

COMMERCE GROUP INC /MA

Form 4

October 19, 2004

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

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

OMB APPROVAL

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Number: 3235-0287
Expires: January 31,
2005
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(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)
10/15/2004

____ Director ____ 10% Owner
____X____ 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)
____X____ 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)
Common stock	10/15/2004		M	V Amount (A) or (D) Price 3,071 A \$ 30.8	3,071 ⁽¹⁾	D	
Common stock	10/15/2004		S	3,071 D \$ 48.5	0 ⁽¹⁾	D	
Common stock					35,809	I	See ⁽²⁾

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

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information contained in this form are not
required to respond unless the form
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SEC 1474
(9-02)

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. Date of Disposition (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to purchase common stock	\$ 30.8	10/15/2004		M	3,071	04/06/2004	04/07/2009	common stock	3,071

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

10/19/2004

**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.

The reporting person indirectly beneficially owns 35,809 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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