

CITIZENS FINANCIAL SERVICES INC
 Form 4
 August 22, 2006

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
 OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average
 burden hours per
 response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
 OSBORNE TERRY B

2. Issuer Name and Ticker or Trading
 Symbol
 CITIZENS FINANCIAL SERVICES
 INC [CZFS]

5. Relationship of Reporting Person(s) to
 Issuer
 (Check all applicable)

(Last) (First) (Middle)

 (Street)

 (City) (State) (Zip)

3. Date of Earliest Transaction
 (Month/Day/Year)
 08/22/2006

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

____ Director
 ___X___ Officer (give title below)
 ____ 10% Owner
 ____ Other (specify below)
 Senior Vice President

6. Individual or Joint/Group Filing(Check
 Applicable Line)
 ___X___ 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 Indirect (Instr. 4) Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Class	08/22/2006		P	12.4998	A \$ 24	1,309.4625	D
Common Class						141	I By Spouse

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

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SEC 1474
 (9-02)

