



Arthur J. Gallagher & Co. Employee Stock Purchase Plan



Gallagher

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LEGAL NOTICE

Participation in the Arthur J. Gallagher & Co. Employee Stock Purchase Plan (the "Plan") is entirely voluntary, and Gallagher (the "Company") makes no recommendations to its employees with respect to the purchase of its stock and participation in the Plan. There is no guarantee under the Plan against loss because of market or exchange rate fluctuations. In seeking share ownership, you must also accept the risks.

The Plan Summary does not include the complete Plan details as these are contained in the official Plan documents, which legally govern the administration of the Plan. Every effort has been made to ensure the accuracy of the information contained in this Plan Summary. In the event there is a difference between what is written here and what is contained in the Plan document, the official Plan document will prevail.

This Plan Summary is not an offer or contract of continued employment with Gallagher. Gallagher expects to continue the Employee Stock Purchase Plan; however, the Company reserves the right to amend, change, modify or terminate the Plan at any time and for any reason.

This document has been written by Gallagher and is the sole responsibility of Gallagher.

Fidelity Stock Plan Services and Gallagher are not affiliated.

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INTRODUCTION

If you are looking for a way to invest in your future and contribute to Gallagher's growth and success, you should consider the Arthur J. Gallagher & Co. Employee Stock Purchase Plan (ESPP).¹ This Plan Summary is designed to help you learn more about the ESPP so that you can decide if and how the Plan fits within your personal investment portfolio.

The ESPP enables eligible employees to purchase common shares of Gallagher stock at a 5% discount from its Fair Market Value through convenient payroll deductions. By selecting a contribution amount, you can buy Gallagher stock more easily and less expensively than investors who are not employees of the Company.

The Company issues the shares of Gallagher stock and transfers them to Fidelity Stock Plan Services, who holds the stock in participant brokerage accounts. You may start, stop, or change your participation in the program in accordance with the provisions of the ESPP, and summarized in this brochure.

When you own shares of Gallagher stock, you have a stake in the future of Gallagher and may participate in Gallagher's decision-making through shareholder voting. Each share you hold entitles you to one vote.

Participation in the ESPP is voluntary and both the opportunities and the risks should be considered carefully.

¹ A new Arthur J. Gallagher & Co. Employee Stock Purchase Plan was approved by the shareholders of the Company on June 1, 2015. This new plan provides for a 423 Component (for offerings intended to qualify for the tax treatment under Section 423 of the U.S. Internal Revenue Code) and Non-423 Component (for offerings which are not intended to qualify for the tax treatment under Section 423). This Plan Summary describes the terms of offerings being made available under the 423 Component to the eligible employees of Gallagher and the Designated Subsidiaries (as defined in the Plan) thereof, as determined by the Administrator from time to time. References to the Plan or ESPP in this Plan Summary mean the offerings being made under both the 423 Component and Non-423 Component, as applicable, and shall include the terms of the Plan and the terms established for such offerings from time to time. Unless otherwise specified, terms herein have the meanings given them in the ESPP.

BEFORE INVESTING

Gallagher common stock is traded on the New York Stock Exchange (NYSE) under the symbol AJG.

The U.S. Securities and Exchange Commission (SEC) requires public companies like Gallagher to file reports that disclose financial and other information to the public. This provides a steady flow of timely and comprehensive information to help all investors, whether large institutions or private individuals, make sound investment decisions. These filings are available on the EDGAR section of the SEC's website (www.sec.gov) or through the Investor Relations tab on the home page at www.ajg.com.

UNDERSTAND THE REWARDS AND RISKS OF BEING A STOCKHOLDER

When you purchase Gallagher stock, you have the opportunity to participate in the profits you help generate. You have the opportunity to personally benefit from any growth in the Company's stock price. In addition, the stock is purchased at a discount and you do not pay any commission, account fees or administration cost when buying shares of Company stock through the ESPP, although you will pay transaction costs when selling shares. In addition to these rewards, you should understand that purchasing individual shares of a company's stock carries risks. Stock prices can fluctuate, and if the price of Gallagher stock declines, you could lose money that you have contributed to the ESPP.

