

SEGAL MERTON J
Form 4
December 26, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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 *
SEGAL MERTON J

2. Issuer Name and Ticker or Trading Symbol
MEADOWBROOK INSURANCE GROUP INC [MIG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
26255 AMERICAN DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/20/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman

SOUTHFIELD, MI 48034

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 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 | (D) | Price | | | |
| Common Stock <u>(1)</u> | 09/20/2006 | | G | | 73,279 | D | \$ 0 | 2,341,892 | D | |
| Common Stock <u>(2)</u> | 09/20/2006 | | G | | 73,279 | A | \$ 0 | 84,041 | I | See footnote 2 |
| Common Stock | 09/29/2006 | | G | | 30,000 | D | \$ 0 | 2,311,892 | D | |
| Common Stock | 09/29/2006 | | G | | 2,000 | D | \$ 0 | 2,309,892 | D | |
| Common Stock <u>(1)</u> | 09/29/2006 | | G | | 416,784 | D | \$ 0 | 1,893,108 | D | |

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| | | | | | | | | |
|-----------------------------|------------|---|---------|---|----------|-----------|---|----------------|
| Common Stock ⁽²⁾ | 09/29/2006 | G | 416,784 | A | \$ 0 | 500,825 | I | See footnote 2 |
| Common Stock ⁽¹⁾ | 10/02/2006 | G | 383,216 | D | \$ 0 | 1,509,892 | D | |
| Common Stock ⁽²⁾ | 10/02/2006 | G | 383,216 | A | \$ 0 | 884,041 | I | See footnote 2 |
| Common Stock | 10/02/2006 | G | 1,000 | D | \$ 0 | 1,508,892 | D | |
| Common Stock ⁽³⁾ | | | | | | 21,504 | I | See footnote 3 |
| Common Stock | 12/21/2006 | M | 23,000 | A | \$ 3.066 | 1,531,892 | D | |

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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(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) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----------------|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 3.066 | 12/21/2006 | | M | 23,000 | 05/28/2002 | 05/28/2007 | Common Stock | 23,000 |
| Employee Stock Option (right to buy) | \$ 2.173 | | | | | 02/21/2003 | 02/21/2008 | Common Stock | 37,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------|-------|
| | Director | 10% Owner | Officer | Other |
| SEGAL MERTON J 26255 AMERICAN DRIVE SOUTHFIELD, MI 48034 | X | | Chairman | |

Signatures

/s/Michael G. Costello
Attorney-in-fact

12/26/2006

__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) Transferred shares to spouse.

(2) Owned by spouse.

(3) Owned in trust named "Merton J. Segal, Trustee" under Qualified Annuity Trust Agreement, dated 4/5/00 with Merton J. Segal, grantor.

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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