

GALLAGHER ARTHUR J &amp; CO

Form 4

February 08, 2007

**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

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**DURKIN JAMES W 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)  
**02/07/2007**

\_\_\_\_ Director \_\_\_\_ 10% Owner  
☒ Officer (give title below) \_\_\_\_ 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 Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	02/08/2007		S		12,000	D	\$ 29.35	239,130	D
Common Stock	02/07/2007		J <sup>(1)</sup>		1,023	A	\$ 29.0549	50,834	I by Trust
Common Stock (restricted)								13,636	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 Amount Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 9.25					(2) 08/30/2008	Common Stock 40,000
Non-Qualified Stock Option (right to buy)	\$ 18.5					(2) 06/20/2010	Common Stock 30,000
Non-Qualified Stock Option (right to buy)	\$ 22.7					(2) 07/21/2012	Common Stock 20,000
Non-Qualified Stock Option (right to buy)	\$ 24.9					01/01/2004(2) 07/16/2013	Common Stock 20,000
Non-Qualified Stock Option (right to buy)	\$ 26.5					(2) 07/19/2011	Common Stock 20,000
Non-Qualified Stock Option (right to buy)	\$ 27.25					(2) 07/20/2015	Common Stock 30,000
Non-Qualified Stock Option (right to buy)	\$ 29.42					(2) 07/21/2014	Common Stock 30,000

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

DURKIN JAMES W JR  
ARTHUR J. GALLAGHER & CO.  
TWO PIERCE PLACE  
ITASCA, IL 60143

Vice President

## Signatures

By: John C. Rosengren For: James W.  
Durkin, Jr.

02/08/2007

\_\_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) 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.

### Remarks:

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

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.