

Expedia, Inc.
Form S-4
July 27, 2011
Table of Contents

As filed with the Securities and Exchange Commission on July 27, 2011

Registration No. 333-

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

EXPEDIA, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of

4700
(Primary Standard Industrial

20-2705720
(I.R.S. Employer

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Incorporation or Organization)

Classification Code Number)

Identification Number)

333 108th Avenue N.E.

Bellevue, WA 98004

(425) 679-7200

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

TRIPADVISOR, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of

7370
(Primary Standard Industrial

80-0743202
(I.R.S. Employer

Incorporation or Organization)

Classification Code Number)
141 Needham Street

Identification Number)

Newton, MA 02464

(617) 670-6300

(Address, including Zip Code, and Telephone Number, including Area Code, of Registrant's Principal Executive Offices)

Burke F. Norton, Esq.

Executive Vice President, General Counsel and Secretary

Expedia, Inc.

333 108th Avenue N.E.

Bellevue, WA 98004

(425) 679-7200

(Address, including Zip Code, and Telephone Number, including Area Code, of Agent For Service)

Copy to:

Andrew J. Nussbaum, Esq.

Wachtell, Lipton, Rosen & Katz

51 West 52nd Street

New York, NY 10019

(212) 403-1000

Table of Contents

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: AS SOON AS PRACTICABLE AFTER THIS REGISTRATION STATEMENT BECOMES EFFECTIVE AND UPON COMPLETION OF THE TRANSACTIONS DESCRIBED IN THE ENCLOSED PROXY STATEMENT/PROSPECTUS.

If any of the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Expedia, Inc.:

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

TripAdvisor, Inc.:

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

(Calculation of Registration Fee table appears on following pages)

The co-Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the co-Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
A. New Expedia Common Stock, par value \$0.0001 per share	153,577,116(1)	N/A	\$8,935,221,149(2)	\$1,037,379(3)
B. Expedia Warrants to purchase shares of New Expedia Common Stock, par value \$0.0001 per share and such underlying shares (the New Expedia Warrants)	8,046,698(4)	N/A	N/A(5)	N/A(6)
C. TripAdvisor Common Stock, par value \$0.001 per share	153,577,116(7)	N/A(8)	N/A(8)	N/A(8)
D. TripAdvisor Warrants to purchase shares of TripAdvisor Common Stock, par value \$0.001 per share, and such underlying shares (the TripAdvisor Warrants)	8,046,698(9)	N/A(8)	N/A(8)	N/A(8)
Total			\$8,935,221,149	\$1,037,381(10)

- (1) Based on the maximum number of shares of common stock, par value \$0.0001 per share, of Expedia, Inc. (New Expedia Common Stock) that may be issued in connection with the reclassification and other transactions described in the enclosed proxy statement/prospectus (the spin-off), taking into account the proposed one-for-two reverse stock split to be effected immediately prior to the spin-off, which number is equal to 50% of 307,154,232 shares, which is the sum of (i) 248,621,889, the number of shares of common stock, par value \$0.001 per share, of Expedia (Old Expedia Common Stock) issued and outstanding as of July 11, 2011, (ii) 3,432,904, the number of shares of Old Expedia Common Stock subject to Restricted Stock Units and Deferred Share Units and Stock Appreciation Rights issued under Expedia equity-based compensation plans as of June 30, 2011, (iii) 17,269,827, the maximum number of shares of Old Expedia Common Stock remaining available for issuance pursuant to new equity awards or other securities issuable by Expedia under equity incentive plans as of July 11, 2011, (iv) 16,093,396, the maximum number of shares of Old Expedia Common Stock issuable in respect of certain previously issued warrants to purchase shares of Old Expedia Common Stock (Old Expedia Warrants) issued and outstanding as of July 11, 2011, and (v) 21,736,216, the maximum number of shares of Old Expedia Common Stock issuable in respect of options (Old Expedia Options) to purchase shares of Old Expedia Common Stock that were issued by Expedia and outstanding as of June 30, 2011. There are also registered hereunder such indeterminate number of additional shares of New Expedia Common Stock that may become issuable due to anti-dilution adjustments for changes resulting from stock splits, stock dividends, recapitalizations or similar transactions and certain other events as provided for in the terms of the securities set forth in clauses (i) to (v) above. The full maximum number of shares of New Expedia Common Stock issuable in connection with the spin-off as set forth in clauses (i) to (v), without giving effect to the 50% adjustment described above on account of the expected reverse stock split (which number would then be 307,154,232 instead of 153,577,116) is also registered hereunder to account for the scenario in which the Expedia Board of Directors were to determine to proceed with the spin-off without effecting the reverse stock split (and the registration fee paid hereunder and proposed maximum offering price set forth herein are based on the full, unadjusted number of securities being cancelled as described in footnote (2) below).
- (2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to rule 457(c), Rule 457(f), Rule 457(h) and Rule 457(i) under the Securities Act. Such value equals (i) the product of (a) 269,324,620 (the sum of items (i) through (iii) in footnote (1) above), and (b) \$30.11, the average of the high and low sales prices for Old Expedia Common Stock as reported on The Nasdaq Global Select Market on July 20, 2011, plus (ii) the product of (a) 21,736,216, the number of Old Expedia Options and equivalent number of underlying shares outstanding as of June 30, 2011, and (b) \$19.07, the average exercise price of such options as of June 30, 2011, plus (iii) the product of (a) 16,093,396, the number of Old Expedia Warrants for Old Expedia Common Stock and equivalent number of underlying shares of Old Expedia Common Stock outstanding as of July 11, 2011, and (b) \$25.56, the

