

COMMUNITY BANCSHARES INC /DE/
Form 4
November 08, 2006

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 *
KINNEY KERRI C

2. Issuer Name and Ticker or Trading Symbol
COMMUNITY BANCSHARES INC /DE/ [comb]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
P.O. BOX 1000
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
11/07/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Financial Officer

BLOUNTSVILLE, AL 35031

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

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 11/07/2006 | | D | | 500 | D | 0 |
| Common Stock | 11/07/2006 | | D | | 4,893 | D | 0 |

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

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SEC 1474 (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 Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| 2005 Options | \$ 6.81 | 11/07/2006 | | D | 5,000 | 01/12/2005 01/11/2010 | Common Stock | 5,000 |
| 2004 Options | \$ 5.35 | 11/07/2006 | | D | 10,500 | 01/27/2004 01/26/2009 | Common Stock | 10,500 |
| 2003 Options | \$ 7 | 11/07/2006 | | D | 12,500 | 02/06/2003 02/05/2008 | Common Stock | 12,500 |
| 2003 Options | \$ 7 | 11/07/2006 | | D | 15,000 | 08/01/2003 07/31/2008 | Common Stock | 15,000 |
| 2001 Options | \$ 10 | 11/07/2006 | | D | 3,000 | 12/18/2001 12/17/2006 | Common Stock | 3,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| KINNEY KERRI C P.O. BOX 1000 BLOUNTSVILLE, AL 35031 | | | Chief Financial Officer | |

Signatures

Kerri C. Kinney 11/07/2006
 **Signature of Date
 Reporting Person

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) Disposed of pursuant to the merger agreement between the issuer and Superior Bancorp in exchanged for 448 shares of Superior common stock having a market value of \$10.85 per share on the effective date of the merger plus a small amount of cash in lieu of a fractional share.

(2) Disposed of pursuant to the merger agreement between the issuer and Superior Bancorp in exchanged for 4,390 shares of Superior common stock having a market value of \$10.85 per share on the effective date of the merger plus a small amount of cash in lieu of a fractional share.

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- (3) This option was cancelled in the merger in exchange for a cash payment of \$18,450, representing the difference between the exercise price of the option and \$10.50 per share.
- (4) This option was cancelled in the merger in exchange for a cash payment of \$54,075, representing the difference between the exercise price of the option and \$10.50 per share.
- (5) This option was cancelled in the merger in exchange for a cash payment of \$43,750, representing the difference between the exercise price of the option and \$10.50 per share.
- (6) This option was cancelled in the merger in exchange for a cash payment of \$52,500, representing the difference between the exercise price of the option and \$10.50 per share.
- (7) This option was cancelled in the merger in exchange for a cash payment of \$1,500, representing the difference between the exercise price of the option and \$10.50 per share.

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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