



Computershare BYDSSM

Common stock program

For investors in



Arthur J. Gallagher & Co.

This program is sponsored and administered
by Computershare Trust Company, Inc.
Not by Arthur J. Gallagher & Co.

Computershare BYDSSM

Computershare BYDSSM is a direct stock purchase program that provides an alternative to traditional methods of buying, holding, and selling shares in Arthur J. Gallagher & Co.

The program also contains a dividend reinvestment feature that provides shareholders of record a simple and convenient method to invest cash dividends and optional cash contributions in shares of Arthur J. Gallagher & Co. stock. If you currently own one or more shares of Arthur J. Gallagher & Co. stock registered in your own name (i.e., you are a "shareholder of record"), you are eligible to participate in the dividend reinvestment feature.

BYDS allows you to:

- Invest small amounts. Purchases are in dollar amounts, rather than a certain number of shares, so you can own fractional shares.
- Save money. BYDS transaction fees are generally lower than commissions and fees charged by a stockbroker.
- Automatically build your investment over time. Your dividends will be reinvested and, if you wish, you can buy stock with automatic monthly deductions from your bank account.

How BYDS works

Through Computershare BYDS, you can purchase and sell Arthur J. Gallagher & Co.'s shares directly, rather than dealing with a broker.

You can set up your BYDS account so that you:

- Buy the same dollar amount of stock every month, through automatic monthly deductions from your bank account.
- Purchase stock by sending in a check and a completed transaction form.

You can also combine these choices. For example, you may choose to purchase every month through automatic monthly deductions and supplement with occasional purchases by check.

BYDS is designed for long-term investors who wish to invest and build their share ownership over time.

Eligibility

BYDS is available to the general public, including the Company employees and stockholders. Regulations in certain countries may, however, limit or prohibit participation in this type of program.

Persons residing outside the United States who wish to participate in BYDS should first contact their financial or legal advisors to determine whether they are subject to any governmental regulations prohibiting their participation.

This brochure provides a general overview and summary of BYDS. The detailed terms and conditions can be found starting on page 6. Please be sure you read and understand the terms and conditions before enrolling in BYDS.

Questions and Answers

How do I enroll in Computershare BYDS?

To enroll, you must complete and submit an enrollment form along with a check (in U.S. dollars) for your initial investment in Arthur J. Gallagher & Co. stock. Minimum and maximum investment amounts, as well as any applicable fees, can be found on page 15. Computershare will purchase whole and fractional shares of Arthur J. Gallagher & Co. stock to equal the dollar amount of your check, less any applicable fees.

How do I enroll for dividend reinvestment only?

To enroll, you must complete and submit an enrollment form which you can find: (i) enclosed or (ii) online at Computershare's website at www.computershare.com. After Computershare receives your completed form, we will establish an account to hold the shares you purchase through dividend reinvestment. All cash dividends will be invested in Arthur J. Gallagher & Co. stock unless you have directed on the enrollment form that less than all dividends on shares held by you are to be reinvested. Shares purchased through the dividend reinvestment feature are held in dividend reinvestment registration, not in your individual name. You will not be charged transaction fees for purchases made with reinvested dividends under the program.

How do I purchase additional stock?

You may purchase additional stock for your BYDS account in two ways: regular monthly electronic deductions and optional cash purchases by check.

- You may authorize automatic monthly deductions from your bank account by completing and returning the form attached to your BYDS statement.
- You may make optional cash purchases by sending a check (in U.S. dollars) made out to Computershare along with a completed contribution form, which can be found attached to your statement.

Computershare will purchase whole and fractional shares of Arthur J. Gallagher & Co. stock to equal the dollar amount of your monthly withdrawal or check, less any applicable fees. You will not be charged transaction fees for purchases made with reinvested dividends under BYDS. Other fees, as well as minimum and maximum purchase amounts, can be found on page 15.

Keep in mind that the value of the stock can go down as well as up. The past performance of Arthur J. Gallagher & Co. stock is not necessarily an indicator of future performance. There can be no guarantee that the stock you purchase through BYDS will gain in value or retain its current value.