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average exercise price of such warrants.

- (3) Calculated by multiplying 0.0001161 by the proposed maximum aggregate offering price.
- (4) Based on the maximum number of new Expedia warrants to purchase shares of New Expedia Common Stock (New Expedia Warrants) that may be issued in the spin-off and equivalent number of underlying shares, which is equal to 16,093,396, the number of Old Expedia Warrants and equivalent number of underlying shares issued and outstanding as of July 11, 2011 multiplied by 50%, to give effect to the one-for-two reverse stock split. There is also registered hereunder such indeterminate number of additional New Expedia Warrants and underlying shares of New Expedia Common Stock that may become issuable due to anti-dilution adjustments for changes resulting from stock splits, stock dividends, recapitalizations or similar transactions and certain other events as provided for in the terms of the New Expedia Warrants or Old Expedia Warrants. The full maximum number of New Expedia Warrants and equivalent number of underlying shares, without giving effect to the 50% adjustment described above on account of the expected reverse stock split (which number would then be 16,093,396 instead of 8,046,698), is also registered hereunder to account for the scenario in which the Expedia Board of Directors were to determine to proceed with the spin-off without effecting the reverse stock split (and the registration fee paid hereunder and proposed maximum offering price set forth herein are based on the full, unadjusted number of securities being cancelled as described in footnote (5) below).

