

Armour Residential REIT, Inc.
 Form 3
 September 06, 2013

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â GRUBER MARK		(Month/Day/Year)	Armour Residential REIT, Inc. [ARR]	
(Last)	(First)	09/03/2013		
3001 OCEAN DRIVE,Â SUITE 201			4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
(Street)			(Check all applicable)	
VERO BEACH,Â FLÂ 32963			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	6. Individual or Joint/Group Filing(Check Applicable Line)
(City)	(State)	(Zip)	<input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	<input checked="" type="checkbox"/> Form filed by One Reporting Person
			Chief Operating Officer	<input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	14,930	D	Â

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

SEC 1473 (7-02)

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

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
		Title			

Edgar Filing: Armour Residential REIT, Inc. - Form 3

	Date Exercisable	Expiration Date		Amount or Number of Shares		or Indirect (I) (Instr. 5)	
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	5,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	4,883	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	4,883	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	4,883	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	4,883	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	3,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	3,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	3,383	\$ (3) (4)	D	Â
Phantom Stock	Â (1)(2)	Â (1)(2)	Common Stock	3,392	\$ (3) (4)	D	Â

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GRUBER MARK 3001 OCEAN DRIVE SUITE 201 VERO BEACH, FL 32963	Â	Â	Â Chief Operating Officer	Â

Signatures

/s/ Mark Gruber 09/06/2013

__Signature of Date
Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(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).

The reporting person was granted 107,669 shares of phantom stock under ARMOUR's Amended and Restated 2009 Stock Incentive Plan pursuant to a vesting schedule described below. 5,383 shares of phantom stock will vest at the end of each quarter beginning September 30, 2013 and ending December 31, 2015, 4,883 shares will vest at the end of each quarter beginning March 31, 2016 and ending

- (1) December 31, 2016 and 3,383 shares will vest at the end of each quarter beginning March 31, 2017 and ending September 30, 2017. On December 31, 2017, 3,392 shares will vest, at which time all phantom stock will be vested. A total of 20,766 shares of phantom stock have vested prior to Mr. Gruber becoming a reporting person. Mr. Gruber elected to forfeit some of those shares to pay income taxes on the vesting grant. *See* Note 3 below.

- Upon termination of the reporting person's service with ARMOUR Residential Management LLC ("ARRM"), ARMOUR's manager, or the termination of the Management Agreement between ARMOUR and ARRM, all phantom shares which have not vested prior to or concurrently with such termination will be forfeited by the reporting person; provided, however, that the phantom shares will vest if the termination is due to death, disability, termination without cause, or retirement after age 62. The phantom shares will automatically vest upon a change in control of ARMOUR.
- (2)

- The reporting person also has the right to elect to receive the amount of cash necessary to pay any income taxes instead of some of the shares of ARMOUR common stock. With respect to each phantom share, the reporting person will receive a cash payment in an amount equal to the cash dividend distributions paid in the ordinary course on a share of ARMOUR common stock.
- (3)

- (4) Each unit of phantom stock is the economic equivalent of one share of ARMOUR common stock.

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.