When are shares purchased?

For additional stock purchases, shares will be purchased weekly. The transaction will occur within five business days after your funds are received, assuming the applicable market is open for trading.

Will I receive certificates for shares purchased?

No. Shares purchased through BYDS will be maintained by Computershare in your name in non-certificated form, called book-entry.

May I place stock certificates I already own into my BYDS account?

Yes. You may deposit into your BYDS account any Company stock certificates that you own at any time, free of charge. Computershare will hold the shares in book entry form in your account.

Please send unsigned certificates via overnight delivery to the address shown on page 14.

Can I get certificates for my BYDS shares?

You may request a certificate at any time. To obtain a stock certificate for any or all of the whole shares in your BYDS account, simply mail or fax a request to Computershare (see page 14 for contact information). There may be a nominal fee - see page 15 for details. For more information about how certificates are issued, see the terms and conditions starting on page 6.

Are dividends reinvested in the Program?

BYDS will automatically reinvest dividends on shares as you direct: full reinvestment of dividends on all shares or partial reinvestment of dividends by percentage of shares.

Computershare will purchase whole and fractional shares of the Company stock to equal the dollar amount of the reinvested dividends, less any

applicable fees and tax withholdings. See the terms and conditions starting on page 6 for specific details on dividend reinvestment.

How do I transfer shares or give them as gifts?

You may transfer or give shares from your BYDS account by writing to Computershare at the address listed on the back page and providing your BYDS account number, the company name, the number of shares to be transferred or given, and the name, date of birth, address and taxpayer identification number of the recipient. All parties listed on the BYDS account registration must sign the request and the signature(s) must be Medallion-guaranteed. A Medallion guarantee can be obtained from your bank or broker. After the transfer is complete, the recipient will be enrolled in BYDS and will receive a BYDS statement showing the transfer of the shares to the recipient. If the recipient prefers not to be enrolled in BYDS, then the recipient should follow the instructions above to obtain a certificate.

How do I sell shares?

You may sell all or a portion of the whole shares of stock in your BYDS account at any time, upon request. Just mail or fax your request to the address or fax number listed on page 14, using one of the transaction forms included with your statement, or you can submit a request to sell your shares online: visit www.computershare.com and register as an Investor Centre member.

All sale instructions received by Computershare will be processed no later than five business days after the date on which the order is received (except where deferral is required under applicable federal or state laws or regulations), assuming the applicable market is open for trading.

If you wish to sell shares you own as certificates, you may deposit the certificates into your BYDS account and then sell the shares through BYDS.

All sale instructions are final when Computershare receives them. Your sale instructions cannot be cancelled or stopped.

Sales processed on accounts lacking a valid Form W-9 certifying the accuracy of your taxpayer identification number for U.S. holders, or a Form W-8BEN for non-U.S. beneficial owners will be subject to backup withholding tax at the then effective rate. By furnishing the appropriate form to Computershare before the sale takes place, you will avoid subjecting your sales proceeds to backup withholding tax.

For more information about the timing, processing and pricing of sale orders, see the terms and conditions starting on page 6.

If you prefer to sell your shares through a broker, you may request a certificate to provide to your broker. See the terms and conditions for more information about certificate requests.

How do I keep track of my investments?

Whenever you purchase or sell shares through BYDS, you will receive a transaction statement showing the details of that transaction. On each statement, you will find information on how to buy or sell shares through BYDS and where to call for additional information.

The statement is your continuing record of the cost basis of your purchases and reinvested dividends and should be retained for income tax purposes. There is a service charge for providing copies of statements for any period in a prior calendar year (see page 15).

In addition, you will receive copies of the same stockholder communications sent to every stockholder of shares of common stock.

What about taxes?

