



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

- “Closing Price” means the higher of (i) the closing price of eBay common stock as reported on the Nasdaq Stock Exchange on the trading day immediately preceding the date of calculation and (ii) the average closing price of eBay common stock as reported on the Nasdaq Stock Exchange for the three-year 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 or (ii) satisfy withholding tax obligations arising in connection with the exercise, vesting or payment of an equity award.

IV. Executive Officer Stock Ownership Guidelines

- Calculation of Guideline Level

The Guideline Level for each executive officer of the Company is the number of shares equal to (a) (i) seven (7) times annual base salary for the Chief Executive Officer, or (ii) three (3) times base salary for all other executive officers, in each case divided by (b) the Closing Price, rounded to the nearest 100 shares.

The 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. Each person serving as an executive officer as of June 30, 2016 will have his or her Guideline Level recalculated as of July 1, 2016.

This Guideline Level is then recalculated each January 1st immediately following the third anniversary of the most recent calculation. In addition, this Guideline Level is also recalculated as of the date on which the executive officer’s pay grade changes.

- 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 50% 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 Stock Exchange 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.

- Compliance Period to Satisfy Guideline Level

Each executive officer must satisfy his or her applicable Guideline Level within five (5) years of becoming an executive officer; provided that each person serving as an executive officer as of July 1, 2016 must satisfy his or her applicable Guideline Level by June 30, 2021.

V. Non-Employee Director Stock Ownership Guidelines

- Calculation of Guideline Level

The Guideline Level for each non-employee director of the Company is the number of shares equal to (a) three (3) times the value of the director's annual Board retainer for that year (not including any additional retainers received for committee service), divided by (b) the Closing Price, rounded to the nearest 100 shares.

The Guideline Level is initially calculated as of the later of (i) the date these stock ownership guidelines were initially established and (ii) the date the director is first elected to the Board. Each non-employee director's serving on the Board as of June 30, 2016 will have his or her Guideline Level recalculated as of July 1, 2016. Thereafter, each Guideline Level is recalculated each June 1 (based on the value of the director's annual Board retainer for that year).

- Requirement to Retain Shares Until Guideline Level is Satisfied

Unless a director has satisfied his or her applicable Guideline Level, the director is required to retain an amount equal to 25% of the shares (or Net Shares for an option exercise) received as the result of the exercise, vesting or payment of any eBay equity awards granted to the director. See Exhibit C for a sample calculation.

- Compliance Period to Satisfy Guideline Level

There is no minimum time period for non-employee directors to achieve their Guideline Level.

VI. Shares Counted

The following shares count towards satisfaction of the stock ownership guidelines for executive officers and directors:

- 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 residing in the same household;
- Vested shares of restricted stock; and

- Vested deferred stock units, restricted stock units or performance share units that may only be settled in shares.

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

- Vested deferred stock units, restricted stock units, or performance share units that may be settled in cash;
- Unvested shares of restricted stock, deferred stock units, restricted stock units, or performance share units;
- Shares pledged as collateral for a loan;
- Unexercised stock options (whether vested or unvested); and
- Long-term incentive or performance awards that may be settled in cash (whether vested or unvested).

VII. Exceptions

The stock ownership guidelines may be waived, at the discretion of the Compensation Committee of the Board (the “Compensation 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 Compensation 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 Compensation 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 executive officer or director may be matched against his or her sales of eBay common stock within six (6) months before or after 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 Compensation Committee. The Compensation Committee has the authority to amend the stock ownership guidelines or approve exceptions, including as described in Section VII. In administering the stock ownership guidelines, the Compensation Committee will annually review the extent to which each executive officer and director of the Company has pledged shares of eBay common stock as collateral for any loans. In conducting such review, the Compensation Committee will consider the magnitude of the aggregate number of shares of eBay common stock that are pledged by such executive officer or director of the Company in terms of total shares of eBay common stock outstanding, market value and/or trading volume; the executive officer’s or director’s pledged shares as a percentage of his or her total ownership of eBay common stock and in relation to such executive officer’s or director’s net worth; the fact that the stock ownership guidelines do not include pledged eBay common stock; and any other relevant factors.

Effective Date: September 9, 2004
Last Modified: July 1, 2016

EXHIBIT A

Sample Calculation – Retention 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 \$15.00 per share
- The prior day's closing price on the Nasdaq Stock Exchange is \$25.00
- The executive officer's estimated 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 * (\$25.00 - \$15.00)	\$100,000
Less taxes withheld on option exercise = estimated withholding tax rate * pre-tax gain on option exercise = 37.3% * \$100,000	(\$37,300)
<i>Equals</i> after-tax gain on option exercise = pre-tax gain - taxes withheld = \$100,000 - \$37,300	\$62,700
50% of after-tax gain on option exercise	\$31,350
Net Shares required to be retained = 50% of after-tax gain on option exercise / closing price on immediately prior trading day (with quotient rounded down) = \$31,350 / \$25.00	1,254 shares

The executive officer is required to retain 1,254 shares of eBay stock

EXHIBIT B

Sample Calculation – Retention of Shares of eBay Stock Received Upon RSU Vesting (Executive Officers)

Assumptions

- An executive officer receives 25,000 shares of eBay stock upon vesting of his or 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 12,500 shares of eBay stock (50% of 25,000)

EXHIBIT C

Sample Calculation – Retention of Shares of eBay Stock Received Pursuant to Equity Award (Non-Employee Directors)

Assumptions

- A director receives 5,000 shares of eBay stock pursuant to his or her restricted stock unit award
- The director has not yet met his or her applicable Guideline Level

Calculation

- The director is required to retain 1,250 shares of eBay stock (25% of 5,000)