

PATTERSON DAVID CHARLES

Form 4

January 20, 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 *
PATTERSON DAVID CHARLES

2. Issuer Name **and** Ticker or Trading
Symbol
COMMUNITY BANK SYSTEM
INC [CBU]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

256 POTTER ROAD

(Street)

CANTON, NY 13617

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
01/18/2006

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D)	Price	
Common Stock	01/19/2006		M		894 ⁽¹⁾	A \$ 0	20,930 D
Common Stock					3,380.692 ⁽²⁾		I

By
Trustee, W
& P P.S.
Plan

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

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SEC 1474
(9-02)

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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 Underlying (Instr. 3 and 4)
						Date Exercisable	Expiration Date	Title
Stock Option	\$ 23.74	01/18/2006		A	3,298	01/18/2006	01/18/2016	Common Stock
Phantom Stock (Stock Balance Plan)	\$ 0	01/18/2006		A	1,084.37	(3)	(3)	Common Stock
Deferred Stock (Deferred Comp.)	\$ 0	01/18/2006		A	397.671	(4)	(4)	Common Stock
Deferred Stock (Deferred Comp.)	\$ 0	01/19/2006		A	141.3278	(4)	(4)	Common Stock
Deferred Stock (Deferred Comp.)	\$ 0	01/19/2006		M	894.4547	(4)	(4)	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PATTERSON DAVID CHARLES 256 POTTER ROAD CANTON, NY 13617	X			

Signatures

Donna J. Drengel, as attorney-in-fact, pursuant to a power of attorney

01/20/2006

__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) Upon the exercise of the deferred compensation shares, the reporting person received cash for .4547 shares at \$22.55 per share.
- (2) Includes 27.496 shares acquired on January 10, 2006 under the Community Bank System, Inc. Dividend Reinvestment Plan.
- (3) Phantom Stock (Stock Balance Plan) may be exercised upon the later of the reporting person's attainment of age 55 or termination of service on Community Bank System, Inc.'s Board of Directors.
- (4) Awards relating to the Deferred Stock units (Deferred Comp. Plan) may be exercised upon the reporting person's attainment of age 64.

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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