INSIDER TRADING

All participants in the ESPP are subject to Gallagher policies and federal and state laws restricting trading while aware of material non-public or "insider" information. In addition, certain employees may require pre-clearance from the Company's legal department prior to selling Gallagher stock purchased under the ESPP. If you are subject to blackout periods under Gallagher's Insider Trading Policy, you will receive a notification from the company. If you are unsure about whether these special restrictions apply to you, please contact a Fidelity Stock Plan Services Representative before conducting any transaction.

Representatives are available at 800.544.9354 (toll free) between the hours of 5 p.m. Sunday and Midnight Friday, Eastern Time, excluding the holidays of the New York Stock Exchange.

JOINING THE ESPP

WHO IS ELIGIBLE?

You are eligible to participate in the ESPP if you are an employee of Gallagher or a Designated Subsidiary who is at least 18 years old and you satisfy each of the following conditions:

- Customarily scheduled to work more than 20 hours per week.
- Customarily scheduled to work more than five months in a calendar year.
- Do not own 5% or more of the total voting power or value of the Company, any parent or subsidiary of the Company.

Acquired employees are eligible to participate in the ESPP during the first quarterly offering period that occurs after their payroll and benefit effective date.

Employees eligible to participate in the ESPP will receive notification via email.

WHEN CAN I ENROLL?

Throughout the year, you will have four opportunities to enroll. If you do not enroll for the first offering period after you become eligible, you may enroll during any subsequent enrollment period. Enrollment periods will typically occur during the first two-weeks of the third month of a calendar quarter (or the next business day if the NYSE is closed on any of those dates).

Your payroll deductions will begin on the first pay date after the beginning of the offering period immediately following your enrollment.

Enrollment Period	Offering Period Begins	Payroll Deductions	Share Purchase Period (first week of listed month)
December 1-15	January	January 1 – March 31	April
March 1-15	April	April 1 – June 30	July
June 1-15	July	July 1 – September 30	October
September 1-15	October	October 1 – December 31	January

HOW CAN I ENROLL?

You may access Fidelity's website at www.netbenefits.com and follow the instructions on your screen.

If you prefer, you may contact a Fidelity Stock Plan Services Representative.

Representatives are available at 800.544.9354 (toll free) between the hours of 5 p.m. Sunday and Midnight Friday, Eastern Time, excluding the holidays of the New York Stock Exchange.

If you wish to speak with a translator, please advise Fidelity Stock Plan Services at the time of your call.

When enrolling online or by telephone, you will need to first certify your account. As part of this process you will provide your employee identification number and your username/Social Security Number. When you first access your account after you have certified, you will be required to create a new custom username, password and a security question. You may easily change your password at any time. (See the Managing Your Account section for detailed instructions on accessing your ESPP.)




MAKING CONTRIBUTIONS

Gallagher makes it easy for you to participate in the ESPP through convenient and automatic payroll deductions. Your payroll contributions are made on an after-tax basis and will be held by the Company in a non-interest bearing Plan account until the offering period is complete. You can see the accumulated total of your deductions for any given offering period on Fidelity's website, Netbenefits®.

HOW MUCH CAN I CONTRIBUTE?

For each pay period, you may contribute between 1% and 15% of your gross eligible compensation to purchase Gallagher stock. Eligible compensation is your base salary, production/annual bonus and overtime. Your payroll deduction election must be made in a whole percentage. The IRS limits the amount of stock you may purchase through the ESPP. You may purchase up to a maximum of \$25,000 U.S. dollars (\$23,750 annual maximum after discount is applied) per calendar year based on the grant date Fair Market Value.

Questions may arise about the annual maximum and why an employee's payroll deductions were stopped at \$23,750 instead of \$25,000. The example below shows how the IRS calculates the actual value of stock purchased under an ESPP plan that has a discount. You will see that instead of collecting \$25,000 from an employee in a calendar year, we will stop contributions at \$23,750. The difference is \$1,250 (equal to the 5% discount: $\$25,000 \times 5\%$). To get the actual value of purchased shares, multiply the total number of shares purchased by the lower FMV on either the first day or the last day of the offering period.

