EBAY INC Form 4 May 08, 2006

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * BANNICK MATTHEW J			2. Issuer Name and Ticker or Trading Symbol EBAY INC [EBAY]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check an applicable)			
C/O EBAY IN AVE	С., 2145 Н.	AMILTON	(Month/Day/Year) 05/05/2006	Director 10% Owner Other (specify below) President, eBay International			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
SAN JOSE, CA 95125			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State)	(Zip) Tab	le I - Non-	Derivative	Secu	rities Acquii	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactic Code (Instr. 8)	4. Securit bor Dispos (Instr. 3, 4	ed of	` /	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)
Common Stock	05/05/2006		M	11,667	A	\$ 14.5125	50,887	D	
Common Stock	05/05/2006		S	11,667	D	\$ 33.1609	39,220	D	

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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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)	Securit Acquire	tive ies ed (A) oosed of	Expiration D	o. Date Exercisable and Expiration Date Month/Day/Year)		7. Title and Amour Underlying Securit (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo Num Share	
Non-Qualified Stock Option (right to buy)	\$ 14.5125	05/05/2006		M	1	1,667	<u>(1)</u>	02/12/2012	Common Stock	11,	
Non-Qualified Stock Option (right to buy)	\$ 19.3875						(2)	03/03/2013	Common Stock	330	
Non-Qualified Stock Option (right to buy)	\$ 34.615						(3)	03/01/2014	Common Stock	440	
Non-Qualified Stock Option (right to buy)	\$ 42.58						<u>(4)</u>	03/01/2015	Common Stock	185	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

BANNICK MATTHEW J C/O EBAY INC. 2145 HAMILTON AVE SAN JOSE, CA 95125

President, eBay International

Signatures

Matthew James
Bannick
05/08/2006

**Signature of Reporting Date
Person

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).
- $(1) \quad \text{The option grant is subject to a four-year vesting schedule, vesting } 12.5\% \text{ on } 8/12/02 \text{ and } 1/48 \text{th per month thereafter.}$
- (2) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/01/03 and 1/48th per month thereafter.

Reporting Owners 2

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- (3) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/04 and 1/48th per month thereafter.
- (4) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 9/1/05 and 1/48th per month thereafter.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.