

Thompson Scott
Form 4
March 04, 2009

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Thompson Scott

(Last) (First) (Middle)

C/O EBAY INC., 2145 HAMILTON AVE

(Street)

SAN JOSE, CA 95125

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
EBAY INC [EBAY]

3. Date of Earliest Transaction (Month/Day/Year)
03/02/2009

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)
President, PayPal

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| Common Stock | 03/02/2009 | | F | 742 ⁽¹⁾ | D \$ 10.5 | 72,836 | D |
| Common Stock | 03/03/2009 | | A | 3,867 ⁽²⁾ | A \$ 0 | 76,703 | D |
| Common Stock | 03/03/2009 | | F | 692 | D \$ 10.42 | 76,011 | D |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control

SEC 1474 (9-02)

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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Am Num Sha |
| Non-Qualified Stock Option (right to buy) | \$ 10.5 | 03/02/2009 | | A | 130,000 | (3) 03/02/2016 | Common Stock 13 |
| Restricted Stock Units -3 | (4) | 03/02/2009 | | A | 97,000 | (5) (6) | Common Stock 97 |
| Non-Qualified Option (right to buy) | \$ 25.85 | | | | | (7) 03/03/2015 | Common Stock 31 |
| Non-Qualified Option (right to buy) | \$ 28.15 | | | | | (8) 09/01/2013 | Common Stock 13 |
| Non-Qualified Stock Option (right to buy) | \$ 25.85 | | | | | (7) 03/03/2015 | Common Stock 10 |
| Non-Qualified Stock Option (right to buy) | \$ 28.15 | | | | | (9) 09/01/2013 | Common Stock 50 |
| Non-Qualified Stock Option (right to buy) | \$ 31.93 | | | | | (10) 03/01/2014 | Common Stock 13 |
| Non-Qualified Stock Option (right to buy) | \$ 39.9 | | | | | (11) 03/01/2013 | Common Stock 15 |
| Non-Qualified Stock Option (right to buy) | \$ 41.035 | | | | | (12) 02/11/2015 | Common Stock 55 |
| Restricted Stock Units (RSUs) | (4) | | | | | (13) (6) | Common Stock 15 |
| Restricted Stock Units -2 | (14) | | | | | (15) (16) | Common Stock 16 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------------------|
| | Director | 10% Owner | Officer | Other |
| Thompson Scott C/O EBAY INC. 2145 HAMILTON AVE SAN JOSE, CA 95125 | | | | President, PayPal |

Signatures

Scott Thompson 03/04/2009
 __Signature of Date
 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).
 On March 3, 2008, the reporting person was granted 4,148 shares of common stock as a result of the company's achievement of certain performance criteria for 2007. 50% of the shares vested on the date of grant, and the remainder vested on 3/2/09. This transaction reflects the tax withholding for the portion of the shares that vested on 3/2/09.
- (1) The reporting person was granted 3,867 shares of common stock as a result of the company's achievement of certain criteria for 2007-2008 (the award was originally allocated to the reporting person as performance-based restricted stock units). 50% of the shares vested on the date of grant, and the remainder will vest on 3/1/10.
- (2) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/09 and 1/48th per month thereafter.
- (3) Each restricted stock unit represents a contingent right to receive one share of eBay's common stock.
 The reporting person received 97,000 restricted stock units subject to a four-year vesting schedule, vesting 25% on 3/1/10 and 25% each year thereafter. Upon vesting, the reporting person will receive a number of shares of common stock equal to the number of restricted stock units that have vested.
- (4) Not Applicable.
- (5) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/08 and 1/48th per month thereafter.
- (6) The option grant is subject to a three-year vesting schedule, vesting 16.67% on 3/1/07 and 1/36th per month thereafter.
- (7) The option grant is subject to a two-year vesting schedule, vesting 25% on 3/1/07 and 1/24th per month thereafter.
- (8) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/07 and 1/48th per month thereafter.
- (9) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/06 and 1/48th per month thereafter.
- (10) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.
- (11) The reporting person received restricted stock units of 200,000 shares subject to a four-year vesting schedule, vesting 25% on the one year anniversary date of the restricted stock unit and 25% each year thereafter.
- (12) Each restricted stock unit represents a contingent right to receive one share of eBay's common stock.
- (13) The reporting person received restricted stock units of 25,000 shares subject to a three-year vesting schedule, vesting 33.33% on 3/1/09 and 33.33% annually thereafter.
- (14) Not Applicable.
- (15) Not Applicable.
- (16) Not Applicable.

Remarks:

In addition to the equity grants described above, the compensation committee has approved additional performance-based rest

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Edgar Filing: Thompson Scott - Form 4

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.