IRS Annual Maximum Calculation Example		
Annual Payroll Contributions	\$25,000	\$23,750
Closing FMV on First day of Offering Period 	\$200	\$200
Closing FMV on last day of Offering Period (Purchase Date)	\$210	\$210
Purchase Price (5% discount off the lower closing FMV - $\$200 - \10)	\$190	\$190
Shares Purchased (Annual Contribution / Purchase Price)	131.58	125.00
Actual Value of Purchased Shares (Shares Purchased x \$200)	\$26,315.79	\$25,000
VALUE IN EXCESS OF \$25,000 LIMIT	\$1,315.79	-
		

WHEN DO MY PAYROLL CONTRIBUTIONS BEGIN?

Following your enrollment, your payroll deductions will begin with your first paycheck after the beginning of the offering period. For example, if you enroll in the ESPP by the March 15 enrollment deadline, your payroll deductions will begin with your first paycheck in April.

MAKING CONTRIBUTIONS (continued)

MAY I CHANGE MY CONTRIBUTION AMOUNT?

Once you have established your account and selected your payroll deduction, you can make changes as follows:

- During the *enrollment* period — There is no limit to the number of times you can make changes during the enrollment period. You may increase, decrease, or cancel your deductions. The last election that you make during the enrollment period will be processed as your final election.
- During the *offering* period — You can elect to cancel your payroll deductions at any time prior to the 1st day of the final month of the offering period (calendar quarter) for your change to be applied in the current quarter, see chart below. If you cancel, you can elect to either receive a refund of your unused payroll deductions deducted during the quarter that have not yet been used to purchase shares (withdraw), or you can use those existing contributions to purchase shares through the Plan at the end of the offering period (suspend). If you choose to withdraw, your unused ESPP deductions will be refunded to you at the end of the quarter. Once you cancel your participation, you must wait for a future enrollment period to re-enroll.

3rd Quarter - July 1 - September 30	
Changes made between July 1 - August 31	Changes made between September 1 - September 30
→ applied to Q3 Purchase	→ applied to Q4 Purchase
4th Quarter - October 1 - December 31	
Changes made between October 1 - November 30	Changes made between December 1 - December 31
→ applied to Q4 Purchase	→ applied to Q1 Purchase
1st Quarter - January 1 - March 31	
Changes made between January 1 - February 28/29	Changes made between March 1 - March 31
→ applied to Q1 Purchase	→ applied to Q2 Purchase
2nd Quarter - April 1 - June 30	
Changes made between April 1 - May 31	Changes made between June 1 - June 30
→ applied to Q2 Purchase	→ applied to Q3 Purchase

HOW DO I CHANGE OR CANCEL MY CONTRIBUTIONS?

To make changes you may Access Fidelity’s website, Netbenefits, at www.netbenefits.com. If you prefer, you may contact a Fidelity Stock Plan Services Representative. Representatives are available at 800.544.9354 (toll free) between the hours of 5 p.m. Sunday and Midnight Friday, Eastern Time, excluding the holidays of the New York Stock Exchange.

BUYING SHARES

When you enroll, you decide how much you want to contribute and elect the percentage of eligible gross compensation to be deducted from your paycheck. Your deduction will be made on an after-tax basis. Your contribution amount will accumulate during the offering period and will be used to buy shares of Gallagher common stock in your name at the end of the offering period. Unless you make a change, your payroll deductions will continue and the stock will be purchased on your behalf.

You may not purchase more than \$25,000 (\$23,750 annual maximum after discount is applied) through the ESPP in any calendar year, based on the Fair Market Value of the stock on the first day of the offering period. If you reach this limit, you will be refunded any excess contributions and your future contributions will be stopped.

Once the shares have been credited to your brokerage account, you will have the same rights and privileges afforded to all other Gallagher shareholders.

If you enroll between:	Your contribution will be deducted from your paycheck between:	Stock will be credited to brokerage account during the first week of:
December 1-15	January 1 – March 31	April
March 1-15	April 1 – June 30	July
June 1-15	July 1 – September 30	October
September 1-15	October 1 – December 31	January

WHEN CAN I BUY STOCK?

