

Schoeninger Terrence T
 Form 4
 May 12, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Schoeninger Terrence T

2. Issuer Name and Ticker or Trading Symbol
 DELPHI FINANCIAL GROUP
 INC/DE [DFG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/11/2009

___ Director ___ 10% Owner
 ___ Officer (give title below) ___X___ Other (specify below)
 Chairman/CEO - Safety National

C/O SAFETY NATIONAL
 CASUALTY
 CORPORATION, 1832 SCHUETZ
 ROAD

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___X___ Form filed by One Reporting Person
 ___ Form filed by More than One Reporting Person

ST. LOUIS, MO 63146

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Class A Common Stock | 05/11/2009 | | M | | 100,000 | A | \$ 13.1111 221,738 |
| Class A Common Stock | 05/11/2009 | | S | | 100,000 | D | \$ 20.3102 121,738 |

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

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(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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Options to purchase Class A Common Stock | \$ 13.1111 (2) | 05/11/2009 | | M | 56,250 (2) | 01/11/2001 ⁽³⁾ 01/11/2010 | Class A Common Stock | 56,250 (2) |
| Options to purchase Class A Common Stock | \$ 13.1111 (2) | 05/11/2009 | | M | 43,750 (2) | 01/11/2000 01/11/2010 | Class A Common Stock | 43,750 (2) |

Reporting Owners

Relationships

Reporting Owner Name / Address

Director 10% Owner Officer Other

Schoeninger Terrence T
C/O SAFETY NATIONAL CASUALTY CORPORATION
1832 SCHUETZ ROAD
ST. LOUIS, MO 63146

Chairman/CEO - Safety National

Signatures

Chad W. Coulter, Attorney-in-Fact for Terrence T. Schoeninger

05/12/2009

__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).

The price indicated is the weighted average sales price for a series of open market sales transactions ranging in price from \$20.00 to

- (1) \$21.18 per share. The reporting person has provided to the issuer information regarding the number of shares sold at each separate price, and such information will be provided to the SEC staff or any security holder of the issuer upon request.
- (2) Amounts reflect adjustments pursuant to the terms of the option plan under which such options were granted to reflect the effects of all stock dividends and stock splits having occurred since the date of grant thereof.
- (3) Options became exercisable in five substantially equal annual installments, beginning on January 11, 2001.
- (4) Not applicable.

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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