

BAX WILLIAM L  
Form 4  
December 14, 2012

**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 \*  
BAX WILLIAM L

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)  
12/13/2012

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 Indirect Beneficial Ownership (Instr. 4)			
				(A) or (D)	Price					
Common Stock	12/13/2012		M	V	9,375	A	\$ 21.28	33,345.4	D	
Common Stock	12/13/2012		M	V	9,375	A	\$ 25.29	42,720.4	D	
Common Stock	12/13/2012		S		14,750	D	\$ 35.55 (1)	27,970.4	D	
Common Stock (restricted)								2,500	D	

(2)

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

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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)	Amount or Number of Shares
Non-qualified Stock Option	\$ 21.28	12/13/2012		M	9,375	<sup>(3)</sup> 05/12/2016	Common Stock	9,375
Non-qualified Stock Option	\$ 25.29	12/13/2012		M	9,375	<sup>(3)</sup> 05/11/2017	Common Stock	9,375

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAX WILLIAM L ARTHUR J. GALLAGHER & CO. TWO PIERCE PLACE ITASCA, IL 60143		X		

## Signatures

/s/ April Hanes-Dowd, by power of attorney  
12/14/2012  
\*\*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 price reported is an average weighted price. The shares were sold in multiple transactions at prices ranging from \$35.54 to \$35.58. The reporting person will provide to the Securities and Exchange Commission staff, the issuer, or any security holder of the issuer, upon

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request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote.

- (2) Restricted stock unit award vesting one year after the date of grant.
- (3) The stock option becomes exercisable one year after the grant date.

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.