Generally the shares are purchased on your behalf on the last day of the offering period.

WHO WILL PURCHASE THE STOCK?

Fidelity Stock Plan Services is the provider of record-keeping and administrative services for our Employee Stock Purchase Plan and purchases shares of Gallagher common stock on your behalf.

HOW DO I BENEFIT FROM HAVING FIDELITY STOCK PLAN SERVICES SERVICE MY ACCOUNT?

Fidelity Stock Plan Services makes it easy and convenient for you to manage your shares online via Netbenefits at www.netbenefits.com or with the help of Fidelity Stock Plan Services Representatives, and provides you with annual tax forms detailing reportable tax information.

WHAT IS THE FAIR MARKET VALUE?

The Fair Market Value (FMV) of a share of Gallagher stock on a specified date is the closing price of a share of Gallagher stock on that date (or if the New York Stock Exchange is closed on such

date, the most recent previous day in which the New York Stock Exchange is open).

HOW IS THE PURCHASE PRICE DETERMINED?

For each offering period, the purchase price is calculated by taking the lower of the Fair Market Value on the first day or last day of the offering period (this is known as a lookback) and subtracting the 5% discount. For example, if the Fair Market Value on the first day of the offering period is \$200 and the Fair Market Value on the last day of the offering period is \$210, the purchase price would be \$190, 95% of \$200.

WILL I RECEIVE DIVIDENDS UNDER THE ESPP?

Dividends are not paid on your accumulated contributions during an offering period, but are paid on shares purchased under the ESPP. Any dividends paid to you for shares of stock purchased under the ESPP are paid in cash. If you would like to have your dividends reinvested to purchase additional shares of Gallagher stock, simply log on to www.netbenefits.com.

You may also contact a Fidelity Stock Plan Services Representative to help you elect to reinvest your dividends.

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BUYING SHARES (continued)

ARE MY GALLAGHER STOCK RIGHTS TRANSFERABLE?

You may not transfer, pledge, or assign your *rights to purchase* Gallagher stock under the ESPP to anyone else. You may designate a beneficiary to receive your accumulated contributions under the ESPP in the event of your death during an offering period before shares have been purchased. While you are living, your rights can only be exercised by you.

WILL I RECEIVE A STOCK CERTIFICATE?

No, you will not receive a stock certificate at the time of purchase. Instead, the stock will be deposited in your individual brokerage account maintained by Fidelity Stock Plan Services. In addition you will receive a quarterly statement of your account, which will tell you the number of shares of Gallagher stock in your account and the value as of a specific date.

SELLING SHARES

Unless you are subject to blackout periods (see “Insider Trading” page 4) once your shares are purchased and allocated to your brokerage account, you can generally sell or transfer them at any time or continue to hold them in your account. This decision is up to you. However, there are different tax consequences when you dispose of your shares, depending on how long you have held them.

Be aware that the price on the date you sell may differ from the price on the purchase date. In addition, you will incur fees in selling the shares acquired under the ESPP. This may result in you incurring a loss on the stock acquired under the ESPP.

HOW DO I SELL MY STOCK?

You may sell your Gallagher stock by accessing your ESPP online via www.netbenefits.com, or by calling a Fidelity Stock Plan Services Representative.

Representatives are available at 800.544.9354 (toll free) between the hours of 5 p.m. Sunday and Midnight Friday, Eastern Time, excluding the holidays of the New York Stock Exchange.

Please keep in mind you will need your username and your password to access your ESPP shares after your account is activated.

IF I SELL MY STOCK, WHAT ARE MY TAX IMPLICATIONS?

Gains or losses associated with the sale of ESPP shares can be taxed at ordinary income and/or capital gains rates, depending on whether the stock was sold during or after the stock holding period.

WHAT IS THE STOCK HOLDING PERIOD FOR COMMON STOCK PURCHASED UNDER THE ESPP?

There is not a mandatory holding period under our plan. However, there may be tax benefits if you hold your stock for a specific period of time. According to the IRS, the stock holding

period for shares of Gallagher common stock purchased through the ESPP is two years from the first day of the offering period, or one year from the purchase date of the stock, whichever is longer.

