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May 7, 2013

VIA EMAIL

Mr. Robert E. Brackbill, Jr.
Chief, Company Licensing Division
Pennsylvania Insurance Department (the "Department")
Office of Corporate and Financial Regulation
1345 Strawberry Square
Harrisburg, PA 17120

Re: Form A Dated March 20, 2013, Submitted by Gregory M. Shepard

Dear Mr. Brackbill:

On behalf of Mr. Gregory M. Shepard, we are writing to request that Department set a date for a public hearing on Mr. Shepard's Form A application between June 12 and 28, 2013.

The Department filed Mr. Shepard's Form A for public inspection on April 12, 2013, so the 60-day review period expires on June 12, 2013. The Federal Reserve Bank of Philadelphia, whose regulatory approval is also required for the same transaction, has stated that it expects to make its determination no later than June 28, 2013. Accordingly, Mr. Shepard respectfully requests a hearing date between June 12 and 28, 2013, for his Pennsylvania Form A application.

Over 360,000 Donegal Class B shares were tendered in response to Mr. Shepard's tender offer, and these shareholders are clamoring to be paid \$30 per share, which is a significant premium to the current trading price. Because the tender offer is contingent on regulatory approval, including from the Department, Mr. Shepard would like to move forward with the process expeditiously.

Mr. Shepard welcomes a public hearing at the earliest opportunity. If Donegal or anyone else has any objections to Mr. Shepard's Form A application, Mr. Shepard would like the opportunity, in the interests of fairness, to answer those objections openly and then to have the Department make its determination.

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Thank you for your attention to this matter. If you have any other questions, or require any further additional information, please do not hesitate to contact the undersigned.

Very truly yours,

Lathrop & Gage LLP

By:


J. Victor Peterson, Esq.