

Retirement

YOUR PERSONAL ACCOUNT SUMMARY

Personally prepared for:

915312
SAMPLE PARTICIPANT
121 SAMPLE PLACE
UTICA NY 13205



Your Account Information:

Soc. Sec No: XXX-XX-1234
Date of Birth: 06/01/1963
Date of Hire: 09/02/1998
Date of Entry: 08/01/1998

Account Summary

Account Statement: January 01, 2007 To March 31, 2007

Total Account Balance on 01/01/2007 \$ 183,374.95

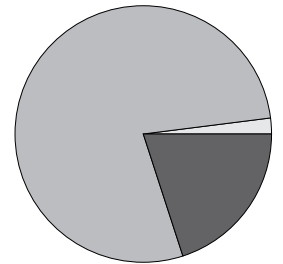
| | | |
|------------------------|----|----------|
| Employee Contributions | \$ | 5,253.86 |
| Employer Contributions | \$ | 1,337.46 |
| Rollover Contributions | \$ | 0.00 |
| Net Earnings | \$ | 1,099.73 |
| Withdrawals | \$ | 0.00 |
| Transfers | \$ | 0.00 |
| Loan Activity | \$ | 0.00 |
| Other | \$ | 0.00 |

Total Account Balance on 03/31/2007 \$ 191,066.00

Your Total Vested Account Balance is \$ 191,066.00

Your Retirement Account Fund Allocations

| | | |
|---------------|-----|--------------------------|
| Stable Value | 0% | <input type="checkbox"/> |
| Bonds | 2% | <input type="checkbox"/> |
| Equities | 78% | <input type="checkbox"/> |
| Balanced | 0% | <input type="checkbox"/> |
| Company Stock | 20% | <input type="checkbox"/> |



Your year-to-date total portfolio return 2.35 %

Asset allocation is the primary driver of your Personal Rate of Return



Message Board

For important information regarding your ability to direct the investments within your account, including any applicable restrictions, please log in to your account at www.bpah.com and browse the **Documents tab** for the Important Information Pension Protection Act Disclosure link. You will also find additional information regarding your Plan account, as required by the Pension Protection Act of 2006.

If you would like a printed copy of the Pension Protection Act disclosure, call a Retirement Plan Specialist at 315-292-6900, ext. 3120.

Year-to-date returns for the S&P 500, Small Cap and Non-US equity indices were up 0.64%, 1.95%, and 4.15% respectively. Bonds were up 1.50%. The markets have experienced significant volatility this year. Patience during these periods provides investors with the best long term returns.

COMMUNITY BANK SYSTEM, INC. 401K EE STOCK OWNERSHIP PLAN

Automated information about your account and the investments in your plan is available 24 hours a day, 7 days a week. Dial toll free 1-800-530-1272 or visit our website at www.bpah.com

BPA - HARBIDGE
6 Rhoads Drive, Ste 7, Utica, NY 13502
Phone: 315-292-6900

Retirement Plan Specialists are available to answer your questions from 8:30 am - 5:00 pm Mon - Fri. Dial (315) 292-6900 ext. 3120

