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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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SECURITIES AND EXCHANGE COMMISSION  
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EXAMINATIONS  
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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III  
FACING PAGE

SEC FILE NUMBER  
8-25027

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 10/01/08 AND ENDING 9/30/09  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER - DEALER:

Planco Financial Services, LLC

OFFICIAL USE ONLY  
FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

1500 Liberty Ridge Drive, Suite 100

(No. and Street)

Wayne

(City)

PA

(State)

19087

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Julie Corrow

800-523-7798

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Deloitte & Touche LLP

(Name - if individual, state last, first, middle name)

1700 Market Street

(Address)

Philadelphia

(City)

PA

(State)

19103

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions.

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

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# PLANCO FINANCIAL SERVICES, LLC

(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

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## INDEPENDENT AUDITORS' REPORT

To the Board of Managers and Member of  
Planco Financial Services, LLC

We have audited the accompanying statement of financial condition of Planco Financial Services, LLC (the "Company") (a wholly-owned subsidiary of Hartford Life, Inc.) as of September 30, 2009, and the related statements of operations, cash flows, and changes in member's equity for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company'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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 financial position of Planco Financial Services, LLC at September 30, 2009, and the results of its operations and its cash flows for the year 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 basic financial statements taken as a whole. The supplemental schedules g and h listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. These schedules are the responsibility of the Company's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

*Deloitte & Touche LLP*

November 23, 2009

**PLANCO FINANCIAL SERVICES, LLC**  
(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

**STATEMENT OF FINANCIAL CONDITION**  
**AS OF SEPTEMBER 30, 2009**

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**ASSETS**

Cash and cash equivalents	\$ 23,623,310
Restricted cash	37,559
Accounts receivable	12,713
Prepaid expenses	<u>67,046</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>23,740,628</u></b>

**LIABILITIES AND MEMBER'S EQUITY**

<b>LIABILITIES</b>	
Accounts payable	\$ 6,514,766
Taxes payable	72,298
Payable to affiliate	<u>7,153,564</u>
<b>TOTAL LIABILITIES</b>	<b>13,740,628</b>
<b>MEMBER'S EQUITY</b>	<b><u>10,000,000</u></b>
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b>\$ <u>23,740,628</u></b>

The accompanying notes are an integral part of these financial statements.

**PLANCO FINANCIAL SERVICES, LLC**  
(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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**REVENUES:**

Marketing service fee	\$ 142,310,537
Interest income	<u>38,269</u>
Total revenues	<u>142,348,806</u>

**EXPENSES:**

Administrative and operating expenses	91,656,416
Wholesaler overrides	44,334,978
Other broker commissions	4,886,066
Regulatory fees	364,957
Other	<u>139,256</u>
Total expenses	<u>141,381,673</u>

INCOME BEFORE INCOME TAXES 967,133

PROVISION FOR INCOME TAXES (967,133)

NET INCOME \$ -

The accompanying notes are an integral part of these financial statements.

**PLANCO FINANCIAL SERVICES, LLC**  
(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income	\$ -
Adjustment to reconcile net income to net cash used in operating activities:	
<b>(Increase) decrease in operating assets:</b>	
Cash segregated under federal or other regulations	53,798
Restricted cash	(37,559)
Prepaid expenses	253,126
Accounts receivable	16,339
<b>Increase (decrease) in operating liabilities:</b>	
Accounts payable	(5,501,781)
Income taxes payable	(278,069)
Payable to affiliate	<u>(4,167,234)</u>
Net cash used in operating activities	<u>(9,661,380)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(9,661,380)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>33,284,690</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 23,623,310</u></u>
<b>SUPPLEMENTAL CASH FLOW DISCLOSURE:</b>	
Income tax payments (paid to parent)	<u><u>\$ 1,241,000</u></u>

The accompanying notes are an integral part of these financial statements.

**PLANCO FINANCIAL SERVICES, LLC**  
**(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)**

**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Member's equity
Balance, October 1, 2008	\$ 10,000,000
Net Income	<u>-</u>
Balance, September 30, 2009	<u>\$ 10,000,000</u>

The accompanying notes are an integral part of these financial statements.

