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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): April 6, 2006

**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

N/A

(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))
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Item 7.01. Regulation FD Disclosure.

On April 6, 2006, the Registrant issued a press release announcing a stock split and increased dividend. The press release is attached as an exhibit to this Form 8-K and is incorporated into this Item 7.01 by reference.

Item 8.01. Other Events.

On April 6, 2006, the Registrant announced the approval of a four-for-three split of its Class A Common Stock and its Class B Common Stock to be effected in the form of a 33-1/3% stock dividend to stockholders of record at the close of business on April 17, 2006 and payable on April 26, 2006. The stock split was approved to enhance the liquidity of the Class A Common Stock and the Class B Common Stock by increasing the number of outstanding shares. The effect of the stock split will be to increase the number of outstanding shares of Class A Common Stock from 14,442,944 shares to 19,257,258 shares and the number of outstanding shares of Class B Common Stock from 4,182,684 shares to 5,576,912 shares.

The following registration statements filed by the Registrant under the Securities Act of 1933 shall be deemed to register, in addition to the shares specifically included therein, the additional shares of Registrant's Class A Common Stock issuable with respect to those shares pursuant to stock splits, stock dividends and similar transactions occurring after the effective date of such registration statements, including the four-for-three split of the Registrant's Class A Common Stock in the form of a 33-1/3% stock dividend to be paid on April 26, 2006: Registration Statements (Nos. 333-06681, 333-25541, 333-26693, 333-61095, 333-93785, 333-94301, 333-89644, 333-62970, 333-62974 and 333-62976) on Form S-8 and registration statements (Nos. 333-59828 and 333-63102) on Form S-3.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Press Release issued by Donegal Group Inc., dated April 6, 2006.

\* This press release shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 or incorporated by reference in any filing under the Securities Act of 1933.

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: April 6, 2006

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>Reference</u>
99.1*	Press Release issued by Donegal Group Inc., dated April 6, 2006.	Submitted herewith.

\* This press release shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934 or incorporated by reference in any filing under the Securities Act of 1933.

**DONEGAL GROUP INC. ANNOUNCES STOCK SPLIT AND INCREASED DIVIDEND**

Jeffrey D. Miller  
Senior Vice President and Chief Financial Officer  
Phone (717) 426-1931  
Fax (717) 426-7009  
E-mail: jeffmiller@donegalgroup.com

For Immediate Release

MARIETTA, Pennsylvania, April 6, 2006 — Donegal Group Inc. (Nasdaq: DGICA and DGICB) announced today that its Board of Directors yesterday approved a four-for-three split of its Class A Common Stock and Class B Common Stock to be effected in the form of a 33-1/3% stock dividend to stockholders of record at the close of business on April 17, 2006 and payable on April 26, 2006. The stock split was approved to enhance the liquidity of the Class A Common Stock and Class B Common Stock by increasing the number of outstanding shares. The effect of the stock split will be to increase the number of outstanding shares of Class A Common Stock from 14,442,944 shares to 19,257,258 shares and the number of outstanding shares of Class B Common Stock from 4,182,684 shares to 5,576,912 shares. Donegal Group anticipates that at its April 20, 2006 meeting the Board of Directors will increase the quarterly dividend rate on its post-split Class A Common Stock from a post-split equivalent of \$.075 per share to \$.0825 per share and anticipates that it will increase its quarterly dividend rate on its post-split Class B Common Stock from a post-split equivalent of \$.06375 to \$.07 per share, commencing with the dividend payable on May 15, 2006. The dividend increases represent a percentage increase of 10% for the Class A Common Stock and 9.8% for the Class B Common Stock.

Donegal Group Inc. is an insurance holding company whose insurance subsidiaries offer personal and commercial property and casualty lines of insurance in five Mid-Atlantic states (Delaware, Maryland, New Hampshire, New York and Pennsylvania), eight Southeastern states (Alabama, Georgia, Louisiana, North Carolina, South Carolina, Tennessee, Virginia and West Virginia) and five Midwestern states (Iowa, Nebraska, Ohio, Oklahoma and South Dakota).

All statements contained in this press release that are not historic facts are based on current expectations. Such statements are forward-looking (as defined in the Private Securities Litigation Reform Act of 1995) in nature and necessarily involve a number of risks and uncertainties. Actual results could vary materially. The factors that could cause actual results to vary materially include, but are not limited to, the ability of the Company to maintain profitable operations, the adequacy of the Company's reserves for losses and loss

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adjustment expenses, business and economic conditions in the areas in which the Company operates, severe weather events, competition from various insurance and non-insurance businesses, terrorism, legal and judicial developments, changes in regulatory requirements and other risks that are described from time to time in the Company's filings with the Securities and Exchange Commission. The Company disclaims any obligation to update such statements or to announce publicly the results of any revisions that may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.