Paup Thomas J Form 4 January 05, 2011

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

OMB Washington, D.C. 20549 Number: Expires:

Check this box if no longer subject to Section 16. Form 4 or Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

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

(Print or Type Responses)

4716 LOHR ROAD

1(b).

(Last)

(C:tr.)

1. Name and Address of Reporting Person * Paup Thomas J

(First)

(State)

(Middle)

(Zin)

2. Issuer Name and Ticker or Trading Symbol

AROTECH CORP [ARTX]

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

01/04/2011

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

OMB APPROVAL

Estimated average

burden hours per

response...

3235-0287

January 31,

2005

0.5

Director 10% Owner X_ Officer (give title _Other (specify

below)

Vice President-Finance and CFO

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

ANN ARBOR, MI 46108

(City)	(State)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned							
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)		3. Transactic Code (Instr. 8)	4. Securi on(A) or D (Instr. 3,	ispose	d of (D)	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	01/04/2011		M	8,334	A	\$ 0	129,757 (2)	D	
Common Stock	01/04/2011		F(1)	5,965	D	\$ 1.6375	123,792 (2)	D	

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

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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. Transac Code (Instr. 8	ections S S) A (I	5. Number omf 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)	
				Code	V ((A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units (3)	\$ 0	01/04/2011		M(4)			8,334	12/31/2010	12/31/2020	Common Stock	8,334

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Paup Thomas J 4716 LOHR ROAD ANN ARBOR, MI 46108

Vice President-Finance and CFO

Signatures

/s/ Thomas J. 01/05/2011

**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) Does not include 41,666 unvested restricted stock units.
- (3) Each restricted stock unit represents a contingent right to receive one share of common stock.
- (4) Removal of restrictions and issuance of stock on 01/04/2011 due to vesting of restricted stock units on 12/31/2010.

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.

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