

ARROW FINANCIAL CORP
Form 4
January 30, 2012

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 *
HOY THOMAS L

2. Issuer Name and Ticker or Trading Symbol
**ARROW FINANCIAL CORP
[AROW]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
01/27/2012

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman, President & CEO

ARROW FINANCIAL CORPORATION, 250 GLEN STREET

(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

GLENS FALLS, NY 12801

(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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	12/01/2011		G	3,059 D \$ 0	151,716 ⁽¹⁾	D	
Common Stock	01/27/2012		M	15,374 A \$ 22.06	167,090	D	
Common Stock	01/27/2012		F	14,120 ⁽²⁾ D \$ 25.29	152,970	D	
Common Stock	01/27/2012		J	0 A \$ 0	2,412 ⁽³⁾	I	Wife's IRA
	01/27/2012		J	0 A \$ 0	2,881 ⁽⁴⁾	I	

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).

The total includes additional shares acquired as a result of a 3% stock dividend paid on Sept. 29, 2011 as follows: 31 shares acquired under the Company's ESPP, 20 shares acquired under a 401K plan and 318 shares acquired under an IRA. These shares were acquired since the insider's last Form 4 was filed on Sept. 9, 2011 in transactions not required to be reported on a Form 4. The information is being furnished to disclose the holdings of the insider as of the date of this Form 4.

(1) Includes 13,413 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security and 707 shares withheld by the issuer to satisfy withholding tax liabilities related to the exercise.

(2) Includes an additional 70 shares resulting from the Company's 3% stock dividend distributed on Sept. 29, 2011.

(3) Includes an additional 83 shares resulting from the Company's 3% stock dividend distributed on Sept. 29, 2011.

(4) Includes an additional 95 shares resulting from the Company's 3% stock dividend distributed on Sept. 29, 2011.

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.