

TIERNEY THOMAS J
 Form 4
 July 25, 2012

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 *
TIERNEY THOMAS J

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
07/23/2012

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

C/O EBAY INC., 2145 HAMILTON AVE

(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

SAN JOSE, CA 95125

(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 (A) or (D) Price		
Common Stock	07/23/2012		M		10,000 A \$ 25.78	14,000	D
Common Stock	07/23/2012		S		10,000 D \$ 44.0589 (1)	4,000	D

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

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SEC 1474 (9-02)

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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 Underlying Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Non-Qualified Stock Option (right to buy)	\$ 25.78	07/23/2012		M	10,000	<u>(2)</u> 06/26/2013	Common Stock
Deferred Stock Units	\$ 0					<u>(3)</u> 06/26/2013	Common Stock
Deferred Stock Units	\$ 0					<u>(4)</u> 08/01/2015	Common Stock
Deferred Stock Units	\$ 0					<u>(5)</u> 11/01/2015	Common Stock
Deferred Stock Units	\$ 0					<u>(6)</u> 02/01/2016	Common Stock
Deferred Stock Units	\$ 0					<u>(7)</u> 05/01/2016	Common Stock
Deferred Stock Units	\$ 0					<u>(8)</u> 08/01/2016	Common Stock
Deferred Stock Units	\$ 0					<u>(9)</u> 11/01/2016	Common Stock
Deferred Stock Units	\$ 0					<u>(10)</u> 02/01/2017	Common Stock
Deferred Stock Units	\$ 0					<u>(11)</u> 05/01/2017	Common Stock
Deferred Stock Units	\$ 0					<u>(12)</u> 08/01/2017 ⁽¹²⁾	Common Stock
Deferred Stock Units	\$ 0					<u>(12)</u> 11/01/2017 ⁽¹²⁾	Common Stock
Deferred Stock Units	\$ 0					<u>(12)</u> 02/01/2018 ⁽¹²⁾	Common Stock
Deferred Stock Units	\$ 0					<u>(12)</u> 05/01/2018 ⁽¹²⁾	Common Stock
	\$ 0					<u>(13)</u> 06/19/2018 ⁽¹³⁾	

Deferred Stock Units				Common Stock
Deferred Stock Units	\$ 0	(14)	08/01/2018 ⁽¹⁴⁾	Common Stock
Deferred Stock Units	\$ 0	(12)	11/01/2018 ⁽¹²⁾	Common Stock
Deferred Stock Units	\$ 0	(12)	02/01/2019 ⁽¹²⁾	Common Stock
Deferred Stock Units	\$ 0	(13)	04/29/2019 ⁽¹³⁾	Common Stock
Deferred Stock Units	\$ 0	(13)	04/29/2020 ⁽¹³⁾	Common Stock
Deferred Stock Units	\$ 0	(15)	04/28/2021 ⁽¹⁵⁾	Common Stock
Deferred Stock Units	\$ 0	(15)	04/26/2022 ⁽¹⁵⁾	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 16.47	(16)	04/29/2016	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 24.24	(16)	04/29/2017	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 29.17	(16)	06/19/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 30.51	(2)	06/13/2013	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 31.61	(2)	06/14/2014	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 34.44	(2)	06/23/2015	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 44.37	(2)	06/24/2014	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

TIERNEY THOMAS J
 C/O EBAY INC.
 2145 HAMILTON AVE
 SAN JOSE, CA 95125

X

Signatures

Thomas J. 07/24/2012
 Tierney

**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).

- (1) Represents the weighted average price of shares sold at prices that ranged from \$44.05 to \$44.08.
- (2) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.

(3) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan which is a right to receive shares of common stock of the Issuer upon termination of service as a Director of the Company subject to the terms and conditions of the DSU Award Agreement. The DSUs becomes vested as to 25% on the one year anniversary of the grant and 1/48th monthly thereafter, subject to the terms and conditions of the DSU Award Agreement. The DSU expires the later of 6/26/2013 or later if the reporting person is still in continuous service as a Director on such date.

(4) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 8/1/2015, or later if the reporting person is still in continuous service as a Director of the Company on such date.

(5) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 11/1/2015, or later if the reporting person is still in continuous service as a Director of the Company on such date.

(6) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 2/1/2016, or later if the reporting person is still in continuous service as a Director of the Company on such date.

(7) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 5/1/2016, or later if the reporting person is still in continuous service as a Director of the Company on such date.

(8) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date

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such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 8/1/2016, or later if the reporting person is still in continuous service as a Director of the Company on such date.

- (9) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 11/01/2016, or later if the reporting person is still in continuous service as a Director of the Company on such date.

- (10) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 2/01/2017, or later if the reporting person is still in continuous service as a Director of the Company on such date.

- (11) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested and expire on 5/01/2017, or later if the reporting person is still in continuous service as a Director of the Company on such date.

- (12) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2003 Deferred Stock Unit Plan, as amended. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested.

- (13) In connection with the reporting person's continuous service as a non-employee director of the Company, such reporting person has been granted an exempt award of Deferred Stock Units ("DSUs") at the time of the Company's annual meeting of stockholders. The number of DSUs granted represents the quotient of (A) \$110,000 divided by (B) the Company's closing stock price on the date of grant. The DSUs becomes vested as to 25% on the one year anniversary of the grant and 1/48th monthly thereafter, provided that the reporting person continues as a director or consultant of the Company through such date.

- (14) The reporting person has received an exempt award of Deferred Stock Units ("DSUs") under the Company's 2008 Equity Incentive Award Plan. DSUs represent a right to receive shares of the Company's common stock (or, in the sole discretion of the Compensation Committee of the Company's Board of Directors, cash, securities or other property equal to the fair market value thereof) upon termination of service as a Director of the Company. The reporting person has elected to receive DSUs in lieu of the annual retainer fees payable for services on the Company's Board of Directors and any committees thereof. The DSUs are awarded on the date such fees would otherwise be payable (i.e., quarterly in arrears). The DSUs are immediately vested.

- (15) In connection with the reporting person's continuous service as a non-employee director of the Company, such reporting person has been granted an exempt award of Deferred Stock Units ("DSUs") at the time of the Company's annual meeting of stockholders. The number of DSUs granted represents the quotient of (A) \$220,000 divided by (B) the Company's closing stock price on the date of grant. The DSUs becomes vested as to 25% on the one year anniversary of the grant and 1/48th monthly thereafter, provided that the reporting person continues as a director or consultant of the Company through such date.

- (16) In connection with the reporting person's continuous service as a non-employee director of the Company, such reporting person has been granted options at the time of the Company's annual meeting of stockholders. The number of options granted is equal to the net present value of \$110,000, calculated using the Black-Scholes valuation methodology on the date of grant. Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter, provided that the reporting person continues as a director or consultant of the Company through such date.

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

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.