

ARROW FINANCIAL CORP  
Form 4  
April 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 \*  
**BILODEAU GERARD R**

2. Issuer Name and Ticker or Trading Symbol  
**ARROW FINANCIAL CORP  
[AROW]**

5. Relationship of Reporting Person(s) to Issuer  
  
(Check all applicable)  
  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
SVP & Corporate Secretary

(Last) (First) (Middle)  
  
**ARROW FINANCIAL CORPORATION, 250 GLEN STREET**

3. Date of Earliest Transaction (Month/Day/Year)  
**04/22/2009**

(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 or Price (A) or (D)		
Common Stock	04/22/2009		M		4,655 A \$ 12.92	23,843	D
Common Stock	04/22/2009		F		3,236 (1) D \$ 26.27	20,607	D
Common Stock	04/22/2009		M		4,655 A \$ 11.99	25,262	D
Common Stock	04/22/2009		F		3,029 (2) D \$ 26.27	22,233	D
	04/22/2009		M		5,171 A	27,404	D

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Common Stock					\$ 19.21			
Common Stock	04/22/2009	F	4,251 (3)	D	\$ 26.27	23,153	D	
Common Stock	04/22/2009	S	300	D	\$ 26.42	22,853	D	
Common Stock	04/22/2009	J(4)	0	A	\$ 0	27,160	I	ESOP
Common Stock	04/22/2009	J(4)	0	A	\$ 0	2,967	I	ESPP w/Wife

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 (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	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 12.92	12/15/1999		M	4,655	12/20/2003 12/20/2009	Common Stock	4,655	
Employee Stock Option (Right to Buy)	\$ 11.99	12/20/2000		M	4,655	12/20/2004 12/20/2010	Common Stock	4,655	
Employee Stock Option (Right to Buy)	\$ 19.21	12/15/2001		M	5,171	12/15/2005 12/15/2011	Common Stock	5,171	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BILODEAU GERARD R ARROW FINANCIAL CORPORATION 250 GLEN STREET GLENS FALLS, NY 12801			SVP & Corporate Secretary	

## Signatures

Gerard R.  
Bilodeau

04/23/2009

\*\*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) Includes 1) 2,289 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security and 2) 947 shares withheld by the issuer to satisfy withholding tax liabilities relating to the exercise.
- (2) Includes 1) 2,124 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security and 2) 905 shares withheld by the issuer to satisfy withholding tax liabilities relating to the exercise.
- (3) Includes 1) 3,782 shares surrendered by reporting person to issuer to pay the exercise price of the derivative security and 2) 469 shares withheld by the issuer to satisfy withholding tax liabilities relating to the exercise.
- (4) Amount of securities beneficially owned.
- (5) Exercise of derivative security.

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.