DONEGAL GROUP INC

Form 4

February 28, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

January 31, 2005

0.5

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OMB APPROVAL

if no longer subject to Section 16. Form 4 or Form 5

Check this box

obligations may continue. See Instruction

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

1(b).

Common

(Print or Type Responses)

1. Name and Add NIKOLAUS	*	_	2. Issuer Name and Ticker or Trading Symbol DONEGAL GROUP INC [DGICA]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(
			(Month/Day/Year)	X Director 10% Owner		
1520 QUARRY ROAD, PO BOX			02/15/2006	X Officer (give title Other (specify below)		
286				President and CEO		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
			Filed(Month/Day/Year)	Applicable Line)		
SILVER SPR	ING, PA 1	7575		_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of 6. 7. Nature of Security (Month/Day/Year) Execution Date, if Transactionor Disposed of (D) Securities Ownership Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Beneficial (Month/Day/Year) Owned Direct (D) Ownership (Instr. 8) Following or Indirect (Instr. 4) Reported (I) (A) Transaction(s) (Instr. 4) (Instr. 3 and 4) Code V Amount (D) Price Class A Common 02/15/2006 V 361.402 D 147,414.503 23.411 Stock (1) Class A Common 02/15/2006 V 133.649 A \$ 24.71 147,548.152 D Stock (2) Class A Common 02/15/2006 V 371.876 A \$ 24.3 147,920.028 D Stock (2) Class A V 1.052 D 02/15/2006 Α \$ 23.3 147,921.08

Stock (2)

Class A Common

02/15/2006

J V 4.491 A \$\frac{\\$}{23.411}\$ 1,015.168 I

Spouse

SEC 1474

(9-02)

9. Nu

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Bene Own Follo Repo Trans (Insti

Stock (1)

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

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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)	4. Transact Code (Instr. 8)	5. ionNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	:	ate	Secur	ant of rlying	8. Price of Derivative Security (Instr. 5)	
			Code V	' (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

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

Signatures

Donald H. 02/28/2006 Nikolaus **Signature of Date Reporting Person

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).

Reporting Owners 2

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- (1) Dividend Reinvestment
- (2) Pension/Profit Sharing Dividend Reinvestment

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.