



Stock Ownership Guidelines

I. Purpose

The Board of Directors (the “Board”) of eBay Inc. (“eBay” or the “Company”) believes that executive officers and directors of the Company should own and hold eBay common stock to further align their interests with the long-term interests of stockholders and further promote the Company’s commitment to sound corporate governance.

II. Scope

All executive officers and directors of the Company are subject to these stock ownership guidelines for as long as they continue to serve as an executive officer or director of the Company, as the case may be.

III. Definitions

- “average closing price” means the average closing price of eBay common stock as reported on the NASDAQ Global Select Market, for the 200-day period immediately preceding (and ending on the trading date immediately prior to) the date of calculation.
- “guideline level” means the individual stock ownership guideline level applicable to an individual executive officer or director.
- “net shares” means those shares that remain after shares are sold or withheld, as the case may be, to (i) pay any applicable exercise price for an equity award (e.g., stock options, stock appreciation rights) or (ii) satisfy any tax obligations, including withholding taxes, arising in connection with the exercise, vesting or payment of an equity award (e.g., restricted stock units, restricted stock).

IV. Executive Officer Stock Ownership Guidelines

- Calculation of Guideline Level

The individual guideline level for each executive officer of the Company is determined as the number of shares equivalent to (a) five (5) times annual base salary for the Chief Executive Officer and three (3) times base salary for all other executive officers, divided by (b) the average closing price, rounded to the nearest 100 shares.

The individual guideline level for each executive officer is initially calculated using the executive officer's base salary as of the date the person is first appointed as an executive officer. This guideline level is then recalculated at: (a) the date on which the pay grade of an executive officer changes, and (b) each January 1st immediately following the third anniversary of the most recent calculation of such executive officer's guideline level.

Example. A person is appointed an executive officer on June 30, 2005. The executive officer changes pay grade on March 1, 2010. The executive officer's guideline would be initially determined on June 30, 2005 (the date such person was first appointed as an executive officer), and recalculated as of January 1, 2009 (the third anniversary following the initial calculation of the guideline level), March 1, 2010 (the date on which the executive officer's pay grade changed), and January 1, 2014 (the third anniversary following the recalculation of the guideline level).

- Requirement to Retain Net Shares Until Guideline Level is Satisfied

Unless an executive officer has satisfied his or her applicable guideline level, the executive officer is required to retain an amount equal to 25% of the net shares received as the result of the exercise, vesting or payment of any eBay equity awards granted to the executive officer. This amount is calculated using the closing price of eBay common stock as reported on the NASDAQ Global Select Market on the trading day immediately preceding the date of exercise, vesting or payment of the equity award. See Exhibits A and B for sample calculations.

Because executive officers must retain a percentage of net shares resulting from any exercise vesting or payment of eBay equity awards until they satisfy their applicable guideline level, there is no minimum time period required to achieve the guideline level.

V. Non-Employee Director Stock Ownership Guidelines

- Calculation of Guideline Level

The individual guideline level for each director of the Company is determined as the number of shares equivalent to (a) three (3) times the annual retainer payable to such director, divided by (b) the average closing price, rounded to the nearest 100 shares.

The guideline level is calculated as of the later of (i) the date these stock ownership guidelines were initially established and (ii) the date the director is elected to the Board. Once established, a director's guideline does not change as a result of changes in the amount of the annual retainer payable to such director or fluctuations in eBay's common stock price.

Directors are required to satisfy their guideline level within three years of joining the Board, and are expected to continuously own sufficient shares to satisfy the guideline once attained for as long they remain a member of eBay's Board of Directors.

VI. Shares Counted

Shares that count towards satisfaction of the stock ownership guidelines for executive officers and directors include the following:

- Shares owned outright by the executive officer or director or his or her immediate family members residing in the same household;
- Shares held in trust for the benefit of the executive officer or director or his or her immediate family members; and
- Shares of restricted stock, to the extent that such shares are vested.

For the avoidance of doubt, the following do not count towards satisfaction of the stock ownership guidelines for executive officers and directors:

- Deferred stock units, which represent the right to receive shares (or the equivalent value thereof in cash or property)
- Unvested restricted stock units;
- Unexercised stock options (whether vested or unvested); and
- Shares of restricted stock, to the extent such shares are unvested.

VII. Exceptions

The stock ownership guidelines may be waived, at the discretion of the Corporate Governance and Nominating Committee, for directors joining the Board from government, academia, or similar professions. The stock ownership guidelines may also be waived for executive officers or directors, at the discretion of the Corporate Governance and Nominating Committee, if compliance would create severe hardship or prevent an executive officer or director from complying with a court order, as in the case of a divorce settlement. It is expected that these instances will be rare. If an exception is granted in whole or in part, the Committee will, in consultation with the affected executive officer or director, develop an alternative stock ownership guideline for such individual that reflects both the intention of this policy and such individual's particular circumstances.

VIII. Reminder Regarding Section 16 Short-Swing Profit Rules.

In purchasing shares of eBay common stock to satisfy these stock ownership guidelines, executive officers and directors should be mindful of the short-swing profit rules under Section 16 of the Securities Exchange Act. Under those rules, any non-exempt purchase of eBay common stock by an director or officer may be matched against his or her sales of eBay common stock within six (6) months of that purchase, and will give rise to liability equal to the difference between the highest sale and lowest purchase price during the six-month period.

IX. Administration

The stock ownership guidelines shall be administered, interpreted, and construed by eBay's General Counsel, who shall have the authority to implement and carry out these guidelines in accordance with their terms and conditions, subject to oversight by the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee has the authority to amend the stock ownership guidelines or approve exceptions, including as described in Section VII.

EXHIBIT A

Sample Calculation – Sale of eBay Shares Received Upon Stock Option Exercise

Assumptions

- An executive officer seeks to exercise a stock option for 10,000 shares of eBay stock with a strike price of \$25.00 per share
- The prior day's closing price on the NASDAQ Global Stock Exchange is \$45.00
- The executive officer's withholding tax rate is 37.3%
- The option exercise is structured as a same-day sale (i.e., cashless exercise)
- The executive officer has not yet met his or her applicable guideline level

Calculations

Pre-tax gain on option exercise	
= number of shares * (closing price – strike price)	
= 10,000 * (\$45.00 - \$25.00)	\$200,000
Less taxes withheld on option exercise	
= withholding tax rate * pre-tax gain on option exercise	
= 37.3% * \$200,000	(\$74,600)
After-tax gain on option exercise	
= pre-tax gain - taxes withheld	
= \$200,000 - \$74,600	\$125,400
25% of after-tax gain on option exercise	\$31,350
Net shares required to be retained	
= 25% of after-tax gain on option exercise/ closing price on immediately prior trading day (with quotient rounded down)	
= \$31,350 / \$45.00 (with quotient rounded down)	696 shares

The executive officer is required to retain 696 shares of eBay stock

EXHIBIT B

Sample Calculation – Sale of Shares of eBay Stock Received Upon RSU Vesting

Assumptions

- An executive officer receives 25,000 shares of eBay stock upon vesting of his/her restricted stock units (after eBay withholds and sells shares to satisfy associated tax withholding obligations)
- The executive officer has not yet met his or her applicable guideline level

Calculation

- The executive officer is required to retain 6,250 shares of eBay stock (25% of 25,000).