

Donahoe John J
Form 4
March 05, 2012

FORM 4

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

OMB APPROVAL

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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 *
Donahoe John J

(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)
03/01/2012

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, CEO & Director

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: Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	03/01/2012		M		304,867 A \$ 0	469,243	D
Common Stock	03/01/2012		A		163,750 (1) A \$ 0	632,993	D
Common Stock	03/01/2012		F		206,213 (2) D \$ 36.37	426,780	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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Restricted Stock Units -1	(3)	03/01/2012		M	60,000	(4)	(5)	Common Stock	60,000
Restricted Stock Units -2	(3)	03/01/2012		M	97,195	(6)	(5)	Common Stock	97,195
Restricted Stock Units -4	(3)	03/01/2012		M	94,356	(7)	(5)	Common Stock	94,356
Restricted Stock Units -5	(3)	03/01/2012		M	31,250	(8)	(5)	Common Stock	31,250
Restricted Stock Units -6	(3)	03/01/2012		M	22,066	(9)	(5)	Common Stock	22,066
Non-Qualified Option (right to buy)	\$ 25.85					(10)	03/03/2015	Common Stock	25,850
Non-Qualified Stock Option (right to buy)	\$ 10.5					(11)	03/02/2016	Common Stock	58,000
Non-Qualified Stock Option (right to buy)	\$ 23.88					(12)	03/01/2017	Common Stock	50,000
Non-Qualified Stock Option (right to buy)	\$ 24.93					(10)	09/01/2015	Common Stock	25,000
Non-Qualified Stock Option (right to buy)	\$ 25.85					(13)	03/03/2015	Common Stock	22,000
Non-Qualified Stock Option (right to buy)	\$ 31.93					(14)	03/01/2014	Common Stock	26,000
Non-Qualified Stock Option	\$ 32.29					(15)	03/01/2018	Common Stock	35,000

(right to buy)					
Non-Qualified Stock Option (right to buy)	\$ 35.5		<u>(16)</u>	03/25/2015	Common Stock 1,000
Non-Qualified Stock Option (right to buy)	\$ 39.9		<u>(17)</u>	03/01/2013	Common Stock 350

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Donahoe John J C/O EBAY INC. 2145 HAMILTON AVE SAN JOSE, CA 95125	X		President, CEO & Director	

Signatures

John Joseph
Donahoe 03/03/2012

 **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) The reporting person was granted 163,750 shares of common stock as a result of the company's achievement of certain performance criteria for 2010/2011 (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 3/1/13.
- (2) Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of (a) 60,000 shares of restricted stock granted to the Reporting Person on 3/1/07 (b) 97,195 shares of restricted stock granted to the Reporting Person on 3/3/08 (c) 94,356 shares of restricted stock granted to the Reporting Person on 3/2/09 (d) 31,250 shares of restricted stock granted to the Reporting Person on 3/1/10 (e) 55,009 shares of restricted stock granted to the Reporting Person on 3/1/2011 as a result of the company's achievement of certain performance criteria for 2009/2010 (the award was originally allocated to the reporting person as performance-based restricted stock units (f) 22,066 shares of restricted stock granted to the Reporting Person on 3/1/11 and (g) 81,875 shares of restricted stock granted to the Reporting Person on 3/1/12 (see footnote 1).
- (3) Each restricted stock unit represents a contingent right to receive one share of eBay's common stock.
- (4) The reporting person received restricted stock units of 150,000 shares subject to a five-year vesting schedule, vesting 30% on 3/1/10, vesting an incremental 30% on 3/1/11 and vesting the remaining 40% on 3/1/12.
- (5) Not Applicable.
- (6) The reporting person received restricted stock units of 388,781 shares subject to a four-year vesting schedule, vesting 25% on 03/01/09 and 25% annually thereafter.
- (7) The reporting person received 377,425 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.
- (8) The reporting person received 125,000 restricted stock units subject to a four-year vesting schedule, vesting 25% on 3/1/11 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.

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- The reporting person received 88,262 restricted stock units subject to a four-year vesting schedule, vesting 25% on 3/1/12 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.
- (9) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 09/30/08 and 1/48th per month thereafter.
 - (10) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/09 and 1/48th per month thereafter.
 - (11) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/10 and 1/48th per month thereafter.
 - (12) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/08 and 1/48th per month thereafter.
 - (13) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/07 and 1/48th per month thereafter.
 - (14) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/11 and 1/48th per month thereafter.
 - (15) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.
 - (16) The option grant is subject to a five-year vesting schedule, vesting 30% on 3/1/09, vesting an incremental 30% on 3/1/10 and vesting the remaining 40% on 3/1/11.

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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