

BANKS MICHELLE
Form 4
March 18, 2011

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 *
BANKS MICHELLE

(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)
03/16/2011

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, General Counsel

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 03/16/2011 | | M | | 25,000 | A | \$ 0 |
| Common Stock | 03/16/2011 | | F | | 9,170 | D | \$ 21.53 |
| Common Stock | 03/16/2011 | | M | | 7,420 | A | \$ 0 |
| Common Stock | 03/16/2011 | | F | | 2,721 | D | \$ 21.53 |
| Common Stock | 03/17/2011 | | M | | 10,000 | A | \$ 0 |

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| | | | | | | | |
|--------------|------------|---|-------|---|----------|-------------|---|
| Common Stock | 03/17/2011 | F | 3,667 | D | \$ 21.68 | 52,932.7665 | D |
| Common Stock | 03/17/2011 | M | 5,033 | A | \$ 0 | 57,965.7665 | D |
| Common Stock | 03/17/2011 | F | 1,846 | D | \$ 21.68 | 56,119.7665 | 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 or Number of Shares |
| Restricted Stock Units ⁽¹⁾ | \$ 0 | 03/16/2011 | | M | 25,000 | 03/16/2011 ⁽²⁾ ⁽³⁾ | Common Stock 25,000 |
| Restricted Stock Units ⁽¹⁾ | \$ 0 | 03/16/2011 | | M | 7,420 | 03/16/2011 ⁽⁴⁾ ⁽³⁾ | Common Stock 7,420 |
| Restricted Stock Units ⁽¹⁾ | \$ 0 | 03/17/2011 | | M | 10,000 | 03/17/2011 ⁽⁵⁾ ⁽³⁾ | Common Stock 10,000 |
| Restricted Stock Units ⁽¹⁾ | \$ 0 | 03/17/2011 | | M | 5,033 | 03/17/2011 ⁽⁶⁾ ⁽³⁾ | Common Stock 5,033 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BANKS MICHELLE GAP INC. | | | EVP, General Counsel | |

2 FOLSOM STREET
SAN FRANCISCO, CA 94105

Signatures

David Jedrzejek, Power of
Attorney

03/18/2011

__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. Common Stock.
 - (2) 25,000 shares vested on 3/16/11.
 - (3) Not Applicable
 - (4) 7,420 shares vested on 3/16/11.
 - (5) 10,000 shares vested on 3/17/11.
 - (6) 5,033 shares vested on 3/17/11.

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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