

HARTFORD FINANCIAL SERVICES GROUP INC/DE
Form 11-K
June 30, 2003

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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

OR

TRANSITION REPORT PURSUANT TO SECTION 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934
For the transition period from December 31, 2002 to December 31, 2002

Commission file number 0-19277

A. Full title of 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.
HARTFORD PLAZA, HARTFORD, CONNECTICUT 06115-1900

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THE HARTFORD INVESTMENT AND SAVINGS PLAN

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ONE DAY PERIODS ENDED DECEMBER 31, 2002 AND 2001

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INDEPENDENT AUDITORS' REPORT

The Hartford Financial Services Group, Inc.
Hartford, Connecticut

We have audited the accompanying statement of net assets available for benefits of The Hartford Investment and Savings Plan (the "Plan") as of December 31, 2002, and the related statement of changes in net assets available for benefits for the one day period then ended. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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, 2002, and the changes in net assets available for benefits for the one day

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period then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the 2002 basic financial statements taken as a whole. The supplemental schedule listed in the Table of Contents is presented for the purpose of additional analysis and is not a required part of the basic 2002 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 2002 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic 2002 financial statements taken as a whole.

The accompanying statement of net assets available for benefits as of December 31, 2001, and the related statement of changes in net assets available for benefits for the one day period then ended were not audited by us and, accordingly, we do not express an opinion on them.

Deloitte & Touche LLP
Hartford, Connecticut

June 27, 2003

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THE HARTFORD INVESTMENT AND SAVINGS PLAN STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2002 AND 2001 (\$ IN THOUSANDS)

	DECEMBER 31, 2002			DE
	TOTAL	NON- MEMBER DIRECTED	MEMBER DIRECTED	TOT
ASSETS				
Investments, at fair value:				
The Hartford Financial Services Group, Inc. common stock (12,614,388 and 13,473,866 (unaudited) shares at December 31, 2002 and 2001, respectively)	\$ 573,072	\$ 422,755	\$ 150,317	\$ 84
Standard & Poor's 500 Index Portfolio	161,818	--	161,818	21
Investment in mutual funds	315,052	--	315,052	31
Pooled temporary investments	31,847	8,834	23,013	2
Investment in group annuity contracts, at contract value	450,019	--	450,019	35
Investment in loans receivable	34,984	5	34,979	3

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Dividends and interest receivable	3,442	2,526	916	

TOTAL ASSETS	1,570,234	434,120	1,136,114	1,800,000
LIABILITIES				
Unsettled net security purchases (sales)	1,924	176	1,748	
Interfund transfers pending	--	(216)	216	
Other liabilities	688	--	688	

TOTAL LIABILITIES	2,612	(40)	2,652	

NET ASSETS AVAILABLE FOR BENEFITS	\$ 1,567,622	\$ 434,160	\$ 1,133,462	\$ 1,800,000
=====				

See Notes to Financial Statements.

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THE HARTFORD INVESTMENT AND SAVINGS PLAN
 STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
 FOR THE ONE DAY PERIODS ENDED DECEMBER 31, 2002 AND 2001
 (\$ IN THOUSANDS)

	DECEMBER 31, 2002			DE
	TOTAL	NON-MEMBER DIRECTED	MEMBER DIRECTED	TOT

ADDITIONS (DEDUCTIONS) TO NET ASSETS ATTRIBUTED TO:				
Investment income:				
Net realized and change in unrealized gains/losses	\$ (102)	\$ (1,030)	\$ 928	(
Dividends and interest	30	--	30	

Total investment income (loss)	(72)	(1,030)	958	(
Interest on participant loans	106	2	104	
Employee contributions	3,237	--	3,237	
Employer contributions, net of forfeitures	1,362	1,105	257	
Rollovers	23	--	23	
Other, net	827	(1,000)	1,827	(

