Paup Thomas J Form 4 July 01, 2010

## FORM 4

#### OMB APPROVAL

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

OMB Number: 3235-0287

January 31,

0.5

Check this box if no longer subject to Section 16. Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: 2005
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response...

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

Name and Address of Repo Paup Thomas J	rting Person *	2. Issuer Name <b>and</b> Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First)	(Middle)	AROTECH CORP [ARTX]  3. Date of Earliest Transaction	(Check all applicable)		
4716 LOHR ROAD		(Month/Day/Year) 06/29/2010	Director 10% Owner Negligible Officer (give title below) Other (specification) below)  Vice President-Finance and CFO		
(Street)		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Chec Applicable Line) _X_ Form filed by One Reporting Person		
ANN ARBOR, MI 4610	8		Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tabl	e I - Non-I	<b>Derivative</b>	Secur	ities Acqui	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired (A) Transactiomr Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)  (A) or Code V Amount (D) Price		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 Indirect Beneficial Ownership (Instr. 4)		
Common Stock	06/29/2010		M	21,458	A	\$0	139,456 (2)	D	
Common Stock	06/30/2010		F(1)	7,200	D	\$ 1.4889	132,256 (2)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474

(9-02)

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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 on Derivative Securities (A) or Dis (D) (Instr. 3, 4	Acquired sposed of	6. Date Exercise Expiration Date (Month/Day/Y	e	7. Title and A Underlying S (Instr. 3 and A	Secu
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	An or Nu of
Restricted Stock Units (3)	\$ 0	04/12/2010		A	25,000 (4)		12/31/2010	04/12/2020	Common Stock	25
Restricted Stock Units (3)	\$ 0	04/12/2010		A	25,000 (4)		12/31/2011	04/12/2020	Common Stock	25
Restricted Stock Units (3)	\$ 0	06/29/2010		M <u>(5)</u>		21,458	12/29/2009	06/29/2019	Common Stock	21

## **Reporting Owners**

Reporting Owner Name / Address	Relationship
reporting o wher runne / runness	

Director 10% Owner Officer Other

Paup Thomas J 4716 LOHR ROAD ANN ARBOR, MI 46108

Vice President-Finance and CFO

## **Signatures**

/s/ Thomas J. 07/01/2010 Paup

\*\*Signature of Date
Reporting Person

## **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) Sale of shares in order to pay tax on vested restricted stock units.
- (2) Includes 21,666 unvested restricted shares, the vesting of 10,833 of which is subject to future performance criteria. Does not include 50,000 unvested restricted stock units.
- (3) Each restricted stock unit represents a contingent right to receive one share of common stock.
- (4) Vesting 1/3 based on employment through the vesting date and 2/3 based on future performance criteria.
- (5) Removal of restrictions and issuance of stock due to vesting of restricted stock units on 06/29/2010.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Reporting Owners 2

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