

TRAVELERS COMPANIES, INC.

Form 424B5

May 23, 2007

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Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-130323

The information in this preliminary prospectus supplement is not complete and may be changed. The Information in this preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated May 23, 2007

**Prospectus Supplement**

**May , 2007**

**(to Prospectus dated March 5, 2007)**

\$

**The Travelers Companies, Inc.**

\$ % **Senior Notes due 2012**

\$ % **Senior Notes due 2017**

\$ % **Senior Notes due 2037**

We are offering \$ aggregate principal amount of % senior notes due 2012, \$ aggregate principal amount of % senior notes due 2017 and \$ aggregate principal amount of % senior notes due 2037. Interest on the senior notes is payable on June 15 and December 15 of each year, beginning on December 15, 2007. The 2012 senior notes will mature on June 15, 2012. The 2017 senior notes will mature on December 15, 2017. The 2037 senior notes will mature on June 15, 2037. We may redeem the senior notes in whole or in part at any time at the redemption prices described herein.

The senior notes will be unsecured senior obligations of our company and will rank equally with all of our other unsecured senior indebtedness.

*Investing in the senior notes involves risks.* See *A Special Note Regarding Forward-Looking Statements* beginning on page S-3 *Risk Factors* contained in our incorporated documents and other information included and incorporated by reference in this prospectus supplement and the accompanying prospectus for a discussion of the factors you should carefully consider before deciding to purchase any senior notes.

**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.**

	<b>Per 2012 Senior Note</b>	<b>Total</b>	<b>Per 2017 Senior Note</b>	<b>Total</b>	<b>Per 2037 Senior Note</b>	<b>Total</b>
Public Offering Price(1)	%	\$	%	\$	%	\$
Underwriting Discounts	%	\$	%	\$	%	\$
Proceeds to The Travelers Companies, Inc. (before expenses)(1)	%	\$	%	\$	%	\$

(1) Plus accrued interest, if any, from and including May , 2007, if settlement occurs after that date.

The underwriters expect to deliver the senior notes to investors on or about May , 2007, in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, Luxembourg and/or Euroclear Bank N.V./S.A.

*Joint Book-Running Managers*

**Banc of America Securities LLC**

**Deutsche Bank Securities**

**Wachovia Securities**

**You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference is accurate as of any date other than their respective dates.**

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which may not apply to this offering.

If information varies between this prospectus supplement and the accompanying prospectus or the documents incorporated by reference, you should rely on the information in this prospectus supplement.

Unless we have indicated otherwise, or the context otherwise requires, the terms Travelers, the company, we, us and our mean The Travelers Companies, Inc. and its consolidated subsidiaries.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F. Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Our common stock is traded on the New York Stock Exchange under the symbol TRV. You may inspect the reports, proxy statements and other information concerning us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005. You may find additional information about us at our web site at <http://www.travelers.com>. The information on our web site is not part of this prospectus supplement or the accompanying prospectus.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 prior to the termination of the offering under this prospectus supplement:

Annual Report on Form 10-K/A for the year ended December 31, 2006;

Quarterly Report on Form 10-Q for the quarter ended March 31, 2007; and

Current Reports on Form 8-K filed by The Travelers Companies, Inc. on February 13, February 27 and March 12, 2007.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

The Travelers Companies, Inc.  
Attn: Corporate Secretary  
385 Washington Street  
St. Paul, Minnesota 55102  
Telephone No.: (651) 310-7911



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**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus supplement and the accompanying prospectus. As a result, it does not contain all of the information that you should consider before investing in the senior notes. You should read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference, which are described under **Where You Can Find More Information** on page iii of this prospectus supplement and page iii of the accompanying prospectus. This prospectus supplement and the accompanying prospectus contain or incorporate forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995). Forward-looking statements should be read with the cautionary statements and important factors included under **A Special Note Regarding Forward-Looking Statements** in this prospectus supplement.*

**The Travelers Companies, Inc.**

The Travelers Companies, Inc. is a holding company principally engaged, through its subsidiaries, in providing a wide range of commercial and personal property and casualty insurance products and services to businesses, government units, associations and individuals. The company, known as The St. Paul Companies, Inc., or St. Paul, prior to its merger on April 1, 2004 with Travelers Property Casualty Corp., or Travelers Property, is incorporated as a general business corporation under the laws of the State of Minnesota and is one of the oldest insurance organizations in the United States, dating back to 1853. Upon completion of the merger with Travelers Property, the company was named The St. Paul Travelers Companies, Inc. The company's name was changed to The Travelers Companies, Inc. on February 26, 2007.