Cash dividends paid on shares held are paid on your behalf; therefore you are solely responsible for income taxes payable on dividends. Computershare reports to the U.S. Internal Revenue Service on Form 1099 DIV the dividend income (including any dividends and transaction fees paid for you by the Company, if any), with a copy to you. If you are a non-U.S. person, Computershare will send a Form 1042-S to you and to the U.S. Internal Revenue Service to report dividend income. If you sell shares through BYDS, a different form, the 1099-B, will be sent to you and the U.S. Internal Revenue Service reporting the proceeds from the sale of your shares. We recommend that you keep your transaction statements which are helpful for record keeping and tax purposes.

How do I vote my shares?

As you have the same rights as a registered stockholder, you will receive the same proxy material and can vote in the same manner.

How do I change my participation in the dividend reinvestment feature?

To change your plan election, send a new enrollment form to the address shown on page 14 or visit www.computershare.com.

How do I end my participation in BYDS?

To terminate your BYDS account, send a termination request to the address shown on page 14.

For specific information about the process and timing of termination of your participation, see the terms and conditions starting on page 6.

What if I have questions about the Computershare BYDS Program?

For more information on BYDS, visit www-us.computershare.com, click on "Investors", click on "Direct Stock Purchase," and then click on "Arthur J. Gallagher & Co."

Any additional questions you have about buying or selling shares or any other BYDS services should be directed to Computershare at the number indicated on page 14. A Computershare customer service representative will assist you.

Computershare, however, does not provide financial, accounting, legal or tax advice.

BYDS is sponsored and administered by Computershare, not by Arthur J. Gallagher & Co.

You may also write to Computershare at:

Computershare BYDS
c/o Computershare Trust Company, Inc.
P.O. Box 3309
Chicago, IL 60690

Be sure to include your name, address, account number, company name (both as shown on your statement) and daytime phone number on all correspondence.

Terms and Conditions

1. Computershare Trust Company, Inc. ("Computershare"), as agent for any Participant in Computershare BYDSSM (BYDS), will in accordance with each Participant's authorization:
 - (a) accept certificates for deposit and hold them for the Participant in Computershare's nominee name;
 - (b) apply all funds received from an eligible Participant for the purchase of whole and fractional shares of stock for the Participant's account;
 - (c) apply all dividends payable to the Participant in respect to shares designated as dividend reinvestment shares (full or partial, by a specific percentage) through

BYDS to the purchase of additional whole and/or fractional shares;

- (d) accept orders to sell shares as directed by the Participant in accordance with these Terms and Conditions.

2. Purchases

For the purpose of making purchases on behalf of Participants, Computershare may combine each Participant's funds (dividends and funds contributed) with those of all other Participants. Optional cash purchases may be initiated either by sending a check for the desired purchase amount payable to Computershare or by establishing an authorized electronic funds transfer from his or her checking or savings account. Computershare will, upon receipt, deposit and hold such funds in an account maintained for the benefit of Participants. Computershare will seek to invest funds it receives promptly, but in no event later than five business days after the funds are received, assuming the relevant markets are open and sufficient market liquidity exists (and except where deferral is required under applicable federal or state laws or regulations). Dividends will be reinvested promptly following receipt by Computershare, assuming the relevant markets are open and sufficient market liquidity exists (except where deferral is required under applicable federal or state laws or regulations).

The price per share of shares of stock purchased for each account, whether purchased with funds contributed or dividends, or both, shall be the weighted average price of all shares purchased by Computershare's broker net of fees for each aggregate order placed by Computershare. Computershare will hold, in the name of its nominee, all shares of stock purchased for Participants and will establish and maintain BYDS account records that reflect each Participant's separate interest.

3. Sales

A Participant may sell (or obtain a certificate or certificates for) all shares or part of the whole shares of stock credited to his or her account at any time, upon written request. Computershare will process all sale instructions no later than five business days after the date on which the order is received, assuming the relevant markets are open and sufficient market liquidity exists (and except where deferral is required under applicable federal or state laws or regulations).

