

ARROW FINANCIAL CORP  
 Form 4  
 May 21, 2010

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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

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)  
**05/21/2010**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**Chairman, President & 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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	03/11/2010		G	1,395 D	\$ 0	93,399	D
Common Stock	04/23/2010		G	2,257 D	\$ 0	91,142	D
Common Stock	05/21/2010		M	8,101 (1) A	\$ 11.64	99,243	D
Common Stock	05/21/2010		J(2)	0 A	\$ 0	161	I ESPP
Common Stock	05/21/2010		J(2)	0 A	\$ 0	39,197	I ESOP

Common Stock									
Common Stock	05/21/2010	J <sup>(2)</sup>	0	A	\$ 0	2,274	I	Wife's IRA	
Common Stock	05/21/2010	J <sup>(2)</sup>	0	A	\$ 0	673	I	SEP	
Common Stock	05/21/2010	J <sup>(2)</sup>	0	A	\$ 0	2,717	I	By Wife w/Broker	
Common Stock	05/21/2010	J <sup>(2)</sup>	0	A	\$ 0	3,094	I	Irrev. Trust	

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 (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)	\$ 11.64	12/20/2000		A	8,101	12/20/2004 12/20/2010	Common Stock	8,101

## 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, President & CEO	

## Signatures

Thomas J. Murphy, Attorney  
in Fact

05/21/2010

\_\_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).
- (1) Amount of securities acquired on May 21, 2010 as a result of payment of the difference between the market value of the securities and the exercise price of the Employee Stock Option (Right to Buy).
- (2) Amount of securities beneficially owned.

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.