

NIKOLAUS DONALD H

Form 4

August 28, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
NIKOLAUS DONALD H

(Last) (First) (Middle)

1520 QUARRY ROAD, PO BOX
286

(Street)

SILVER SPRING, PA 17575

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol

DONEGAL GROUP INC [DGICA]

3. Date of Earliest Transaction
(Month/Day/Year)

08/15/2006

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)

President & CEO

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)				5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	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			
Class A Common Stock <u>(1)</u>	08/15/2006		J	V	859.822	A	\$ 18.366	279,124.898	D	
Class A Common Stock <u>(2)</u>	08/15/2006		J	V	85.973	A	\$ 18.4	279,210.871	D	
Class A Common Stock <u>(2)</u>	08/15/2006		J	V	30.992	A	\$ 18.4	279,241.863	D	
Class A Common	08/15/2006		J	V	165.664	A	\$ 18.4	279,407.527	D	

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Stock ⁽³⁾

Class A

Common 08/15/2006 J V 459.74 A \$ 18.4 279,867.267 D

Stock ⁽³⁾

Class A

Common 08/15/2006 J V 6.35 A \$ 18.366 1,365.798 I Spouse

Stock ⁽¹⁾

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

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 control number.

SEC 1474
(9-02)

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. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
NIKOLAUS DONALD H 1520 QUARRY ROAD PO BOX 286 SILVER SPRING, PA 17575	X President & CEO

Signatures

Donald H.
Nikolaus 08/28/2006

**Signature of
Reporting Person

Date

Explanation of Responses:

* 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).

(1) Dividend Reinvestment

(2) Dividend Reinvestment - 401(k) Profit Sharing

(3) Dividend Reinvestment - 401(k) Money Purchase Pension

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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