FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

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) Director X 10% Owner				
(Last) (First) (Middle) 1195 RIVER ROAD						3. Date of Earliest Transaction (Month/Day/Year) 11/01/2006									Office below	er (give title v)		Other below)	(specify
(Street) MARIETTA PA 17547 (City) (State) (Zip)				4. If	4. If Amendment, Date of Original Filed (Month/Day/Year)								6. Indi Line) X	vidual or Joint/Group Filing (Check Applicable 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)					Execution Date,			n Date,	3. Transaction Code (Instr. 5)					Securi Benefi	cially d Following	6. Own Form: I (D) or I (I) (Inst	Direct ndirect	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
									Code	v	Amount	(A) (D)	or P	rice	Transa	action(s) 3 and 4)			(111511.4)
Class B Common Stock 11/01/2						2006		P		106 A		A \$	17.71	3,8	3,837,929)		
	Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)																		
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	ition Date, Ti C C 8)		ransaction ode (Instr.		of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		n Date ay/Ye		7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4) Amoun or Numbe of Title Shares		Der Sec (Ins	rice of ivative urity tr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Ow For Dire or I (I) (nership m: ect (D) ndirect Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)

Explanation of Responses:

Jeffrey D. Miller, Sr. VP & **Chief Financial Officer**

11/02/2006

** Signature of Reporting Person

Date

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

- * 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.