

DIGNAN PETER J
Form 4
August 16, 2005

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 *
DIGNAN PETER J

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)
36 BOUNDARY STONE ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/15/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Senior Vice President

SUTTON, MA 01590

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)
				(A) or (D) Code V Amount (D) Price			
Common stock	08/15/2005		M	3,089 A \$ 30.8	3,089 ⁽¹⁾	D	
Common stock	08/15/2005		S	3,089 D \$ 60.65	0 ⁽¹⁾	D	
Common stock					36,203	I	See ⁽²⁾

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

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number.

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. Amount or Number of Shares
Option to purchase common stock	\$ 30.8	08/15/2005		M	3,089	04/06/2004 04/07/2009	Common stock	3,089

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

DIGNAN PETER J
36 BOUNDARY STONE ROAD
SUTTON, MA 01590

Senior Vice President

Signatures

/s/ Peter J.
Dignan

08/16/2005

**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 transactions reported on this Form 4 were made pursuant to a plan intended to comply with Rule 10b5-1(c), previously adopted on September 15, 2004, when the reporting person was not in possession of material nonpublic information.

(2) The reporting person indirectly beneficially owns 36,203 shares that are held by the Employee Stock Ownership Plan of The Commerce 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.

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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