

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 27, 2005

HARLEYSVILLE GROUP INC.

(Exact name of registrant as specified in its charter)

Delaware	0-14697	51-0241172
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

355 Maple Avenue, Harleysville, Pennsylvania	19438
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(Address of principal executive offices)	(Zip Code)

(215) 256-5000

Registrant's telephone number, including area code

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On April 27, 2005, Harleysville Group, Inc. appointed Arthur E. Chandler as Senior Vice President and Chief Financial Officer effective immediately. The information set forth under Item 5.02(c) of this report is incorporated in this Item 1.01. Under the terms of his employment arrangement with the Company, Mr. Chandler will receive a base salary of \$290,000. Pursuant to his employment arrangement, on the first day of his employment, Mr. Chandler received options to purchase 12,205 shares of the Company stock at \$20.00, a price equal to the fair market value of the stock on the date of the grant. These options will vest in two equal annual installments beginning one year from the date of the grant. He also received 5,000 shares of restricted stock with the fair market value on the date of the grant of \$100,000. The shares are restricted against transfer for three years and at the end of the three year period the restrictions will be removed if his performance has been rated at an acceptable level by the CEO and he is an employee of the Company. He will receive dividends on the shares during the restriction period.

Mr. Chandler is also eligible to participate in the 2005 Senior Management Incentive Plan pursuant to which his target bonus is 20% of his base salary. Mr. Chandler will also be eligible for a bonus under the Long Term Incentive Plan for the performance period beginning in 2005. His target bonus under the Plan, which will be payable, if at all, in 2008, will be 15% of base salary in cash and 35% of base salary in stock. Mr. Chandler is eligible to participate in the Company's other benefit programs that are available to the Company's Senior Vice Presidents generally.

Effective April 27, 2005, the Company and Mr. Chandler entered into a Change in Control Agreement with the same terms which are described in Item 1.01 of the Company's Report on Form 8-K originally filed with the Securities and Exchange Commission on January 6, 2005 and the form of which is attached thereto as Exhibit 10.1 and incorporated herein by reference.

Bruce J. Magee, the Company's former Chief Financial Officer, will continue to be employed by the Company as Vice President - Financial Reporting, and the Company has agreed to pay him over the next five years an aggregate amount of at least 1.75 times his 2004 annual salary plus what he would have received under the Senior Management Incentive Plan and the Long Term Incentive Plan if he had retired as of April 27, 2005.

ITEM 5.02 DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

(b) On April 27, 2005, Harleysville Group Inc. issued a press release reporting that the previously announced resignation of Bruce J. Magee, Senior Vice President and Chief Financial Officer was effective April 27, 2005. A copy of the press release is attached as Exhibit 99.1.

(c) On April 27, 2005, Harleysville Group Inc. issued a press release reporting that Arthur E. Chandler had been appointed Senior Vice President and Chief Financial Officer effective April 27, 2005. Mr. Chandler, who is 48 years old, will serve as the Company's principal financial officer. The information set forth under Item 1.01 of this Report is incorporated in this Item 5.02(c) by this reference.

Most recently, Mr. Chandler was Senior Vice President of Financial Controls for XL America, a position he held since March 2004. From 1999 through March 2004, Mr. Chandler was employed by Kemper Insurance Companies as Chief Financial Officer of Kemper Casualty Division from 1999 to 2003 and as Senior Vice President of Finance for Kemper Insurance from 2003 until March 2004. Prior to his employment at Kemper, Mr. Chandler held various finance positions with Cigna over a period of nearly 20 years. Mr. Chandler is a certified public accountant who earned a bachelor's degree in Accounting from Marquette University and a masters of business administration from LaSalle University. A copy of the press release is attached as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

Exhibit 10.1 Form of Change in Control Agreement (incorporated herein by reference to Exhibit 10.1 to the Company's report on Form 8-K filed on January 6, 2005).

Exhibit 99.1 Press release "Harleysville Group Announces Election of Arthur E. Chandler as Senior Vice President and CFO" dated April 27, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HARLEYSVILLE GROUP INC.
Registrant

May 3, 2005

/s/Robert A. Kauffman

Robert A. Kauffman
Senior Vice President, Secretary
& General Counsel

EXHIBIT INDEX

Exhibit No.	Description
10.1	Form of Change In Control Agreement (incorporated herein by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed January 6, 2005).
99.1	Press release dated April 27, 2005 of Harleysville Group Inc. (furnished pursuant to Item 5.02 hereof).

HARLEYSVILLE GROUP NAMES ARTHUR CHANDLER CHIEF FINANCIAL OFFICER

HARLEYSVILLE, PA—APRIL 27, 2005—Harleysville Group Inc. (Nasdaq: HGIC) today announced the appointment of Arthur E. Chandler as senior vice president and chief financial officer. In this position, he will direct the organization's corporate accounting and financial reporting functions. He will report to Michael L. Browne, Harleysville Group's president and chief executive officer.

"With 25 years of insurance industry experience, Art is an extremely skilled financial executive with strong operational financial expertise and a thorough understanding of every aspect of our business," said Browne. "I am confident his solid financial background and his long record of industry achievement will be invaluable resources to our company going forward."

Most recently, Chandler was senior vice president of financial controls for XL America. Prior to that, he was chief financial officer for Kemper Insurance's casualty division. He also spent nearly 20 years with CIGNA in various finance positions. In total, he has 25 years of financial experience in the insurance industry.

Chandler earned a bachelor's degree in accounting from Marquette University and a master's degree in business administration from LaSalle University. He also is a certified public accountant.

Harleysville Insurance is a leading regional provider of insurance products and services for small and mid-sized businesses, as well as for individuals, and ranks among the top 60 U.S. property/casualty insurance groups based on net written premiums. Harleysville Mutual Insurance Company owns 57 percent of Harleysville Group Inc. (Nasdaq: HGIC), a publicly traded holding company for nine regional property/casualty insurance companies collectively rated A- (Excellent) by A.M. Best Company. Harleysville Insurance, which distributes its products exclusively through independent insurance agencies, currently operates in 32 eastern and midwestern states. Further information can be found on the company's Web site at www.harleysvillegroup.com.

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