Table of Contents

- (5) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to rule 457(c), Rule 457(f), Rule 457(h) and Rule 457(i) under the Securities Act. Because such value, \$411,347,202, is included in the Proposed Maximum Aggregate Offering Price set forth with respect to Item A above, it is not separately listed in the fee table but is provided in this footnote for explanatory purposes. Such value equals the product of (a) 16,093,396, the number of Old Expedia Warrants for Old Expedia Common Stock and equivalent number of underlying shares of Old Expedia Common Stock outstanding as of July 11, 2011, and (b) \$25.56, the average exercise price of such Old Expedia Warrants.
- (6) The registration fee with respect to this Item B has been included in the registration fee for Item A above.
- (7) Based on the maximum number of shares of common stock, par value \$0.001 per share, of TripAdvisor, Inc. (TripAdvisor Common Stock) that may be issued in connection with the spin-off, taking into account the proposed one-for-two reverse stock split to be effected immediately prior to the spin-off, which number is equal to the maximum number of shares of New Expedia Common Stock as set forth in Item A above and the footnote(s) relating thereto and giving effect to the 50% adjustment described in such footnote(s) to reflect the expected reverse stock split. There is also registered hereunder such indeterminate number of additional shares of TripAdvisor Common Stock that may become issuable due to anti-dilution adjustments for changes resulting from stock splits, stock dividends, recapitalizations or similar transactions and certain other events as provided for in the terms thereof and the post-spin-off adjusted securities with respect to those set forth in the footnote(s) relating to Item A above. The full maximum number of shares of TripAdvisor Common Stock issuable in connection with the spin-off, without giving effect to the 50% adjustment described above on account of the expected reverse stock split (which number would then be 307,154,232 instead of 153,577,116), is also registered hereunder to account for the scenario in which the Expedia Board of Directors were to determine to proceed with the spin-off without effecting the reverse stock split (and the registration fee paid hereunder and proposed maximum offering price set forth herein are based on the full, unadjusted number of securities being cancelled as described in footnote (6) above and (8) below).
- (8) Pursuant to Rule 457(f)(i), the registration fee is based upon the market value of the securities to be cancelled in the transaction. Items A through B above (and the footnotes relating thereto) account for all of the securities that will be cancelled in the transaction. Accordingly, the securities listed under Items C and D above that are also registered pursuant to this registration statement do not affect the registration fee payable hereunder.
- (9) Based on the maximum number of TripAdvisor warrants to purchase shares of TripAdvisor Common Stock (TripAdvisor Warrants) and equivalent number of underlying shares of TripAdvisor Common Stock, which number is equal to the maximum number of New Expedia Warrants as set forth in Item B above and the footnote(s) related thereto and giving effect to the 50% adjustment described in such footnote(s) to reflect the expected reverse stock split. There is also registered hereunder such indeterminate number of additional TripAdvisor Warrants and underlying shares of TripAdvisor Common Stock that may become issuable due to anti-dilution adjustments for changes resulting from stock splits, stock dividends, recapitalizations or similar transactions and certain other events as provided for in the terms thereof. The full maximum number of TripAdvisor Warrants and equivalent number of underlying shares, without giving effect to the 50% adjustment described above on account of the expected reverse stock split (which number would then be 16,093,396 instead of 8,046,698), is also registered hereunder to account for the scenario in which the Expedia Board of Directors were to determine to proceed with the spin-off without effecting the reverse stock split (and the registration fee paid hereunder and proposed maximum offering price set forth herein are based on the full, unadjusted number of securities being cancelled as described in footnote (8) above).
- (10) An amount equal to \$1.94 has been added to the registration fee otherwise payable on account of the securities registered hereunder as set forth in Items A to D above. The transactions and matters described in the enclosed proxy statement/prospectus include the merger of a newly formed wholly owned subsidiary of Expedia, Inc. (Expedia) with and into Expedia, in connection with which each of the outstanding 751 shares of Expedia Series A Cumulative Convertible Preferred Stock, par value \$0.001 (the Series A Preferred), will be converted into the right to receive an amount in cash equal to \$22.23, plus an amount equal to accrued and unpaid dividends through the effective date of the merger. The preferred stock merger will be consummated prior to the reverse stock split and the spin-off, and neither the reverse stock split nor the spin-off will be effected if the preferred stock merger has not been consummated. The aggregate consideration to be paid in connection with the preferred stock merger is \$16,694.73, assuming consummation at a date when there are no accrued and unpaid dividends to be included in the merger consideration. Applying the SEC's registration fee ratio of \$116.10 per \$1,000,000 with respect to this amount results in an incremental filing fee amount of \$1.94. The base, annual, dividend rate with respect to the Series A Preferred Stock is 1.99% of \$22.23, the face value of the Series A Preferred, or \$0.44 per share, or \$330.44 in the aggregate, with dividends payments made in quarterly installments.

Table of Contents

The information in this prospectus is not complete and may be changed. We may not issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated July 27, 2011

[Expedia Logo]

[TripAdvisor Logo]

[], 2011

PRELIMINARY PROXY STATEMENT/PROSPECTUS

Dear Stockholder:

You are invited to attend the 2011 Annual Meeting of Stockholders of Expedia, Inc., which Expedia will hold on [], 2011, at [] local time at [] to obtain stockholder approval of amendments to Expedia's amended and restated certificate of incorporation that will result in, among other things, the spin-off from Expedia of TripAdvisor, Inc., a Delaware corporation and a one-for-two reverse stock split implemented prior to the spin-off, of a merger agreement that will result in the conversion of the remaining shares of Expedia's Series A preferred stock to cash so as to simplify Expedia's capital structure in advance of the spin-off, and a number of other annual meeting proposals that are described in the notice of meeting on the following page.