TOTAL ADDITIONS (DEDUCTIONS)	5,483	(923)	6,406	(1
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:				
Interfund transfers	--	159	(159)	
Loans to participants	--	--	--	
Administrative expenses	--	--	--	
Benefits paid to members	(889)	(19)	(870)	

TOTAL ADDITIONS (DEDUCTIONS)	(889)	140	(1,029)	

NET INCREASE (DECREASE)	4,594	(783)	5,377	(1

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Net assets available for benefits				
Beginning of Period	\$ 1,563,028	\$ 434,943	\$ 1,128,085	\$ 1,811,056
-----	-----	-----	-----	-----
END OF PERIOD	\$ 1,567,622	\$ 434,160	\$ 1,133,462	\$ 1,805,244
=====	=====	=====	=====	=====

See Notes to Financial Statements.

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THE HARTFORD INVESTMENT AND SAVINGS PLAN
 NOTES TO FINANCIAL STATEMENTS
 ONE DAY PERIODS ENDED DECEMBER 31, 2002 AND 2001
 (\$ AND SHARES 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. Participants should refer to the Plan Document for more complete information.

The Hartford Financial Services Group, Inc., a Delaware corporation, and its consolidated subsidiaries ("The Hartford" or the "Company") provide investment products and life and property and casualty insurance to both individual and commercial customers in the United States and internationally.

Information with regard to eligibility, contributions, distributions, vesting, trustees, withdrawals, restoration, loans, fund redistribution and definitions of all capitalized terms are contained in the Plan's information document, which has been distributed to the participants.

Plan Changes

Effective January 1, 2003, the plan year changed from a fiscal year ending December 30 to a calendar year ending December 31.

These financial statements, schedule and footnotes present the financial information of the Plan for the one day period from the end of the last reported plan year (December 30, 2002) to the end of the new plan year (December 31, 2002). Unaudited financial information for the comparable prior year period is also shown.

There have been no amendments to the Plan document during these reporting periods.

General

The Plan is a defined contribution plan covering all full-time and part-time employees of the Company who have attained age 19. 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, Deutsche Bank Trust Company, under the trust agreement established for the purposes of this Plan, or the aggregate funds held under an insurance contract or contracts established within The Hartford or its affiliates.

Contributions

Plan members may generally elect to save 2% to 30% of base salary. Members may designate their savings as before-tax, after-tax or a combination of both. Members who are highly compensated employees may be limited to less than 16% due to the operation of certain tests required under the Internal Revenue Code of 1986, as amended (the "Code").

Basic Before-Tax Savings are contributions which are not in excess of the first 6% of base salary. An amount equal to 50% of a member's Basic Before-Tax Savings is matched by the Company. Members' savings in excess of 6% of base salary are supplemental savings that are not matched by Company contributions. In addition, the Company allocates 0.5% of base salary ("Floor Company contributions") to the Floor Company Contribution Account of each eligible employee.

On December 30, 2001 for the 2002 Plan year, the Company guaranteed a fixed minimum contribution (based on a percentage of the amount of employer contributions normally made) that represents the employee salary deferral contributions and matching contributions for the subsequent Plan year. If actual contributions were less than the guaranteed fixed minimum amount at the end of the Plan year, an additional matching contribution would be made to the participants. The minimum contribution was met for the 2002 and 2001 plan years.

Administrative Costs

The Trust, as defined by the Plan, pays certain administrative expenses of the Plan up to 0.25% of the market value of Trust assets. Expenses not paid by the Trust are borne by the Company.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Member Accounts

Each member's account is credited with that member's contributions and allocations of (a) the Company's contribution and (b) Plan earnings, and is charged with an allocation of administrative expenses. Allocations are based on member earnings or 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.

Vesting

Vesting in Company matched contributions begins one year after employment at 20% and increases 20% each consecutive year until the fifth consecutive year of employment when 100% is vested. Notwithstanding, a member becomes fully vested in such member's Company contribution account upon retirement (for certain members), disability, death, or upon reaching age 65, or the complete discontinuance of Company contributions or upon termination of the Plan. Floor contributions are 100% vested when allocated to each member's account.

