

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

| 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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person*<br><u>PRATT KEITH E</u><br><br>(Last) (First) (Middle)<br><u>5700 LAS POSITAS ROAD</u><br><br>(Street)<br><u>LIVERMORE CA 94551</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>MCGRATH RENTCORP [ MGRC ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><b>Sr VP and CFO</b> |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>03/02/2012</u>           |  |
|  |   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|---------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price   |   |  |   |
| Common Stock                    | 03/02/2012                           |  | M                              |   | 5,237   | A          | \$20.71 | 12,237  | D  |   |
| Common Stock                    | 03/02/2012                           |  | S                              |   | 5,237 <sup>(4)</sup>  | D          | \$31.85 | 7,000   | D  |   |

**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 of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Stock Appreciation Right                   | \$31.35  | 03/02/2012                           |  | A                              |   | 15,800   |     | 03/02/2013 <sup>(1)</sup>                                | 03/02/2019      | Common Stock  | 15,800                                     | \$31.35  | 15,800  | D  |       |
| Restricted Stock Unit <sup>(2)</sup>       | \$0  | 03/02/2012                           |  | A                              |   | 5,600  |     | (3)  | 03/02/2019      | Common Stock  | 5,600                                      | \$0  | 5,600   | D  |       |
| Stock Option                               | \$20.71  | 03/02/2012                           |  | M                              |   | 5,237  |     | 02/25/2009   | 02/25/2015      | Common Stock  | 5,237                                      | \$0  | 84,763  | D  |       |

**Explanation of Responses:**

- 20% vests on first anniversary of grant date; 5% vests each anniversary quarter thereafter.
- The RSUs are subject to a performance based vesting component at the end of a three-year performance period.
- The RSUs vest 60% at the end of the three-year performance period if the performance goal is satisfied; then 20% vests each anniversary thereafter.
- The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$31.75 to \$32.255, inclusive. The reporting person undertakes to provide to McGrath RentCorp, any security holder of McGrath RentCorp, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in footnote (1) to this Form 4.

Randle Rose, POA for Keith Pratt

03/06/2012

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* 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).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.