

HANOVER INSURANCE GROUP, INC.  
 Form 4  
 February 20, 2007

**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)  
 02/15/2007

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/16/2007 <sup>(1)</sup>		A <sup>(1)</sup>		55,000	A	11
Common Stock	02/16/2007 <sup>(2)</sup>		A <sup>(2)</sup>		12,500	A	2

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

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SEC 1474 (9-02)

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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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Am Nur Sha
Stock Option (Right to Buy)	\$ 23.58	02/15/2007		D <sup>(3)</sup>	300,000	<sup>(4)</sup>	08/28/2013	Common	30
Stock Option (Right to Buy)	\$ 23.58	02/15/2007		A <sup>(3)</sup>	300,000	<sup>(4)</sup>	08/28/2013	Common	30
Stock Option (Right to Buy)	\$ 36.88	02/15/2007		D <sup>(3)</sup>	150,000	<sup>(5)</sup>	02/27/2014	Common	15
Stock Option (Right to Buy)	\$ 36.88	02/15/2007		A <sup>(3)</sup>	150,000	<sup>(5)</sup>	02/27/2014	Common	15
Stock Option (Right to Buy)	\$ 35.86	02/15/2007		D <sup>(3)</sup>	140,000	<sup>(6)</sup>	03/15/2015	Common	14
Stock Option (Right to Buy)	\$ 35.86	02/15/2007		A <sup>(3)</sup>	140,000	<sup>(6)</sup>	03/15/2015	Common	14
Stock Option (Right to Buy)	\$ 46.28	02/15/2007		D <sup>(3)</sup>	100,000	<sup>(7)</sup>	02/14/2016	Common	10
Stock Option (Right to Buy)	\$ 46.28	02/15/2007		A <sup>(3)</sup>	100,000	<sup>(7)</sup>	02/14/2016	Common	10

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

Director 10% Owner Officer Other

EPPINGER FREDERICK H  
 THE HANOVER INSURANCE GROUP, INC. X President, CEO  
 440 LINCOLN ST  
 WORCESTER, MA 01653

## Signatures

Frederick H.  
 Eppinger 02/20/2007

\_\_Signature of Date  
 Reporting Person

## 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).
- (1) On February 27, 2004, Reporting Person was granted 40,000 (target) performance-based restricted stock units (the "2004 PBRsUs") pursuant to Issuer's Amended Long-Term Stock Incentive Plan (the "1996 Plan"). Provided the Issuer's property and casualty operations achieve a specified return on equity for the year 2006 (the "2006 ROE target") and Reporting Person remains continuously employed by the Issuer until such date, the 2004 PBRsUs vest after three years from the grant date (2/27/07). The actual 2004 PBRsUs 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 16, 2007, the Issuer determined that the 2006 ROE Target had been achieved at a level that entitled holders of the 2004 PBRsUs to 137.5% of their target award. Accordingly, provided Reporting Person remains employed by the Issuer on the vesting date (2/27/07), Reporting Person will be issued 55,000 shares of common stock.
- (2) On February 14, 2006, Reporting Person was granted 12,500 individual goal-based performance-based restricted stock units (the "Individual Goal PBRsUs") pursuant to the 1996 Plan. The Individual Goal PBRsUs vest on the second anniversary of the grant date (02/14/08), but only if certain pre-established individual performance measures are achieved during 2006 (the "Individual Goals"). On February 16, 2007, the Issuer determined that the Individual Goals had been achieved. Accordingly, provided Reporting Person remains employed by the Issuer on the vesting date (02/14/08), Reporting Person will be issued 12,500 shares of common stock.
- (3) Transactions involved amendment of an outstanding option, resulting in the deemed cancellation of the "old" option and the grant of a replacement option. The amendment provides that in the event Reporting Person's employment with the Issuer is terminated, whether voluntary or involuntary (other than for Cause, due to death, disability, retirement or in the event of a change in control), the portion of the stock option that is vested immediately prior to termination shall remain exercisable until the earlier of (i) 60 days following the date of termination, or (ii) the expiration date of the stock option. The amendment was made to conform the post-termination (excluding termination due to death, disability, retirement or in the event of a change in control) exercise rights under the 1996 Plan with such rights under the Issuer's 2006 Long-Term Incentive Plan. All other terms and conditions of the option, including exercise price and vesting terms remained unchanged.
- (4) Option to Purchase granted pursuant to the 1996 Plan, which option vested 25% on 08/28/04; 25% on 08/28/05; and the remaining 50% on 08/28/06.
- (5) Option to Purchase granted pursuant to the 1996 Plan, which option vested 25% on 02/27/05; 25% on 02/27/06; and the remaining 50% will vest on 02/27/07.
- (6) Option to Purchase granted pursuant to the 1996 Plan, which option vested 25% on 03/15/06; 25% will vest on 03/15/07; and the remaining 50% will vest on 03/15/08.
- (7) Option to Purchase granted pursuant to the 1996 Plan, which option vested 25% on 02/14/07; 25% will vest on 02/14/08; and the remaining 50% will vest on 02/14/09.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.