

EHRlich ROBERT S  
Form 4  
June 28, 2010

**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 \*  
**EHRlich ROBERT S**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
**NAHAL SOREQ 21**

3. Date of Earliest Transaction (Month/Day/Year)  
**06/24/2010**

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

(Street)  
**BEIT SHEMESH, L3 99000**

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	06/24/2010		A <sup>(1)</sup>		160,000	A	\$ 0
Common Stock	06/28/2010		D <sup>(3)</sup>		80,000	D	\$ 0
Common Stock					3,571	I	
Common Stock					11,527	I	

Held by Mr. Ehrlich's wife <sup>(4)</sup>

Pension Plan

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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 NAHAL SOREQ 21 BEIT SHEMESH, L3 99000	X		Chairman and CEO	

## Signatures

/s/ Robert S. Ehrlich 06/28/2010

**\*\*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, vesting 1/2 on December 31, 2010 (1/3 based on time only and 2/3 based on performance criteria) and 1/2 on December 31, 2011 (1/3 based on time only and 2/3 based on performance criteria).
- (2) Includes 200,000 unvested restricted shares (the vesting of 106,666 of which is subject to future performance criteria), and 328,767 shares issued to a trust and to be held in such trust until such time as Mr. Ehrlich shall be entitled to payment of his severance package.
- (3) Represents formal cancelation of restricted stock that had been issued subject to future performance criteria that the Issuer had previously determined had not been met, and that were accordingly not included in prior totals.
- (4) Mr. Ehrlich disclaims beneficial ownership of all of such securities.

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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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