

LEBDA DOUGLAS R
Form 4
August 10, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
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, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
LEBDA DOUGLAS R

2. Issuer Name and Ticker or Trading Symbol
IAC/INTERACTIVECORP [IACI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
C/O
IAC/INTERACTIVECORP, 152
WEST 57TH STREET, 42ND
FLOOR
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/08/2006

____ Director
 Officer (give title below) _____ Other (specify below)
President & COO

NEW YORK, NY 10019

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 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. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction 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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock, par value \$0.001 ⁽¹⁾	08/08/2006		M ⁽¹⁾		11,255	A	\$ 0
Common Stock, par value \$0.001	08/08/2006		F ⁽²⁾		4,255	D	\$ 25.63
							529,015
							524,760 ⁽³⁾
							⁽⁴⁾

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

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SEC 1474
(9-02)

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)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
Restricted Stock Units ⁽⁵⁾	\$ 0	08/08/2006		M	11,255	08/08/2006 ⁽⁵⁾ 08/08/2008 ⁽⁵⁾	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEBDA DOUGLAS R C/O IAC/INTERACTIVECORP 152 WEST 57TH STREET, 42ND FLOOR NEW YORK, NY 10019			President & COO	

Signatures

Joanne Hawkins as Attorney-in-Fact for Douglas R. Lebda

 **Signature of Reporting Person

08/10/2006

 Date

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) Represents shares of IAC Common Stock acquired upon the vesting of restricted stock units (see footnote 5).
- (2) Represents shares of IAC Common Stock withheld for the payment of taxes in connection with the vesting of restricted stock units (see footnote 5).
- (3) Includes (i) 200,000 restricted shares of IAC Common Stock held directly by the reporting person, which vest in equal installments on December 31, 2006, December 31, 2007 and December 31, 2008, subject to the reporting person's continued employment with IAC and subject to the achievement of certain performance-related criteria, (ii) 58,850 shares of IAC Common Stock held directly by the reporting person, (iii) 1,796 shares of IAC Common Stock held directly by the reporting person in an individual retirement account, (iv) 82,500 shares of IAC Common Stock subject to a variable prepaid forward contract, dated September 5, 2003, between the reporting person and a financial institution, which contract matures on September 5, 2008, and (v) 181,614 shares of IAC Common Stock subject to joint

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variable prepaid forward contract, dated September 5, 2003, among the reporting person, his spouse and a financial institution, which contract matures on September 5, 2006.

- The reporting person is also the indirect beneficial owner of (i) 20,598 shares of IAC Common Stock held in a grantor retained annuity trust and (ii) 23,710 shares of IAC Common Stock subject to a variable prepaid forward contract, dated September 5, 2003, between the reporting person's spouse and a financial institution, which contract matures on September 5, 2008. The reporting person disclaims beneficial ownership of the shares of IAC Common Stock described in (ii) above.
- (4)
- (5) The terms of the initial grant provide for vesting in equal installments on the second, third, fourth and fifth anniversaries of the grant date, August 8, 2003.

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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