Investment Options

Contributions of member savings and company contributions are invested in any one of 16 funds in multiples of 1%, as elected by the member ("member directed

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investments"). All investment options are party-in-interest with The Hartford or certain of its subsidiaries.

Participant Loans

Members may borrow from their fund accounts a minimum of \$1 to a maximum equal to the lesser of \$50 or 50% of their vested account balances. Loan transactions are treated as transfers from (to) the investment funds to (from) 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 quarter the loan originates (as published in the Wall Street Journal) plus 1% and is fixed for the term of the loan.

Payment of Benefits

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

Forfeitures

There were no forfeitures during the one day reporting periods.

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, using the accrual basis of accounting.

USE OF ESTIMATES - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA 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 deletions during the reporting period. Actual results could differ from those estimates. The Plan utilizes various investment instruments, including mutual funds 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 affect the amounts reported in the financial statements.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 3. INVESTMENTS

The following investments represented 5% or more of the Plan's net assets:

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DECEMBER
2002

The Hartford Financial Services Group, Inc. common stock (12,614 and 13,474 (unaudited) shares at December 31, 2002 and 2001, respectively)	\$ 57
Standard & Poor's 500 Index Portfolio	16
Stable Value Fund - group annuity contracts	45
=====	

For the one day periods ended December 31, 2002 and 2001, the Plan's net realized and change in unrealized gains and losses were as follows:

DECEMBER
2002

The Hartford Financial Services Group, Inc. common stock	\$ (
Standard & Poor's 500 Index Portfolio	
Investment in mutual funds	

Net realized and unrealized losses	\$
=====	

NOTE 4. VALUATION OF INVESTMENTS

Plan investments, except group annuity contracts, are reported at fair value. The fair value of the underlying common stock of The Hartford Financial Services Group, Inc. Stock Fund is based on quoted market prices. Interests in mutual funds and pooled investment funds are valued at the redemption price established by the trustee or the investment manager of the respective fund at the Plan's year-end.

Purchases and sales of securities are recorded on the trade date. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Plan has entered into numerous traditional and synthetic group annuity contracts primarily with insurance carriers. These contracts, which are included in the Stable Value Fund, are fully benefit responsive and are included in the financial statements at contract value. 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. As of December 31, 2002 and 2001, the estimated fair value of the group annuity contracts was \$450,019 and \$358,011 (unaudited), respectively. There are no reserves against contract value for credit risk of control issuer or otherwise. The average yield and weighted average crediting interest rate on these contracts were 6.02% and 5.91% (unaudited), respectively, for the years ended December 31, 2002 and 2001, and 6.54% and 6.33% (unaudited), respectively, for the years ended December 31, 2002 and 2001. Crediting interest rates are generally reset quarterly for synthetic

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contracts and are reset based on formulas which may use market value, book value, duration and yield. A synthetic group annuity contract is an investment contract that simulates the performance of a traditional group annuity contract through the use of financial instruments. A key difference between a synthetic group annuity contract and a traditional group annuity contract is that the Plan owns the assets underlying the synthetic group annuity contract. Traditional group annuity contracts have fixed crediting interest rates.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 5. FEDERAL INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Company by letter dated February 25, 1998 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. The Company, the Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

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 interest of affected members shall automatically become non-forfeitable.