**PLANCO FINANCIAL SERVICES, LLC**  
(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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**1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS**

Planco Financial Services, LLC (the "Company") is a wholly-owned subsidiary of Hartford Life and Accident Insurance Company, a subsidiary of Hartford Life, Inc. (the "Parent") and the Hartford Financial Services Group, Inc. ("The Hartford"), a publicly traded company. The Company is a registered broker-dealer engaged exclusively in the sale of various annuity and life insurance products, the distribution of shares of registered open-end investment management companies, and the distribution of IRC Section 529 plans for the Parent. The Company has an affiliate, Planco LLC (the "affiliate") that provides administrative and support services. The Company is a single member, Delaware, limited liability company.

**2. SIGNIFICANT ACCOUNTING POLICIES**

***Basis of Presentation*** – The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), which requires management to make estimates and assumptions that affect the financial statements and related disclosures. These estimates include mostly accruals for compensation-related expenses. Management believes that the estimates utilized in the preparation of the financial statements are reasonable and prudent. Actual results could differ materially from these estimates.

***Use of Estimates*** — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates made by management include those used to accrue for commissions receivable and payable.

***Marketing Service Fees*** – Marketing service fees in connection with marketing, educational and administrative services provided in the distribution of the Parent's products are recorded when the service is performed.

***Administrative and Operating Expenses*** – Administrative, support, and other expenses relate to services provided in facilitating the operations of the Company, including those provided by the affiliate.

***Wholesaler Overrides*** – Wholesaler overrides represent commissions paid to wholesalers employed by the Company that participate in the marketing and distribution of the Parent's products.

***Cash and Cash Equivalents*** - The Company considers all money market instruments and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. At September 30, 2009, cash equivalents include investments in money market funds totaling \$17,368,819. Total cash and cash equivalents at September 30, 2009, are \$23,623,310.

**Restricted Cash** – Restricted cash represents cash held in the Company’s Medical Group Insurance Service flexible spending account for its employees.

**Stock-Based Compensation** – The Company’s employees are included in The Hartford 2005 Incentive Stock Plan (the “2005 Plan”) and The Hartford Employee Stock Purchase Plan. GAAP requires companies to recognize compensation costs for share-based payments to employees based on the grant-date fair value of the award.

**Income Taxes** — The Company accounts for income taxes using the asset and liability method of accounting for income taxes. Deferred income tax assets and liabilities are established for the “temporary differences” between amounts of assets and liabilities for reporting purposes and such amounts measured by tax laws and regulations.

The Company and its Parent are parties to a tax sharing agreement under which each member in the consolidated U.S. Federal income tax return will make payments between them such that, with respect to any period, the amount of taxes to be paid by the Company, subject to certain tax adjustments, generally will be determined as though the Company were filing a separate Federal income tax return except that current credit for net losses will accrue to the Company to the extent the losses provide a benefit in the consolidated return.

**Fair Value Measurements** – Cash and cash equivalents include investments in highly liquid securities such as money market funds. Investments in money market funds are valued at cost which approximates fair value. At September 30, 2009 cash equivalents consist of an investment in Evergreen Institutional Treasury Money Market Fund for \$17,368,819.

The Company implemented the Fair Value Measurements and Disclosures Topic 820 of FASB Codification as of October 1, 2008. Under the Fair Value Measurements and Disclosures Topic 820, the Company is required to characterize its financial assets as Level 1, Level 2 or Level 3 based upon the various inputs or methodologies used to value the financial assets. The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1 – Observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Company has the ability to access at the measurement date.
- Level 2 – Observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities.
- Level 3 – Valuations that are derived from techniques in which one or more of the significant inputs are unobservable (including assumptions about risk).

As of September 30, 2009, all investments in money market funds held by the Company were measured using Level 1 inputs.

**New Accounting Pronouncements** – In June 2009, the Financial Accounting Standards Board (“FASB”) issued FASB Accounting Standards Codification (“ASC”) 105.10.05, “Generally Accepted Accounting Principles” (“ASC 105.10.05”). ASC 105.10.05 establishes the FASB ASC as the single source of authoritative GAAP. Pursuant to the provisions of ASC 105.10.05, the Company has updated references to GAAP in its financial statements issued subsequent to September 15, 2009. The adoption of ASC 105.10.05 did not have any impact on the Company’s results of operations, financial condition or cash flows.

In May 2009, the FASB updated the guidance related to subsequent events which establishes principles and disclosure requirements for events that occur after the balance sheet date but before financial statements are issued or are available to be issued. In particular, the statement sets forth a) the period after the balance sheet date during which management of a reporting entity shall evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, b) the circumstances under which an entity shall recognize events or transactions occurring after the balance sheet date in its financial statements, and c) the disclosures that an entity shall make about events or transactions that occurred after the balance sheet date. An entity shall disclose the date through which subsequent events have been evaluated, as well as whether that date is the date the financial statements were issued or the date the financial statements were available to be issued. The Company adopted this guidance in 2009. The adoption did not have an effect on the Company's financial condition, results of operations, or cash flow.

