

DeMarco David S.  
Form 144  
December 11, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20541

**FORM 144**

NOTICE OF PROPOSED SALE OF SECURITIES

PURSUANT TO RULE 144 UNDER THE SECURITIES ACT OF 1933

ATTENTION: Transmit for filing 3 copies of this form concurrently with either placing an order with a broker to execute sale or executing a sale directly with a market maker.

1(a) NAME OF ISSUER      (b) IRS IDENT. NO   (c) S.E.C. FILE NO.

**Arrow Financial Corporation**      **22-2448962**      **0-12517**

1(d) ADDRESS OF ISSUER    CITY                      STATE                      ZIP CODE                      (e) TELEPHONE NO.  
STREET

AREA CODE    NUMBER

**250 Glen Street**                      **Glens Falls**                      **NY**                      **12801**                      **518**                      **745.1000**

2(a) NAME OF PERSON FROM WHOSE ACCOUNT THE SECURITIES WERE TO BE SOLD      (b) IRS IDENT. NO.      (c) RELATIONSHIP TO ISSUER      (d) ADDRESS STREET CITY STATE ZIP

**David S. DeMarco**

**SVP**

**18 Chizpawa Circle  
Queensbury, NY 12804**

INSTRUCTION: The person filing this report should contact the issuer to obtain the I.R.S. Identification Number and the S.E.C. File Number.

3(a) Title of the Class of Securities	(b) Name and Address of Each Broker Through Whom the Securities are to be Offered or Market Maker Who is Acquiring the Securities	(c) Number of Shares or Other Units To Be Sold	(d) Aggregate Market Value	(e) Number of Shares or Other Units Outstanding	(f) Approximate Date of Sale	(g) Name of Each Securities Exchange
Common Stock	LPL Financial 9785 Towne Centre Drive San Diego, CA 12121	5,351	\$58,187	12,095,833	12/11/12	NASDAQ

INSTRUCTIONS:

1.(a) Name of issuer

(b) Issuer's IRS Identification Number

(c) Issuer's S.E.C. file number, if any

(d) Issuer's address, including zip code

(e) Issuer's telephone number, including area code

2.(a) Name of person for whose account the securities are to be sold

(b) Such person's I.R.S. identification number, if such person is an entity

(c) Such person's relationship to the issuer (i.e. officer, director, 10% stockholder, or member of immediate family of any of the foregoing)

(d) Such person's address, including zip code

3.(a) Title of the class of securities to be sold

(b) Name and address of each broker through whom the securities are intended to be sold

(c) Number of shares or other units to be sold (if debt securities, give the face amount)

(d) Aggregate market value of the securities to be sold as of a specified date within 10 days prior to the filing of this notice.

(e) Number of shares or other units of the class outstanding, or if debt securities the face amount thereof outstanding, as shown by the most recent report or statement published by the issuer

(f) Approximate date on which the securities are to be sold

(g) Name of each securities exchange, if any, on which the securities are to be sold

Potential persons who are to respond to the collection of information contained on this form are not required to respond unless the form displays a currently valid OMB control number.

TABLE R - SECURITIES TO BE SOLD

Furnish the following information with respect to the acquisition of the securities to be sold and with respect to the payment of all or any part of the purchase price or other consideration therefor:

Title of the Class	Date You Acquired	Nature of Acquisition Transaction	Name of Person from Whom Acquired (If gift, also give date donor acquired)	Amount of Securities Acquired	Date of Payment	Nature of Payment
Common Stock	Acquired on various dates	Exercise of Employee Stock Option (Right to Buy)	Administrator of Long Term Incentive Plan	2,351	12/10/12	Check from insider

INSTRUCTIONS: 1. If the securities were purchased and full payment therefore was not made in cash at the time of purchase, of the securities the person for whose account they are to be sold had any short consideration given. If the consideration consisted of positions, put or other option to dispose of any note or other obligation, or if payment was made in securities referred to in paragraph (d)(3) of Rule 144, furnish full information with respect thereto. 2. If within two years after the acquisition of the securities the person for whose account they are to be sold had any short consideration given. If the consideration consisted of positions, put or other option to dispose of any note or other obligation, or if payment was made in securities referred to in paragraph (d)(3) of Rule 144, furnish full information with respect thereto. last installment period.

TABLE II - SECURITIES SOLD DURING THE PAST 3 MONTHS

Furnish the following information as to all securities of the issuer sold during the past 3 months by the person for whose account the securities are to be sold:

Name and Address of Seller	Title of Securities Sold	Date of Sale	Amount of Securities Sold	Gross Proceeds
David S. DeMarco	Common Stock	18/24/12	140	3,439.00

