

LEPORE DAWN G  
Form 4  
September 03, 2010

**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 \*  
LEPORE DAWN G

(Last) (First) (Middle)

C/O DRUGSTORE.COM, INC., 411  
108TH AVE NE, SUITE 1400

(Street)

BELLEVUE, WA 98004

(City) (State) (Zip)

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

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

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)

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                    | 09/01/2010                           |  | M                              | V   | 15,625 A \$ 15.55   | 35,625   | D                                 |
| Common Stock                    | 09/01/2010                           |  | S                              | (1)   | 15,625 D \$ 23.75   | 20,000   | 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 Amount of Underlying Security (Instr. 3 and 4) | 8. Amount or Number of Underlying Securities (Instr. 3 and 4) |                     |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|---------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title   | Amount or Number of |
| Non-Qualified Stock Option (right to buy)  | \$ 15.55   | 09/01/2010                           |  | M                              | 15,625  | (2) 05/25/2011   | 05/25/2011  | Common Stock  | 1                   |
| Deferred Stock Units                       | \$ 0   |                                      |  |                                |   | (3)  | 04/29/2019(3)   | Common Stock  | 6                   |
| Deferred Stock Units                       | \$ 0   |                                      |  |                                |   | (3)  | 04/29/2020(3)   | Common Stock  | 4                   |
| Deferred Stock Units                       | \$ 0   |                                      |  |                                |   | (3)  | (3)   | Common Stock  | 3                   |
| Non-Qualified Stock Option (right to buy)  | \$ 13.7525   |                                      |  |                                |   | (2)  | 06/05/2012  | Common Stock  | 8                   |
| Non-Qualified Stock Option (right to buy)  | \$ 16.47   |                                      |  |                                |   | (4)  | 04/29/2016  | Common Stock  | 1                   |
| Non-Qualified Stock Option (right to buy)  | \$ 18.7969   |                                      |  |                                |   | (2)  | 12/17/2009  | Common Stock  | 2                   |
| Non-Qualified Stock Option (right to buy)  | \$ 24.24   |                                      |  |                                |   | (4)  | 04/29/2017  | Common Stock  | 1                   |
| Non-Qualified Stock Option (right to buy)  | \$ 25.78   |                                      |  |                                |   | (2)  | 06/26/2013  | Common Stock  | 6                   |
| Non-Qualified Stock Option (right to buy)  | \$ 29.17   |                                      |  |                                |   | (4)  | 06/19/2015  | Common Stock  | 1                   |
| Non-Qualified Stock Option (right to buy)  | \$ 30.51   |                                      |  |                                |   | (2)  | 06/13/2013  | Common Stock  | 1                   |
| Non-Qualified Stock Option                 | \$ 31.61   |                                      |  |                                |   | (2)  | 06/14/2014  | Common Stock  | 1                   |

(right to buy)

Non-Qualified

Stock Option \$ 34.44

(right to buy)

(2)

06/23/2015

Common  
Stock

1

Non-Qualified

Stock Option \$ 44.37

(right to buy)

(2)

06/24/2014

Common  
Stock

3

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| LEPORE DAWN G<br>C/O DRUGSTORE.COM, INC.<br>411 108TH AVE NE, SUITE 1400<br>BELLEVUE, WA 98004 | X             |           |         |       |

## Signatures

Dawn G. Lepore 09/02/2010

\*\*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 sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.

(2) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.

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

(3) 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.

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

(4) 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.

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