

SMITH PHILIP W III
 Form 4
 February 15, 2007

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 *
 SMITH PHILIP W III

2. Issuer Name and Ticker or Trading Symbol
 PEAPACK GLADSTONE FINANCIAL CORP [PGC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 01/03/2007

Director 10% Owner
 Officer (give title below) Other (specify below)

190 MAIN STREET

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

GLADSTONE, NJ 07934

(City) (State) (Zip)

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	Price	
Common Stock	02/13/2007		F		1,404	\$ 27.17	D
Common Stock	02/13/2007		M		1,893	\$ 17.53	D
Common Stock	02/13/2007		M		318	\$ 15.68	D

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

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number.

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
Stock Option (right to buy)	\$ 17.53	02/13/2007		M	1,893	<u>(3)</u> 04/28/2008	Common Stock 1,893
Stock Option (right to buy)	\$ 15.68	02/13/2007		M	318	<u>(2)</u> 03/08/2010	Common Stock 318
Stock Option (right to buy)	\$ 28.89					<u>(4)</u> 01/09/2014	Common Stock 11,000
Stock option (right to buy)	\$ 28.1	01/03/2007		A	2,200	<u>(6)</u> 01/03/2017	Common stock 2,200

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SMITH PHILIP W III 190 MAIN STREET GLADSTONE, NJ 07934		X		

Signatures

Philip W. Smith
III
02/15/2007
Date

**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) The reporting person received 540.9939 shares through dividend reinvestment since the last filing.

(2) The options were exercisable in five equal annual installments on March 8, 2002, 2003, 2004, 2005 and 2006.

(3) The options were exercisable in five equal annual installments on April 28, 1999, 2000, 2001, 2002 and 2003.

The options were exercisable in five equal annual installments on January 9, 2005, 2006, 2007, 2008 and 2009. On December 8, 2005, the

(4) Compensation Committee of the Board of Directors of Peapack-Gladstone Financial Corporation authorized the accelerated vesting of the remaining options.

(5) Option grant has no purchase or sale price.

(6) The options are exercisable in five equal annual installments on January 3, 2008, 2009, 2010, 2011 and 2012.

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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