

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>SHEPARD GREGORY M</u>  (Last) (First) (Middle) <u>7028 PORTMARNOCK PLACE</u>  (Street) <u>BRADENTON FL 34202</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>DONEGAL GROUP INC [ DGICA ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/29/2011</u>	
		6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person  Form filed by More than One Reporting Person

**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	03/29/2011 <sup>(1)</sup>		P		0 <sup>(1)</sup>	A	\$0 <sup>(1)</sup>	3,357,231	D	
Class B Common Stock								379,413 <sup>(2)</sup>	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

**Explanation of Responses:**

- See the transactions listed on Exhibit 99.1 to this Form 4. The 3,357,231 shares of Class A Common Stock of Donegal Group Inc. owned by Gregory M. Shepard on the filing date of this Form 4 constitute approximately 16.7% of the outstanding shares of Class A Common Stock of Donegal Group Inc.
- See the transactions listed on Exhibit 99.2 to this Form 4. The 379,413 shares of Class B Common Stock of Donegal Group Inc. owned by Gregory M. Shepard on the filing date of this Form 4 constitute approximately 6.8% of the outstanding shares of Class B Common Stock of Donegal Group Inc.

/s/ Gregory M. Shepard 05/02/2011

\*\* Signature of Reporting Person Date

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

\* 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.

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 Number.

1. Title of Security	2. Transaction Date	3. Transaction Code		4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form; Direct (D) or Indirect (I)
		Code	V	Amount	(A)or(D)	Price		
Class A Common Stock	03/29/11	P		4,451	A	\$ 12.83	3,290,207	D
Class A Common Stock	03/30/11	P		3,018	A	\$ 13.15	3,293,225	D
Class A Common Stock	04/01/11	P		1,280	A	\$ 13.35	3,294,505	D
Class A Common Stock	04/07/11	P		2,097	A	\$ 13.70	3,296,602	D
Class A Common Stock	04/08/11	P		5,228	A	\$ 13.74	3,301,830	D
Class A Common Stock	04/11/11	P		9,986	A	\$ 13.66	3,311,816	D
Class A Common Stock	04/13/11	P		10,008	A	\$ 13.32	3,321,824	D
Class A Common Stock	04/14/11	P		2,311	A	\$ 13.26	3,324,135	D
Class A Common Stock	04/15/11	P		7,736	A	\$ 13.28	3,331,871	D
Class A Common Stock	04/18/11	P		4,967	A	\$ 13.21	3,336,838	D
Class A Common Stock	04/19/11	P		4,883	A	\$ 13.24	3,341,721	D
Class A Common Stock	04/20/11	P		1,625	A	\$ 13.37	3,343,346	D
Class A Common Stock	04/21/11	P		4,000	A	\$ 13.58	3,347,346	D
Class A Common Stock	04/25/11	P		2,700	A	\$ 13.25	3,350,046	D
Class A Common Stock	04/26/11	P		100	A	\$ 13.45	3,350,146	D
Class A Common Stock	04/28/11	P		3,176	A	\$ 13.50	3,353,322	D
Class A Common Stock	04/29/11	P		3,909	A	\$ 13.40	3,357,231	D

1. Title of Security	2. Transaction Date	3. Transaction Code		4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form; Direct (D) or Indirect (I)
		Code	V	Amount	(A)or(D)	Price		
Class B Common Stock	03/31/11	P		100	A	\$ 16.75	379,413	D