

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

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 24, 2011

**Donegal Group Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation)

0-15341

(Commission  
file number)

23-02424711

(I.R.S. employer  
identification no.)

1195 River Road, Marietta, Pennsylvania

(Address of principal executive offices)

17547

(Zip code)

Registrant's telephone number, including area code: 717-426-1931

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On March 24, 2011, Union National Financial Corporation, or UNNF, Donegal Financial Services Corporation, or DFSC, and certain affiliated entities of DFSC executed an amendment (the "Amendment") to their previously reported Agreement and Plan of Merger dated as of April 19, 2010, as amended and restated as of May 20, 2010 and as amended on September 1, 2010 and December 8, 2010 (the "Merger Agreement"). The Amendment extends the date upon which UNNF or DFSC may terminate the Merger Agreement if the merger is not consummated by that date. The Amendment extends such date from March 31, 2011 to May 31, 2011. The parties did not amend the Merger Agreement in any other respect.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Exhibit Description</u>
2.1	Amendment to Agreement and Plan of Merger dated as of March 24, 2011 among Donegal Acquisition Inc., Donegal Financial Services Corporation, Donegal Mutual Insurance Company, Donegal Group Inc. and Union National Financial Corporation.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DONEGAL GROUP INC.

By: /s/ Jeffrey D. Miller

Jeffrey D. Miller, Senior Vice  
President and Chief Financial Officer

Date: March 24, 2011

AMENDMENT TO AGREEMENT AND PLAN OF MERGER

THIS AMENDMENT dated as of March 24, 2011 (this "Amendment") to the Agreement and Plan of Merger dated as of April 19, 2010, as amended and restated on May 20, 2010 and as amended on September 1, 2010 and December 8, 2010 (the "Agreement"), among DONEGAL ACQUISITION INC. ("DAI"), DONEGAL FINANCIAL SERVICES CORPORATION ("DFSC"), DONEGAL MUTUAL INSURANCE COMPANY ("DMIC"), DONEGAL GROUP INC. ("DGI") and UNION NATIONAL FINANCIAL CORPORATION ("UNNF").

## WITNESSETH:

WHEREAS, DAI, DFSC, DMIC, DGI and UNNF, as permitted by Section 10.3 of the Agreement, desire to amend the Agreement to the extent specified in this Amendment;

NOW, THEREFORE, DAI, DFSC, DMIC, DGI and UNNF, in consideration of the agreements and covenants contained in this Amendment and in the Agreement and intending to be legally bound hereby, covenant and agree as follows:

1. Amendment of Section 10.1(c) of the Agreement. Section 10.1(c) of the Agreement is hereby amended and restated so that, as amended and restated, said Section 10.1(c) of the Agreement shall read in its entirety as follows:

"(c) Delay. By DFSC or UNNF, if its Board of Directors so determines by vote of a majority of the members of its entire Board, in the event that the Merger is not consummated on or before 5:00 p.m., Eastern Daylight Time, on May 31, 2011, except to the extent that the failure of the Merger to be consummated by such date shall be due to the failure of the party seeking to terminate pursuant to this Section 10.1(c) to perform or observe the covenants and agreements of such party set forth in this Agreement."

2. Ratification of Remainder of the Agreement. Except for the amendment to Section 10.1(c) of the Agreement as set forth in Section 1 of this Amendment, all of the other terms and provisions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect.

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IN WITNESS WHEREOF, DAI, DFSC, DMIC, DGI and UNNF, by their officers thereunto duly authorized, have executed this Amendment as of the day and year first above written.

DONEGAL ACQUISITION INC.

By: Donald H. Nikolaus  
Donald H. Nikolaus, President

DONEGAL FINANCIAL SERVICES CORPORATION

By: Donald H. Nikolaus  
Donald H. Nikolaus, President

DONEGAL MUTUAL INSURANCE COMPANY

By: Donald H. Nikolaus  
Donald H. Nikolaus, President

DONEGAL GROUP INC.

By: Donald H. Nikolaus  
Donald H. Nikolaus, President

UNION NATIONAL FINANCIAL CORPORATION

By: Mark D. Gainer  
Mark D. Gainer, President