Because tax laws are complicated and subject to change, you should consult with a qualified tax advisor before selling your stock. You may also review the section called U.S. Income Tax Treatment.

HOW IS MY STOCK SOLD?

Sale transactions are executed in a real time environment and are available in three types. The following types of orders are available when placing a sale transaction:

- Market Order — This order is processed at the next available sale price as soon as market conditions allow.
- Limit Order Day — This order allows you to specify a minimum price at which you want your sale to be processed. If during the trading day, the sale price equals or exceeds the minimum price you specified, your order will be executed in the next available trade as market conditions allow. If it does not reach or exceed the price you indicate, your order will be canceled.

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SELLING SHARES (continued)

- **Limit Order Good 'til Cancelled** — This order also allows you to indicate a minimum price at which you want your sale transaction to be placed. Your order instructions will be effective for a maximum of 180 days and will be executed when the stock price equals or exceeds the minimum price you specified as market conditions allow. If the stock price does not meet or exceed the specified price within the 180-day period, your order will be canceled.

To aid in your decision, you are able to view the cost at which your shares were purchased and the length of time the shares have been held. If you are not selling all of the Company's shares in your account, your shares will be sold on a first in, first out basis (your oldest shares will be sold first) unless you request specific share lots. You will be responsible for all fees associated with sales orders.

MAY I SELL FRACTIONAL SHARES?

When selling shares, only whole number sales of shares can occur. If you have 50.4556 shares available for sale, only 1–50 shares are available to sell. If you choose to sell 50 shares, the remaining fractional share will automatically liquidate into cash upon the 2-day settlement of the sale of the 50 shares.

On the settlement date, Fidelity will liquidate the remaining fractional shares (.4556) at the same price. Both the whole and

fractional share portions settle on the same day. There is no charge for selling fractional shares.

Using the same example from above:

- If you own 50.4556 shares and decide to sell 50 shares in your brokerage account, the .4556 shares will automatically liquidate upon settlement date from the sale.
- If you own 50.4556 shares and decide to sell 40 shares in your brokerage account, you will own and maintain 10.4556 shares upon settlement of the 40 shares.

HOW WILL I RECEIVE MY SALE PROCEEDS?

Upon sale of ESPP shares, proceeds are automatically deposited into your brokerage account. You will need to establish bank wire/check instructions (redemption fees may apply), so you can easily access your ESPP proceeds once they are available. Please go to www.netbenefits.com to set up your bank wire/check instructions and learn how to request funds.

MAY I TRANSFER MY SHARES TO A BROKER OR AS A GIFT?

To transfer shares out of your Fidelity Stock Plan Services account, contact a Fidelity Stock Plan Services Representative. You will be responsible for any associated fees.

WHAT ARE THE COMMISSIONS AND FEES?

There are no fees charged to you for purchases when your payroll deductions are used to purchase shares. You are responsible for fees relating to any sale of Gallagher stock, transfers to another account, wire transfer fees and duplicate account statements. Please note that all fees are subject to change.

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| <p>A. Transaction fee — There is no fee to sell shares online. Representative-assisted trades have a flat fee of \$32.95.</p> <p>B. Sales fee — There are no sales fee however, you will be subject to the standard SEC charges for sale of stock, as in effect at the time of your transaction.</p> | <p>C. Dividend reinvestment fee — There is no fee to reinvest your ESPP dividend in the purchase of more Gallagher stock each quarter.</p> <p>D. Wire transfer fee — There is no fee for a wire transfer.</p> <p>E. Broker transfer fee — There is no fee for transfer to another domestic broker provided this is done via DTC (direct broker to broker).</p> |
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SITUATIONS AFFECTING PLAN BENEFITS

If you leave the Company, your brokerage account will be available to you as long as you have Gallagher shares in your account.

If you wish to transfer shares, contact a Fidelity Stock Plan Services Representative. You will be responsible for any transfer fees.

WHEN DOES MY PARTICIPATION END?

If you cease to be an eligible employee for any reason (e.g., termination of employment, change in status or death), your contributions to the ESPP will automatically end. All amounts deducted from your eligible compensation and not previously used to purchase shares under the ESPP will be refunded to you at the end of the quarter.

