DONEGAL GROUP INC

Form 4

August 20, 2007

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * **DONEGAL MUTUAL**

INSURANCE CO

(First) (Last)

(Middle)

1195 RIVER ROAD

(Street)

(State)

2. Issuer Name and Ticker or Trading

Symbol

DONEGAL GROUP INC [DGICB]

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

08/17/2007

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

Director X__ 10% Owner

_ 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)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3)

(Month/Day/Year)

(Zip)

4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

(A)

or

Α

5. Amount of Securities Beneficially Owned Following Reported

Transaction(s)

(Instr. 3 and 4)

6. Ownership 7. Nature of Form: Direct (D) or Indirect (I) (Instr. 4)

Indirect Beneficial Ownership (Instr. 4)

Class B

Common

08/17/2007

Code V Amount (D)

5,500

P

Price

\$ 18 4,026,060

D

8,135,684 D

Class A

Stock

Common Stock

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	2.	3. Transaction Date		4.	5.	6. Date Exerc		7. Title		8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orNumber	Expiration D	ate	Amou	nt of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secur
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ties	(Instr. 5)	Bene
	Derivative				Securities			(Instr.	3 and 4)		Own
	Security				Acquired						Follo
					(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									Amount		
						Date	Expiration		or		
						Exercisable	Date	Title Number	Number		
						LACICISAUIC Date	Date		of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships					
200 po 200 g 0 11 200 2 1 11 200 2 2 2 2 2 2 2 2 2 2	Director	10% Owner	Officer	Other		
DONEGAL MUTUAL INSURANCE CO						
1195 RIVER ROAD		X				
MARIETTA, PA 17547						

Signatures

Jeffrey D. Miller, Sr. VP & Chief Financial 08/20/2007 Officer

**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).

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.

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