

GALLAGHER J PATRICK JR

Form 5

February 06, 2006

FORM 5**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549Check this box if
no longer subject
to Section 16.Form 4 or Form
5 obligations
may continue.See Instruction
1(b).Form 3 Holdings
Reported

Form 4

Transactions

Reported

**ANNUAL 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: 3235-0362Expires: January 31,
2005Estimated average
burden hours per
response... 1.01. Name and Address of Reporting Person *
GALLAGHER J PATRICK JR

(Last) (First) (Middle)

ARTHUR J. GALLAGHER &
CO., TWO PIERCE PLACE

(Street)

ITASCA, IL 60143

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol
GALLAGHER ARTHUR J & CO
[AJG]3. Statement of Issuer's Fiscal Year Ended
(Month/Day/Year)
12/31/20054. If Amendment, Date Original
Filed(Month/Day/Year)5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President & CEO

6. Individual or Joint/Group Reporting

(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)	(A) or (D)	Price	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	08/16/2005	Â	G	450	D	\$ (1)	124,142	D	Â
Common Stock	12/01/2005	Â	G	359	A	\$ (1)	101,238	I	by Spouse
Common Stock	Â	Â	Â	Â	Â	Â	150,000	I	by Corporation
	Â	Â	Â	Â	Â	Â	168,450	I	by Trust (2)

Common
Stock

Common Stock	Â	Â	Â	Â	Â	Â	73,213	I	by Trust 2
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Common Stock (restricted)	Â	Â	Â	Â	Â	Â	27,740	D	Â
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 2270
(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 Underlying Security (Instr. 3 and 4)
					(A) (D)	Date Exercisable Expiration Date	Title or Name of
Non-Qualified Stock Option (right to buy)	\$ 7.97	Â	Â	Â	Â Â Â <u>(3)</u>	07/17/2006	Common Stock 4
Non-Qualified Stock Option (right to buy)	\$ 9.25	Â	Â	Â	Â Â Â <u>(3)</u>	08/30/2008	Common Stock 1
Non-Qualified Stock Option (right to buy)	\$ 18.5	Â	Â	Â	Â Â Â <u>(3)</u>	06/20/2010	Common Stock 2
Non-Qualified Stock Option (right to buy)	\$ 22.7	Â	Â	Â	Â Â Â <u>(3)</u>	07/21/2012	Common Stock 2
Non-Qualified Stock Option (right to buy)	\$ 24.9	Â	Â	Â	Â Â 01/01/2004 ⁽³⁾	07/16/2013	Common Stock 5
Non-Qualified Stock Option (right to buy)	\$ 26.5	Â	Â	Â	Â Â Â <u>(3)</u>	07/19/2011	Common Stock 2
	\$ 27.1	Â	Â	Â	Â Â Â <u>(3)</u>	05/16/2015	1

Non-Qualified Stock Option (right to buy)										Common Stock	
Non-Qualified Stock Option (right to buy)	\$ 27.25	Â	Â	Â	Â	Â	Â	Â ⁽³⁾	07/20/2015	Common Stock	5
Non-Qualified Stock Option (right to buy)	\$ 29.42	Â	Â	Â	Â	Â	Â	Â ⁽³⁾	07/21/2014	Common Stock	5
Non-Qualified Stock Option (right to buy)	\$ 33.28	Â	Â	Â	Â	Â	01/01/2005 ⁽³⁾	03/31/2014	Common Stock		1

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GALLAGHER J PATRICK JR ARTHUR J. GALLAGHER & CO. TWO PIERCE PLACE ITASCA, IL 60143	Â X	Â	Â President & CEO	Â

Signatures

By: John C. Rosengren For: J. Patrick
Gallagher, Jr. 02/06/2006

 **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) This transaction involves a gift.
- (2) Held in trust for benefit of minor children.
- (3) The stock option becomes exercisable 10% each year, commencing January 1 after the date of grant.

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Remarks:

TheÂ directlyÂ ownedÂ commonÂ stockÂ holdingsÂ reflectedÂ inÂ TableÂ IÂ ofÂ thisÂ formÂ includeÂ sharesÂ purchas

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.
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