Account by Investment

For the Period Ending 03/31/2007

| Investment Options | Allocation Percent | Beginning Balance | Contributions | Earnings Gain/Loss | Withdrawals | Transfers | Loan Activity | Other | Ending Balance | Nbr of Shares |
|-------------------------------|--------------------|-------------------|-----------------|--------------------|-------------|-------------|---------------|-------------|-------------------|---------------|
| CBSI ESOP | 0% | 41,765.71 | 1,337.46 | -3,486.07 | 0.00 | 0.00 | 0.00 | 0.00 | 39,617.10 | 1,893.7431 |
| FEDERATED MID-CAP INDEX | 15% | 2,206.53 | 788.10 | 138.40 | 0.00 | 0.00 | 0.00 | 0.00 | 3,133.03 | 129.6249 |
| FEDERATED TOTAL RETURN BOND S | 15% | 2,183.20 | 788.06 | 37.15 | 0.00 | 0.00 | 0.00 | 0.00 | 3,008.41 | 284.6182 |
| MANAGERS SPECIAL EQUITY | 0% | 56,070.51 | 0.00 | 2,193.27 | 0.00 | 0.00 | 0.00 | 0.00 | 58,263.78 | 675.6788 |
| WASHINGTON MUTUAL INVESTORS | 30% | 4,665.42 | 1,576.12 | 44.54 | 0.00 | 0.00 | 0.00 | 0.00 | 6,286.08 | 179.4997 |
| EUROPACIFIC GROWTH FUND | 25% | 74,221.74 | 1,313.48 | 2,170.06 | 0.00 | 0.00 | 0.00 | 0.00 | 77,705.28 | 1,621.5624 |
| T. ROWE PRICE BLUE CHIP GROWT | 15% | 2,261.84 | 788.10 | 2.38 | 0.00 | 0.00 | 0.00 | 0.00 | 3,052.32 | 85.1176 |
| TOTALS BY INVESTMENT | | 183,374.95 | 6,591.32 | 1,099.73 | 0.00 | 0.00 | 0.00 | 0.00 | 191,066.00 | |

Account by Money Type

| Money Type | Vested Percent | Beginning Balance | Contributions | Earnings Gain/Loss | Withdrawals | Transfers | Loan Activity | Other | Ending Balance |
|-------------------------|----------------|-------------------|-----------------|--------------------|-------------|-------------|---------------|-------------|-------------------|
| CBSI MATCH | 100% | 17,521.47 | 666.96 | -1,569.84 | 0.00 | 0.00 | 0.00 | 0.00 | 16,618.59 |
| EMPLOYEE PRE-TAX | 100% | 106,845.67 | 5,253.86 | 2,451.60 | 0.00 | 0.00 | 0.00 | 0.00 | 114,551.13 |
| PROFIT SHARING-QNEC | 100% | 5,088.29 | 670.50 | -466.88 | 0.00 | 0.00 | 0.00 | 0.00 | 5,291.91 |
| EMPLOYEE ROLLOVER | 100% | 50,067.26 | 0.00 | 706.07 | 0.00 | 0.00 | 0.00 | 0.00 | 50,773.33 |
| ACCUM DIVIDENDS | 100% | 3,852.26 | 0.00 | -21.22 | 0.00 | 0.00 | 0.00 | 0.00 | 3,831.04 |
| TOTALS BY SOURCE | | 183,374.95 | 6,591.32 | 1,099.73 | 0.00 | 0.00 | 0.00 | 0.00 | 191,066.00 |

Investment Performance

For the Period Ending 03/31/07

| Investment Name | Ticker | Investment Category | Share Price | Quarterly Cumulative Total Return * | Average Annual Total Returns | | | | |
|--------------------------------|----------|---------------------|-------------|-------------------------------------|------------------------------|--------|--------|--------|---------|
| | | | | | YTD | 1 Year | 3 Year | 5 Year | 10 Year |
| CBSI ESOP | CBU | Company Stock | \$ 20.92 | -8.17% | -8.17% | -2.84% | -0.11% | 10.28% | 9.60% |
| RESERVE PLUS LOANS | RFIXX | Stable Value | \$ 0.00 | 1.08% | 1.08% | 4.33% | 2.60% | 1.73% | 3.06% |
| SEI STABLE ASSET GIC | SGIC | Stable Value | \$ 1.00 | 1.00% | 1.00% | 3.96% | 3.80% | 4.02% | 4.99% |
| FEDERATED MID-CAP INDEX | FMDCX | Equity | \$ 24.17 | 5.73% | 5.73% | 7.90% | 12.82% | 10.14% | 13.55% |
| FEDERATED TOTAL RETURN BOND SS | FTRFX | Bonds | \$ 10.57 | 1.48% | 1.48% | 6.64% | 3.50% | 5.26% | 6.29% |
| MANAGERS SPECIAL EQUITY | MGSEX | Equity | \$ 86.23 | 3.94% | 3.94% | 4.88% | 10.01% | 8.82% | 11.06% |
| WASHINGTON MUTUAL INVESTORS | AWSHX | Equity | \$ 35.02 | 0.94% | 0.94% | 14.09% | 10.10% | 6.99% | 9.65% |
| EUROPACIFIC GROWTH FUND | ** AEPGX | Equity | \$ 47.92 | 2.92% | 2.92% | 16.63% | 19.41% | 15.50% | 11.27% |
| T. ROWE PRICE BLUE CHIP GROWTH | TRBCX | Equity | \$ 35.86 | 0.36% | 0.36% | 6.98% | 7.76% | 4.89% | 7.49% |
| DREYFUS S & P 500 INDEX FUND | PEOPX | Equity | \$ 40.21 | 0.53% | 0.53% | 11.29% | 9.55% | 5.76% | 7.66% |

