

COMMUNITY BANK SYSTEM, INC.

Form 4

October 24, 2014

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 *
Bolus Mark J.

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)

3. Date of Earliest Transaction (Month/Day/Year)
10/23/2014

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

R.R. #1, BOX 412A
(Street)

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

DALTON, PA 18414
(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 | | | | | 61,241.077 ⁽¹⁾ | D | |
| Common Stock | | | | | 5,883.692 ⁽²⁾ | I | By Mark Bolus Trust |
| Common Stock | | | | | 182.722 ⁽³⁾ | I | By daughter, Taylor Bolus |
| Common Stock | | | | | 182.722 ⁽³⁾ | I | By daughter, Paige |

| | | | |
|--------------|--------------------------|---|-------------------------------------|
| Common Stock | 182.722 ⁽³⁾ | I | Bolus By son, Austin Bolus |
| Common Stock | 182.722 ⁽³⁾ | I | By son, Noah Bolus |
| Common Stock | 4,296.992 ⁽⁴⁾ | I | By Taylor Bolus Trust |
| Common Stock | 4,296.992 ⁽⁴⁾ | I | By Paige Bolus Trust |
| Common Stock | 4,296.992 ⁽⁴⁾ | I | By Austin Bolus Trust |
| Common Stock | 4,296.992 ⁽⁴⁾ | I | By Noah Bolus Trust |

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

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(9-02)

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 Security (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|--------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount |
| Phantom Stock (Deferred Compensation) | <u>(5)</u> | 10/23/2014 | | A | 99.3754 | <u>(5)</u> | <u>(5)</u> | Common Stock | 99.3 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Bolus Mark J. R.R. #1, BOX 412A DALTON, PA 18414 | | X | | |

Signatures

/s/ Danielle M. Cima, pursuant to a Confirming Statement executed by Mark J.
Bolus

10/24/2014

__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) Includes 430.529, 467.54, and 541.394 shares acquired on April 10, 2014, July 10, 2014, and October 10, 2014, respectively, pursuant to the Deferred Compensation Plan's dividend reinvestment feature.
- (2) Includes 41.453, 45.345, and 52.592 shares acquired on April 10, 2014, July 10, 2014, and October 10, 2014, respectively, pursuant to the Deferred Compensation Plan's dividend reinvestment feature.
- (3) Includes 1.288, 1.377, and 1.607 shares acquired on April 10, 2014, July 10, 2014, and October 10, 2014, respectively, pursuant to the Deferred Compensation Plan's dividend reinvestment feature.
- (4) Includes 30.274, 33.162, and 38.415 shares acquired on April 10, 2014, July 10, 2014, and October 10, 2014, respectively, pursuant to the Deferred Compensation Plan's dividend reinvestment feature.
- (5) Each unit of phantom stock is the economic equivalent of one share of Community Bank System, Inc. common stock. The units of phantom stock relating to the Deferred Compensation Plan will be settled in Community Bank System, Inc. common stock at future dates selected by the reporting person.
- (6) Includes 26.1297 units of phantom stock acquired on October 10, 2014 under the Deferred Compensation Plan's dividend reinvestment feature.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.