PECK ARTHUR L Form 4 March 18, 2009

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 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

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 * PECK ARTHUR L

(First) (Middle) (Last)

C/O GAP INC., 2 FOLSOM STREET

(Street)

2. Issuer Name and Ticker or Trading Symbol

GAP INC [GPS]

3. Date of Earliest Transaction

(Month/Day/Year) 03/16/2009

4. If Amendment, Date Original

Filed(Month/Day/Year)

OMB APPROVAL

OMB Number:

3235-0287 January 31,

Expires:

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response...

0.5

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

Director 10% Owner

X_ Officer (give title Other (specify below) below)

Division President & EVP 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

SAN FRANCISCO, CA 94015 (City) (State) (Zip)

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8)

(Instr. 3, 4 and 5)

Code V Amount (D) Price

(A)

Securities Beneficially Owned Following Reported Transaction(s)

5. Amount of (T)

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

(Instr. 3 and 4)

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

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if

any

5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amoun Underlying Securiti (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8	3)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amou Numb Share
Stock Option (right to buy)	\$ 11.77	03/16/2009		A		125,000		<u>(1)</u>	03/16/2019	Common Stock	125,
Restricted Stock Units	\$ 0 (2)	03/16/2009		A		100,000		(3)	(3)	Common Stock	100,
Performance Units	\$ 0 (4)	03/16/2009		A		40,567		(5)	<u>(5)</u>	Common Stock	40,5

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

PECK ARTHUR L C/O GAP INC. 2 FOLSOM STREET SAN FRANCISCO, CA 94015

Division President & EVP

Signatures

David Jedrzejek, Power of Attorney 03/18/2009

**Signature of Reporting Person

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 shares become exercisable in four equal annual installments beginning March 16, 2010.
- (2) Each Restricted Stock Unit represents a contingent right to receive one share of Gap, Inc.'s Common Stock.

Date

- (3) 50,000 shares vest on March 16, 2011 and 50,000 shares vest on March 16, 2012.
- (4) Each Performance Unit represents a contingent right to receive one share of Gap, Inc.'s Common Stock.
- (5) 20,283 shares vest on March 16, 2011 and 20,284 shares vest on March 16, 2012.

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.

Reporting Owners 2