or Hartford Fire, founded in 1810, is the oldest of our subsidiaries. Our companies write insurance and reinsurance in the United States and internationally. At March 31, 2006, our total assets were $295.4 billion and our total stockholders equity was $15.4 billion.

We were formed in December 1985 as a wholly-owned subsidiary of ITT Corporation. On December 19, 1995, all our outstanding shares were distributed to ITT Corporation s stockholders and we became an independent company. On May 2, 1997, we changed our name from ITT Hartford Group, Inc. to our current name, The Hartford Financial Services Group, Inc.

As a holding company that is separate and distinct from our insurance subsidiaries, we have no significant business operations of our own. Therefore, we rely on the dividends from our insurance company and other subsidiaries as the principal source of cash flow to meet our obligations. These obligations include payments on our debt securities and the payment of dividends on our capital stock. The Connecticut insurance holding company laws limit the payment of dividends by Connecticut-domiciled insurers. In addition, these laws require notice to and approval by the state insurance commissioner for the declaration or payment by those subsidiaries of any dividend if the dividend and other dividends or distributions made within the preceding twelve months exceeds the greater of:

- 10% of the insurer s policyholder surplus as of December 31 of the preceding year, and

- net income, or net gain from operations if the subsidiary is a life insurance company, for the previous calendar year, in each case determined under statutory insurance accounting principles.

In addition, if any dividend of a Connecticut-domiciled insurer exceeds the insurer s earned surplus, it requires the prior approval of the Connecticut Insurance Commissioner.

The insurance holding company laws of the other jurisdictions in which our insurance subsidiaries are incorporated, or deemed commercially domiciled, generally contain similar, and in some instances more restrictive, limitations on the payment of dividends. Our insurance subsidiaries are permitted to pay up to a maximum of approximately $1.9 billion in dividends in the aggregate to The Hartford Financial Services Group, Inc. and our subsidiary, Hartford Life, Inc., in 2006 without prior approval from the applicable insurance commissioner. However, through August 31, 2006, one of our subsidiaries, Hartford Life and Accident Insurance Company, comprising $667 million of the $1.9 billion, will need prior approval from the insurance commissioner to pay dividends. Through May 5, 2006, The Hartford Financial Services Group, Inc. and Hartford Life, Inc. received a combined total of $408 million from their insurance subsidiaries.

Our rights to participate in any distribution of assets of any of our subsidiaries, for example, upon their liquidation or reorganization, and the ability of holders of the senior notes to benefit indirectly from a distribution, are subject to the prior claims of creditors of the applicable subsidiary, except to the extent that we may be a creditor of that subsidiary. Claims on these subsidiaries by persons other than us include, as of March 31, 2006, claims by policyholders for benefits payable amounting to $101.7 billion, claims by separate account holders of $158.4 billion, and other liabilities including claims of trade creditors, claims from guaranty associations and claims from holders of debt obligations amounting to $15.7 billion.

Our principal executive offices are located at Hartford Plaza, Hartford, Connecticut 06115, and our telephone number is (860) 547-5000.

