

MCGURN DAVID E JR

Form 4

March 17, 2010

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 *
 MCGURN DAVID E 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)
 03/16/2010

____ Director ____ 10% Owner
 ___X___ 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)
 ___X___ 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	03/16/2010		X		15,000 A \$ 18.5	75,890	D
Common Stock	03/16/2010		S		6,998 D \$ 25.3401	68,892	D
Common Stock	03/16/2010		S		100 D \$ 25.35	68,792	D
Common Stock	03/16/2010		S		191 D \$ 25.4	68,601	D
Common Stock	03/16/2010		S		4,587 D \$ 25.409	64,014	D

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Common Stock	03/16/2010	S	3,124	D	\$ 25.44	60,890	D	
Common Stock						4,898	I	Wife/Custodian ⁽¹⁾
Common Stock						63,000	I	by Spouse
Common Stock						64,174	I	by Trust

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

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(9-02)

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 Security (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)	\$ 18.5	03/16/2010		X	15,000	<u>(2)</u> 06/20/2010	Common Stock 15,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MCGURN DAVID E JR ARTHUR J. GALLAGHER & CO. TWO PIERCE PLACE ITASCA, IL 60143	Vice President

Signatures

By: Kerry S. Abbott For: David E. McGurn, Jr.

03/17/2010

__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) These securities are held by Mr. McGurn's spouse as custodian for the benefit of children under the Uniform Gift to Minor's Act. Only those shares held for the benefit of Mr. McGurn's daughter sharing his household are reported.
- (2) The stock option becomes exercisable 10% each year, commencing January 1 after the date of grant.

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.