

MCGURN DAVID E JR  
 Form 4  
 March 07, 2008

**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 \*  
 MCGURN DAVID E JR

2. Issuer Name and Ticker or Trading Symbol  
 GALLAGHER ARTHUR J & CO  
 [AJG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

ARTHUR J. GALLAGHER &  
 CO., TWO PIERCE PLACE

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 03/05/2008

\_\_\_\_ Director  
 Officer (give title below)  
 \_\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)  
 Vice President

(Street)

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

ITASCA, IL 60143

(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) |   |                  |
|---------------------------------|--------------------------------------|--|--------------------------------|---|-------|---|--|-----------------------------------|---|------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price |   |  |                                   |   |                  |
| Common Stock (restricted)       | 03/05/2008                           |  | A                              | V   | 1,505 | A   | Ⓛ  | 2,753                             | D |                  |
| Common Stock                    |                                      |  |                                |   |       |   |  | 132,283                           | D |                  |
| Common Stock                    |                                      |  |                                |   |       |   |  | 2,267                             | I | by Son           |
| Common Stock                    |                                      |  |                                |   |       |   |  | 4,534                             | I | by Spouse<br>(2) |
|                                 |                                      |  |                                |   |       |   |  | 57,338                            | I | by Trust         |

Common  
Stock

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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title   |
| Non-Qualified Stock Option (right to buy)  | \$ 23.76   | 03/05/2008                           |  | A                              | 6,350   | (3) 03/05/2018   | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 9.25  |                                      |  |                                |   | (4) 08/30/2008   | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 18.5  |                                      |  |                                |   | (4) 06/20/2010   | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 22.7  |                                      |  |                                |   | (4) 07/21/2012   | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 24.9  |                                      |  |                                |   | 01/01/2004(4) 07/16/2013                                 | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 26.5  |                                      |  |                                |   | (4) 07/19/2011   | Common Stock  |
| Non-Qualified Stock Option (right to buy)  | \$ 27.25   |                                      |  |                                |   | (4) 07/20/2015   | Common Stock  |
| Non-Qualified Stock Option                 | \$ 28.65   |                                      |  |                                |   | (3) 05/15/2017   | Common Stock  |

(right to buy)

Non-Qualified  
Stock Option \$ 29.42  
(right to buy)

(4)

07/21/2014

Common  
Stock 3

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                |       |
|--|---------------|-----------|----------------|-------|
|  | Director      | 10% Owner | Officer        | Other |
| MCGURN DAVID E JR<br>ARTHUR J. GALLAGHER & CO.<br>TWO PIERCE PLACE<br>ITASCA, IL 60143 |               |           | Vice President |       |

## Signatures

David E.  
McGurn, Jr. 03/07/2008

    \*\*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 award vesting in four years.
- (2) Held by spouse as custodian for benefit of children under the Uniform Gift to Minors Act.
- (3) The stock option becomes exercisable 20% each year on the anniversary of the grant date.
- (4) The stock option becomes exercisable 10% each year, commencing January 1 after the date of grant.

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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