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THE REMARKETING

Issuer	The Hartford Financial Services Group, Inc., a Delaware corporation.
Securities Remarketed	$689,825,000 aggregate principal amount of 5.550% senior notes due August 16, 2008.
Maturity	The senior notes will mature on August 16, 2008.
Interest	The interest rate on the senior notes has been reset to 5.550% per year, effective from and after May 16, 2006. Interest on the senior notes is payable quarterly in arrears on February 16, May 16, August 16 and November 16, of each year. Purchasers of senior notes in the remarketing will receive interest at the reset rate from May 16, 2006 commencing on the next interest payment date, August 16, 2006.
Certain Covenants	The indenture governing the senior notes contains certain covenants that, among other things, limit our ability to issue, assume, or guarantee any indebtedness for borrowed money that is secured by a mortgage, pledge, lien, security interest or other encumbrance on any principal property, as defined in the indenture, of The Hartford or any restricted subsidiary, as defined in the indenture, or any shares of stock of any restricted subsidiary, without equally and ratably securing the senior notes. See Description of the Debt Securities in the accompanying prospectus.
Ranking	The senior notes are our direct, unsecured obligations and rank without preference or priority among themselves and equally with all of our other existing and future unsecured and unsubordinated senior debt. The indenture under which the senior notes were issued does not limit our ability to issue or incur other debt or issue preferred stock. See Description of the Remarketed Notes in this prospectus supplement and Description of the Debt Securities in the accompanying prospectus.
The Remarketing	The senior notes were issued by us in May 2003 in connection with our issuance and sale to the public of Equity Units. Each Equity Unit initially consisted of both a purchase contract and a $^{1}/20$, or 5.0%, undivided beneficial interest in $1,000 principal amount of our senior notes due August 16, 2008, together called a Normal Unit. In order to secure their obligations under the purchase contracts, holders of the Equity Units pledged their undivided beneficial ownership interests in our senior notes to us through a collateral agent. Pursuant to the terms of the Equity Units, the remarketing agents remarketed senior notes on behalf of current holders of Normal Units under the terms of and subject to the conditions in the remarketing agreement among us, the remarketing agents, and JPMorgan Chase Bank, N.A., as purchase contract agent and as attorney-in-fact for holders of Equity Units. See Remarketing in this prospectus supplement. The terms of the Equity Units and senior notes required the remarketing agents to use their reasonable efforts to remarket

	the senior notes of holders participating in the remarketing at a price of approximately 100.50% of the treasury portfolio purchase price, as defined in this prospectus supplement. In connection with the remarketing, the remarketing agents have reset the interest rate on the senior notes to 5.550% per year.
Use of Proceeds	The proceeds from the remarketing of the senior notes are estimated to be $689,852,248, before deduction of the remarketing agents fee. We will not receive any proceeds of the remarketing. Instead, the proceeds from the remarketing will be (i) used to purchase the treasury portfolio described in this prospectus supplement, which treasury portfolio will then be pledged to secure the purchase contract obligations of the holders of the Normal Units and (ii) used to pay the remarketing agents fees, which will be equal to $1,716,050 (0.25% of the treasury portfolio purchase price). Any remaining proceeds will be remitted ratably to holders of the Normal Units as of the close of business, 5 p.m., New York City time, on May 10, 2006. See Use of Proceeds in this prospectus supplement.
U.S. Federal Income Taxation	The senior notes are subject to Treasury regulations governing contingent payment debt instruments. If you are a United States taxpayer, you will be subject to federal income tax on the accrual of original issue discount during your ownership of the senior notes, subject to certain adjustments, regardless of your usual method of accounting. See Certain United States Federal Income Tax Consequences U.S. Holders Interest Income and Original Issue Discount in this prospectus supplement.
Listing	The senior notes are not, and are not expected to be, listed on any national securities exchange or included in any automated quotation system.
Risk Factors	Your investment in the senior notes will involve risks. You should consider carefully all of the information set forth in this prospectus supplement, the accompanying prospectus, any free writing prospectus with respect to the remarketing filed by us with the Securities and Exchange Commission and the documents incorporated by reference herein and, in particular, you should evaluate the specific factors set forth in the section of this prospectus supplement entitled Risk Factors and the section entitled Risk Factors in our quarterly report on Form 10-Q for the quarterly period ended March 31, 2006 before deciding whether to purchase any senior notes in this remarketing.
Trustee, registrar and paying agent	JPMorgan Chase Bank, N.A.
Our Participation in the Remarketing	We will purchase in the remarketing $265,000,000 aggregate principal amount of senior notes being remarketed. We will retire all the senior notes we purchase.

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SUMMARY SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected income statement data and the selected balance sheet data for each of the years were derived from our audited consolidated financial statements which have been examined and reported upon by Deloitte & Touche LLP, our independent registered public accounting firm. The selected financial information at and for the three months ended March 31, 2006 and 2005 were derived from our unaudited consolidated financial statements which have been reviewed by Deloitte & Touche LLP and include all adjustments, consisting of normal recurring accruals, which we consider necessary for a fair presentation of our financial position and results of operations as of that date and for that period.

