

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

SCHEDULE TO

(Rule 14D-100)

**TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1) OF THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 7)**

DONEGAL GROUP INC.

(Name of Subject Company (Issuer))

GREGORY MARK SHEPARD

(Name of Filing Persons (Offeror))

CLASS B COMMON STOCK, PAR VALUE \$0.01 PER SHARE

(Title of Class of Securities)

257701300

(CUSIP Number of Class of Securities)

J. Victor Peterson

Lathrop & Gage LLP

155 North Wacker Drive

Chicago, IL 60606-1787

(312) 920-3300

(Name, Address and Telephone Numbers of Person Authorized to Receive Notices and Communications
on Behalf of Filing Person)

CALCULATION OF FILING FEE

TRANSACTION VALUATION*

AMOUNT OF FILING FEE**

\$28,879,080

\$3,939.11

* For purposes of calculating the filing fee pursuant to Rule 0-11(d) only, the transaction valuation was calculated on the basis of the purchase of 962,636 shares of Donegal Group Inc. Class B common stock at the Tender Offer price of \$30.00 per share.

** The filing fee, calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934 and Fee Rate Advisory No. 1 for fiscal year 2013 issued by the Securities and Exchange Commission on August 31, 2012, by multiplying the transaction value by 0.0001364.

x Check the box if any part of the fee is offset as provided by Rule 0-11 (a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$3,939.11

Filing Parties: Gregory Mark Shepard

Form or Registration No.: 005-39100

Date Filed: March 20, 2013

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

Check the appropriate boxes below to designate any transactions to which the statement relates:

third-party Tender Offer subject to Rule 14d-1.

issuer Tender Offer subject to Rule 13e-4.

going-private transaction subject to Rule 13e-3.

amendment to Schedule 13 D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the Tender Offer:

This Amendment No. 7 (this "Amendment") is filed by Gregory Mark Shepard, a Florida resident ("Offeror"). This Amendment further amends and supplements the Tender Offer Statement on Schedule TO and the exhibits thereto originally filed by Offeror with the Securities and Exchange Commission (the "SEC") on March 20, 2013, as previously amended and supplemented by Amendment No. 1 thereto filed by Offeror with the SEC on March 27, 2013, Amendment No. 2 thereto filed by Offeror with the SEC on April 9, 2013, Amendment No. 3 thereto filed by Offeror with the SEC on April 11, 2013, Amendment No. 4 thereto filed by Offeror with the SEC on April 22, 2013, Amendment No. 5 thereto filed by Offeror with the SEC on May 8, 2013, and Amendment No. 6 thereto filed by Offeror with the SEC on May 17, 2013 (as previously amended and supplemented, the "Schedule TO").

The Schedule TO relates to the offer by Offeror to purchase, for cash, 962,636 shares of Class B common stock, par value \$0.01 per share ("Class B Shares"), or such lesser number of shares as are properly tendered and not properly withdrawn, of Donegal Group Inc., a Delaware corporation (the "Company"), at a price of \$30.00 per share, net to the seller in cash, without interest thereon and less any required withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase dated March 20, 2013 attached as Exhibit (a)(1)(A) to the Schedule TO (the "Offer to Purchase"), and in the related Form of Letter of Transmittal attached as Exhibit (a)(1)(B) to the Schedule TO (the "Letter of Transmittal").

Reference is made to the Form of Notice of Guaranteed Delivery attached as Exhibit (a)(1)(C) to the Schedule TO (the "Notice of Guaranteed Delivery"), the Form of Letter to Brokers, Dealers, Banks, Trust Companies and Other Nominees attached as Exhibit (a)(1)(D) to the Schedule TO (the "Letter to Brokers"), and the Form of Letter to Clients for Use by Brokers, Dealers, Banks, Trust Companies and Other Nominees attached as Exhibit (a)(1)(E) to the Schedule TO (the "Letter to Clients").

