# Hartford Financial Prepares to Repay U.S. Treasury

By Editor Test *Thu, Mar 25, 2010*

*Hartford Financial borrowed $3.4 billion in 2009 under the Treasury Department's Troubled Asset Relief Program.*

Hartford Financial Services Group Inc. has completed the previously announced stock and debt offerings it is using to get out of the U.S. Treasury's Capital Purchase Program, *National Underwriter* reported.

Hartford Financial borrowed $3.4 billion in 2009 from the CPP, which is part of the Troubled Asset Relief Program. To pay back the CPP obligations, Hartford has sold:

- About 60 million shares of common stock.
- 23 million "depositary shares," which each represent a 1/40th interest in a share of Hartford's 7.25% Mandatory Convertible Preferred Stock, Series F.
- $1.1 billion of senior notes, including $300 million in 4.00% senior notes due 2015, $500 million in 5.50% senior notes due 2020, and $300 million in 6.625% senior notes due 2040.

The underwriters exercised options to buy 7.3 million shares of the common stock and 3 million depositary shares. Hartford is seeking approval to use $425 million in debt offering proceeds and the proceeds of the stock and depositary share offerings to pay the Treasury back by repurchasing preferred shares it issued through the CPP program.

Hartford will use the rest of the senior-note offering proceeds to prepare to re-pay debt that will mature this year and next year.

"We were pleased with the execution of the capital raise," Hartford Chairman Liam McGee says in a statement. "There was a high level of investor interest in our offerings and pricing was favorable, reflecting confidence in the Hartford's future." The Treasury Department will still have warrants to buy Hartford common stock. Hartford has not announced plans to buy the warrants back.