

GAP INC
Form 4
March 18, 2010

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 *
SAGE GAVIN EVA

(Last) (First) (Middle)

C/O GAP INC., TWO FOLSOM ST

(Street)

SAN FRANCISCO, CA 94105-1205

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
GAP INC [GPS]

3. Date of Earliest Transaction
(Month/Day/Year)
03/17/2010

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)

EVP, Human Resources

6. Individual or Joint/Group Filing(Check Applicable Line)

X 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)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	03/17/2010		M		30,000	A	\$ 0	42,524	D
Common Stock	03/17/2010		F		11,366	D	\$ 23.15	31,158	D
Common Stock	03/17/2010		M		10,724	A	\$ 0	41,882	D
Common Stock	03/17/2010		F		5,005	D	\$ 23.15	36,877	D
Common Stock	03/17/2010		M		120,000	A	\$ 20.48	156,877	D

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Common Stock	03/17/2010	S	120,000	D	\$ 23.0654	36,877	D
Common Stock	03/17/2010	M	100,000	A	\$ 17.84	136,877	D
Common Stock	03/17/2010	S	100,000	D	\$ 23.0654	36,877	D

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

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(9-02)

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 Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Stock Unit ⁽¹⁾	\$ 0	03/17/2010		M	30,000	03/17/2010 ⁽²⁾	⁽³⁾	Common Stock	30,000
Stock Unit ⁽¹⁾	\$ 0	03/17/2010		M	10,724	03/17/2010 ⁽⁴⁾	⁽³⁾	Common Stock	10,724
Stock Option (right to buy)	\$ 20.48	03/17/2010		M	120,000	⁽⁵⁾	03/23/2014	Common Stock	120,000
Stock Option (right to buy)	\$ 17.84	03/17/2010		M	100,000	⁽⁵⁾	03/13/2016	Common Stock	100,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SAGE GAVIN EVA C/O GAP INC. TWO FOLSOM ST SAN FRANCISCO, CA 94105-1205			EVP, Human Resources	

Signatures

David Jedrzejek, Power of
Attorney

03/18/2010

__Signature of Reporting Person

Date

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) Each Stock Unit represents a contingent right to receive one share of Gap, Inc.'s common stock.
 - (2) 30,000 shares vested on March 17, 2010.
 - (3) Not Applicable.
 - (4) 10,724 shares vested on March 17, 2010.
 - (5) These options were fully vested and exercisable.

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