You may also voluntarily terminate your Plan participation. If you elect to terminate from the ESPP, your payroll contributions will automatically cease and will be refunded to you at the end of the quarter. To resume participation in the ESPP, you will need to re-enroll during a future purchase period.

In the event of your death while an active participant, your contributions that were not used to purchase shares will be refunded to your beneficiary or estate as soon as administratively possible. You will need to designate a beneficiary upon enrollment in the ESPP.

U.S. INCOME TAX TREATMENT

The discounted purchase feature of your ESPP has been designed to comply with Section 423 of the Internal Revenue Code of 1986, as amended. You pay federal, state, and local income taxes on the purchase of your shares only when you dispose of them — that is, when you sell them, give them as a gift, or transfer them to another person for any reason—or upon your death, if you still hold the shares.

In general, you will be taxed on all or a portion of the purchase price discount amount, and any capital gain or loss, depending on the difference between the value of the stock at the time of sale and at the time of purchase.

The summary below outlines the tax laws that were in effect at the time this Plan Summary was published. We recommend that you contact a tax advisor for specific questions regarding your individual situation.

Fidelity Stock Plan Services and Gallagher cannot make recommendations regarding your specific tax treatment.

QUALIFYING DISPOSITION

If you dispose of your stock after the end of the stock holding period (see Glossary of Terms), you will recognize ordinary income for tax purposes equal to the lesser of:

- A percentage of the Fair Market Value of the stock at the beginning of the ESPP offering period equal to the discount rate applied at the time of purchase; or
- The amount, if any, by which your selling price exceeds the price at which you bought the shares (see F in table on following page).

Any gain over and above ordinary income realized upon the sale of stock after the stock holding period is treated as a long-term capital gain (see G in the table on the following page). If the stock is sold and the sale price is less than your discounted purchase price, there is no ordinary income, and you will have a long-term capital loss for the difference between the sale price and the discounted purchase price (see G in table on following page).

DISQUALIFYING DISPOSITION

If you dispose of your stock before the end of the stock holding period, your transaction is known as a “disqualifying disposition.” This means that you will recognize ordinary income for tax purposes equal to the difference between the market value of the stock at the time of purchase and your discounted purchase price, regardless of the stock’s value at the time of sale (see H in table on following page).

Any gain above that difference will be taxable as a capital gain. These capital gains will be short-term or long-term, depending on how long the stock has been held. However, please note that short-term capital gains are currently taxed at the same rates as ordinary income. Any loss, after calculating the ordinary taxable income, will be treated as a capital loss (See I in table on following page), subject to the \$3,000 loss limitation rules.

TAX EXAMPLES

The tables on the following page show how variables, such as stock price and the length of time you hold your stock, could affect your tax liability.

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TAX EXAMPLE TABLES

These tables are provided as examples only. The exact amount you will pay as ordinary income and capital gain will depend on the law in effect at the time of sale and on your own personal situation.

Please consult with your tax advisor, for you specific tax situation.

ASSUMPTIONS

	Example 1	Example 2	Example 3	Example 4	Example 5
A. Fair market value on first day of offering period.	\$200	\$200	\$200	\$200	\$200
B. Fair market value on the last day of offering period.	\$210	\$210	\$210	\$210	\$210
C. Discounted purchase price (95% of the lesser fair market value – A or B).	\$190	\$190	\$190	\$190	\$190
D. Sale price.	\$220	\$215	\$210	\$195	\$187
E. Actual gain	\$30	\$25	\$20	\$5	\$(3)

QUALIFYING DISPOSITION

	Example 1	Example 2	Example 3	Example 4	Example 5
F. Ordinary income Lesser of: (1) 5% of fair market value at beginning of offering (A), or (2) actual gain (E).	\$10 (1)	\$10 (1)	\$10 (1)	\$5 (2)	\$0 (2)
G. Capital gain (loss) (E minus F).	\$20	\$15	\$10	\$0	\$(3)

DISQUALIFYING DISPOSITION

	Example 1	Example 2	Example 3	Example 4	Example 5
H. Ordinary income (B minus C).	\$20	\$20	\$20	\$20	\$20
I. Capital gain (loss) (E minus H).	\$10	\$5	\$0	\$(15)	\$(23)

*Calculations assume a 5% discount at the time of purchase.

