

GALLAGHER ARTHUR J & CO

Form 4

August 13, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB
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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 *
HOWELL DOUGLAS K

(Last) (First) (Middle)

**ARTHUR J. GALLAGHER &
CO., TWO PIERCE PLACE**

(Street)

ITASCA, IL 60143

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol
**GALLAGHER ARTHUR J & CO
[AJG]**3. Date of Earliest Transaction
(Month/Day/Year)
08/11/20084. If Amendment, Date Original
Filed(Month/Day/Year)5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below)
VP & Chief Financial Officer6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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 Ownership (Instr. 4)
Common Stock	08/11/2008		J ⁽¹⁾	590 A \$ 26	24,715	I	by Trust
Common Stock					25,942	D	
Common Stock (restricted)					19,946	D	

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

**Persons who respond to the collection of
information contained in this form are not**SEC 1474
(9-02)

required to respond unless the form
displays a currently valid OMB control
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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 Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Incentive Stock Option (right to buy)	\$ 24.58					(2) 03/02/2013	Common Stock 75,000
Non-Qualified Stock Option (right to buy)	\$ 23.76					(3) 03/05/2018	Common Stock 6,000
Non-Qualified Stock Option (right to buy)	\$ 27.03					(2) 05/15/2016	Common Stock 2,590
Non-Qualified Stock Option (right to buy)	\$ 27.25					(2) 07/20/2015	Common Stock 35,000
Non-Qualified Stock Option (right to buy)	\$ 27.94					(2) 10/18/2017	Common Stock 50,000
Non-Qualified Stock Option (right to buy)	\$ 28.65					(3) 05/15/2017	Common Stock 11,300
Non-Qualified Stock Option (right to buy)	\$ 29.42					(2) 07/21/2014	Common Stock 35,000
Non-Qualified Stock Option (right to buy)	\$ 33.28					01/01/2005(2) 03/31/2014	Common Stock 3,750

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOWELL DOUGLAS K ARTHUR J. GALLAGHER & CO. TWO PIERCE PLACE ITASCA, IL 60143			VP & Chief Financial Officer	

Signatures

By: Kerry S. Abbott For: Douglas K.
Howell

08/13/2008

__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) Dividend reinvestment pursuant to the Arthur J. Gallagher & Co. Deferred Equity Participation Plan.
- (2) The stock option becomes exercisable 10% each year, commencing January 1 after the date of grant.
- (3) The stock option becomes exercisable 20% each year on the anniversary of the grant date.

Remarks:

The directly owned common stock holdings reflected in Table I of this form include shares purchased through Arthur J. Gallagher & Co. 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.