The table below reflects our consolidated financial position and results of operations. You should read the following amounts in conjunction with our consolidated financial statements and the related notes that are incorporated in this prospectus supplement by reference.

	Three Months Ended		Year Ended December 31,				
	March 31, 2006	March 31, 2005	2005	2004	2003	2002	2001
	(In millions, except for per share data and combined ratios)						
Income Statement Data							
Total Revenues	$ 6,543	$ 6,002	$ 27,083	$ 22,708	$ 18,719	$ 16,410	$ 15,980
Income (loss) before cumulative effect of accounting changes(1)	$ 728	$ 666	$ 2,274	$ 2,138	$ (91)	$ 1,000	$ 541
Net income (loss)(1)(2)	$ 728	$ 666	$ 2,274	$ 2,115	$ (91)	$ 1,000	$ 507
Balance Sheet Data							
Total Assets	$ 295,375	$ 261,420	$ 285,557	$ 259,735	$ 225,850	$ 181,972	$ 181,950
Long-term debt	$ 4,045	$ 4,300	$ 4,048	$ 4,308	$ 4,610	$ 4,061	$ 3,374
Total stockholders equity	$ 15,410	$ 14,211	$ 15,325	$ 14,238	$ 11,639	$ 10,734	$ 9,013
Earnings (Loss) Per Share Data							
Basic earnings (loss) per share(1)							
Income (loss) before cumulative effect of accounting changes(1)	$ 2.41	$ 2.26	$ 7.63	$ 7.32	$ (0.33)	$ 4.01	$ 2.27
Net income (loss)(1)(2)	$ 2.41	$ 2.26	$ 7.63	$ 7.24	$ (0.33)	$ 4.01	$ 2.13
Diluted earnings (loss) per share(1)(3)							
Income (loss) before cumulative effect of accounting changes(1)	$ 2.34	$ 2.21	$ 7.44	$ 7.20	$ (0.33)	$ 3.97	$ 2.24
Net income (loss)(1)(2)	$ 2.34	$ 2.21	$ 7.44	$ 7.12	$ (0.33)	$ 3.97	$ 2.10

Dividends declared per common share	$ 0.40	$ 0.29	$ 1.17	$ 1.13	$ 1.09	$ 1.05	$ 1.01
Other Data							
Mutual fund assets(4)	$ 36,260	$ 27,963	$ 32,705	$ 28,068	$ 22,462	$ 15,321	$ 16,809
Operating Data							
Combined Ratios							
Ongoing Property & Casualty Operations(5)	88.8	88.6	93.2	95.3	96.5	99.1	108.3

footnotes on following page

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(1) 2004 includes a $216 million tax benefit related to an agreement with the IRS on the resolution of matters pertaining to tax years prior to 2004. 2003 includes an after-tax charge of $1.7 billion related to our 2003 asbestos reserve addition, $40 million of after-tax expense related to the settlement of a certain litigation dispute, $30 million of tax benefit in our Life operations primarily related to the favorable treatment of certain tax items arising during the 1996-2002 tax years, and $27 million of after-tax severance charges in our Property & Casualty operations. 2002 includes a $76 million tax benefit in our Life operations, an $11 million after-tax expense in Life related to a certain litigation dispute and an $8 million after-tax benefit in Life s September 11 exposure. 2001 includes $440 million of after-tax losses related to September 11 and a $130 million tax benefit in Life.

(2) 2004 includes a $23 million after-tax charge related to the cumulative effect of accounting change for our adoption of Statement of Position 03-1, Accounting and Reporting by Insurance Enterprises for Certain Nontraditional Long-Duration Contracts and for Separate Accounts . 2001 includes a $34 million after-tax charge related to the cumulative effect of accounting changes for our adoption of SFAS No 133, Accounting for Derivative Instruments and Hedging Activities and EITF Issue No. 99-20, Recognition of Interest Income and Impairment on Purchased and Retained Beneficial Interests in Securitized Financial Assets.

(3) As a result of the net loss for the year ended December 31, 2003, Statement of Financial Accounting Standards No. 128, Earnings per Share requires us to use basic weighted average common shares outstanding in the calculation of the year ended December 31, 2003 diluted earnings (loss) per share, since the inclusion of options of 1.8 million would have been antidilutive to the earnings per share calculation. In the absence of the net loss, weighted average common shares outstanding and dilutive potential common shares would have totaled 274.2 million.

