

MING JENNY J

Form 4

December 23, 2005

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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
MING JENNY J

(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)
12/22/2005

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 ____ Other (specify
below) below)

President, Old Navy Division

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	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)		Disposed of (D)		Date Exercisable	Expiration Date	Title	Am Nun Sha
			Code	V	(A)	(D)				
Stock Option (right to buy) ⁽¹⁾ <u>(2)</u>	\$ 6.55	12/22/2005	D			100,000	⁽³⁾	09/09/2012	Common Stock	10
Stock Option (right to buy) ⁽¹⁾ <u>(2)</u>	\$ 13.1	12/22/2005	A		100,000		⁽³⁾	09/09/2012	Common Stock	10
Stock Option (right to buy) ⁽⁴⁾ <u>(5)</u>	\$ 11.02	12/22/2005	D			100,000	⁽⁶⁾	04/12/2014	Common Stock	10
Stock Option (right to buy) ⁽⁴⁾ <u>(5)</u>	\$ 17.62	12/22/2005	A		100,000		⁽⁶⁾	04/12/2014	Common Stock	10

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MING JENNY J C/O GAP INC. TWO FOLSOM ST SAN FRANCISCO, CA 94105-1205			President, Old Navy Division	

Signatures

Frank Garcia by Power of
Attorney

12/23/2005

 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) On Dec 22, 2005, pursuant to the issuer option exchange program, 100,000 options granted to the reporting person on Sep 9, 2002 were canceled.

(2)

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In exchange for the canceled option, the reporting person receives: 1) 100,000 options with an exercise price equal to the fair market value of the issuer common stock on the original grant date and 2) a promise for cash payment on Sep 9, 2008.

- (3) The canceled and new option will vest on Sep 9, 2008.
- (4) On Dec 22, 2005, pursuant to the issuer option exchange program, 100,000 options granted to the reporting person on Apr 12, 2004 were canceled.
- (5) In exchange for the canceled option, the reporting person receives: 1) 100,000 options with an exercise price equal to the fair market value of the issuer common stock on Dec 22, 2005 and 2) a promise for future cash payments on each of the vest dates.
- (6) The canceled and new option will vest in two (2) equal annual installments of 50,000 shares beginning on Apr 12, 2006.

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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