FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Washington, D.C. 20349

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

	OMB APPROVAL									
	OMB Number:	3235-0287								
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	hours per response:	0.5								
- 1										

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

1. Name and Address of Reporting Person* DONEGAL MUTUAL INSURANCE CO						2. Issuer Name and Ticker or Trading Symbol DONEGAL GROUP INC [DGICB]									5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
(Last) (First) (Middle) 1195 RIVER ROAD					3. Date of Earliest Transaction (Month/Day/Year) 11/10/2006										Offic below	er (give title w)	Other below		(specify	
(Street) MARIET (City)	MARIETTA PA 17547						4. If Amendment, Date of Original Filed (Month/Day/Year)								Individual or Joint/Group Filing (Check Applicable Line) X 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. Transac Date (Month/Date)					Executio Day/Year) if any			Deemed ecution Date, iny onth/Day/Year)		3. Transaction Code (Instr. 5)					Securi Benefi	icially d Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)		7. Nature of Indirect Beneficial Ownership (Instr. 4)	
										v	Amount	(A (C	() or ()	Price	Transa	action(s) 3 and 4)			(1130.1.4)	
Class B Common Stock 11/10/						/2006			P		2,554 A		A	\$18	3,840,639		D			
		Та	ble II - D (e								sed of, onvertib				Owned					
1. Title of Derivative Security (Instr. 3)	/e Conversion Date Execution Date, or Exercise (Month/Day/Year) if any			Date,	4. Transaction Code (Instr. 8)		n of		6. Date Exercisable and Expiration Date (Month/Day/Year)			7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)		S (I	. Price of erivative ecurity nstr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)		
					Code	v	(A)	(D)	Date Exercisal		Expiration Date	Title	Amo or Num of Shar	ber						

Explanation of Responses:

<u>Jeffrey D. Miller, Sr. VP & Chief Financial Officer</u>

11/13/2006

** Signature of Reporting Person Date

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

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.

 $^{^{\}star}$ 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).