

GALLAGHER ARTHUR J & CO
Form 8-K
June 17, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report: (Date of earliest event reported) June 17, 2013

ARTHUR J. GALLAGHER & CO.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

1-9761
(Commission

36-2151613
(I.R.S. Employer

of incorporation or organization)

File Number)

Identification Number)

Two Pierce Place, Itasca, Illinois 60143-3141, (630) 773-3800

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(Address, including zip code and telephone number, including area code, of registrant's principal executive offices)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

The information required by this item with respect to the Purchase Agreement (as defined below) is incorporated herein by reference to Item 2.03.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

On June 14, 2013, Arthur J. Gallagher & Co. (Gallagher) and certain of its subsidiaries (collectively, the Subsidiary Obligors) issued, in a private placement, \$200 million aggregate principal amount of 3.69% Series G Senior Notes, due June 14, 2022 (collectively, the Notes). Interest on the Notes is payable semi-annually in arrears on June 14 and December 14 of each year, beginning on December 14, 2013. Gallagher issued the Notes pursuant to the terms of a Note Purchase Agreement dated as of June 14, 2013 (the Purchase Agreement) with certain accredited institutional investors (collectively, the Purchasers). The Notes are senior unsecured obligations of Gallagher and the Subsidiary Obligors and rank equal in right of payment with all other senior unsecured indebtedness of Gallagher and the Subsidiary Obligors.

The Purchase Agreement contains customary provisions for transactions of this type, including representations and warranties regarding Gallagher and its subsidiaries and various covenants, including covenants that require Gallagher to maintain specified financial ratios. The Purchase Agreement provides for customary events of default, generally with corresponding grace periods, including, without limitation, payment defaults with respect to the Notes, covenant defaults, cross-defaults to other agreements evidencing indebtedness of Gallagher or its subsidiaries, certain judgments against Gallagher or its subsidiaries and events of bankruptcy involving Gallagher or its material subsidiaries.

Under the terms of the Purchase Agreement, the Notes are redeemable, in whole or in part, at 100% of the principal amount being redeemed, together with accrued and unpaid interest and a make-whole amount (as defined in the Purchase Agreement) with respect to each Note. If within 90 days after a change in control Gallagher (or its successor) does not have an investment grade rating , Gallagher is obligated to offer to prepay all of the outstanding Notes at the principal amount thereof plus accrued interest (but without any make-whole amount) (as each term is defined in the Purchase Agreement).

The foregoing summary is qualified in its entirety by reference to the Purchase Agreement and form of the Notes, filed herewith as Exhibit 4.1 and Exhibit 4.2, respectively.

Item 7.01. Regulation FD Disclosure.

On June 17, 2013, Gallagher issued a press release announcing it had completed the issuance of the Notes. A copy of this press release is furnished herewith as Exhibit 99.

Item 9.01. Financial Statements and Exhibits.

4.1 Note Purchase Agreement, dated as of June 14, 2013, between Gallagher and the Purchasers.

4.2 Form of Notes (included as Exhibit 1 to Exhibit 4.1 of this Form 8-K).

99 Press release, dated June 17, 2013, issued by Arthur J. Gallagher & Co.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Arthur J. Gallagher & Co.

Date: June 17, 2013

/s/ WALTER D. BAY

Walter D. Bay

Vice President, General Counsel and Secretary

(duly authorized officer)