

**EBAY INC**  
Reported by  
**LAWTON III HARRY A**

**FORM 4**  
(Statement of Changes in Beneficial Ownership)

Filed 12/19/16 for the Period Ending 12/15/16

|             |  |
|-------------|--|
| Address     | 2065 HAMILTON AVENUE<br>SAN JOSE, CA 95125         |
| Telephone   | 408-376-7400                                       |
| CIK         | 0001065088   |
| Symbol      | EBAY   |
| SIC Code    | 7389 - Business Services, Not Elsewhere Classified |
| Industry    | Internet Services                                  |
| Sector      | Technology   |
| Fiscal Year | 12/31  |

# FORM 4

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

OMB APPROVAL  
OMB Number: 3235-0287  
Estimated average burden  
hours per response... 0.5

[ ] 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 or  
Section 30(h) of the Investment Company Act of 1940

|   |  |  |   |  |  |  |  |  |
|---|--|--|---|--|--|--|--|--|
| 1. Name and Address of Reporting Person * |  |  | 2. Issuer Name and Ticker or Trading Symbol       |  |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  |  |  |
| <b>Lawton III Harry A</b>                 |  |  | <b>EBAY INC [ EBAY ]</b>                          |  |  | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)<br><b>SVP, North America</b> |  |  |
| (Last) (First) (Middle)                   |  |  | 3. Date of Earliest Transaction (MM/DD/YYYY)      |  |  |  |  |  |
| <b>C/O EBAY INC., 2145 HAMILTON AVE.</b>  |  |  | <b>12/15/2016</b>                                 |  |  |  |  |  |
| (Street)                                  |  |  | 4. If Amendment, Date Original Filed (MM/DD/YYYY) |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)  |  |  |
| <b>SAN JOSE, CA 95125</b>                 |  |  |   |  |  | <input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person  |  |  |
| (City) (State) (Zip)                      |  |  |   |  |  |  |  |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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  | (A) or (D) | Price   |   |  |   |
| Common Stock                    | 12/15/2016     |                                   | M                         |   | 3647  | A          | \$0.0   | 29824   | D  |   |
| Common Stock                    | 12/15/2016     |                                   | F                         |   | 1904  | D          | \$29.73 | 27920   | D  |   |

**Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivate Security (Instr. 3)  | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---|--|----------------|-----------------------------------|---------------------------|---|--|-----|---|-----------------|---|----------------------------|--|--|--|--|
|   |  |                |                                   | Code                      | V | (A)  | (D) | Date Exercisable                        | Expiration Date | Title   | Amount or Number of Shares |  |  |  |  |
| Restricted Stock Units -2                 | (2)  | 12/15/2016     |                                   | M                         |   | 3647   |     | (3)                                     | (4)             | Common Stock  | 3647                       | \$0.0                                      | 47411  | D  |  |
| Non-Qualified Stock Option (right to buy) | \$24.37  |                |                                   |                           |   |  |     | (5)                                     | 6/15/2022       | Common Stock  | 72133                      |  | 72133  | D  |  |
| Restricted Stock Units -1                 | (2)  |                |                                   |                           |   |  |     | (6)                                     | (4)             | Common Stock  | 117212                     |  | 117212   | D  |  |

**Explanation of Responses:**

- (1) No shares were sold - these shares were withheld by the Issuer to satisfy tax withholding requirements in connection with the vesting of restricted stock units.
- (2) Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock.
- (3) The reporting person received restricted stock units, 1/16th of which vests on 6/15/16, and an additional 1/16th of which vests each quarter 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.
- (4) Not Applicable.
- (5) The option grant is subject to a four-year vesting schedule, vesting 25% on 6/15/16 and 1/48th per month thereafter.
- (6) The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 6/15/16 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.

**Reporting Owners**

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |
| Lawton III Harry A             |               |           |         |       |

|   |  |  |                    |  |
|---|--|--|--------------------|--|
| C/O EBAY INC.<br>2145 HAMILTON AVE.<br>SAN JOSE, CA 95125 |  |  | SVP, North America |  |
|---|--|--|--------------------|--|

**Signatures**

**Harry Lawton**

**12/17/2016**

\*\*Signature of Reporting Person

Date

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

\* 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).

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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