DONEGAL GROUP INC

Form 4 May 31, 2006

FORM 4

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

OMB APPROVAL OMB

Number:

3235-0287

Expires:

January 31, 2005

0.5

burden hours per

response...

Estimated average

if no longer subject to Section 16. Form 4 or Form 5

obligations

Check this box

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

may continue. See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * DONEGAL MUTUAL

INSURANCE CO

(First) (Last)

(Middle)

1195 RIVER ROAD

(Street)

2. Issuer Name and Ticker or Trading Symbol

DONEGAL GROUP INC [DGICA]

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

04/26/2006

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

_X__ 10% Owner Director Other (specify Officer (give title below)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

MARIETTA, PA 17547

(City)	(State)	(Zip) Tal	ole I - N	lon-	Derivative Se	curitie	s Acquir	ed, Disposed of, o	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	Code		4. Securities Acquired (A) onor Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	v	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)	(I) (Instr. 4)	
Class A Common Stock (1)	04/26/2006		J	V	1,995,026	A	\$ 0	7,980,103	D	
Class B Common Stock (1)	04/26/2006		J	V	951,915	A	\$ 0	3,807,660	D	
Class A Common Stock (2)	04/26/2006		J	V	1	D	\$ 20.13	7,980,102	D	
Class A Common Stock	05/26/2006		P		13,333	A	\$ 18.62	7,993,435	D	

Edgar Filing: DONEGAL GROUP INC - Form 4

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

(9-02)

9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

 Title of 	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of	9
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	onNumber	Expiration D	ate	Amou	nt of	Derivative	J
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	,
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Secur	ities	(Instr. 5)]
	Derivative				Securities	1		(Instr.	3 and 4)		(
	Security				Acquired]
					(A) or						J
					Disposed						-
					of (D)						(
					(Instr. 3,						
					4, and 5)						
									Amount		
									or		
						Date	Expiration	Title	Number		
						Exercisable	sable Date	11110	of		
				Code V	(A) (D)				Shares		
				Code v	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
DONEGAL MUTUAL INSURANCE CO 1195 RIVER ROAD		X				
MARIETTA, PA 17547		Λ				

Signatures

Jeffrey D. Miller, SVP & Chief Financial
Officer
05/31/2006

**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).
- (1) Stock Dividend
- (2) Cash in Lieu of Fractional Shares from Stock Split

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.

Reporting Owners 2