The principal executive offices of the company are located at 385 Washington Street, St. Paul, Minnesota 55102, and the telephone number is (651) 310-7911.

**Recent Developments**

On May 8, 2007, we announced the establishment of a multi-year catastrophe bond program, which we created to provide reinsurance protection for our insurance subsidiaries with respect to losses resulting from hurricanes and certain other catastrophes in the United States. We may obtain reinsurance under the program by entering into one or more reinsurance agreements with Longpoint Re Ltd., or Longpoint Re, a newly formed independent Cayman Islands insurance company.

Longpoint Re successfully completed an offering to unrelated investors under the program of \$500 million aggregate principal amount of catastrophe bonds on May 8, 2007. In connection with the offering, we and Longpoint Re entered into a three-year reinsurance agreement providing up to \$500 million of reinsurance from losses resulting from certain hurricane events in the northeastern United States.

Amounts payable under the reinsurance agreement will be based on an index created by applying predetermined percentages to insured industry losses in each state in the covered area as reported by Property Claim Services, or PCS, a division of Insurance Services Offices, Inc. Payments to us under the reinsurance agreement will be based on index-based losses, which are designed to approximate our actual losses from any covered event. The principal amount of the catastrophe bonds will be reduced by any amounts paid to us under the reinsurance agreement.

We will be entitled to begin recovering amounts under the reinsurance agreement if index-based losses in the covered area for a single occurrence reach an initial trigger amount of \$2.25 billion. The full coverage amount of \$500 million



is available on a proportional basis until index-based losses reach an initial exhaustion amount of \$3.0 billion. The trigger and exhaustion amounts will be reset annually to maintain a probability of loss on the catastrophe bonds equal to the initial modeled probability of loss.

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**The Offering**

Issuer	The Travelers Companies, Inc., a Minnesota corporation.
Securities Offered	\$ aggregate principal amount of % senior notes due 2012 (which we refer to as the 2012 senior notes ), \$ aggregate principal amount of % senior notes due 2017 (which we refer to as the 2017 senior notes ) and \$ aggregate principal amount of % senior notes due 2037 (which we refer to as the 2037 senior notes, and together with the 2012 senior notes and the 2017 senior notes, the senior notes ).
Maturity	The 2012 senior notes will mature on June 15, 2012.  The 2017 senior notes will mature on December 15, 2017.  The 2037 senior notes will mature on June 15, 2037.
Interest	The 2012 senior notes will bear interest at % per year. The 2017 senior notes will bear interest at % per year. The 2037 senior notes will bear interest at % per year. Interest on the senior notes will be payable on June 15 and December 15 of each year, commencing December 15, 2007. Interest will accrue from and including May , 2007.
Redemption	We may redeem the senior notes of any series at our option on not less than 30 days, but not more than 60 days prior written notice, in whole or in part, at the redemption price set forth under the caption Description of the Senior Notes Optional Redemption in this prospectus supplement.
Certain Covenants	The indenture governing the senior notes contains certain covenants that, among other things, limit our ability to create, issue, assume, incur or guarantee any indebtedness for borrowed money that is secured by a mortgage, pledge, lien, security interest or other encumbrance on any voting stock, as defined in the indenture, of a designated subsidiary, as defined in the indenture. See Description of Debt Securities We May Offer Restrictive Covenants in the accompanying prospectus.
Ranking	The senior notes will be unsecured and rank equally with all our other unsecured senior debt. The indenture under which the senior notes will be issued does not limit our ability to issue or incur other additional senior indebtedness. See Description of Debt Securities We May Offer in the accompanying prospectus.
Use of Proceeds	We estimate that we will receive net proceeds from the offering of approximately \$ , after deduction of estimated underwriting expenses and commissions and estimated expenses payable by us. We intend to apply the net proceeds of this offering (1) to repay approximately \$443 million of senior notes maturing on August 16, 2007, (2) to repay approximately \$42 million of medium-term notes maturing before December 31, 2007 and (3) for general corporate purposes. Prior to

applying these proceeds, we intend to invest them in investment grade, marketable securities. The senior notes maturing on August 16, 2007 bear interest at an annual rate of 5.01%. Our medium-term notes maturing before December 31, 2007 bear interest at a weighted average interest rate of 7.231%. See Use of Proceeds in this prospectus supplement.

Listing

The senior notes will not be listed on any exchange.