After the spin-off, TripAdvisor will be an independent, separately traded public company that will consist of the domestic and international operations associated with Expedia's TripAdvisor Media Group, including the flagship TripAdvisor brand as well as 18 other travel media brands. Expedia will effect the spin-off by means of a reclassification of its capital stock that will result in the current holders of Expedia capital stock having the right to receive a proportionate amount of TripAdvisor capital stock, in a transaction that is generally tax free for federal income tax purposes. **See Risk Factors beginning on page 14 of this proxy statement/prospectus for information that you should consider in evaluating the spin-off proposal and the reverse stock split proposal.**

Expedia's Board of Directors believes that the spin-off of TripAdvisor from Expedia and the other proposals submitted for your approval at the Annual Meeting are in the best interests of Expedia and its stockholders. **Expedia's Board of Directors recommends that you vote FOR the spin-off proposal and the other proposals submitted for your approval at the Annual Meeting and vote in favor of holding an advisory vote on Expedia's executive compensation every THREE years.**

Your vote is very important. Whether or not you plan to attend the Annual Meeting, please take the time to vote. You may vote over the internet, as well as by telephone, or by mailing a proxy or voting instruction card. If you attend the Annual Meeting, you may vote in person if you wish, even though you have previously submitted your vote.

Sincerely,

Dara Khosrowshahi

Chief Executive Officer

333 108th Avenue N.E.

Bellevue, Washington 98004

Neither the Securities and Exchange Commission nor any state securities regulators have approved or disapproved the spin-off or the securities to be issued in the spin-off or determined if this proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is first being mailed to stockholders on or about [], 2011.

Table of Contents

EXPEDIA, INC.

333 108th Avenue N.E.

Bellevue, Washington 98004

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2011 Annual Meeting of Stockholders of Expedia, Inc., a Delaware corporation, will be held on [], 2011, at [] local time at []. Expedia is providing this proxy statement/prospectus to holders of Expedia's common stock, Class B common stock and Series A preferred stock in connection with the solicitation of proxies by the Board of Directors of Expedia for use at the Annual Meeting. At the Annual Meeting, stockholders will consider, among other things, the spin-off of TripAdvisor, Inc. as a separately traded public company that will consist of the domestic and international operations associated with Expedia's TripAdvisor Media Group, including the flagship TripAdvisor brand as well as 18 other travel media brands.

In particular, Expedia will ask stockholders:

1. To approve amendments to the Expedia amended and restated certificate of incorporation that would effect the spin-off of TripAdvisor, Inc. by:

Reclassifying each share of Expedia \$0.001 par value common stock into one share of Expedia \$0.0001 par value common stock and 1/100 of a share of Expedia Series 1 Mandatory Exchangeable Preferred Stock that will automatically exchange into one share of TripAdvisor \$0.001 par value common stock immediately following the reclassification; and

Reclassifying each share of Expedia \$0.001 par value Class B common stock into one share of Expedia \$0.0001 par value Class B common stock and 1/100 of a share of Expedia Series 2 Mandatory Exchangeable Preferred Stock that will automatically exchange into one share of TripAdvisor \$0.001 par value Class B common stock immediately following the reclassification.

2. To approve amendments to the Expedia amended and restated certificate of incorporation to effect a one-for-two reverse stock split of Expedia common stock and Expedia Class B common stock (which would, if implemented, take place immediately prior to the spin-off).

3. To approve a proposal to adopt a merger agreement, as it may be amended from time to time, under which a wholly owned subsidiary of Expedia would merge with and into Expedia, and in connection with which each share of Expedia Series A Cumulative Convertible Preferred Stock, par value \$0.001, will be converted into the right to receive an amount in cash equal to \$22.23, plus an amount equal to accrued and unpaid dividends through the effective date of the merger.

4. To approve the addition of provisions to the Expedia amended and restated certificate of incorporation pursuant to which Expedia would renounce any interest or expectancy in certain corporate opportunities, which generally would have the effect that no officer or director of Expedia who is also an officer or director of TripAdvisor will be liable to Expedia or its stockholders for breach of any fiduciary duty by reason of the fact that any such individual directs a corporate opportunity to TripAdvisor instead of Expedia, or does not communicate information to Expedia regarding a corporate opportunity that the officer or director has directed to TripAdvisor (analogous and reciprocal provisions will be included in TripAdvisor's certificate of incorporation).

5. To elect the ten directors named in this proxy statement/prospectus to the Expedia Board of Directors, each to hold office for a one-year term ending on the date of the next annual meeting of stockholders or until such director's successor shall have been duly elected and qualified (or, if earlier, such director's removal or resignation from the Expedia Board of Directors).

6. To ratify the appointment of Ernst & Young LLP as Expedia's independent registered public accounting firm for 2011.

Table of Contents

7. To hold an advisory vote on Expedia's executive compensation.
8. To hold an advisory vote on the frequency of the advisory vote on Expedia's executive compensation.
9. To transact such other business as may properly come before the Annual Meeting and any adjournments or postponements thereof.

