

HOWELL DOUGLAS K
Form 4
March 10, 2009

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 *
HOWELL DOUGLAS K

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)
03/04/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP & Chief Financial Officer

(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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| Common Stock (restricted) | 03/04/2009 | | A | | 16,779 | A | Ⓣ |
| Common Stock | | | | | 30,891 | D | |
| Common Stock | | | | | 25,570 | I | by Trust |

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 number.

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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount or Number of Shares |
| Incentive Stock Option (right to buy) | \$ 24.58 | | | | | <u>(2)</u> 03/02/2013 | Common Stock 75,000 |
| Non-Qualified Stock Option (right to buy) | \$ 23.76 | | | | | <u>(3)</u> 03/05/2018 | Common Stock 6,060 |
| Non-Qualified Stock Option (right to buy) | \$ 27.03 | | | | | <u>(2)</u> 05/15/2016 | Common Stock 2,590 |
| Non-Qualified Stock Option (right to buy) | \$ 27.25 | | | | | <u>(2)</u> 07/20/2015 | Common Stock 35,000 |
| Non-Qualified Stock Option (right to buy) | \$ 27.94 | | | | | <u>(2)</u> 10/18/2017 | Common Stock 50,000 |
| Non-Qualified Stock Option (right to buy) | \$ 28.65 | | | | | <u>(3)</u> 05/15/2017 | Common Stock 11,300 |
| Non-Qualified Stock Option (right to buy) | \$ 29.42 | | | | | <u>(2)</u> 07/21/2014 | Common Stock 35,000 |
| Non-Qualified Stock Option (right to buy) | \$ 33.28 | | | | | 01/01/2005 <u>(2)</u> 03/31/2014 | Common Stock 3,750 |