### **3. STOCK BASED COMPENSATION PLANS**

The Company's employees are included in The Hartford 2005 Incentive Stock Plan and The Hartford Employee Stock Purchase Plan, which are described below.

Shares issued in satisfaction of stock-based compensation may be made available from authorized but unissued shares, shares held by The Hartford in treasury or from shares purchased in the open market. The Hartford typically issues shares from treasury in satisfaction of stock-based compensation. The Company was allocated compensation expense of \$3,945,816 for the year ended September 30, 2009. The Company's income tax benefit recognized for stock-based compensation plans was \$973,457 for the year ended September 30, 2009. The Company did not capitalize any cost of stock-based compensation.

#### Stock Plan

In 2005, the shareholders of The Hartford approved The Hartford 2005 Incentive Stock Plan (the "2005 Stock Plan"), which superseded and replaced The Hartford Incentive Stock Plan and The Hartford Restricted Stock Plan for Non-employee Directors. The terms of the 2005 Stock Plan are substantially similar to the terms of these superseded plans. The 2005 Stock Plan provides for awards to be granted in the form of non-qualified or incentive stock options qualifying under Section 422 of the Internal Revenue Code, stock appreciation rights, restricted stock units, restricted stock, performance shares, or any combination of the foregoing.

The fair values of awards granted under the 2005 Stock Plan are measured as of the grant date and expensed ratably over the awards' vesting period, generally three years. All awards provide for accelerated vesting upon a change in control of The Hartford as defined in the 2005 Stock Plan.

#### *Stock Option Awards*

Under the 2005 Stock Plan, all options granted have an exercise price equal to the market price of The Hartford's common stock on the date of grant, and an option's maximum term is ten years. Certain options become exercisable over a three year period commencing one year from the date of grant, while certain other options become exercisable upon the attainment of specified market price appreciation of The Hartford's common shares. For any year, no individual employee may receive an award of options for more than 1,000,000 shares. The Company currently does not participate in the stock option award program and therefore recognized compensation expense is \$0 for the year ended September 30, 2009.

### *Share Awards*

Share awards are valued equal to the market price of The Hartford's common stock on the date of grant, less a discount for those awards that do not provide for dividends during the vesting period. The Company's share awards granted under the 2005 Stock Plan and outstanding include restricted stock units, restricted units and restricted stock. Generally, restricted stock units and restricted units vest after three years and restricted stock vests in three to five years. The maximum award of restricted stock units, restricted units and restricted stock for any individual employee in any year is 200,000 shares or units. The Company recognized \$2,781,055 as compensation expense for the year ended September 30, 2009.

### Employee Stock Purchase Plan

In 1996, The Hartford established The Hartford Employee Stock Purchase Plan ("ESPP"). Under this plan, eligible employees of The Hartford may purchase common stock of The Hartford at a 15% discount from the lower of the closing market price at the beginning or end of each offering period. Employees purchase a variable number of shares of stock through payroll deductions elected as of the beginning of the offering period. The fair value is estimated based on the 15% discount off of the beginning stock price plus the value of European call and put options on shares of stock at the beginning stock price calculated using the Black-Scholes model. The Company's expense related to ESPP, for the year ended September 30, 2009, was \$1,164,509.

### Deferred Stock Unit Plan

Effective July 31, 2009, the Compensation and Personnel Committee of The Hartford's Board authorized The Hartford Deferred Stock Unit Plan ("Deferred Stock Unit Plan") and, on October 22, 2009, it was amended. The Deferred Stock Unit Plan provides for contractual rights to receive cash payments based on the value of a specified number of shares of stock. The Deferred Stock Unit Plan provides for two award types, Deferred Units and Restricted Units. Deferred Units are earned ratably over a year, based on the number of regular pay periods occurring during such year. Deferred Units are credited to the participants account on a quarterly basis based on the market price of The Hartford's common stock on the date of grant and are fully vested at all times. Deferred Units credited to employees prior to January 1, 2010 (other than senior executive officers hired on or after October 1, 2009) are not paid until after two years from their grant date. Deferred Units credited on or after January 1, 2010 (and any credited to senior executive officers hired on or after October 1, 2009) are paid in three equal installments after the first, second and third anniversaries of their grant date. Restricted Units are intended to be incentive compensation and unlike Deferred Units, vest over time, generally three years, and are subject to forfeiture. The Deferred Stock Unit Plan is structured consistent with the limitations and restrictions on employee compensation arrangements imposed by the Emergency Economic Stabilization Act of 2008 and the TARP Standards for Compensation and Corporate Governance Interim Final Rule issued by the U.S. Department of Treasury on June 10, 2009. There have been no grants made under this plan for 2009.