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**A SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Specifically, earnings guidance and statements about our share repurchase plans are forward looking, and we may make forward-looking statements about our results of operations (including, among others, premium volume, income from continuing operations, net and operating income, investment income, return on equity and combined ratio), financial condition (including, among others, invested assets and liquidity), the sufficiency of our asbestos and other reserves (including, among others, asbestos claim payment patterns), the cost and availability of reinsurance coverage, catastrophe losses, and strategic initiatives. Such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Some of the factors that could cause actual results to differ include, but are not limited to, the following: catastrophe losses could materially reduce our profitability and adversely impact our ratings, our ability to raise capital and the availability and cost of reinsurance; if actual claims exceed our loss reserves, or if changes in the estimated level of loss reserves are necessary, our financial results could be significantly and adversely affected; our business could be harmed because of our potential exposure to asbestos and environmental claims and related litigation; we are exposed to, and may face adverse developments involving, mass tort claims such as those relating to exposure to potentially harmful products or substances; the effects of emerging claim and coverage issues on our business are uncertain; reinsurance may be unavailable on acceptable terms and we may be unable to collect reinsurance; the insurance industry is the subject of a number of investigations by state and federal authorities in the United States, and we cannot predict the outcome of these investigations or their impact on our business or financial results; our businesses are heavily regulated and changes in regulation may reduce our profitability and limit our growth; a downgrade in our claims-paying and financial strength ratings could significantly reduce our business volumes, adversely impact our ability to access the capital markets and increase our borrowing costs; our investment portfolio may suffer reduced returns or losses which could reduce our profitability; the intense competition that we face could harm our ability to maintain or increase our profitability and premium volume; the inability of our insurance subsidiaries to pay dividends to us in sufficient amounts would harm our ability to meet our obligations and to pay future dividends; assessments and other surcharges for guaranty funds, second-injury funds, catastrophe funds and other mandatory pooling arrangements may reduce our profitability; loss or significant restriction of the use of credit scoring in the pricing and underwriting of Personal Insurance products could reduce our future profitability; disruptions to our relationships with our distributors, independent agents and brokers could adversely affect us; and if we experience difficulties with outsourcing relationships, technology and/or data security, our ability to conduct our business might be negatively impacted.

Our forward-looking statements speak only as of the date of this prospectus supplement or as of the date they are made, and we undertake no obligation to update our forward-looking statements. For a more detailed discussion of these factors, see the information under the caption Risk Factors in our most recent annual report on Form 10-K/A filed with the SEC.

**USE OF PROCEEDS**

We estimate that we will receive net proceeds from the offering of approximately \$ , after deduction of estimated underwriting expenses and commissions and estimated expenses payable by us. We intend to apply the net proceeds of this offering to (1) repay approximately \$443 million of senior notes maturing on August 16, 2007, (2) to repay

approximately \$42 million of medium-term notes maturing before December 31, 2007 and (3) for general corporate purposes. Prior to applying these proceeds, we intend to invest them in investment grade, marketable securities. The senior notes maturing on August 16, 2007 bear interest at an annual rate of 5.01%. Our medium-term notes maturing before December 31, 2007 bear interest at a weighted average interest rate of 7.231%.

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The following table sets forth our consolidated capitalization at March 31, 2007:

on an actual basis; and

as adjusted to give effect to our receipt and application of the net proceeds we expect to receive from the sale of the senior notes in this offering to repay a portion of our existing consolidated indebtedness as contemplated in Use of Proceeds .

	<b>As of March 31, 2007</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(in millions)</b>	
Debt	\$ 6,123(1)	\$
Shareholders' equity:		
Convertible preferred stock	124	124
Common stock	18,634	18,634
Retained earnings	8,167	8,167
Accumulated other changes in equity from nonowner sources	417	417
Treasury stock, at cost	(1,985)	(1,985)
Total shareholders' equity	25,357	25,357
Total capitalization	\$ 31,480	\$

(1) Includes \$984 million of short-term debt.