In every case the price to each selling Participant shall be the weighted average sale price obtained by Computershare's broker net of fees for each aggregate order placed by Computershare. To maximize cost savings, Computershare will seek to sell shares in round lot transactions. For this purpose Computershare may combine each selling Participant's shares with those of other selling Participants.

All sale instructions are final. Once Computershare has received the Participant's sale instructions, the request cannot be stopped or cancelled.

4. Transactions

Computershare will cause its broker to effect purchases and sales on any securities exchange where such shares are traded, in the over-the-counter market, or by negotiated transactions, upon such terms with respect to price, delivery, etc., as Computershare may accept.

No interest will be paid on any funds received by Computershare pending purchase of shares. No Participant shall have any authority nor power to direct the time or price at which shares may be purchased (or sold), or to select the broker or dealer through or from whom purchases (or sales) are to be made by Computershare. Neither the purchase price nor the sale price is determined until such time as the broker completes the trade. Computershare will return any funds contributed upon the request of the Participant, provided that Computershare receives the Participant's written notice of cancellation of his/her purchase instruction prior to the opening of business on the purchase date.

In the event that any Participant's check for a cash contribution is returned unpaid for any reason, or an authorized electronic funds transfer is not effected, Computershare will consider the request for investment of such funds null and void. Computershare shall immediately remove from the Participant's BYDS account those shares, if any, purchased upon the prior credit of such funds. Computershare shall thereupon be entitled to sell shares to satisfy any uncollected amount plus any applicable fees. If the net proceeds of the sale of such shares are insufficient to satisfy the balance of such uncollected amounts, Computershare shall be entitled to sell such additional shares from the Participant's BYDS account as may be necessary to satisfy the uncollected balance.

For processing purchase and sale instructions from a Participant, Computershare will receive compensation in accordance with the fee schedule set forth on page 15 or in subsequent notices of fee changes. Fees are subject to change at any time, in accordance with Paragraph 11 of these Terms and Conditions, upon written notification to Participants.

5. Terminations

Participation in BYDS may be terminated by the Participant at any time by written instruction to Computershare. The form that is a part of a Participant's statement may be used for this purpose. Such notice should be sent to Computershare BYDS, P.O. Box 3309, Chicago, Illinois 60690. A Participant's termination takes effect when such notice is received by Computershare except as otherwise provided in this Paragraph 5.

Alternatively, a Participant may direct that all of the shares, both whole and fractional, credited to his or her account be sold by Computershare. Such sale will be made through Computershare's broker on the relevant market as soon as practicable or within five business days after sale instructions are received by Computershare. The sale price will not be determined until such time as the broker completes the sale. The proceeds of such sale, less any applicable fees and/or tax withholdings, will be sent to the Participant at the mailing address of record. Upon termination from BYDS, any uninvested contributions will be returned promptly to the Participant.

In the event a Participant's notice of termination is received near a record date for an account whose dividends are to be reinvested, Computershare, in its sole discretion, may either distribute such dividends in cash or reinvest them in shares on behalf of the terminating Participant. In the event reinvestment is made, Computershare will process the termination as soon as practicable, but in no event later than five business days after the investment is completed.

Computershare may, for any reason and in its sole discretion, terminate any Participant's participation in BYDS, effective immediately upon mailing via U.S. Post Office or courier service a notice of termination to the Participant at the Participant's address of record as maintained in the files. Upon issuing a notice of termination, Computershare will promptly refund any funds contributed and held pending investment.

6. Agent's Discretion

At any time, Computershare may, for any reason and in its sole discretion, refuse to execute any Participant's transaction request submitted via telephone or facsimile, and in its place require original written confirmation of such transaction request.

7. Tax Consequences

Although Computershare will reinvest dividends on BYDS shares, the Participant remains solely responsible for any income taxes payable on such dividends. Dividend income (which may consist of dividends and any transaction or trading fees paid on your behalf by Arthur J. Gallagher & Co.) paid to Computershare on behalf of a Participant will be reported to the U.S. Internal Revenue Service on Form 1099 DIV, a copy of which will be sent to each Participant.

