

COMMERCE GROUP INC /MA
Form 4
August 21, 2007

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 *
FELS GERALD

2. Issuer Name and Ticker or Trading Symbol
COMMERCE GROUP INC /MA [CGI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
271 THOMPSON RD

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/07/2007

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

WEBSTER, MA 01570

(City) (State) (Zip)

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

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	08/07/2007		G	V	4,000	D	\$ 0	626,025	D	
Common stock								425,232	I	See <u>(1)</u> <u>(6)</u>
Common stock								31,080	I	See <u>(2)</u> <u>(6)</u>
Common stock								43,064	I	See <u>(3)</u> <u>(6)</u>
Common stock								3,000	I	See <u>(4)</u> <u>(6)</u>

Common stock 4,677 I See (5)

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

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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)	8. Price or Value of Underlying Securities (Instr. 3 and 4)
Stock Option	\$ 30.36			Code V	(A) (D)	Date Exercisable: 02/16/2007 Expiration Date: 02/15/2017	Title: Common Stock	Amount or Number of Shares: 5,246

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FELS GERALD 271 THOMPSON RD WEBSTER, MA 01570	X		President	

Signatures

/s/ Gerald Fels 08/21/2007

**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) 425,232 shares are owned by the undersigned's wife
- (2) 31,080 shares are owned by the undersigned's wife and daughter as joint tenants

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- (3) 43,064 shares are owned by the undersigned's wife and son as joint tenants
- (4) 3,000 shares are owned by the undersigned as custodian for his grandson

The reporting person indirectly beneficially owns 4,677 shares that are held by the Employee Stock Ownership Plan of The Commerce

- (5) Group, Inc., which number of shares is calculated based on the units that have been credited to the reporting person as a participant in the ESOP and is subject to adjustment from time to time due, in part, to the unit value and the price per share of the Common Stock
- (6) The filing of this statement by the undersigned is not to be construed as and shall not be deemed to be an admission that the undersigned is, for the purposes of Section 16 of the Securities Exchange Act of 1934, as amended, a beneficial owner of these shares.

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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