Capitalized terms used in this Amendment but not otherwise defined have the meanings ascribed to them in the Offer to Purchase.

As permitted by General Instruction G to Schedule TO, this Amendment is also an amendment to the statement on Schedule 13D originally filed on July 12, 2010, as subsequently amended, by Offeror.

All information set forth in the Offer to Purchase is incorporated by reference to Items 1 through 11 in the Schedule TO, except those items as to which information is specifically provided herein.

Items 1 through 11

The Offer to Purchase (and, where indicated parenthetically, the Letter to Brokers and the Letter to Clients) is hereby amended by:

The Expiration Date of the Offer has been extended from 11:59 P.M., New York City time, on May 20, 2013, to 11:59 P.M., New York City time, on July 31, 2013. All references in the Offer to Purchase, the Letter of Transmittal, the Notice of Guaranteed Delivery, the Letter to Brokers, and the Letter to Clients to the Expiration Date as 11:59 P.M., New York City time, on May 20, 2013, are hereby amended and restated to refer to the Expiration Date at 11:59 P.M., New York City time, on July 31, 2013.

Cover Page

Replacing the second header at the top of the cover page to the Offer to Purchase (and the second header at the top of the Letter to Brokers, and the paragraph immediately after the last bullet point in the Letter to Brokers, and the second header at the top of the Letter to Clients, and the third bullet point in the Letter to Clients) with the following:

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 11:59 P.M., NEW YORK CITY TIME, ON JULY 31, 2013, UNLESS THE OFFER IS FURTHER EXTENDED.

Summary Term Sheet

Replacing the first sentence of the answer to the question “HOW LONG DO I HAVE TO DECIDE WHETHER TO TENDER MY CLASS B SHARES?” on page ii of the Offer to Purchase with the following:

You have until 11:59 P.M., New York City time, on Monday, July 31, 2013.

Section 1 – “Terms of the Offer; Expiration Date”

Replacing the second sentence of the first paragraph of Section 1 – “Terms of the Offer; Expiration Date” on page 4 of the Offer to Purchase with the following:

The term “Expiration Date” means 11:59 P.M., New York City time, on Monday, July 31, 2013, unless and until Offeror, in his sole discretion, shall have further extended the period of time during which the Offer is open, in which event the term “Expiration Date” shall refer to the latest time and date at which the Offer, as so extended by Offeror, shall expire.

Item 12

Item 12 of the Schedule TO is hereby amended and supplemented to include the following: “(a)(1)(N) Text of Press Release Regarding Offer Issued by Offeror dated May 21, 2013.”

* * *

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

By: / S / GREGORY MARK SHEPARD

EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>DOCUMENT</u>
(a)(1)(A)	Offer to Purchase dated March 20, 2013. *
(a)(1)(B)	Form of Letter of Transmittal. *
(a)(1)(C)	Form of Notice of Guaranteed Delivery. *
(a)(1)(D)	Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. *
(a)(1)(E)	Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees. *
(a)(1)(F)	Summary Advertisement as published in Investor's Business Daily on March 20, 2013. *
(a)(1)(G)	Text of Press Release Regarding Offer Issued by Offeror dated March 20, 2013. *
(a)(1)(H)	Text of Press Release Regarding Offer Issued by Offeror dated March 27, 2013. *
(a)(1)(I)	Text of Press Release Regarding Offer Issued by Offeror dated April 9, 2013. *
(a)(1)(J)	Text of Press Release Regarding Offer Issued by Offeror dated April 11, 2013. *
(a)(1)(K)	Letter from Offeror to Donald H. Nikolaus, President and CEO of the Company, dated April 10, 2013. *
(a)(1)(L)	Text of Press Release Regarding Offer Issued by Offeror dated April 22, 2013. *
(a)(1)(M)	Text of Press Release Regarding Offer Issued by Offeror dated May 8, 2013. *
(a)(1)(N)	Text of Press Release Regarding Offer Issued by Offeror dated May 21, 2013.
(b)	Not Applicable.
(d)(1)	Not Applicable.
(d)(2)	Not Applicable.
(d)(3)	Not Applicable.
(e)	Not Applicable.
(f)	Not Applicable.