For non-U.S. persons, Computershare will send a Form 1042-S to you and the Internal Revenue Service after each year-end, reporting any dividend income you received during the year.

If you sell shares through BYDS, Computershare will send a Form 1099-B to you and the U.S. Internal Revenue Service after year-end showing the total proceeds of the transactions.

IRS regulations require Participants to have a valid and effective tax certification form on file beforehand, in order to avoid the application of U.S. withholding taxes at the then effective rate to payments for dividends (including reinvested dividends) and/or sales. For U.S. persons, the Form W-9 is required. For non-U.S. persons, the Form W-8BEN is required from such beneficial owners. Taxes withheld for the year will be shown on the tax information forms furnished by Computershare to Participants under IRS rules.

Other Information

- 8.** A Participant will have the sole right to vote shares held by Computershare through BYDS.
- 9.** Any stock dividend or shares of stock distributed pursuant to a stock split on shares held by Computershare for a Participant in BYDS will be credited to the Participant's BYDS account, provided that such stock is of the same type, class and series as the stock held under BYDS. In the event that rights are made available to subscribe to additional shares, debentures, or other securities, the whole shares held for a Participant under

BYDS may be combined with the other shares of the same class of stock registered in the name of the Participant for purposes of calculating the number of rights to be issued to such Participant.

10. A Participant may make a gift of shares held in his or her BYDS account by writing to Computershare, providing the BYDS account number, the company name, the number of shares to be transferred, and the name, date of birth, address and taxpayer identification number of the recipient. All parties listed on the BYDS account registration must sign the request and the signature(s) must be Medallion guaranteed. After the transfer is completed, Computershare will send the recipient a BYDS account statement showing the transfer of the shares to the recipient's new BYDS account.
11. Computershare shall not be liable for any action taken or omitted to be taken in connection with this agreement or the services provided herein, except that Computershare shall be liable for losses incurred as a direct result of Computershare's willful misconduct. In particular, but without limitation, Computershare shall not be responsible for any losses (1) arising out of failure to terminate a Participant's participation in BYDS upon the Participant's death prior to receipt of written notice of death from an appropriate representative, and (2) with respect to the prices or times at which shares are purchased or sold for any Participant's account. Under no circumstances shall Computershare be liable for any special, indirect, incidental, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, lost profits), even if Computershare has been advised of the possibility of such loss or damage. Except as otherwise stated herein, the parties acknowledge that, in light of the unique characteristics of each instance in which services are to be performed, Computershare makes no representation that any of the services shall be performed at any set time or under any deadline, and Computershare shall not be liable for any change in the market value of any security at any time.

Computershare reserves the right to amend or modify the provisions of this agreement (including fees), and to terminate BYDS at any time by sending a copy of such amendment or modification or notice of termination (that may be included with normal company mailings to stockholders) to the Participant. Such amendment or modification or notice of

termination becomes effective thirty (30) days after sending, unless a different time period is required by law.

12. Computershare may, in its sole discretion, use a broker-dealer that is affiliated or unaffiliated with Computershare to execute purchase or sale transactions. In such event, the Participant recognizes that compensation paid in connection with those transactions will accrue to the sole benefit of Computershare. Under no circumstances shall Computershare be responsible for any action taken or omitted to be taken by such affiliated or unaffiliated broker-dealer.
13. Computershare provides no advice and makes no recommendations with respect to any security that is eligible for BYDS or any purchase or sale transaction initiated by a Participant. Securities are subject to investment risk including the possible loss of the principal invested. Any decision to purchase or sell any security that is eligible for BYDS participation must be made by the individual Participant, based upon his or her own research and judgment.
14. BYDS accounts and the securities and the cash temporarily held for purchase of shares are not deposits of Computershare and are not insured by the Securities Investor Protection Corporation, or any other federal or state agency.
15. BYDS and the agreement between Computershare and each Participant, including these Terms and Conditions, shall be governed by the laws of the State of Illinois (without regard to the conflict of law principles), and the parties hereby consent to the exclusive jurisdiction of courts in Illinois (whether state or federal) over all matters relating to this agreement or the services provided by Computershare. The signing and sending of a BYDS enrollment form or the initiation of a transaction, including the deposit of a share certificate through BYDS, shall constitute an offer by the individual stockholder to establish a principal-agency relationship with Computershare. Acceptance shall occur in the offices of Computershare upon receipt by Computershare of such forms or requests.
16. BYDS is not designed for and may not be used by institutional investors or financial intermediaries.
17. **Statement of Ownership**
Each Participant in BYDS will be sent an