**Table of Contents****SELECTED CONSOLIDATED FINANCIAL INFORMATION**

The following tables set forth selected consolidated financial information that is qualified in its entirety by and should be read in conjunction with our audited and unaudited consolidated financial statements and related Management's Discussion and Analysis of Financial Condition and Results of Operations sections in our reports filed with the SEC and incorporated by reference in this prospectus supplement. All data in the following table for the years 2002 through 2003 represent historical data for Travelers Property. For accounting purposes, the merger of St. Paul and Travelers Property was accounted for as a reverse acquisition with Travelers Property treated as the accounting acquirer. Accordingly, this transaction was accounted for as a purchase business combination, using Travelers Property's historical financial information and applying fair value estimates to the acquired assets, liabilities and commitments of St. Paul as of April 1, 2004. The statement of operations and other data presented below for the years ended December 31, 2006, 2005 and 2004 and the balance sheet data presented below at December 31, 2006 and 2005 are derived from our audited consolidated financial statements contained in reports incorporated by reference in this prospectus supplement. The statement of operations and other data presented below for the years ended December 31, 2003 and 2002 and the balance sheet data presented below at December 31, 2004, 2003 and 2002 are derived from our audited consolidated financial statements contained in reports not incorporated by reference in this prospectus supplement. We derived the statement of operations and other data presented below for the three months ended March 31, 2007 and 2006 and the balance sheet data presented below at March 31, 2007 from our unaudited condensed consolidated financial statements contained in reports incorporated by reference in this prospectus supplement. We derived the balance sheet data presented below at March 31, 2006 from our unaudited condensed consolidated financial statements contained in reports not incorporated by reference in this prospectus supplement. In the opinion of management, our unaudited consolidated financial statements for the three months ended March 31, 2007 and 2006 include all adjustments necessary for a fair presentation of results for the unaudited interim periods. Historical results are not necessarily indicative of results to be expected for any future period and the interim results for the three months ended March 31, 2007 are not necessarily indicative of results to be expected for the full year ended December 31, 2007 or any future period.

	<b>At and for the Three Months Ended March 31,</b>		<b>At and for the Year Ended December 31,(1)</b>				
	<b>2007</b>	<b>2006</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
	<b>(in millions, except per share amounts)</b>						
Total revenues	\$ 6,427	\$ 6,050	\$ 25,090	\$ 24,365	\$ 22,544	\$ 15,139	\$ 14,270
Income from continuing operations before cumulative effect of change in accounting principles	\$ 1,086	\$ 1,006	\$ 4,208	\$ 2,061	\$ 867	\$ 1,696	\$ 216
Cumulative effect of change in accounting principles, net of tax(2)							(243)
Income (loss) from discontinued operations, net of				(439)	88		

tax(3)

Net income (loss)	\$ 1,086	\$ 1,006	\$ 4,208	\$ 1,622	\$ 955	\$ 1,696	\$ (27)
Total investments	\$ 72,690	\$ 69,008	\$ 72,268	\$ 68,287	\$ 64,368	\$ 38,653	\$ 38,425
Total assets	114,121	113,376	113,761	113,187	111,246	64,872	64,138
Claims and claim adjustment expense reserves	58,821	60,703	59,288	61,090	59,070	34,573	33,736
Total debt	6,123	5,839	5,760	5,850	6,313	2,675	2,544
Total liabilities	88,764	90,539	88,626	90,884	90,045	52,885	53,100
Company-obligated mandatorily redeemable securities of subsidiary trusts holding solely junior subordinated debt securities of Travelers Insurance Group Holdings Inc.							900
Total shareholders equity	25,357	22,837	25,135	22,303	21,201	11,987	10,137

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	<b>At and for the Three Months</b>		<b>At and for the Year Ended December 31,(1)</b>				
	<b>Ended March 31, 2007</b>	<b>2006</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
	<b>(in millions, except per share amounts)</b>						
<b>Basic earnings (loss) per share:(4)</b>							
Income from continuing operations before cumulative effect of change in accounting principles	\$ 1.62	\$ 1.45	\$ 6.12	\$ 3.04	\$ 1.42	\$ 3.91	\$ 0.52
Cumulative effect of change in accounting principles, net of tax							(0.59)
Income (loss) from discontinued operations, net of tax(3)				(0.65)	0.14		
Net income (loss) per share	\$ 1.62	\$ 1.45	\$ 6.12	\$ 2.39	\$ 1.56	\$ 3.91	\$ (0.07)
<b>Diluted earnings (loss) per share:(4)</b>							
Income from continuing operations before cumulative effect of change in accounting principles	\$ 1.56	\$ 1.41	\$ 5.91	\$ 2.95	\$ 1.40	\$ 3.80	\$ 0.52
Cumulative effect of change in accounting principles, net of tax							(0.59)
Income (loss) from discontinued operations, net of tax(3)				(0.62)	0.13		
Net income (loss) per share	\$ 1.56	\$ 1.41	\$ 5.91	\$ 2.33	\$ 1.53	\$ 3.80	\$ (0.07)