(4) Mutual funds are owned by the shareholders of those funds and not by us. As a result, they are not reflected in total assets on our balance sheet.

(5) 2001 includes the impact of September 11. Before the impact of September 11, the 2001 combined ratio was 101.7.

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RISK FACTORS

Before purchasing the senior notes, you should carefully consider the following risk factors together with the other information incorporated by reference or provided in this prospectus supplement and in the accompanying prospectus in order to evaluate an investment in the senior notes.

Risk Factors Relating to the Senior Notes

If an active trading market for the senior notes does not develop, you may not be able to resell your senior notes.

There is currently no trading market for the senior notes and we do not plan to list the senior notes on any national securities exchange or include the senior notes in an automated quotation system. In addition, the liquidity of any trading market for the senior notes, and the market price quoted for the senior notes, may be adversely affected by changes in the overall market for these senior notes, by changes in interest rates and by changes in our financial performance or prospects or in the prospects of companies in our industry generally. We cannot predict the extent, if any, to which investors interest will lead to a liquid trading market.

The senior notes will be classified as contingent payment debt instruments and you will be required to accrue original issue discount.

For United States federal income tax purposes, the senior notes are classified as contingent payment debt instruments. As a result, if you are a United States taxpayer, you will generally be subject to federal income tax on the accrual of original issue discount during your ownership of the senior notes, subject to certain adjustments. Additionally, it is possible that gain or, to some extent, loss recognized on the sale, exchange or other disposition of a senior note may be treated as ordinary gain or loss. See Certain United States Federal Income Tax Consequences U.S. Holders Interest Income and Original Issue Discount.

The senior notes will be effectively subordinated to the debt of our subsidiaries, which could impair our ability to make payments under the senior notes.

We are a holding company and rely primarily on dividends and interest payments from our subsidiaries to meet our obligations for payment of interest and principal on outstanding debt obligations, dividends to shareholders and corporate expenses. As a result, our cash flows and ability to service our obligations, including the senior notes, are dependent upon the earnings of our subsidiaries, distributions of those earnings to us and other payments or distributions of funds by our subsidiaries to us.

The ability of our insurance subsidiaries to pay dividends to us in the future will depend on their statutory surplus, on their earnings and on regulatory restrictions. In addition, our subsidiaries have no obligation to pay any amounts due on the senior notes. Furthermore, except to the extent we have a priority or equal claim against our subsidiaries as a creditor, the senior notes will be effectively subordinated to debt and preferred stock at the subsidiary level because, as the common shareholder of our subsidiaries, we will be subject to the prior claims of creditors of our subsidiaries. Consequently, the senior notes are effectively subordinated to all liabilities of any of our subsidiaries. Substantially all of our business is currently conducted through our subsidiaries, and we expect this to continue. As of March 31, 2006, The Hartford Financial Services Group, Inc. had $3,722 million of senior debt outstanding and our subsidiaries had $275,886 million of aggregate liabilities.

The indenture does not limit our ability or that of our subsidiaries to issue or incur other additional senior indebtedness. We may have difficulty paying our obligations under the senior notes if we, or any of our subsidiaries, incur additional indebtedness or liabilities.

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The trading price of the senior notes may not fully reflect the value of any accrued but unpaid interest.

The senior notes may trade at a price that does not fully reflect the value of any accrued but unpaid interest. If you dispose of your senior notes between record dates for interest payments, you will be required to include in gross income the daily portions of the original issue discount through the date of disposition in income as ordinary income, and to add this amount to your adjusted tax basis in the senior notes disposed of. To the extent the selling price is less than your adjusted tax basis, you will recognize a loss.

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RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth, for each of the periods indicated, our ratio of earnings to total fixed charges and our ratio of earnings excluding interest credited to contractholders to total fixed charges excluding interest credited to contractholders.

