

SMITH ROBERT M JR  
Form 4  
May 10, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
SMITH ROBERT M JR

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)  
05/09/2006

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Executive Vice President

C/O DELPHI CAPITAL  
MANAGEMENT, INC., 590  
MADISON AVE., 30TH FL

(Street)

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

NEW YORK, NY 10022

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Class A Common Stock	05/09/2006		M		4,209	A	\$ 32.3593
					6,198		D
Class A Common Stock	05/09/2006		S		4,209	D	\$ 53.25
					1,989		D
Class A Common Stock	05/09/2006		M		22,950	A	\$ 20.8333
					24,939		D

Class A  
Common Stock 05/09/2006 S 22,950 D \$ 53.27 1,989 D

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

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SEC 1474  
(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 Security (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 32.3593	05/09/2006		M	4,209	01/21/2000 <sup>(1)</sup> 01/21/2009	Class A Common Stock	4,209
Employee Stock Option (right to buy)	\$ 20.8333	05/09/2006		M	22,950	09/20/2000 <sup>(3)</sup> 09/20/2009	Class A Common Stock	22,950

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH ROBERT M JR C/O DELPHI CAPITAL MANAGEMENT, INC. 590 MADISON AVE., 30TH FL NEW YORK, NY 10022	X		Executive Vice President	

## Signatures

Chad W. Coulter, Attorney-in-Fact for Robert M. Smith, Jr. 05/10/2006

\_\_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) The options vested in five equal annual installments beginning on January 21, 2000.
- (2) Not applicable.
- (3) The options vested in five equal annual installments beginning on September 20, 2000.

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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