

Hughes Thomas James  
 Form 4  
 May 11, 2011

**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 \*  
 Hughes Thomas James

2. Issuer Name and Ticker or Trading Symbol  
 GLEACHER & COMPANY, INC.  
 [GLCH]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)  
 \_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
 Chief Executive Officer

(Last) (First) (Middle)  
 GLEACHER & COMPANY,  
 INC., 1290 AVENUE OF THE  
 AMERICAS, 4TH FL  
 (Street)

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 05/09/2011

NEW YORK, NY 10104  
 (City) (State) (Zip)

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)
Common Stock	05/09/2011		A	(A) 1,000,000 (1)	A \$ 0 1,000,000	D	

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)**

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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)
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount Number Shares
Option to purchase common stock	\$ 1.85	05/09/2011		A	1,000,000	(2) 05/09/2017	common stock 1,000,000
Option to purchase common stock	\$ 1.85	05/09/2011		A	2,000,000	(2) 05/09/2017	common stock 2,000,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hughes Thomas James GLEACHER & COMPANY, INC. 1290 AVENUE OF THE AMERICAS, 4TH FL NEW YORK, NY 10104			Chief Executive Officer	

Signatures

/s/ Patricia Arciero-Craig, Attorney-in-Fact, for Thomas J. Hughes  
 \*\*Signature of Reporting Person  
 Date 05/11/2011

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 non-derivative securities acquired as reported in this Form 4 are restricted stock units granted on May 9, 2011 representing shares of common stock of the issuer, which will vest in equal annual installments of approximately one-third of the total grant over a three-year period commencing on May 9, 2012 through May 9, 2014. Such restricted stock units were granted pursuant to the employee inducement award exception of the NASDAQ rules.
- (2) The derivative securities acquired as reported on this Form 4 are options to purchase common stock of the issuer granted on May 9, 2011 which will become exercisable in equal annual installments of approximately one-third of the total grant over a three-year period commencing on May 9, 2012 through May 9, 2014. The options in respect of 1,000,000 shares of common stock were granted pursuant to the employee inducement award exception of the NASDAQ rules and the options in respect of 2,000,000 shares of common stock were granted under the issuer's 2007 Incentive Compensation Plan.

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.