

DONEGAL GROUP INC
Form SC 13D/A
June 18, 2014

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20459

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 25)*

DONEGAL GROUP INC.

(Name of Issuer)

Class A Common Stock

Class B Common Stock

(Title of Class of Securities)

Class A: 257701201

Class B: 257701300

(CUSIP Number of Class of Securities)

Gregory M. Shepard

7028 Portmarnock Place

Bradenton, FL 34202

(309) 310-1331

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(Name, address and telephone number of persons
authorized to receive notices and communications
on behalf of person(s) filing statement)

June 18, 2014

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this Schedule because of Section 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box “.

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting person’s initial filing on this form with respect to
* the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Class A CUSIP No. 257701201 and Class B CUSIP No. 257701300

1. NAME OF
REPORTING
PERSON
S.S. OR I.R.S.
IDENTIFICATION
NOS. OF REPORTING
PERSON

Gregory M. Shepard

2. CHECK THE
APPROPRIATE BOX
IF A MEMBER OF A
GROUP

(a) ..

(b) ..

3. SEC USE ONLY

4. SOURCE OF FUNDS

PF

5. CHECK BOX IF
DISCLOSURE OF
LEGAL
PROCEEDINGS IS
REQUIRED
PURSUANT TO
ITEMS 2(d) OR 2(e)
..

6. CITIZENSHIP OR
PLACE OF
ORGANIZATION

**United States of
America**

7. SOLE VOTING
POWER

NUMBER OF SHARES
BENEFICIALLY

**Class A
3,672,900; Class**

| | |
|---------------------|-----------------------------------------------------------------------------------|
| | B 397,100 |
| OWNED BY EACH | |
| REPORTING PERSON 8. | SHARED VOTING POWER |
| WITH | -0- |
| | SOLE |
| 9. | DISPOSITIVE POWER |
| | Class A 3,672,900; Class B 397,100 |
| | SHARED |
| 10. | DISPOSITIVE POWER |
| | -0- |
| 11. | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON |
| | Class A 3,672,900; Class B 397,100 |
| 12. | CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES |
| | .. |
| 13. | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) |
| | Class A 17.54%; Class B 7.12% |
| 14. | TYPE OF REPORTING |

PERSON

IN

SCHEDULE 13D

ITEM 1. SECURITY AND ISSUER.

The Schedule 13D filed with the Securities and Exchange Commission on July 12, 2010 (the "Initial 13D") by the Filing Person with respect to the Class A Shares and Class B Shares of Donegal Group Inc., a Delaware corporation (the "Issuer"), is hereby further amended to furnish the additional information set forth herein. All capitalized terms contained herein but not otherwise defined shall have the meanings ascribed to such terms in the Initial 13D.

ITEM 4. PURPOSE OF TRANSACTION

ITEM 4 OF THE INITIAL 13D IS HEREBY AMENDED TO ADD THE FOLLOWING:

On June 18, 2014, the Filing Person sent to the Boards of Directors of the Issuer and Donegal Mutual Insurance Company the letter that is furnished as Exhibit 99.1 hereto. In that letter, the Filing Person proposes an amicable transaction in which, subject to the approval of such Boards of Directors, the Filing Person would (i) purchase from holders of Class A Shares of the Issuer approximately 3,971,000 Class A Shares of the Issuer through (a) market purchases and/or (b) privately negotiated acquisitions, or alternatively (c) a tender offer, presumably at a premium purchase price; and (ii) sell the Filing Person's 397,100 Class B Shares of the Issuer to Donegal Mutual Insurance Company or a third party.

On June 18, 2014, the Filing Person issued the Press Release that is furnished as Exhibit 99.2 hereto, announcing the proposal described above and contained in the letter that is furnished as Exhibit 99.1 hereto.

ITEM 5. INTERESTS IN THE SECURITIES OF THE ISSUER

ITEM 5 OF THE INITIAL 13D IS HEREBY AMENDED TO ADD THE FOLLOWING:

- (a) See rows 11 and 13 of the cover page hereto.

- (b) See rows 7, 8, 9, and 10 of the cover page hereto.

(c) Not applicable.

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Exhibit 99.1 Letter from the Filing Person to the Boards of Directors of the Issuer and Donegal Mutual Insurance Company dated June 18, 2014

Exhibit 99.2 Press Release issued by the Filing Person dated June 18, 2014

SIGNATURE

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

DATED: June 18, 2014

/s/ Gregory M. Shepard
Gregory M. Shepard