## **4. INVESTMENT AND SAVINGS PLAN**

The Company's employees are eligible to participate in The Hartford's Investment and Savings Plan under which designated contributions may be invested in common stock of The Hartford or certain other investments. These contributions are matched, up to 3% of compensation, by The Hartford. In 2009, employees whose prior year earnings were less than \$105,000 received a contribution of 1.5% of base salary and employees whose prior year earnings were more than \$105,000 received a contribution of

0.5% of base salary. The cost to the Company in 2009 for this plan was \$1,018,456, and is included in Administrative and operating expenses on the Statement of Operations.

## **5. RELATED PARTY TRANSACTIONS**

The Company's principal source of revenue is its marketing services agreement with its Parent. The Company acts as a wholesaler of its Parent's products and assists in providing marketing, educational, and administrative services. In consideration of the services performed, the Company receives marketing service fees related to certain expenses incurred in providing those services to achieve break-even results. This arrangement is in accordance with SEC expense guidance. For the year ended September 30, 2009, the marketing service fees earned from the Parent were \$142,310,537. As of September 30, 2009, the payable to the Parent for excess funding was \$7,153,564 and is included in the Statement of Financial Condition. The accounts receivable balance on the Statement of Financial Condition excludes an intercompany receivable in the amount of \$89,787 at September 30, 2009. It is netted with the Payable to affiliate on the Statement of Financial Condition.

The Company pays a monthly service fee to its affiliate for providing administrative and support services. For the year ended September 30, 2009, expenses recorded in connection with those services amounted to \$12,631,425, and are included in Administrative and operating expenses on the Statement of Operations.

During the year ending September 30, 2009, the Parent made payments on behalf of both the Company and Planco LLC for payroll, administrative and operating expenses. Such expenses were recorded on the books of the Company. Payments related to those expenses amounted to \$89,470,958 and is included in Total expenses on the Statement of Operations. Of this amount, payments made on behalf of the Company amounted to \$34,815,376 and payments made on behalf of Planco LLC amounted to \$54,655,582. In addition, the Company recorded severance expenses of \$6,269,075 related to position eliminations made in November, 2008 and July, 2009.

Current Income taxes payable to The Hartford are \$72,298. There is no deferred tax asset at September 30, 2009 (see Note 6).

Certain officers of the Company serve also as officers of Planco, LLC.

## **6. INCOME TAXES**

The Company and its Parent are parties to a tax sharing agreement under which each member in the consolidated U.S. Federal income tax return will make payments between them such that, with respect to any period, the amount of taxes to be paid by the Company, subject to certain tax adjustments, generally will be determined as though the Company were filing a separate Federal income tax return except that current credit for net losses will accrue to the Company to the extent the losses provide a benefit in the consolidated return.

The Company's effective tax rate was 100% in 2009. A reconciliation of the tax provision at the U.S. Federal statutory tax rate to the provision for income taxes for the year ended December 31, 2008 is as follows:

Tax provision at the U.S. Federal statutory tax rate	\$ 338,497
Tax effect of nondeductible expenses	<u>628,636</u>
Provision for income taxes	<u>\$ 967,133</u>

Income tax expense for the year ended September 30, 2009 is comprised of the following components:

Current	\$967,133
Deferred	<u>0</u>

Provision for income taxes \$967,133

At September 30, 2009, there was no unrecognized tax benefit: 1) that if recognized would affect the effective tax rate and 2) that is reasonably possible of significantly increasing or decreasing within the next 12 months.

The Hartford is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2004. It is anticipated that the Internal Revenue Service (IRS) will complete its examination of The Hartford's U.S. income tax returns for 2004 through 2006 in early 2010.

The Company does not have any deferred tax assets or liabilities currently recorded; therefore no consideration of a valuation allowance is warranted for the current period ending September 30, 2009.

