

NIKOLAUS DONALD H
Form 4
December 21, 2012

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 *
NIKOLAUS DONALD H

(Last) (First) (Middle)

1195 RIVER ROAD, PO BOX 302

(Street)

MARIETTA, PA 17547

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

DONEGAL GROUP INC [DGICA]

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

11/15/2012

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 ⁽¹⁾ | 11/15/2012 | | J | V | 434.247 | A | \$ 13.08 | 156,276.732 | I | 401(k) Plan |
| Class A Common Stock ⁽¹⁾ | 11/15/2012 | | J | V | 1,435.251 | A | \$ 13.301 | 157,711.983 | I | 401(k) Plan |
| Class A Common Stock | | | | | | | | 115,637.869 | D | |
| Class A Common | | | | | | | | 16,365.798 | I | Spouse |

| | | | | |
|----------------------------|------------|---|----------------------|--|
| Stock | | | | |
| Class A Common Stock | 166,369 | I | Family Foundation | |
| Class B Common Stock | 130,210.44 | D | | |
| Class B Common Stock | 51,637.532 | I | 401(k) Plan | |
| Class B Common Stock | 589 | I | Spouse | |
| Class B Common Stock | 3,938 | I | Family Foundation | |

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.

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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) | 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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Options | \$ 14.5 | 12/20/2012 | | A | 150,000 | 07/01/2013 12/20/2022 | Class A Common Stock 150,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| NIKOLAUS DONALD H 1195 RIVER ROAD PO BOX 302 | X | | President & CEO | |

MARIETTA, PA 17547

Signatures

Donald H.
Nikolaus

12/21/2012

__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 - 401(k) Plan

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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