Ruckelshaus William J Form 4 February 07, 2006

#### FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**OMB APPROVAL** OMB

3235-0287 Number: January 31,

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obligations

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**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 may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Ruckelshaus Willian		2. Issuer Name <b>and</b> Ticker or Trading Symbol Expedia, Inc. [EXPE]	5. Relationship of Reporting Person(s) to Issuer		
(Last) (First	t) (Middle)	3. Date of Earliest Transaction	(Check all applicable)		
3150 139TH AVEN	UE SE	(Month/Day/Year) 02/04/2006	Director 10% OwnerX_ Officer (give title Other (specify below)  SVP, Strategy & Planning		
(Stree	et)	4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
BELLEVUE, WA 9		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State) (	(Zip) Table	e I - Non-D	erivative	Secur	rities Acq	uired, Disposed o	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if any (Month/Day/Year)		3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)			d of (D)	5. Amount of Securities Form: Direct Indirect Beneficially (D) or Beneficial Owned Indirect (I) Ownership Following (Instr. 4)	Indirect Beneficial Ownership	
			Code V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)		
Common Stock	02/04/2006		M	2,393	A	\$ 0	3,960 (1)	D	
Common Stock	02/04/2006		F	782	D	\$ 25.47	3,178	D	

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

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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. Transacti Code (Instr. 8)	Secu Acqu (A) ( Disp (D)	or cosed of er. 3, 4,	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amoun or Number of Share
Restricted Stock Units (2)	( <u>3)</u>	02/04/2006		M		2,393	02/04/2006(4)	02/04/2009	Common Stock	2,393
Restricted Stock Units (2)	\$ 0 (3)						08/08/2006(5)	08/08/2007	Common Stock	9,839
Restricted Stock Units (2)	\$ 0 (3)						02/10/2006(6)	02/10/2010	Common Stock	14,12

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### **Reporting Owners**

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Director	10% Owner	Officer	Other			
		SVP,				
		Strategy &				
		Planning				
	Director		Director 10% Owner Officer  SVP, Strategy &			

## **Signatures**

By: Amy E. Weaver, Attorney-in-Fact 02/06/2006

\*\*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).
  - Includes 1,567 shares of Expedia Common Stock received in connection with the spin-off by IAC/InterActive Corp (IAC) of Expedia, Inc. (Expedia), which was completed on August 9, 2005 (the Spin-Off). The Spin-Off, which was immediately preceded by a one-for-two
- reverse stock split (the Reverse Stock Split) was effected by way of a reclassification, pursuant to which each share of IAC Common Stock, par value \$0.01 (Old IAC Common Stock), was reclassified into one share of IAC Common Stock, par value \$0.001 (New IAC Common Stock), and 1/100 of a share of IAC Series 1 Mandatory Exchangeable Preferred Stock, which was automatically exchanged into one share of Expedia Common Stock.
- (2) Represents Restricted Stock Units (RSUs) of Expedia received in connection with the Spin-Off. In connection with the Spin-Off, the reporting person's RSUs of IAC common stock were adjusted into RSUs of Expedia common stock. The vesting schedules below reflect

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vesting dates remaining following the Spin-Off.

- (3) None.
- (4) Date at which first vesting following August 9, 2005 occurred is indicated. One-fourth of the total number of RSUs outstanding August 9, 2005 vested on the first vesting date and an additional one-fourth each anniversary thereafter until the RSUs are fully vested.
- Date at which first vesting following August 9, 2005 occurs is indicated. One-half of the total number of RSUs outstanding August 9, 2005 vest on the first vesting date and an additional one-half on the first anniversary thereafter.
- Date at which first vesting following August 9, 2005 occurs is indicated. One-fifth of the total number of RSUs outstanding August 9, 2005 vest on the first vesting date and an additional one-fifth each anniversary thereafter until the RSUs are fully vested.

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.