

TRAVELERS COMPANIES, INC.
Form 11-K
June 27, 2007

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended **December 31, 2006**

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number **001-10898**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

The Travelers 401(k) Savings Plan

385 Washington Street

St. Paul, MN 55102

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

The Travelers Companies, Inc.

385 Washington Street

St. Paul, MN 55102

REQUIRED INFORMATION

The Travelers 401(k) Savings Plan (the Plan) is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA), and for purposes of satisfying the requirements of Form 11-K has included for filing herewith the Plan financial statements and schedule prepared in accordance with the financial reporting requirements of ERISA.

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* Schedules required by Form 5500, which are not applicable, have not been included.

Report of the Independent Registered Public Accounting Firm

To the Plan Administrative Committee and Plan Participants

The Travelers 401(k) Savings Plan: (formerly The St. Paul Travelers 401(k) Savings Plan)

We have audited the accompanying statements of net assets available for benefits of The Travelers 401(k) Savings Plan (the Plan) as of December 31, 2006 and 2005, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Travelers 401(k) Savings Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4i Schedule of Assets (held at end of year) as of December 31, 2006 is presented for the purpose of additional analysis and is not a required part of the basic 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 supplemental schedule is the responsibility of the Plan's administrator. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP
KPMG LLP

Minneapolis, Minnesota
June 27, 2007

THE TRAVELERS 401(k) SAVINGS PLAN
(Formerly St. Paul Travelers 401(k) Savings Plan)

Statements of Net Assets Available for Benefits

December 31, 2006 and 2005

	2006	2005
Assets:		
Investments at fair value:		
Preferred stock	\$ 169,480,105	\$ 167,179,808
Common stock	830,921,079	770,393,619
Mutual funds	1,537,559,193	1,248,940,766
Common trust funds	48,548,306	71,850,786
Fidelity BrokerageLink investments	35,041,887	20,826,179
Benefit-responsive investment contracts with financial institutions	463,308,624	401,641,055
Guaranteed investment contracts	1,979,122	2,897,725
Participant loans	48,606,442	45,518,102
Short-term investments	10,783,402	12,310,048
Total investments	3,146,228,160	2,741,558,088
Receivables:		
Employer contributions	73,156,604	63,087,503
Investments sold but not delivered	3,881,722	1,934,598
Accrued interest and dividends	16,944	16,330
Total receivables	77,055,270	65,038,431
Cash	2,635,697	2,989,191
Total assets	3,225,919,127	2,809,585,710
Liabilities:		
Accrued expenses	299,097	257,138
Other payables	3,215,115	3,082,951
Total liabilities	3,514,212	3,340,089
Net assets available for benefits, at fair value	3,222,404,915	2,806,245,621
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	5,006,541	4,827,964
Net assets available for benefits	\$ 3,227,411,456	\$ 2,811,073,585

See accompanying notes to financial statements.

THE TRAVELERS 401(k) SAVINGS PLAN

(Formerly St. Paul Travelers 401(k) Savings Plan)

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2006 and 2005

	2006	2005
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 255,536,751	\$ 104,846,995
Interest	26,836,046	8,066,031
Preferred dividends	5,110,893	1,423,665
Common dividends	25,145,457	7,595,584
Mutual funds dividends	70,179,139	35,593,740
Total investment income	382,808,286	157,526,015
Contributions:		
Employer	73,156,604	63,087,866
Employee	152,223,815	61,448,321
Rollover	27,671,129	7,233,842