NOTE 7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

As of December 31, 2002 and 2001, the following is a reconciliation of net assets available for plan benefits according to the accompanying financial statements to Form 5500:

	DECEMBER 31, 2002

Net assets available for plan benefits per financial statements	\$ 1,513,000
Amounts allocated to withdrawing members	(4,000)

Net assets available for plan benefits per Form 5500	\$ 1,509,000
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The following is a reconciliation of benefits paid to members according to the accompanying financial statements to Form 5500:

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Stock Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. Stock Fund Cash Fund - Class 1A shares (95,722.147 shares)

SUBTOTAL

Clearing Account

* Deutsche Bank Trust Company BT Pyramid Directed Account

SUBTOTAL

Index Fund

* Hartford Life Insurance Company S&P 500 Index Portfolio Hartford - GA - 6226, S/A BI

SUBTOTAL

Stable Value Fund

* Deutsche Bank Trust Company BT Pyramid Discretionary Account Cash Fund - STIF
Business Mens Assurance Group Annuity Contract #1412, 7.64%, 11/30/2004
Canada Life Assurance Company Group Annuity Contract P26092, 5.77%, 2/28/2005
General Electric Capital Assurance Company Group Annuity Contract #GS3614GECA, 5.92%, 6/01/2006
Monumental Life Insurance Company Group Annuity Contract #MDA00380TR, 4.64% 1/25/2015
Monumental Life Insurance Company Group Annuity Contract #ADA00212TR, 6.01% **

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THE HARTFORD INVESTMENT AND SAVINGS PLAN SUPPLEMENTAL SCHEDULE
FORM 5500, SCHEDULE H, PART IV, LINE 4I - SCHEDULE OF INVESTMENT ASSETS
DECEMBER 31, 2002
(\$ IN THOUSANDS)

(A) (B) IDENTITY OF PARTY (C) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE

Morgan Guaranty Trust Company Group Annuity Contract #AITTH01, 5.99% **

Principal Life Insurance Company Group Annuity Contract #GA 4-36623, 5.78%, 01/21/2004

Protective Life Insurance Company Group Annuity Contract #GA 1629, 7.34%, 5/30/2003

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Security Benefit Life Insurance Company Group Annuity Contract #G0105, 6.46%, 1/25/2006

Transamerica Insurance Company Group Annuity Contract #TDA76592TR, 6.00%, 1/31/2018

Union Bank of Switzerland Group Annuity Contract #3024, 5.78% **

SUBTOTAL

Advisers Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. Advisers Fund #BL416645786, Class 1A shares

SUBTOTAL

Bond Income Strategy Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. Bond Income Strategy Fund, Class 1A shares

SUBTOTAL

Money Market Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. Money Market Fund, Class 1A share

SUBTOTAL

Dividend and Growth Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. Dividend and Growth Fund, Class 1 shares

SUBTOTAL

International Opportunities Fund

* The Hartford Financial Services Group, Inc. Hartford Mutual Funds, Inc. International Opportunities Fund Class 1A shares

SUBTOTAL

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	Deutsche Bank Cash Fund-STIF	

*	Deutsche Bank Trust Company	DB Pyramid Directed Account Cash Fund-STIF
*	Deutsche Bank Trust Company	DB Pyramid Discretionary Account Cash Fund-STIF
		SUBTOTAL

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THE HARTFORD INVESTMENT AND SAVINGS PLAN SUPPLEMENTAL SCHEDULE
FORM 5500, SCHEDULE H, PART IV, LINE 4I - SCHEDULE OF INVESTMENT ASSETS
DECEMBER 31, 2002
(\$ IN THOUSANDS)

(A)	(B) IDENTITY OF PARTY	(C) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE
	Loan Fund	

*	Loans to Participants	Loans Receivable from Participants, maturing at various dates bearing interest at rates from 5.68% - 11.50%
		SUBTOTAL
		TOTAL

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SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THE PENSION FUND TRUST AND INVESTMENT COMMITTEE OF THE HARTFORD INVESTMENT AND SAVINGS PLAN HAS DULY CAUSED THIS ANNUAL REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED HEREUNTO DULY AUTHORIZED.

THE HARTFORD INVESTMENT AND SAVINGS PLAN

(NAME OF PLAN)

BY: /S/ FRANCIS A. DORION

(FRANCIS A. DORION, PLAN ADMINISTRATOR)

JUNE 30, 2003

(DATE)

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