

GAP INC
Form 4
March 21, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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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)
03/20/2012

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
EVP, Global HR & Corp. Affairs

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock | 03/20/2012 | | M | | 90,000 A \$ 22.42 | 132,732 | D |
| Common Stock | 03/20/2012 | | S | | 90,000 D \$ 26.0958 | 42,732 | D |
| Common Stock | 03/20/2012 | | M | | 75,000 A \$ 19.68 | 117,732 | D |
| Common Stock | 03/20/2012 | | S | | 75,000 D \$ 26.0958 | 42,732 | D |
| Common Stock | 03/20/2012 | | M | | 18,750 A \$ 11.77 | 61,482 | D |

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| | | | | | | | |
|--------------|------------|---|--------|---|------------|--------|---|
| Common Stock | 03/20/2012 | S | 18,750 | D | \$ 26.0958 | 42,732 | D |
| Common Stock | 03/20/2012 | M | 27,500 | A | \$ 23.07 | 70,232 | D |
| Common Stock | 03/20/2012 | S | 27,500 | D | \$ 26.0958 | 42,732 | D |
| Common Stock | 03/20/2012 | M | 15,000 | A | \$ 21.79 | 57,732 | D |
| Common Stock | 03/20/2012 | S | 15,000 | D | \$ 26.0958 | 42,732 | D |
| Common Stock | 03/20/2012 | S | 42,732 | D | \$ 26.1481 | 0 | D |

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

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 control number.

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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 Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Non-Qualified Stock Option (Right to Buy) | \$ 22.42 | 03/20/2012 | | M | 90,000 | <u>(1)</u> 03/11/2015 | Common Stock | 90,000 |
| Non-Qualified Stock Option (Right to Buy) | \$ 19.68 | 03/20/2012 | | M | 75,000 | <u>(1)</u> 03/17/2018 | Common Stock | 75,000 |
| Non-Qualified Stock Option (Right to Buy) | \$ 11.77 | 03/20/2012 | | M | 18,750 | <u>(2)</u> 03/16/2019 | Common Stock | 18,750 |
| Non-Qualified Stock Option (Right to Buy) | \$ 23.07 | 03/20/2012 | | M | 27,500 | <u>(2)</u> 03/15/2020 | Common Stock | 27,500 |
| | \$ 21.79 | 03/20/2012 | | M | 15,000 | <u>(2)</u> 03/14/2021 | | 15,000 |

Non-Qualified
Stock Option
(Right to Buy)

Common
Stock

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, Global HR & Corp. Affairs | |

Signatures

Marie Ma, Power of
Attorney 03/21/2012

**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) This option was fully vested and exercisable.
 - (2) The options under this grant become exercisable in four equal annual installments beginning one year from date of grant. Date of grant is 10 years prior to expiration date.

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.