For purposes of computing the ratio of consolidated earnings to fixed charges, earnings consist of income from operations before federal income taxes, cumulative effect of accounting changes and fixed charges. Fixed charges consist of interest expense (including interest credited to contractholders), capitalized interest, amortization of debt expense and an imputed interest component for rental expense.

	Three Months Ended March 31,		Year Ended December 31,				
	2006	2005	2005	2004	2003	2002	2001
	(In millions, except for ratios)						
Income from Operations before Federal Income Taxes and Cumulative Effect of Accounting Changes	$ 984	$ 914	$ 2,985	$ 2,523	$ (550)	$ 1,068	$ 341
Add:							
Fixed Charges							
Interest expense	66	63	252	251	271	265	295
Interest factor attributable to rentals	16	17	69	64	76	73	72
Interest credited to contractholders	880	726	5,671	2,481	1,120	1,048	1,050
Total fixed charges	962	806	5,992	2,796	1,467	1,386	1,417
Total fixed charges excluding interest credited to contractholders	82	80	321	315	347	338	367
Earnings, as defined	1,946	1,720	8,977	5,319	917	2,454	1,758
Earnings, as defined, excluding interest credited to contractholders	$ 1,066	$ 994	$ 3,306	$ 2,838	$ (203)	$ 1,406	$ 708
Ratios							
Earnings, as defined, to total fixed charges(1)(2)	2.0	2.1	1.5	1.9	NM	1.8	1.2
Earnings, as defined, excluding interest credited to contractholders, to total fixed charges excluding interest credited to contractholders(1)(3)(4)	13.0	12.4	10.3	9.0	NM	4.2	1.9
Deficiency of earnings to fixed charges(5)	$	$	$	$	$ 550	$	$

(1) NM: Not meaningful.
(2) Before the impact of September 11 of $678 million, the 2001 ratio of earnings to fixed charges was 1.6.
(3) Before the impact of September 11 of $678 million, the 2001 ratio of earnings to fixed charges excluding interest credited to contractholders was 3.8.
(4)

This secondary ratio is disclosed for the convenience of fixed income investors and the rating agencies that serve them and is more comparable to the ratios disclosed by all issuers of fixed income securities.

(5) Represents additional earnings that would be necessary to result in a one to one ratio of consolidated earnings to fixed charges. This amount includes a before-tax charge of $2.6 billion related to our 2003 asbestos reserve addition.

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USE OF PROCEEDS

We are remarketing $689,825,000 aggregate principal amount of senior notes to investors on behalf of holders of the Normal Units.

We will not receive any cash proceeds from the remarketing of the senior notes. Instead, the proceeds from the remarketing will be used as follows:

- $686,420,081 of these proceeds, equal to the treasury portfolio purchase price, will be applied to purchase the treasury portfolio described below, which will be pledged to the collateral agent to secure the Normal Unit holders obligation to purchase our common stock under the purchase contracts on August 16, 2006;

- $1,716,050 of these proceeds, which equals 25 basis points (0.25%) of the treasury portfolio purchase price, will be deducted and retained by the remarketing agents as a remarketing fee; and

- any proceeds from the remarketing of the senior notes remaining after deducting the treasury portfolio purchase price and the remarketing fee will be remitted ratably to holders of the Normal Units as of the close of business, 5 p.m., New York City time, on May 10, 2006.

The treasury portfolio consists of:

- U.S. Treasury securities (or interest or principal strips thereof) that mature on or prior to August 15, 2006 in an aggregate amount equal to the aggregate principal amount of the senior notes underlying the aggregate ownership interests in senior notes held as components of Normal Units; and

- U.S. Treasury securities (or interest or principal strips thereof) that mature on or prior to August 15, 2006 in an aggregate amount equal to the aggregate interest payment (assuming no reset of the interest rate on the senior notes) that would have been due on August 16, 2006 on the aggregate principal amount of the senior notes underlying the aggregate ownership interests in senior notes held as components of Normal Units.

As used in this context: treasury portfolio purchase price means the lowest aggregate ask-side price quoted by a primary U.S. government securities dealer to the quotation agent on May 11, 2006 for the purchase of the treasury portfolio for settlement on May 16, 2006.

quotation agent means Merrill Lynch, Pierce, Fenner & Smith Incorporated.