

TRAVELERS COMPANIES, INC.
Form 8-K
November 08, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 7, 2016**

The Travelers Companies, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of
incorporation)

001-10898
(Commission File Number)

41-0518860
(IRS Employer Identification
Number)

485 Lexington Avenue
New York, New York
(Address of principal executive offices)

10017
(Zip Code)

(917) 778-6000

(Registrant's telephone number, including area code)

Not Applicable

Edgar Filing: TRAVELERS COMPANIES, INC. - Form 8-K

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 8.01. Other Events.

On November 7, 2016, the Travelers Companies, Inc. (the Company) agreed to a settlement with one of the defendants in the previously reported reinsurance dispute captioned *United States Fidelity & Guaranty Company v. American Re-Insurance Company, et al.* The Company expects to receive payment under the settlement with this defendant in the fourth quarter of 2016 and, as a result, expects to recognize a \$126.1 million pre-tax (\$82.0 million after-tax) gain in earnings in the fourth quarter. The reinsurance recoverable balance related to this case would be reduced from approximately \$238 million to approximately \$31 million in the Company's consolidated balance sheet. The gain contingency disclosed in the notes to the Company's financial statements, which had previously not been recognized in the Company's earnings, would be reduced from approximately \$287 million to approximately \$38 million. The remaining reinsurance recoverable and gain contingency balances relate to the remaining defendants.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 8, 2016

THE TRAVELERS COMPANIES, INC.

By: /s/ Kenneth F. Spence III
Name: Kenneth F. Spence III
Title: Executive Vice President and
General Counsel