

COMMERCE GROUP INC /MA
Form 4
March 01, 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)
02/16/2007

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 (A) or (D) Price			
Common stock	02/27/2007 ⁽¹⁾		A	98,503 A \$ 0	630,025	D	
Common stock					425,232	I	See <u>(2)</u> <u>(7)</u>
Common stock					31,080	I	See <u>(3)</u> <u>(7)</u>
Common stock					43,064	I	See <u>(4)</u> <u>(7)</u>
Common stock					3,000	I	See <u>(5)</u> <u>(7)</u>

Common stock 4,588 I See (6)

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. Amount or Number of Shares
Stock Option	\$ 30.36	02/16/2007		A	5,246	02/16/2007 02/15/2017	Common stock	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 03/01/2007

**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) The Board of Directors approved the Restricted Stock Unit award on 2/16/07, and the Company filed a Form 8-K dated that date. The Company formally communicated the award and the details thereof to the Reporting Person (and other executive officers) on 2/27/2007.
- (2) 425,232 shares are owned by the undersigned's wife.

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- (3) 31,080 shares are owned by the undersigned's wife and daughter as joint tenants.
- (4) 43,064 shares are owned by the undersigned's wife and son as joint tenants.
- (5) 3,000 shares are owned by the undersigned as custodian for his grandson.

- (6) The reporting person indirectly beneficially owns 4,588 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.

- (7) 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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