account statement showing the number of BYDS Program shares held for the Participant by Computershare, the number of shares held by the Participant in his or her own name on which dividends are being reinvested, any cash dividends received, any funds received for purchase of shares, the price per share, and a history of the transactions and fees paid during the current calendar year. Statements will be sent as soon as practicable after each transaction in a Participant's account.

These statements are a Participant's continuing record of the cost basis of his or her purchases and should be retained for income tax purposes. A service charge may be imposed for providing copies of statements for any period in a prior calendar year.

Participants will receive copies of the same stockholder communications sent to every holder of record of shares of common stock.

18. Certificates for Shares

The number of shares credited to a Participant's BYDS account will be shown on his or her statements of account. All BYDS shares will be held in electronic form; only if requested by a Participant will certificates be issued. A charge may be imposed for issuing a paper certificate for shares.

Written request for certificates for any number of whole shares held in a Participant's BYDS account should be mailed to Computershare BYDS, P.O. Box 3309, Chicago, Illinois 60690. Any remaining whole shares and fraction of a share will continue to be credited to the Participant's BYDS account.

- 19.** Laws may prevent residents of certain states or countries from participating in BYDS although special arrangements with certain securities broker-dealers may be available. Participants are responsible for determining their eligibility under such laws and under any special rules for Participants by company employees.

How to contact Computershare

Call:

1-312-360-5386

- Program questions

Write:

Computershare BYDS

c/o Computershare Trust Company, Inc.

P.O. Box 3309

Chicago, IL. 60690

- Program questions
- Enrollment
- Dividend reinvestment changes
- Optional cash purchases
- Changes to monthly electronic purchases
- Sale instructions
- Certificate requests
- Termination of participation

Computershare BYDS

Computershare Trust Company, Inc.

2 North LaSalle Street

Chicago, IL 60602

- For overnight delivery services

Fax:

1-312-601-4335

- Certificate requests
- Sale instructions
- Termination of participation

Schedule of Fees

Dividend Reinvestment Feature

- Arthur J. Gallagher & Co. pays for the reinvestment of dividends and the annual maintenance of your account.

Direct Purchase Plan

Fees

- **Participation** - \$10 to establish a new account.
- **Custody/deposit of certificates** - no charge.
- **Request for certificates** - no charge.
- **Copies of account statements for prior years** - \$10 per year requested.
- **Certificate Issuance** - no charge.

Purchases

- The initial investment for non-shareholders is \$250 plus the one-time \$10 account establishment fee noted above.
- The subsequent minimum additional purchase amount is \$50.
- Purchases are subject to a maximum annual amount of \$100,000.
- Each voluntary purchase will entail a transaction fee of \$5 plus \$.10 per share purchased.
- If funds are automatically deducted from your checking or savings account, the processing fee is \$1.50 per transaction plus \$.10 per share purchased.
- Fees will be deducted from the purchase amount.
- Returned check fee is \$25.
- ACH reject fee is \$10.

Sales

- Each sale will entail a transaction fee of \$10 plus \$.10 per share sold.
- Fees are deducted from the proceeds derived from the sale.

Participants in BYDS will pay no fees on purchases made with reinvested dividends. Participants will pay transaction fees on optional cash investments. Participants selling Common Shares under BYDS are subject to transaction fees, taxes (if applicable) and certain administrative charges.

This schedule of fees is subject to change. See paragraph 11 in terms and conditions.