

GAP INC  
Form 4  
March 21, 2008

**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 \*  
Shanahan Lauri M

(Last) (First) (Middle)  
GAP INC., 2 FOLSOM STREET  
(Street)

SAN FRANCISCO, CA 94105

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
03/19/2008

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, Chief Legal&Admin Officer

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                    | 03/19/2008                           | 03/19/2008   | M                              |   | 42,187  | A  | \$ 20.2083  |
| Common Stock                    | 03/19/2008                           | 03/19/2008   | S                              |   | 17,556  | D  | \$ 20.7   |
| Common Stock                    | 03/19/2008                           | 03/19/2008   | S                              |   | 800   | D  | \$ 20.71  |
| Common Stock                    | 03/19/2008                           | 03/19/2008   | S                              |   | 100   | D  | \$ 20.715   |
| Common Stock                    | 03/19/2008                           | 03/19/2008   | S                              |   | 9,031   | D  | \$ 20.72  |

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|              |            |            |   |       |   |            |           |   |
|--------------|------------|------------|---|-------|---|------------|-----------|---|
| Common Stock | 03/19/2008 | 03/19/2008 | S | 300   | D | \$ 20.725  | 17,140.28 | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 1,800 | D | \$ 20.73   | 15,340.28 | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 100   | D | \$ 20.7325 | 15,240.28 | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 400   | D | \$ 20.737  | 14,840.28 | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 4,200 | D | \$ 20.74   | 10,640.28 | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 1,300 | D | \$ 20.7425 | 9,340.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 200   | D | \$ 20.745  | 9,140.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 3,300 | D | \$ 20.75   | 5,840.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 1,500 | D | \$ 20.76   | 4,340.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 100   | D | \$ 20.81   | 4,240.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 100   | D | \$ 20.815  | 4,140.28  | D |
| Common Stock | 03/19/2008 | 03/19/2008 | S | 1,400 | D | \$ 20.82   | 2,740.28  | 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)

| 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) | 8. Amount or Number of Shares |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|----------------------------|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date   | Title                         | Amount or Number of Shares |
|  |  |                                      |  |                                |   | Code   | V (A)   | (D)                           |                            |

|                                      |            |            |   |        |            |            |                 |        |
|--------------------------------------|------------|------------|---|--------|------------|------------|-----------------|--------|
| Stock<br>Option<br>(right to<br>buy) | \$ 20.2083 | 03/19/2008 | M | 42,187 | <u>(1)</u> | 03/31/2008 | Common<br>Stock | 42,187 |
|--------------------------------------|------------|------------|---|--------|------------|------------|-----------------|--------|

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                                |       |
|--|---------------|-----------|--------------------------------|-------|
|  | Director      | 10% Owner | Officer                        | Other |
| Shanahan Lauri M<br>GAP INC.<br>2 FOLSOM STREET<br>SAN FRANCISCO, CA 94105 |               |           | EVP, Chief Legal&Admin Officer |       |

## Signatures

/s/ Ingrid Freire, Power of Attorney

03/21/2008

\*\*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) These options are fully vested and exercisable.

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