MANAGING YOUR ACCOUNT

When you are newly eligible to enroll in the ESPP, you will receive notification via email including instructions on how to get started. You will open a Fidelity Brokerage Account to manage your ESPP. Once you have activated/certified your account, you can access your account balance, specific Plan information, current share price, and perform sale transactions virtually 24 hours a day, 7 days a week through Fidelity's website, Netbenefits, at www.netbenefits.com or by contacting a Fidelity Stock Plan Services Representative.

Once you have activated your Fidelity Account®, log on to www.netbenefits.com. You will see two types of links (or more if you have other accounts with Fidelity) — one for your ESPP and one for your Fidelity brokerage account.

- Your ESPP — Your ESPP web link reflects the payroll contributions deducted from your paycheck for the offering period.
Note: if you are currently contributing, you will see this dollar balance increase each pay period throughout the offering period until the ESPP purchase occurs. When the stock purchase is made at the end of the offering period, the accumulated cash will be used to purchase shares in your Fidelity account and the value of your ESPP will be reduced to \$0. Contributions will start accumulating in your ESPP again for the next offering period if you continue to contribute to the Plan.
- Your Fidelity Account — Your Fidelity Account (an individual brokerage account) holds your stock after each ESPP purchase. This is where you see the value of your purchased stock and can initiate any transfer or sales transactions.
- Dividends — After being purchased, your stock in the ESPP earns declared dividend payments. Your dividends will be deposited in your Fidelity Account as cash unless you contact Fidelity to designate that you want to have your dividends reinvested in the purchase of additional Gallagher stock. To make this election online via NetBenefits, follow the steps below. (If you prefer, you may also contact a Fidelity Stock Plan Services Representative.)
 1. Log on to www.netbenefits.com
 2. Click on your Individual Brokerage Account, you will be redirected to Fidelity.com.
 3. Under "Accounts & Trade" in the upper left, choose "Account Features."
 4. Under "Brokerage & Trading," choose "Dividends and Capital Gains."

Dividends are paid on stock of which you are the record holder as of the dividend "Record Date."

To access your account online, log on to www.netbenefits.com.

If you have questions or would like to speak to a Fidelity Stock Plan Services Representative, call 800.544.9354.

OTHER INFORMATION

Be sure to keep all statements in a safe place. You will need the information to calculate your gain or loss should you sell your shares.

ACCOUNT STATEMENTS

Fidelity Stock Plan Services will send you statements for the months in which you make purchases or have other activity in your account. If there is no activity, you will receive statements quarterly, and one annual statement.

TAX STATEMENTS

If you sell your shares, you will receive a Tax Reporting Statement (1099-B) each January. This statement contains important information about your gross proceeds. You will also receive an IRS form 3922 that shows your ESPP stock purchases and a 1099-DIV for any dividends paid to your account.

HOW TO READ A STOCK QUOTE

It's easy for you to follow the price of your company's stock on various business news websites or via your favorite online search engine. Gallagher stock trades on the NYSE. The stock ticker symbol is AJG. The chart below shows how to interpret the stock listings on the NYSE.

52 Wk Hi	52 Wk Lo	Stock	Sym	Div	Yld%	PE	Vol 100s	Hi	Lo	Close	Chg
13 7/8	8	XYZ Co.	XYZ	40	3.1	6	1155	13 5/8	12 3/4	12 7/8	-1/2

52-Week High/Low (Hi/Lo)	The highest and the lowest prices, in U.S. dollars, at which this stock sold during the past 52 weeks.
Stock	The abbreviated company name, in alphabetical order.
Symbol (Sym)	The abbreviation assigned to your company by the market on which it is listed.
Dividend (Div)	The annual dividend per share of stock.
Yield % (Yld %)	The current annual dividend expressed as a percentage of the closing price.
Price/Earnings Ratio (PE)	The closing price divided by annual earnings (profit) per share.
Volume 100s (Vol or Sales)	The number of shares sold the previous day in 100s. (For this example, 115,500 shares were sold the previous day.)
High/Low (Hi/Lo)	The highest and lowest prices for the previous day. (Compare with 52-Week High/Low)
Close	The last price that the stock was bought and sold at in the previous day's trading.
Net Change (Chg)	The difference between the closing price on the previous day and the day before in terms of positive (+) or negative (–) movement.

