FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OMB APPROVAL OMB Number: 3235-

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

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

	tion 1(b).	ide. Gee		File					) of the Sec Investment				1934			liouis	per re:	sponse.	0.5	
1. Name and Address of Reporting Person*  MAHAN JON MARSHALL						2. Issuer Name <b>and</b> Ticker or Trading Symbol  DONEGAL GROUP INC [ DGICA ]									Relationship of Reporting Person(s) to Issuer (Check all applicable)     X Director 10% Owner					
(Last) (First) (Middle) 1195 RIVER ROAD						3. Date of Earliest Transaction (Month/Day/Year) 07/17/2008									Officer (give title Other (specify below) below)				specify	
(Street)  MARIETTA PA 17547  (City) (State) (Zip)					4. 11	4. If Amendment, Date of Original Filed (Month/Day/Year)									. Individual or Joint/Group Filing (Check Applicable ine)  X Form filed by One Reporting Person  Form filed by More than One Reporting  Person					
		Tab	le I - Nor	-Deriv	ative	Sec	curitie	s Ac	quired, I	Disp	osed o	of, or Bo	enef	icially	/ Owned	l				
Date				Date	2. Transaction Date (Month/Day/Year)			2A. Deemed Execution Date, if any (Month/Day/Year		Transaction D Code (Instr. 5)		Securities Acquired (A) isposed Of (D) (Instr. 3,			5. Amou Securitie Benefici Owned F Reported	es ally Following	Form (D) o	n: Direct r Indirect istr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
									Code	v	Amount	(A) (D)	or F	Price	Transact (Instr. 3	tion(s)			,iiisti. 4)	
Class A Common Stock									1,955			D								
		7	able II - I						uired, Di , option:						Owned					
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deeme Execution if any (Month/Day	Date, Transa Code (				tive ties ed	6. Date Exe Expiration I (Month/Day	Date		and 7. Title and Amount of Securities Underlying Derivative Secu (Instr. 3 and 4)			3. 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)	Beneficial Ownership (Instr. 4)	
				Co	Code	v	(A)		Date Exercisable		opiration	Title	or Nur of	ount nber ires						
Options	\$17.5	07/17/2008			A		7,500		03/01/2009	07	7/17/2013	Class A Common	7,5	500	\$0	7,500		D		

**Explanation of Responses:** 

<u>Jeffrey D. Miller, by power of attorney</u>

07/17/2008

\*\* Signature of Reporting Person

Date

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

- $^{\star}$  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.