The Expedia Board of Directors may determine not to proceed with the spin-off and not to effect the related amendments to its amended and restated certificate of incorporation described above, even though Expedia may have received all necessary stockholder approvals with respect thereto. The preferred stock merger would be effected before the reverse stock split, if implemented, and before the spin-off. Expedia will not effect the spin-off or the reverse stock split if the preferred stock merger has not been consummated.

Only holders of record of outstanding shares of Expedia capital stock at the close of business on [], 2011 are entitled to notice of, to attend, and to vote at the Annual Meeting and any adjournments or postponements thereof.

Only stockholders and persons holding proxies from stockholders may attend the Annual Meeting. Seating is limited, however, and admission to the Annual Meeting will be on a first-come, first-served basis. If your shares are registered in your name, you must bring a form of identification to the Annual Meeting. If your shares are held in the name of a broker, trust, bank or other nominee, you must bring a proxy or letter from that broker, trust, bank or other nominee that confirms that you are the beneficial owner of those shares. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting.

By order of the Board of Directors,

Burke F. Norton

Executive Vice President, General Counsel and Secretary

[], 2011

Table of Contents

Additional Information

This proxy statement/prospectus:

incorporates by reference important business and financial information about Expedia that Expedia has not included in or delivered with this proxy statement/prospectus; and

does not include some of the information included in the registration statement on Form S-4 that Expedia and TripAdvisor have jointly filed with the SEC or information included in the exhibits to the registration statement.

Upon your written or oral request, Expedia will make available to you without charge the information that Expedia has incorporated by reference into this proxy statement/prospectus or that Expedia and TripAdvisor have filed as exhibits to the registration statement on Form S-4. You can obtain the documents incorporated by reference in this proxy statement/prospectus or filed as exhibits to the registration statement by requesting them in writing or by telephone from Expedia at the following address and telephone number:

Expedia, Inc.

333 108th Avenue N.E.

Bellevue, WA 98004

Attn: Investor Relations Department

(425) 679-7200

You should make any request for documents by [], 2011 to ensure timely delivery of the documents prior to the Annual Meeting.

To find more information, see [Where You Can Find More Information and Incorporation by Reference](#).

Table of Contents**TABLE OF CONTENTS**

	Page
<u>Questions and Answers About the Annual Meeting and the Spin-Off</u>	1
<u>Summary</u>	9
<u>Expedia</u>	9
<u>TripAdvisor</u>	9
<u>The Spin-Off</u>	10
<u>Expedia: Summary Selected Consolidated Financial Information</u>	12
<u>TripAdvisor: Summary Selected Consolidated Financial Information</u>	13
<u>Risk Factors</u>	14
<u>Risk Factors Relating to the Spin-Off</u>	14
<u>Risk Factors Relating to Expedia Securities and TripAdvisor Securities</u>	18
<u>Risk Factors Relating to Expedia's and TripAdvisor's Businesses Following the Spin-Off</u>	19
<u>Risk Factors Relating to TripAdvisor's Business Following the Spin-Off</u>	27
<u>Risk Factors Relating to Expedia's Business Following the Spin-Off</u>	32
<u>Special Note Regarding Forward-Looking Statements</u>	38
<u>Proposal 1 The Spin-Off Proposal</u>	39
<u>Overview</u>	39
<u>Required Vote</u>	39
<u>Background and Reasons for the Spin-Off</u>	40
<u>Recommendation of Special Committee of Expedia's Board of Directors</u>	41
<u>Recommendation of Expedia's Board of Directors</u>	46
<u>Review of Financial Advisors</u>	46
<u>Interests of Certain Persons in the Spin-Off</u>	46
<u>Governance Arrangements at Expedia and TripAdvisor</u>	47
<u>No Appraisal Rights</u>	54
<u>Accounting Treatment</u>	54
<u>Regulatory Requirements</u>	54
<u>Federal Securities Law Consequences</u>	54
<u>Material U.S. Federal Income Tax Consequences of the Spin-Off</u>	55
<u>Treatment of Outstanding Expedia Compensatory Equity-Based Awards</u>	58
<u>Post Spin-Off TripAdvisor Financing Arrangements</u>	60
<u>Post Spin-Off Expedia Financing Arrangements</u>	60
<u>Treatment of Expedia Warrants in the Spin-Off</u>	60
<u>Distribution of Expedia and TripAdvisor Securities Following the Spin-Off</u>	60
<u>Listing and Trading of Expedia Securities</u>	61
<u>Listing and Trading of TripAdvisor Securities</u>	61
<u>Relationship Between Expedia and TripAdvisor After the Spin-Off</u>	62
<u>Information about Expedia After the Spin-Off</u>	64
<u>Information about TripAdvisor After the Spin-Off</u>	73
<u>Indemnification and Limitation of Liability for Officers and Directors</u>	108
<u>Description of Expedia Capital Stock After the Spin-Off</u>	109
<u>Description of TripAdvisor Capital Stock After the Spin-Off</u>	111
<u>Comparison of Rights of Holders of Expedia Securities before the Spin-Off with Rights of Holders of Expedia Securities and TripAdvisor Securities Following the Spin-Off</u>	113
<u>Security Ownership of Certain Beneficial Owners and Management</u>	116
<u>Proposal 2 Reverse Stock Split Proposal</u>	123
<u>Proposal and Required Vote</u>	123
<u>Principal Effects of the Reverse Stock Split</u>	123