* Previously filed.

FOR IMMEDIATE RELEASE

Shepard Extends Tender Offer for Donegal Group Class B Shares until July 31, 2013

Bradenton, Florida, May 21, 2013 (NASDAQ: "DGICB") – Gregory Mark Shepard announced today that he has extended the expiration date for his tender offer for 962,636 shares of Class B Common Stock of Donegal Group Inc. ("Donegal") at a price of \$30 per share (the "Offer") until July 31, 2013.

Based on information received from the Depository for the Offer, as of 5:00 p.m., New York City time, on May 20, 2013, approximately 381,216 shares of Class B common stock had been tendered and not withdrawn from the Offer, plus an additional 2,324 shares had been submitted by guaranteed delivery. Stockholders who have already tendered their shares do not have to re-tender their shares or take any other action as a result of the extension of the expiration date.

Mr. Shepard stated, "I have extended the expiration date for the Offer until July 31, 2013, in order to provide additional time for regulatory agencies to process the applications required before I may purchase additional Donegal Class B shares pursuant to the Offer."

Mr. Shepard announced the Offer on March 20, 2013. The Offer represents approximately a 42% premium to the closing price of Donegal Class B shares on NASDAQ on March 19, 2013 – the last full trading day prior to the commencement of the Offer.

The Offer is not subject to any financing contingency. Other conditions apply to the Offer, including the tender of at least 925,000 Class B shares, insurance and bank regulatory approvals, expiration or early termination of the Hart-Scott-Rodino waiting period, no dilutive issuances of shares by Donegal, and no litigation involving the Offer.

The Offer will expire on July 31, 2013 at 11:59 p.m., New York City time, unless extended. Tenders of shares of Donegal's Class B Common Stock must be made prior to the expiration of the Offer and may be withdrawn at any time prior to the expiration of the Offer. Only shares properly tendered and not properly withdrawn pursuant to the Offer will be purchased. **The Offer includes withdrawal rights so that a tendering shareholder can freely withdraw any shares prior to acceptance of such shares for payment under the Offer.**

Mr. Shepard is the beneficial owner of 3,602,900 Class A shares and 397,100 Class B shares of Donegal, which he acquired at a total cost of \$58.6 million. Mr. Shepard has been a Class A and a Class B shareholder of Donegal since 2005, and he is now by far Donegal's largest shareholder with the exception of Donegal Mutual.

This press release is neither an offer to purchase nor a solicitation of an offer to sell shares of Donegal. It does not purport to be complete and is qualified in its entirety by reference to the complete text of the Offer to Purchase and the related Letter of Transmittal, which contain important information that should be read carefully before any decision is made with respect to the Offer.

The Offer to Purchase and the related Letter of Transmittal and Notice of Guaranteed Delivery are filed with the SEC and are available through the SEC's website at <http://www.sec.gov/>. Any questions or requests for assistance or for additional copies of the Offer to Purchase, the related Letter of Transmittal and other related tender offer materials may be directed to the Information Agent at its address and telephone numbers set forth below, and copies will be furnished promptly at the Offeror's expense. **The Information Agent for the Offer is: D.F. King & Co., Inc.**, 48 Wall Street, 22nd Floor, New York, NY 10005. Banks and Brokerage Firms please call collect: (212) 269-5550. All others call toll-free: (800) 967-5079. Email: information@dfking.com

THE OFFER IS NOT INTENDED TO AND DOES NOT CONSTITUTE (I) A SOLICITATION OF A PROXY, CONSENT OR AUTHORIZATION FOR OR ANY SPECIAL MEETING OF DONEGAL'S STOCKHOLDERS OR (II) A SOLICITATION OF A CONSENT OR AUTHORIZATION IN THE ABSENCE OF ANY SUCH MEETING.
