

COMMUNITY BANK SYSTEM, INC.

Form 4

March 18, 2016

FORM 4

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

OMB APPROVAL

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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 *
Mucenski Edward S.

(Last) (First) (Middle)

C/O COMMUNITY BANK SYSTEM, INC., 5790 WIDEWATERS PARKWAY

(Street)

DEWITT, NY 13214

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
03/16/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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)
Common Stock				(A) or (D)	Amount Price		
					2,271.86 ⁽¹⁾	D	
					1,484.57 ⁽²⁾	I	By Spouse
					7,316.9786 ⁽³⁾	I	By PMHV 401(k) Plan

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 Stock Units)	(4)	03/16/2016		A	877	(4)	(4)	Common Stock	8
Phantom Stock (Deferred Compensation)	(5)	03/17/2016		A	236.6692	(5)	(5)	Common Stock	236

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Mucenski Edward S. C/O COMMUNITY BANK SYSTEM, INC. 5790 WIDEWATERS PARKWAY DEWITT, NY 13214	X			

Signatures

/s/ Danielle M. Cima, pursuant to a Confirming Statement executed by Edward S. Mucenski

03/18/2016

**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 18.44 shares acquired on January 11, 2016 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.
- (2) Includes 12.05 shares acquired on January 11, 2016 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.
- (3) Includes 59.389 shares acquired on January 11, 2016 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.

The reporting person has received deferred stock units under the Community Bank System, Inc. 2014 Long-Term Incentive Plan. Each

- (4) phantom stock unit which represents a deferred stock unit is the economic equivalent of one share of Community Bank System, Inc. common stock and will be settled in common stock at a predetermined date.

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- Each unit of phantom stock is the economic equivalent of one share of Community Bank System, Inc. common stock. The units of
- (5) 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 68.083 units of phantom stock acquired on January 11, 2016 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.

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