

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)
ARROW FINANCIAL CORPORATION, 250 GLEN STREET

3. Date of Earliest Transaction (Month/Day/Year)
01/21/2009

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)
			Code	V	Amount	(A) or (D) Price			
Common Stock	01/21/2009		J ⁽¹⁾		0	A \$ 0	91,219	D	
Common Stock	01/21/2009		J ⁽¹⁾		0	A \$ 0	86	I	ESPP
Common Stock	01/21/2009		J ⁽¹⁾		0	A \$ 0	34,571	I	ESOP
Common Stock	01/21/2009		J ⁽¹⁾		0	A \$ 0	2,208	I	Wife's IRA
	01/21/2009		J ⁽¹⁾		0	A \$ 0	654	I	SEP

Common Stock								
Common Stock	01/21/2009	J ⁽¹⁾	0	A	\$ 0	2,638	I	By Wife w/Broker
Common Stock	01/21/2009	J ⁽¹⁾	0	A	\$ 0	6,504	I	Irrevoc. Trust

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

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 22.59	01/21/2009		A	12,500	01/21/2013	01/21/2019	Common Stock	12,500

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

Gerard R. Bilodeau, Attorney 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.

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