

DONEGAL GROUP INC  
Form 4  
June 05, 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 \*  
**NIKOLAUS DONALD H**

2. Issuer Name and Ticker or Trading Symbol  
**DONEGAL GROUP INC [DGICA]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**1520 QUARRY ROAD, PO BOX 286**

3. Date of Earliest Transaction (Month/Day/Year)  
**02/15/2007**

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

(Street)  
**SILVER SPRING, PA 17575**

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

(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) |             |                  |             |
|-------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-------------|------------------|-------------|
|                                     |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |             |                  |             |
| Class A Common Stock <sup>(1)</sup> | 02/15/2007                           |  | J                              | V   | 732.254   | A  | \$ 18.74  | 125,110.329 | I <sup>(2)</sup> | 401(k) Plan |
| Class A Common Stock <sup>(1)</sup> | 05/01/2007                           |  | J                              | V   | 1.753   | A  | \$ 15.31  | 125,112.082 | I                | 401(k) Plan |
| Class A Common Stock <sup>(1)</sup> | 05/15/2007                           |  | J                              | V   | 977.71  | A  | \$ 15.26  | 126,089.792 | I                | 401(k) Plan |
| Class A Common                      |                                      |  |                                |   |   |  |   | 127,827.202 | D                |             |

|                            |             |                  |                      |  |
|----------------------------|-------------|------------------|----------------------|--|
| Stock                      |             |                  |                      |  |
| Class B<br>Common<br>Stock | 51,623.118  | I <sup>(2)</sup> | 401(k) Plan          |  |
| Class B<br>Common<br>Stock | 134,148.444 | D                |                      |  |
| Class A<br>Common<br>Stock | 1,365.798   | I                | Spouse               |  |
| Class B<br>Common<br>Stock | 589         | I                | Spouse               |  |
| Class A<br>Common<br>Stock | 119,464     | I                | Family<br>Foundation |  |

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.**

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(9-02)

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Nu<br>Deriv<br>Secur<br>Bene<br>Own<br>Follo<br>Repor<br>Trans<br>(Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|---|
|---|--|---|---|--------------------------------------|--|--|---|---|---|

  

|  |  |  |  |      |           |                     |                    |       |  |
|--|--|--|--|------|-----------|---------------------|--------------------|-------|--|
|  |  |  |  |      |           | Date<br>Exercisable | Expiration<br>Date | Title | Amount<br>or<br>Number<br>of<br>Shares |
|  |  |  |  | Code | V (A) (D) |                     |                    |       |  |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |                 |       |
|--------------------------------|---------------|-----------|-----------------|-------|
|                                | Director      | 10% Owner | Officer         | Other |
|                                | X             |           | President & CEO |       |

NIKOLAUS DONALD H  
1520 QUARRY ROAD  
PO BOX 286  
SILVER SPRING, PA 17575

## Signatures

Donald H.                              06/05/2007  
Nikolaus

\_\_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) Reinvestment of dividends on shares held in 401(k) account
- (2) Shares held in 401(k) account previously reported as directly owned

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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