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

SCHEDULE 14D-9/A
(Amendment No. 1)

SOLICITATION/RECOMMENDATION STATEMENT
UNDER SECTION 14(d)(4) OF THE SECURITIES EXCHANGE ACT OF 1934

DONEGAL GROUP INC.
(Name of Subject Company)

DONEGAL GROUP INC.
(Name of Person Filing Schedule 14D-9/A)

Class B Common Stock, par value \$0.01 per share
(Title of Class of Securities)

257701-30-0
(CUSIP Number of Class of Securities)

Jeffrey D. Miller
Senior Vice President and Chief Financial Officer
Donegal Group Inc.
1195 River Road, P.O. Box 302
Marietta, PA 17547-0302
(717) 426-1931

(Name, address and telephone number of person authorized to receive notices and communications
on behalf of the persons filing statement)

With copies to:

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Donegal Group Inc.
Special Committee

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

This Amendment No. 1 amends and supplements the Solicitation/Recommendation Statement on Schedule 14D-9 Donegal Group Inc. (“DGI”) filed with the Securities and Exchange Commission (the “SEC”) on April 3, 2013 (the “Schedule 14D-9”), relating to the tender offer (the “Offer”) by Gregory Mark Shepard (“Shepard”) to purchase for cash 962,636 shares of Donegal Group Inc. (“DGI”) Class B common stock (the “Class B Shares”) at a purchase price of \$30.00 per share upon the terms and subject to the conditions set forth in Shepard’s Schedule TO (the “TO”). Shepard filed the TO with the SEC on March 20, 2013.

Item 9. Exhibits.

On April 18, 2013, the chairman of the special committee of the DGI board of directors made a presentation at DGI’s annual meeting of stockholders, which presentation DGI incorporates by reference in this Schedule 14D-9/A.

DGI files the following exhibit with this Schedule 14D-9/A:

<u>Exhibit Number</u>	<u>Description</u>
(a)(4)	Presentation of the Chairman of the Special Committee of DGI’s Board of Directors at DGI’s Annual Meeting Held April 18, 2013

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Schedule 14D-9/A is true, complete and correct.

DONEGAL GROUP INC.

By: /s/ Donald H. Nikolaus
Donald H. Nikolaus,
President and Chief Executive Officer

Dated: April 18, 2013

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
(a)(4)	Presentation of the Chairman of the Special Committee of DGI's Board of Directors at DGI's Annual Meeting Held April 18, 2013

SPECIAL COMMITTEE PRESENTATION

1. I am the Chair of the Special Committee of Donegal Group's Board of Directors.
2. There are five Donegal Group independent directors on the Special Committee. None of the five Special Committee directors are officers or directors of the Donegal Mutual Insurance Company and none are officers of Donegal Group.
3. After Mr. Shepard made his tender offer for the Class B Shares of Donegal Group on March 20, 2013, our Special Committee reviewed his tender offer.
4. We found that Mr. Shepard had attached numerous conditions to his tender offer. You should understand, as we did, that, in the event Mr. Shepard's conditions were not satisfied by April 19, 2013, he had no obligation to purchase any of the Class B Shares that were the subject of his tender offer.
5. Our Special Committee concluded that Mr. Shepard's conditions could not be satisfied by his April 19, 2013 expiration date or even within a reasonable period of time following April 19, 2013 and, therefore, he would not have any obligation to purchase any Class B Shares tendered to him. In a word, Mr. Shepard's offer was illusory.
6. I should note that Mr. Shepard cannot acquire any of Donegal Group's Class B Shares without first obtaining insurance regulator and banking regulator approvals which will take a minimum of 60 days. By the way, it is possible that Mr. Shepard may not receive these necessary approvals.
7. Our independent Special Committee then made a report to the Donegal Group Board of Directors in which the Special Committee unanimously recommended that the holders of Donegal Group's Class B Shares reject Mr. Shepard's tender offer and not tender their Class B Shares to him.
8. The full Board accepted our unanimous recommendation without any modifications, and, in turn, recommended that the holders of Donegal Group's Class B Shares reject Mr. Shepard's tender offer and not tender their Class B Shares to him.
9. We have copies of Donegal Group's 14D-9 filing with the Securities and Exchange Commission concerning Mr. Shepard's tender offer if you would like one when you leave the meeting.