| SEC Form 4 | |
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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| Check this box if no longer subject | t to |
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| Section 16. Form 4 or Form 5 | 0 |
| obligations may continue. See | |
| Instruction 1(b). | |

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPR | OVAL |
|----------------------|-----------|
| OMB Number: | 3235-0287 |
| Estimated average bu | rden |
| hours per response. | 0.5 |

| | | | 2. Issuer Name and Ticker or Trading Symbol <u>DONEGAL GROUP INC</u> [DGICA] | | ationship of Reporting P < all applicable) Director | erson(s) to Issuer 10% Owner |
|------------------------|----------------|----------|--|-------------------|---|---------------------------------|
| (Last) 1195 RIVER R | (First) OAD | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 01/02/2009 | | Officer (give title below) | Other (specify below) |
| · | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Indiv Line) | vidual or Joint/Group Fil | ing (Check Applicable |
| (Street) MARIETTA | PA | 17547 | | X | Form filed by One Re Form filed by More th | |
| (City) | (State) | (Zip) | | | Person | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transa Code (8) | | | | 5. Amount of Securities Beneficially Owned Following Reported | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|-------------------------------------|--|---|------------------------------|---|--------|---------------|---|---|---|----------|
| | | | Code | v | Amount | (A) or (D) | Price | Transaction(s) (Instr. 3 and 4) | | (1150.4) |
| Class A Common Stock ⁽¹⁾ | 01/02/2009 | | A | | 311 | A | \$16.77 | 933 | D | |
| Class B Common Stock | | | | | | | | 1,000 | D | |

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. Deemed Execution Date, if any (Month/Day/Year) | 4. Transa Code (8) | | of Deriv Secu Acqu (A) or Dispo of (D) (Instr | | | | | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|---|--|---|------------------------------|---|--|-----|---------------------|--------------------|-------|--|---|--|--|--|
| | | | | Code | v | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |

Explanation of Responses:

1. Grant from Directors Equity Incentive Plan

Jeffrey D. Miller, by power of attorney

01/02/2009

** 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.