

MCGURN DAVID E JR

Form 4

May 17, 2011

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
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(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)
05/13/2011

____ 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 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)
Common Stock	05/13/2011		M ⁽²⁾	1,248 A	\$ 29.17	62,138	D
Common Stock	05/13/2011		F ⁽¹⁾	393 D	\$ 29.17	61,745	D
Common Stock (restricted)	05/13/2011		M	1,248 D	\$ 0	7,607	D
Common Stock						2,267	I By Son
						63,000	I By Spouse ⁽³⁾

Common
StockCommon
Stock

64,174

I

By Trust

Common
Stock

4,898

I

Wife/custodian
(4) (5)

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.

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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 Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repor Trans (Instr
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

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

/s/ Kerry S.
Abbott

05/17/2011

__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) Shares withheld to cover applicable taxes upon vesting of restricted stock units.
- (2) Vesting of restricted stock units which continue to be held as common stock
- (3) Held by spouse as custodian for benefit of children under the Uniform Gift to Minors Act.

These securities are held by Mr. McGurn's spouse as custodian for the benefit of children under the Uniform Gift to Minor's Act. In prior ownership reports, all shares held by Mr. McGurn's spouse as custodian for their two daughters have been reported as indirectly owned by Mr. McGurn. As of this report, only those shares held for the benefit of Mr. McGurn's daughter sharing his household are reported.

- (5) 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.

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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