

EPPINGER FREDERICK H
Form 4
March 01, 2010

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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)
02/26/2010

Director 10% Owner
 Officer (give title below) Other (specify below)
President and 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (D) | Price |
| Common Stock | 02/26/2010 | | A ⁽¹⁾ | | 18,333 | A | <u>(1)</u> 129,470 |
| Common Stock | 02/26/2010 | | A ⁽³⁾ | | 14,000 | A | <u>(3)</u> 96,328 |

Deferral Agreement (2)

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Common Stock (right to buy) | \$ 42.15 | 02/26/2010 | | A | 100,000 | (4) 02/26/2020 | Common Stock 100,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| EPPINGER FREDERICK H THE HANOVER INSURANCE GROUP, INC. 440 LINCOLN ST WORCESTER, MA 01653 | X | | President and CEO | |

Signatures

Walter H. Stowell pursuant to Confirming Statement 03/01/2010

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On February 23, 2007, the Reporting Person was granted 25,000 (target) performance-based restricted stock units (the "PBRsUs") pursuant to the Issuer's 2006 Long-Term Incentive Plan (the "Plan"). The actual PBRsU award could have been as low as 0% and as high as 150% of target based upon the Issuer achieving certain three-year average (2007-2009) adjusted return on equity and premium growth.

- (1) On February 26, 2010, the independent directors of the Issuer determined that the three-year average adjusted return on equity and premium growth had been achieved at a level that entitled Reporting Person to 73.33% of his target award. Accordingly, on February 26, 2010, the PBRsUs vested and converted into the number of shares set forth in this Form 4. Receipt of the shares was deferred pursuant to a deferral agreement.
- (2) Shares held indirectly in a rabbi trust pursuant to a deferral agreement.
- (3) Grant of restricted stock units pursuant to the Plan.
- (4) 50% of the options vest on the third anniversary of the grant date and the remaining 50% vest on the fourth anniversary of the grant date.

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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