

IAC/INTERACTIVECORP
Form 4
August 31, 2007

FORM 4

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

OMB APPROVAL

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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

(Last) (First) (Middle)

C/O
IAC/INTERACTIVECORP, 555
WEST 18TH STREET

(Street)

NEW YORK, NY 10011

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
08/29/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
President & COO

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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 Beneficial Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock, par value \$0.001 ⁽¹⁾ | 08/29/2007 | | M ⁽¹⁾ | | 21,628 | A | \$ 2.57 |
| Common Stock, par value \$0.001 ⁽²⁾ | 08/29/2007 | | S ⁽²⁾ | | 11,520 | D | \$ 26.82 |
| Common Stock, par value | | | | | 17,247 | I | |
| | | | | | | | Family trust |

\$0.001

Common
Stock, par
value
\$0.001

23,710

I

By spouse
(4)

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

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(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 Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Options to Purchase Common Stock | \$ 2.57 | 08/29/2007 | | M | 21,628 | (5) 10/02/2007 | Common Stock | 21,628 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------|-------|
| | Director | 10% Owner | Officer | Other |
| LEBDA DOUGLAS R C/O IAC/INTERACTIVECORP 555 WEST 18TH STREET NEW YORK, NY 10011 | | | President & COO | |

Signatures

Joanne Hawkins as Attorney-in-Fact for Douglas R. Lebda
08/31/2007

____Signature of Reporting Person

____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 exercise of stock options.
- (2) Represents the sale of shares of IAC Common Stock for the payment of the exercise price and taxes due in connection with the exercise of stock options.

(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) 82,634 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 and (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.

(4) Reflects 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 these shares.

(5) All of these stock options were fully vested prior to January 1, 2006, the effective date of the agreement governing the reporting person's appointment as President & Chief Operating Officer of IAC.

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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