

EPPINGER FREDERICK H

Form 4

February 08, 2008

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
EPPINGER FREDERICK H

2. Issuer Name and Ticker or Trading Symbol
HANOVER INSURANCE GROUP, INC. [THG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/29/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
President & CEO

THE HANOVER INSURANCE GROUP, INC., 440 LINCOLN ST

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

WORCESTER, MA 01653

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
				(A) or (D)	Price			
				Code	V	Amount		
Common Stock	01/29/2008		M ⁽¹⁾	300	A	\$ 23.58	45,560	D
Common Stock	01/29/2008		S ⁽¹⁾	300	D	\$ 48	45,260	D
Common Stock	02/07/2008		A ⁽²⁾	30,000	A	<u>2</u>	75,260	D
Common Stock	02/07/2008		A ⁽³⁾	18,407	A	<u>3</u>	93,667 ⁽⁴⁾	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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by the Issuer until such date, the 2005 PBRsUs vest three years after the grant date (3/15/08). The actual 2005 PBRsU award could be as low as zero, and as high as 150% of the target, based on the return on equity actually achieved. On February 7, 2008, the Issuer determined that the 2007 ROE Target had been achieved at a level that entitled holders of the 2005 PBRsUs to 150% of their target award. Accordingly, provided Reporting Person remains employed by the Issuer on the vesting date (3/15/08), Reporting Person will be issued 30,000 shares of common stock.

- On 2/14/06, Reporting Person was granted 12,500 (target) performance-based restricted stock units (the "2006 PBRsUs") pursuant to Issuers 1996 Plan. Provided the Issuer's property and casualty operations achieved a specified average return on equity for the years 2006 and 2007 (the "ROE Target") and Reporting Person remains continuously employed by the Issuer until such date, 50% of the 2006 PBRsUs vest two years after the grant date and the remaining 50% of the 2006 PBRsUs vest three years after the grant date. The actual 2006 PBRsU award could be as low as zero, and as high as 175% of the target, based on the return on equity actually achieved. On 2/7/08, the Issuer determined that the ROE Target had been achieved at a level that entitled holders of the 2006 PBRsUs to 147.25% of their target award. Accordingly, provided Reporting Person remains employed by the Issuer on the applicable vesting dates, Reporting Person will be issued an aggregate of 18,407 shares of common stock.
- (3) Additional 52,452 shares held indirectly pursuant to deferral agreement.
 - (4) Option to purchase granted under Issuer's 1996 Plan, which became exercisable at a rate of 25% on 8/28/04; 25% on 8/28/05; and 50% on 8/28/06.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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