

GALLAGHER ARTHUR J & CO  
 Form 4  
 May 15, 2008

**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 \*  
**GORDON ILENE S**

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)  
**05/13/2008**

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

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 (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 Ownership (Instr. 4)
				(A) or (D)	Amount	Price			
Common Stock	05/15/2008		J	V	1,360	A	①	6,720	D
Common Stock (restricted)	05/13/2008		A		4,000	A	②	10,640	D
Common Stock (restricted)	05/15/2008		J		1,360	D	①	9,280	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 required to respond unless the form displays a currently valid OMB control number.

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**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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 1.11					<u>(3)</u> 05/21/2011	Common Stock 1,000
Non-Qualified Stock Option (right to buy)	\$ 5.79					08/21/2003 <u>(3)</u> 05/20/2013	Common Stock 1,500
Non-Qualified Stock Option (right to buy)	\$ 6.38					<u>(3)</u> 05/15/2010	Common Stock 2,000
Non-Qualified Stock Option (right to buy)	\$ 10.58					<u>(3)</u> 05/17/2014	Common Stock 1,500
Non-Qualified Stock Option (right to buy)	\$ 10.86					<u>(3)</u> 05/13/2012	Common Stock 1,000
Non-Qualified Stock Option (right to buy)	\$ 12.36					<u>(4)</u> 07/06/2009	Common Stock 7,920
Non-Qualified Stock Option (right to buy)	\$ 18.5					<u>(4)</u> 06/20/2010	Common Stock 24,000
Non-Qualified Stock Option (right to buy)	\$ 25.79					05/21/2004 <u>(4)</u> 05/20/2013	Common Stock 25,000
Non-Qualified	\$ 26.11					<u>(4)</u> 05/21/2011	Common 25,000

