



Stock Ownership Guidelines for Directors and Executive Officers

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eBay's Board of Directors has adopted Stock Ownership Guidelines to align the interests of its directors and executives with the interests of stockholders and further promote eBay's commitment to sound corporate governance.

Stock Ownership Guidelines for Executive Officers

Stock ownership guidelines for eBay's executive officers are determined as a multiple of the executive's base salary and then converted to a fixed number of shares. The guideline for eBay's chief executive officer is set at five (5) times annual base salary. The guidelines for other executives are set at three (3) times the executive's annual base salary. The guidelines are initially calculated using the executive's base salary as of the later of the date the guidelines were adopted and the date the person became an executive. The guidelines are re-calculated whenever an executive changes pay grade, and as of January 1st of each third year.

Until the applicable guideline is achieved, the executive is required to retain an amount equal to 25% of the net shares received as a result of the exercise of eBay stock options. 'Net shares' are those shares that remain after shares are sold or netted to pay the exercise price of stock options and withholding taxes. Because executives must retain a percentage of shares resulting from any exercise of eBay stock options until they achieve the specified guidelines, there is no minimum time period required to achieve the guidelines.

Stock Ownership Guidelines for Directors

Directors are required to hold shares of eBay common stock with a value equal to three (3) times the amount of the annual retainer paid to directors, calculated using the annual retainer as of the later of the date these guidelines were adopted and the date the Director is elected to the Board. Directors are required to achieve the guideline within three years of joining the Board, or, in the case of Directors serving at the time the guidelines were adopted, within three years of the date of adoption of the guidelines.

Counting Shares Owned

Shares that counts towards satisfaction of the guidelines include:

- Shares owned outright by the executive or director or his or her immediate family members residing in the same household;
- Shares held in trust for the benefit of the executive or director or his or her family; and
- Restricted shares granted under eBay's employee plans.

Deferred stock units, which represent the right to receive shares (or the equivalent value thereof in cash or property), do not count towards satisfaction of the guidelines.

Exceptions

The guidelines may be waived, at the discretion of eBay's Corporate Governance and Nominating Committee, for Directors joining the Board from government, academia, or similar professions. The guidelines may also be waived for executives or directors, at the discretion of the Corporate Governance and Nominating Committee, if compliance would create severe hardship or prevent an executive 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.