

HOWELL DOUGLAS K  
Form 4  
November 01, 2007

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

OMB APPROVAL

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**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

(Street)

ITASCA, IL 60143

(City) (State) (Zip)

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/18/2007

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

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

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed Execution Date, if any<br>(Month/Day/Year) | 3. Transaction Code<br>(Instr. 8) | 4. Securities Acquired (A) or Disposed of (D)<br>(Instr. 3, 4 and 5) |       | 5. Amount of Securities Beneficially Owned<br>Following Reported Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I)<br>(Instr. 4) | 7. Nature of Ownership<br>Indirect Beneficial<br>(Instr. 4) |
|------------------------------------|---|---|-----------------------------------|--|-------|---|---|---|
|                                    |   |   |                                   | (A) or (D)   | Price |   |   |   |
| Common Stock                       |   |   |                                   |  |       | 24,701  | D   |   |
| Common Stock                       |   |   |                                   |  |       | 23,543  | I   | by Trust  |
| Common Stock (restricted)          |   |   |                                   |  |       | 8,456   | 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 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 Underlying Security (Instr. 3 and 4) |              |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date                                   | Title        |
| Non-Qualified Stock Option (right to buy)  | \$ 27.94   | 10/18/2007                           |  | A                              | 50,000  | <u>(1)</u>   | 10/18/2017  | Common Stock |
| Incentive Stock Option (right to buy)      | \$ 24.58   |                                      |  |                                |   | <u>(1)</u>   | 03/02/2013  | Common Stock |
| Non-Qualified Stock Option (right to buy)  | \$ 27.03   |                                      |  |                                |   | <u>(1)</u>   | 05/15/2016  | Common Stock |
| Non-Qualified Stock Option (right to buy)  | \$ 27.25   |                                      |  |                                |   | <u>(1)</u>   | 07/20/2015  | Common Stock |
| Non-Qualified Stock Option (right to buy)  | \$ 28.65   |                                      |  |                                |   | <u>(2)</u>   | 05/15/2017  | Common Stock |
| Non-Qualified Stock Option (right to buy)  | \$ 29.42   |                                      |  |                                |   | <u>(1)</u>   | 07/21/2014  | Common Stock |
| Non-Qualified Stock Option (right to buy)  | \$ 33.28   |                                      |  |                                |   | 01/01/2005 <sup>(1)</sup>                                | 03/31/2014  | Common Stock |

## Reporting Owners

| Reporting Owner Name / Address                                    | Relationships |           |                              |       |
|---|---------------|-----------|------------------------------|-------|
|   | Director      | 10% Owner | Officer                      | Other |
| HOWELL DOUGLAS K<br>ARTHUR J. GALLAGHER & CO.<br>TWO PIERCE PLACE |               |           | VP & Chief Financial Officer |       |

ITASCA, IL 60143

## Signatures

By: John C. Rosengren For: Douglas K.  
Howell

11/01/2007

\_\_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) The stock option becomes exercisable 10% each year, commencing January 1 after the date of grant.
  - (2) The stock option becomes exercisable 20% each year on the anniversary of the grant date.

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.