

Goodemote Terry R
 Form 4
 February 21, 2013

FORM 4

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

OMB APPROVAL

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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 *
 Goodemote Terry R

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)
 250 GLEN STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/19/2013

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 EVP & CFO

GLENS FALLS, NY 12801

(City) (State) (Zip)

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

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	02/19/2013		M		626	A	\$ 22.18
Common Stock	02/19/2013		F		557 ⁽¹⁾	D	\$ 24.95
							10,636
							10,079 ⁽²⁾

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)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 22.18	02/19/2013		M	626	12/17/2007 12/17/2013	Common Stock	626

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Goodemote Terry R 250 GLEN STREET GLENS FALLS, NY 12801			EVP & CFO	

Signatures

Thomas J. Murphy, Attorney
in Fact
Date: 02/21/2013

**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) Includes 557 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security
- (2) The information provided reflects 89 shares acquired under the Companys Dividend Reinvestment Plan 129 shares acquired under the Companys ESPP and 590 shares acquired under the Companys ESOP since the last Form 4 was filed for the insider on January 30 2012. None of these transactions were required to be reported on a Form 4 and this information is being furnished to disclose the holdings of the insider as of the date of this Form 4

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.