

ARROW FINANCIAL CORP  
 Form 4  
 November 28, 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)  
**ARROW FINANCIAL CORPORATION, 250 GLEN STREET**

3. Date of Earliest Transaction (Month/Day/Year)  
**11/26/2012**

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

(Street)  
**GLENS FALLS, NY 12801**

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 Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/06/2012		G	1,275	D \$ 0	156,701 <sup>(1)</sup>	D
Common Stock	11/26/2012		M	10,634	A \$ 22.18	167,335 <sup>(6)</sup>	D
Common Stock	11/26/2012		F	10,005 <sup>(2)</sup>	D \$ 24.45	157,330 <sup>(6)</sup>	D
Common Stock	11/26/2012		J	0	A \$ 0	2,460 <sup>(3)</sup>	I
	11/26/2012		J	0	A \$ 0	2,938 <sup>(4)</sup>	I

Wife's IRA

Common Stock								By Wife w/Broker	
Common Stock	11/26/2012		J	0	A	\$ 0	3,346 <sup>(5)</sup>	I	Irrev. Trust

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 Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Employee Stock Option (Right to Buy)	\$ 22.18	11/26/2012		M	10,634	12/17/2007	12/17/2013	Common Stock	10,634

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOY THOMAS L ARROW FINANCIAL CORPORATION 250 GLEN STREET GLENS FALLS, NY 12801	X		Chairman & CEO	

## Signatures

Thomas J. Murphy, Attorney in Fact	11/28/2012
**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).

- Following the reported transaction, total direct holdings include: 334 shares acquired under the Company's ESPP that include 44 shares acquired from March 15, 2012; 11,145 shares held in a qualified retirement plan (IRA); 100,053 shares held in a custody account; 45,717 shares acquired under the Company's ESOP as of 12/31/11 valuation; and 727 shares acquired under the Company's 401k. Total direct holdings also include 2,175 shares resulting from the Company's 2 percent stock dividend distributed on September 27, 2012.
- (1) Includes 9,650 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security and 355 shares withheld by the issuer to satisfy withholding tax liabilities related to the exercise.
  - (2) Includes an additional 48 shares resulting from the Company's 2 percent stock dividend distributed on Sept. 27, 2012.
  - (3) Includes an additional 57 shares resulting from the Company's 2 percent stock dividend distributed on Sept. 27, 2012.
  - (4) Includes an additional 65 shares resulting from the Company's 2 percent stock dividend distributed on Sept. 27, 2012.
  - (5) Amount of shares beneficially owned following reported transactions.

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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