GLOSSARY OF TERMS

Contribution

The amount of eligible compensation you choose to deduct from your paycheck to purchase your plan shares.

Disqualifying Disposition

If you dispose of your stock within two years of the grant date or one year from the purchase date, your transaction is known as a disqualifying disposition. A disqualifying disposition results in ordinary income for tax purposes.

Dividend

A distribution of a portion of a company's earnings (in cash), which may be paid to shareholders.

Dividend reinvestment

When cash dividends are used to purchase additional shares of stock.

Fidelity Account

A Fidelity Account® is an individual brokerage account which has been opened for you to manage your Gallagher equity program participation. Within your Fidelity Account is a "core" money market account. This account holds your liquid assets (cash) until you invest or withdraw them. Any proceeds from the sale of your Gallagher stock will be deposited into your Fidelity Account.

Lookback

A 5% discount is applied to the lower of the closing Fair Market Value on the first day of the offering period and the last day of the offering period.

Offering Period

The period during which payroll deductions are accumulated. Shares are purchased under the plan at the end of the offering period.

Password

A six-digit number needed to access the Fidelity website. Your initial six-digit password is the last six digits of your Social Security Number.

Purchase Date

The day on which your payroll contributions are used to buy shares of Gallagher stock.

Qualified Disposition

If you dispose of your stock after two years from the grant date or one year from the purchase date, your transaction is known as a qualifying disposition. The income from the sale is taxed at the capital gains tax rate rather than the higher rate for ordinary income.

Share of stock

A unit of equity ownership in a company. The number of shares owned represents the size of your investment.

Shareholder

An individual who owns stock in a company.

Stock holding period (for tax treatment)

Two years from the first day of the offering period or one year from the day the stock was purchased, whichever is longer.

Suspension

Suspending from the ESPP stops all payroll contributions but you will purchase stock for the current quarter. Contributions collected up to the point of suspension will be used to purchase shares on the quarterly purchase date and no additional payroll contributions will be collected for the remainder of the quarter. You will not be re-enrolled in the ESPP the following quarter. If you would like to participate in the ESPP in the future, you will have to re-enroll during the next ESPP Open Enrollment period.

Username

This is your unique login Identification to access your ESPP on the Fidelity website. You create your username the first time you register. If you already have existing Fidelity accounts, then you will use the same username to access your ESPP.

Withdrawal

Withdrawing from the ESPP stops all payroll contributions and you will not purchase stock for the current quarter. Any quarterly contributions will be refunded and no shares will be purchased for you during the current quarter. You will not be re-enrolled in the ESPP the following quarter. If you would like to participate in the ESPP in the future, you will have to re-enroll during the next ESPP Open Enrollment period.

WHO TO CONTACT WITH QUESTIONS

There are multiple channels available to manage your Gallagher Awards and Fidelity Account.



Online at netbenefits.fidelity.com

View your ESPP shares, personal brokerage account, utilize Fidelity's various trading and investment tools and more.



Mobile by downloading the App for Apple and Android devices

View your grants and transaction history, exercise and sell your options, review pending transactions and more.



Through a phone representative at 800.544.9354, or the Automated (FAST) system at 800.544.5555

Fidelity phone representatives are available 24 hours a day starting Sunday at 5 p.m. (Eastern) to Friday midnight (Eastern).



In person by visiting a Fidelity Investment Center

Fidelity has more than 180 Investment Centers in the U.S., find the one closest to you by visiting:
<http://www.fidelity.com/branchlocator/index.shtml>



Questions regarding the Employee Stock Purchase Plan

Please email: AJG_Equity_Compensation@ajg.com

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Gallagher

Insurance | Risk Management | Consulting