

ARROW FINANCIAL CORP  
 Form 4  
 January 23, 2009

**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)  
**01/21/2009**

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. Code                     |                                                     |   |                            | 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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|-----------------------------|-----------------------------------------------------|---|----------------------------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
|                                 |                                      |                                                    | Transaction Code (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | V | Amount or Price (A) or (D) |                                                                                               |                                                          |                                   |
| Common Stock                    | 01/21/2009                           |                                                    | J <sup>(1)</sup>            | A                                                   | 0 | \$ 0                       | 91,219                                                                                        | D                                                        |                                   |
| Common Stock                    | 01/21/2009                           |                                                    | J <sup>(1)</sup>            | A                                                   | 0 | \$ 0                       | 86                                                                                            | I                                                        | ESPP                              |
| Common Stock                    | 01/21/2009                           |                                                    | J <sup>(1)</sup>            | A                                                   | 0 | \$ 0                       | 34,571                                                                                        | I                                                        | ESOP                              |
| Common Stock                    | 01/21/2009                           |                                                    | J <sup>(1)</sup>            | A                                                   | 0 | \$ 0                       | 2,208                                                                                         | I                                                        | Wife's IRA                        |
|                                 | 01/21/2009                           |                                                    | J <sup>(1)</sup>            | A                                                   | 0 | \$ 0                       | 654                                                                                           | I                                                        | SEP                               |

|                 |            |                  |   |   |      |       |   |  |                     |
|-----------------|------------|------------------|---|---|------|-------|---|--|---------------------|
| Common<br>Stock |            |                  |   |   |      |       |   |  |                     |
| Common<br>Stock | 01/21/2009 | J <sup>(1)</sup> | 0 | A | \$ 0 | 2,638 | I |  | By Wife<br>w/Broker |
| Common<br>Stock | 01/21/2009 | J <sup>(1)</sup> | 0 | A | \$ 0 | 6,504 | I |  | Irrevoc.<br>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.**

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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<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities<br>Acquired (A)<br>or Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) | Amount<br>or<br>Number<br>of Shares |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code V (A) (D)                       |                                                                                                              | Date<br>Exercisable<br>Expiration<br>Date                      | Title                                                               |                                     |
| Employee<br>Stock<br>Option<br>(Right to<br>Buy)    | \$ 22.59                                                           | 01/21/2009                              |                                                             | A                                    | 12,500                                                                                                       | 01/21/2013 01/21/2019                                          | Common<br>Stock                                                     | 12,500                              |

## Reporting Owners

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

## Signatures

|                                         |            |
|-----------------------------------------|------------|
| Gerard R. Bilodeau, Attorney<br>in Fact | 01/23/2009 |
| **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 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.