

AROTECH CORP
Form 4
October 22, 2007

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 *
EHRlich ROBERT S

(Last) (First) (Middle)

C/O AROTECH CORPORATION, 1229 OAK VALLEY DRIVE

(Street)

ANN ARBOR, MI 48108

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AROTECH CORP [ARTX]

3. Date of Earliest Transaction (Month/Day/Year)
10/22/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman and CEO

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 or Price					
Common Stock	10/22/2007		A		200,000 ⁽¹⁾	A	\$ 0	559,333 ⁽²⁾	D	
Common Stock							3,571		I	Held By Mr. Ehrlich's Wife ⁽³⁾
Common Stock							11,527		I	Pension Plan

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 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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EHRlich ROBERT S C/O AROTECH CORPORATION 1229 OAK VALLEY DRIVE ANN ARBOR, MI 48108	X		Chairman and CEO	

Signatures

/s/ Robert S. Ehrlich 10/22/2007

**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) Restricted stock awarded pursuant to Section 3(b) of Mr. Ehrlich's employment agreement dated April 15, 2007, vesting 1/3 on December 31, 2007, 1/3 on December 31, 2008, and 1/3 on December 31, 2009.
Includes 240,000 unvested restricted shares, the vesting of which is subject to future performance criteria, and 200,000 unvested restricted
- (2) shares awarded pursuant to Section 3(b) of Mr. Ehrlich's employment agreement dated April 15, 2007, vesting 1/3 on December 31, 2007, 1/3 on December 31, 2008, and 1/3 on December 31, 2009.
- (3) Mr. Ehrlich disclaims beneficial ownership of all of such securities.

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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