Armour Residential REIT, Inc.
Form 4
July 03, 2014

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
STATON DANIEL C

(Last) (First) (Middle)

6800 BROKEN SOUND PARKWAY

(Street)

BOCA RATON, FL 33487

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
Armour Residential REIT, Inc. [ARR]

3. Date of Earliest Transaction (Month/Day/Year)
07/01/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Chairman of the Board

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, par value $0.001 per share	07/01/2014		M(1)		251	A	(1)	1,761,299	I	See Footnote. (2)
Common Stock, par value $0.001 per share	07/01/2014		A(1)		3,810	A	(1)	1,765,109	I	See Footnote. (2)
								227,083	D	

Common Stock, par value $0.001 per share					
Common Stock, par value $0.001 per share		75,075	I	See Footnote (3)	

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. 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. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STATON DANIEL C 6800 BROKEN SOUND PARKWAY BOCA RATON, FL 33487	X		Chairman of the Board	

Signatures

/s/ Daniel C. Staton	07/03/2014
**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) On July 1, 2014, the reporting person elected to redeem 251 shares of vested phantom stock previously granted under ARMOUR Residential REIT, Inc.'s Amended and Restated 2009 Stock Incentive Plan into 251 shares of ARMOUR's common stock and received 3,810 shares of ARMOUR common stock pursuant to quarterly compensation paid for the reporting person's service on ARMOUR's Board of Directors. Commencing with the end of the first quarter of 2013, the reporting person may elect to receive up to $16,500 of the reporting person's total quarterly compensation (or $66,000 on an annual basis), paid in stock. However, the reporting person may elect to receive some or all of the stock compensation as cash. The 3,810 shares of stock represent the reporting person's election of stock compensation for the past quarter.

(2) Represents shares owned indirectly through Staton Family Investments, Ltd. The reporting person is a member of Staton Family Investments, Ltd. and is deemed to beneficially own the shares owned by Staton Family Investments, Ltd. and has a pecuniary interest therein.

(3) Represents shares owned indirectly through Staton Bell Blank Check LLC ("SBBC"). The reporting person is a member of SBBC and is deemed to beneficially own 50% of the shares owned by SBBC and has a pecuniary interest therein. The reporting person may be deemed the beneficial owner of 75,075 shares, representing 50% of the 150,150 shares directly owned by SBBC.

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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