

GAP INC

Form 4

September 13, 2007

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
POLLITT BYRON H JR

(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)
09/11/2007

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, Chief Financial Officer

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	09/11/2007		M		49,259	A	\$ 14.23	54,627	D
Common Stock	09/11/2007		M		75,000	A	\$ 17.62	129,627	D
Common Stock	09/11/2007		M		100,000	A	\$ 17.79	229,627	D
Common Stock	09/11/2007		M		43,750	A	\$ 17.84	273,377	D
Common Stock	09/11/2007		S		267,909	D	\$ 18	5,468	D

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Common Stock 09/11/2007 S 100 D \$ 18.008 5,368 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 Number Shares
Employee Stock Option (Right to Buy)	\$ 14.23	09/11/2007		M	49,259	<u>(1)</u> 01/27/2013	Common Stock 49,259
Employee Stock Option (Right to Buy)	\$ 17.62	09/11/2007		M	75,000	<u>(2)</u> 03/23/2014	Common Stock 75,000
Employee Stock Option (Right to Buy)	\$ 17.79	09/11/2007		M	100,000	<u>(1)</u> 01/27/2013	Common Stock 100,000
Employee Stock Option (Right to Buy)	\$ 17.84	09/11/2007		M	43,750	<u>(3)</u> 03/13/2016	Common Stock 43,750

Reporting Owners

Reporting Owner Name / Address

Relationships

Director

10% Owner

Officer

Other

POLLITT BYRON H JR
C/O GAP INC.
TWO FOLSOM ST
SAN FRANCISCO, CA 94105-1205

EVP, Chief
Financial
Officer

Signatures

/s/ Thomas J. Lima, Power of
Attorney

09/13/2007

__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 100% vested and exercisable on 1/27/2007.
- (2) This option vests 25% annually beginning on 03/23/2005.
- (3) This option vests 25% annually beginning 3/13/2007.

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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