* Before making any investment decisions, be sure to review the fund prospectus. Monthly performance information and prospectuses for the investment options within your Plan can be accessed by logging into your BPA-Harbridge account at www.bpah.com. Select the ACCOUNT INQUIRY tab then "Investment & Index Performance" from the left navigation strip.

** Funds marked with a double asterisk (**) are subject to trade restrictions. Refer to the Trading Restriction Report on www.bpah.com

*** Returns are not annualized. Quarterly Performance figures represent the increase in the value of a single deposit of \$1,000 made on the first day of the quarter. Performance Results do not include application of Investment Management and/or Administrative Fees. Past performance does not guarantee future results. Yields will fluctuate with market conditions.

Investment Benchmarks

For the Period Ending 03 / 31 / 07

| Index Name | Category | Quarterly | YTD | Average Annual Total Returns | | | |
|--------------------------------|----------|-----------|-------|------------------------------|--------|--------|---------|
| | | | | 1 Year | 3 Year | 5 Year | 10 Year |
| LEHMAN BROS. AGGREGATE | Bond | 1.50% | 1.50% | 6.59% | 3.30% | 5.35% | 6.46% |
| MERRILL LYNCH 1-5 YR GOVT/CORP | Bond | 1.56% | 1.56% | 5.68% | 2.44% | 4.05% | 5.44% |
| CITIGROUP WORLD GOV'T BOND | Bond | 1.15% | 1.15% | 7.78% | 2.69% | 9.01% | 5.81% |
| S & P 500 COMPOSITE | Equity | 0.64% | 0.64% | 11.83% | 10.05% | 6.27% | 8.20% |
| RUSSELL 2000 SMALL CAP | Equity | 1.95% | 1.95% | 5.91% | 11.99% | 10.95% | 10.23% |
| MSCI EAFE EQUITY | Equity | 4.15% | 4.15% | 20.69% | 20.29% | 16.24% | 8.67% |
| S & P MID CAP 400 | Equity | 5.80% | 5.80% | 8.44% | 13.34% | 10.70% | 14.29% |
| WILSHIRE 5000 | Equity | 1.48% | 1.48% | 11.43% | 11.11% | 7.76% | 8.76% |

Neither BPA-Harbridge nor its parent or affiliates shall be held liable for the inaccuracy of performance information supplied to it. With respect to non-money market mutual funds, investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For more information about the funds mentioned, including information about the investment advisors, please refer to the appropriate prospectus, available courtesy of the Plan Sponsor.

Historical Account Value

| | | |
|--------------------------|----|------------|
| Balance 12/31/2002 | \$ | 43,384.83 |
| Balance 12/31/2003 | \$ | 89,372.56 |
| Balance 12/31/2004 | \$ | 123,350.72 |
| Balance 12/31/2005 | \$ | 144,274.06 |
| Balance 12/31/2006 | \$ | 183,374.95 |
| Current Balance | \$ | 191,066.00 |