

Donahoe John J
Form 4
August 01, 2011

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 *
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)
07/28/2011

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	07/28/2011		M		106,000 A \$ 25.85	359,437	D
Common Stock	07/28/2011		S		102,561 (1) D \$ 33.1681 (2)	256,876	D
Common Stock	07/28/2011		S		8,750 (1) D \$ 33.23	248,126	D
Common Stock	07/29/2011		G		40,000 D \$ 0	208,126	D

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

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(9-02)

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 of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Non-Qualified Stock Option (right to buy)	\$ 25.85	07/28/2011		M	106,000	(3)	03/03/2015	Common Stock	106,000
Non-Qualified Option (right to buy)	\$ 25.85					(4)	03/03/2015	Common Stock	2,000
Non-Qualified Stock Option (right to buy)	\$ 10.5					(5)	03/02/2016	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 23.88					(6)	03/01/2017	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 24.93					(4)	09/01/2015	Common Stock	2,000
Non-Qualified Stock Option (right to buy)	\$ 31.93					(7)	03/01/2014	Common Stock	2,000
Non-Qualified Stock Option (right to buy)	\$ 32.29					(8)	03/01/2018	Common Stock	3,000
Non-Qualified Stock Option (right to buy)	\$ 35.5					(9)	03/25/2015	Common Stock	1,000
Non-Qualified Stock Option (right to buy)	\$ 39.9					(10)	03/01/2013	Common Stock	3,000
Restricted Stock Units -1	(11)					(12)	(13)	Common Stock	6,000

Restricted Stock Units -2	<u>(11)</u>		<u>(14)</u>	<u>(13)</u>	Common Stock	9
Restricted Stock Units -4	<u>(11)</u>		<u>(15)</u>	<u>(13)</u>	Common Stock	1
Restricted Stock Units -5	<u>(11)</u>		<u>(16)</u>	<u>(13)</u>	Common Stock	9
Restricted Stock Units -6	<u>(11)</u>		<u>(17)</u>	<u>(13)</u>	Common Stock	8

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

By: Michael R. Jacobson For: John J.
Donahoe

07/29/2011

 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) Represents the weighted average price of shares sold at prices that ranged from \$33.07 to \$33.31.
 - (3) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/08 and 1/48th per month thereafter.
 - (4) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 09/30/08 and 1/48th per month thereafter.
 - (5) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/09 and 1/48th per month thereafter.
 - (6) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/10 and 1/48th per month thereafter.
 - (7) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/07 and 1/48th per month thereafter.
 - (8) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/11 and 1/48th per month thereafter.
 - (9) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.
 - (10) 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.
 - (11) Each restricted stock unit represents a contingent right to receive one share of eBay's common stock.
 - (12) 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.
 - (13) Not Applicable.
 - (14) The reporting person received restricted stock units of 193,423 shares subject to a four-year vesting schedule, vesting 25% on 03/01/09 and 25% annually thereafter.

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(15) 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.

(16) 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.

(17) 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.

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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