

HUGHES PENELOPE L
Form 4
May 12, 2009

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 *
HUGHES PENELOPE L

(Last) (First) (Middle)

GAP, INC., 2 FOLSOM

(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)
05/10/2009

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)

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		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	05/10/2009		M		5,494	A	\$ 0	18,985	D	
Common Stock	05/10/2009		M		314	A	\$ 0	19,299	D	
Common Stock	05/10/2009		F		871	D	\$ 16.55	18,428	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. P. Deriv. Sec. (Instr. 3)
Stock Units ⁽¹⁾	\$ 0	05/10/2009		M	5,494	⁽²⁾ / ⁽²⁾	Common Stock	5,494
Dividend Equivalent Rights ⁽³⁾	⁽³⁾	05/10/2009		M	314	⁽⁴⁾ / ⁽⁴⁾	Common Stock	314

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HUGHES PENELOPE L GAP, INC. 2 FOLSOM SAN FRANCISCO, CA 94105		X		

Signatures

Thomas J. Lima, Power of Attorney
05/12/2009

**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. Shares will be delivered to the reporting person no sooner than 3 years from the date of grant, unless further deferred, or immediately upon resignation or retirement from the Board, if earlier.

(2) 5,494 shares were delivered on 5/10/2009.

(3) The dividend equivalent rights accrued on stock units originally granted on May 10, 2006 and are immediately vested. Each equivalent right is the economic equivalent of one share of Gap Inc. common stock. Shares will be delivered to the reporting person no sooner than 3 years from the date of grant, unless further deferred, or immediately upon resignation or retirement from the Board, if earlier.

(4) 314 shares were delivered on 5/10/2009.

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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