## 7. INDEMNIFICATIONS

The Company has entered into contracts that contain routine indemnification clauses. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that may have not yet occurred. However, based on experience, the Company expects the risk of loss to be remote.

## 8. NET CAPITAL REQUIREMENTS

The Company is subject to the Uniform Net Capital Rule (the "Rule"), pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital. The Company has elected to use the alternative method permitted by the Rule, which requires that the Company maintain minimum net capital equal to the greater of \$250,000 or 2% of aggregate debit items, as defined. At September 30, 2009, the Company had net capital of \$9,445,519 which was \$9,195,519 in excess of its required net capital of \$250,000.

## 9. CONTINGENT LIABILITIES

The Company has been notified of a claim against it. Management is in the process of evaluating the claim but believes a loss is possible however, the ultimate amount of loss can not be reasonably estimated. The amount of the loss could be material to the Company.

**10. SUBSEQUENT EVENTS**

Management has evaluated the impact of all subsequent events on the Company through November 23, 2009, the date the financial statements were issued, and has determined that there were no subsequent events requiring recognition or disclosure in the financial statements.

\* \* \* \* \*

**Schedule (g)**

**PLANCO FINANCIAL SERVICES, LLC**  
**(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)**

**COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS  
 PERSUANT TO RULE 15c3-1 UNDER THE SECURITIES EXCHANGE ACT OF 1934  
 FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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TOTAL MEMBER'S EQUITY	\$ 10,000,000
Less nonallowable assets included in the following statement of financial conditions captions:	
Restricted cash	37,559
Accounts receivable*	102,500
Prepaid expenses	67,046
Net capital before haircuts on securities positions	9,792,895
Haircut on securities:	
Investments in money market funds (2% of \$17,368,819**)	347,376
NET CAPITAL	\$ 9,445,519
TOTAL AGGREGATE DEBIT ITEMS	\$ -
MINIMUM NET CAPITAL REQUIRED UNDER THE ALTERNATIVE METHOD:	
Greater of 2% of aggregate debit items or \$250,000	\$ 250,000
CAPITAL IN EXCESS OF MINIMUM REQUIREMENT	\$ 9,195,519
NET CAPITAL IN EXCESS OF 5% OF AGGREGATE DEBIT ITEMS OR \$120,000	\$ 9,325,519

\* The Accounts receivable consists of \$89,787 intercompany receivable and \$12,713 non-intercompany receivable at September 30, 2009.

\*\* This amount includes the cash equivalents invested in money market funds and excludes the cash balance of \$6,254,491 at September 30, 2009.

There are no material differences between the amounts presented above and the amounts reported in the Company's unaudited FOCUS report as of September 30, 2009

**PLANCO FINANCIAL SERVICES, LLC**  
(A WHOLLY-OWNED SUBSIDIARY OF HARTFORD LIFE, INC.)

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
PURSUANT TO RULE 15c3-3 UNDER THE SECURITIES EXCHANGE ACT OF 1934  
SEPTEMBER 30, 2009**

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EXEMPTION UNDER SECTION (k)(2)(i) IS CLAIMED:

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 (the "Rule"), in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(i) of the Rule.



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USA

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www.deloitte.com

November 23, 2009

Planco Financial Services, LLC  
1500 Liberty Ridge Drive  
Wayne, PA 19087

In planning and performing our audit of the financial statements of Planco Financial Services, LLC (the "Company") (a wholly-owned subsidiary of Hartford Life, Inc.) as of and for the year ended September 30, 2009 (on which we issued our report dated November 23, 2009 and such report expressed an unqualified opinion on those financial statements), in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company. This study included tests of compliance with such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3, for which the Company does not have an obligation of maintaining a special account for the exclusive benefit of customers as the Company does not handle customer funds or securities. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13 or in complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System, because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934, and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at September 30, 2009, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Managers, management, the SEC, Financial Industry Regulatory Authority, Inc., and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered broker-dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,

*Deloitte & Touche LLP*

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Planco Financial Services, LLC  
A Wholly-Owned Subsidiary of Hartford Life, Inc.  
(S.E.C. I.D. No. 8-25027)

FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES  
FOR THE YEAR ENDED SEPTEMBER 30, 2009  
AND  
INDEPENDENT AUDITORS' REPORT  
AND  
SUPPLEMENTAL REPORT ON INTERNAL CONTROL

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This report is filed as a Public Document  
in accordance with Rule 17a-5(e)(3)  
under the Securities Exchange  
Act of 1934.