

GALLAGHER ARTHUR J &amp; CO

Form 4

March 18, 2016

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

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
GALLAGHER THOMAS JOSEPH

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)

TWO PIERCE PLACE

(Street)

ITASCA, IL 60143

(City) (State) (Zip)

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/16/2016

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

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

VICE PRESIDENT

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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code<br>(Instr. 8) | 4. Securities Acquired<br>(A) or Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|---|---|---|---|--|---|---|
| Common<br>Stock<br>(restricted)       | 03/16/2016                              |   | M                                       | 3,250 D   | \$<br>42.97 13,810   | D   |   |
| Common<br>Stock                       | 03/16/2016                              |   | M                                       | 3,250 A   | \$<br>42.97 171,743  | D   |   |
| Common<br>Stock                       | 03/16/2016                              |   | F                                       | 1,011 D   | \$<br>42.97 170,732  | D   |   |
| Common<br>Stock                       |   |   |   |   | 71,535   | I   | By grantor<br>retained<br>annuity trust                           |
|                                       |   |   |   |   | 58,179   | I   |   |

|                 |        |   |  |   |
|-----------------|--------|---|--|---|
| Common<br>Stock |        |   |  | By<br>Irrevocable<br>Trust                  |
| Common<br>Stock | 31,671 | I |  | By wife                                     |
| Common<br>Stock | 55,280 | I |  | By wife as<br>trustee <u>(1)</u> <u>(2)</u> |

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 required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number of<br>Derivative<br>Securities<br>Acquired (A)<br>or Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |     | 7. Title and Amount<br>Underlying Security<br>(Instr. 3 and 4) |                    |                 |                                     |
|---|--|---|---|--------------------------------------|--|--|-----|--|--------------------|-----------------|-------------------------------------|
|   |  |   |   | Code                                 | V  | (A)  | (D) | Date<br>Exercisable  | Expiration<br>Date | Title           | Amount<br>or<br>Number<br>of Shares |
| Non-qualified<br>Stock Option                       | \$ 43.71   | 03/17/2016                              |   | A                                    |  | 35,400   |     | <u>(3)</u>   | 03/17/2023         | Common<br>Stock | 35,400                              |
| Phantom<br>Stock                                    | <u>(4)</u>   | 03/18/2016                              |   | A                                    |  | 9,292<br>(5)   |     | <u>(6)</u>   | <u>(6)</u>         | Common<br>Stock | 9,292                               |

## Reporting Owners

| Reporting Owner Name / Address                                  | Relationships                    |
|---|----------------------------------|
|   | Director 10% Owner Officer Other |
| GALLAGHER THOMAS JOSEPH<br>TWO PIERCE PLACE<br>ITASCA, IL 60143 | VICE PRESIDENT                   |

## Signatures

/s/ April Hanes-Dowd, by power of  
attorney 03/18/2016

                    \*\*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 reporting person disclaims beneficial ownership of these shares, and this report shall not be deemed an admission that the reporting person is the beneficial owner of these shares for purposes of Section 16 or for any other purpose.

(2) These shares are held in trusts, for the benefit of the reporting person's children, of which his wife is a trustee.

(3) One-third of this stock option becomes exerciseable on each of the 3rd, 4th, and 5th anniversaries of the grant date.

(4) Each share of phantom stock represents a right to receive one share of Gallagher common stock.

(5) The reported transaction resulted from the Company's allocation of an award to the reporting person under the Company's Age 62 Plan.

These shares represent awards under the Age 62 Plan, a nonqualified deferred compensation plan of the Company, which have been  
(6) deemed invested in Company common stock at the election of the reporting person. Participants vest in these awards when they attain age 62, or after a one-year period for participants who have attained age 61.

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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