Table of Contents

	Page
<u>Purpose of the Reverse Stock Split</u>	124
<u>Important Considerations with Respect to the Reverse Stock Split</u>	125
<u>No Appraisal Rights</u>	125
<u>Reservation of Right to Abandon Reverse Stock Split</u>	125
<u>Proposal 3 Preferred Stock Merger Proposal</u>	126
<u>Proposal and Required Vote</u>	126
<u>Summary of Preferred Stock Merger Proposal</u>	126
<u>The Merger</u>	127
<u>Purpose of the Merger</u>	128
<u>Merger Sub</u>	128
<u>The Merger Agreement</u>	128
<u>Appraisal Rights</u>	129
<u>Material U.S. Federal Income Tax Consequences of the Merger</u>	133
<u>Proposal 4 The Corporate Opportunity Proposal</u>	136
<u>Proposal and Required Vote</u>	136
<u>Rationale</u>	136
<u>Proposal 5 Election of Directors</u>	137
<u>Proposal and Required Vote</u>	137
<u>Nominees</u>	137
<u>Board Meetings and Committees</u>	141
<u>Director Nominations</u>	144
<u>Communications With the Board</u>	144
<u>Compensation Policies and Practices Risk Assessment</u>	144
<u>Compensation of Non-Employee Directors</u>	144
<u>Compensation Committee Interlocks and Insider Participation</u>	147
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	147
<u>Information Concerning Executive Officers</u>	147
<u>Proposal 6 Ratification of Appointment of Independent Registered Public Accounting Firm</u>	149
<u>Overview</u>	149
<u>Required Vote</u>	149
<u>Proposal 7 Advisory Vote on Expedia's Executive Compensation</u>	150
<u>Overview</u>	150
<u>Required Vote</u>	150
<u>Proposal 8 Advisory Vote on the Frequency of Holding Future Advisory Votes on Expedia's Executive Compensation</u>	151
<u>Overview</u>	151
<u>Required Vote</u>	151
<u>Annual Meeting Procedural Matters</u>	152
<u>Date, Time and Place of Meeting</u>	152
<u>Record Date and Voting Rights</u>	152
<u>Quorum; Abstentions; Broker Non-Votes</u>	153
<u>Solicitation of Proxies</u>	154
<u>Voting Proxies</u>	154
<u>Voting in Person at the Annual Meeting</u>	155
<u>Revocation of Proxies</u>	155
<u>Other Business</u>	155

Table of Contents

	Page
<u>Expedia Audit Committee Report</u>	156
<u>Fees Paid to Expedia's Independent Registered Public Accounting Firm</u>	157
<u>Audit Committee Review and Pre-Approval of Independent Registered Public Accounting Firm Fees</u>	157
<u>Expedia Executive Compensation</u>	158
<u>Compensation Discussion and Analysis</u>	158
<u>Overview</u>	158
<u>Roles of the Compensation Committee and Section 16 Committee</u>	158
<u>Role of Executive Officers</u>	158
<u>Role of Compensation Consultants</u>	159
<u>Compensation Program Objectives</u>	159
<u>Compensation Program Elements</u>	159
<u>The Role of Peer Groups, Surveys and Benchmarking</u>	163
<u>Stock Ownership Policy</u>	164
<u>Tax Matters</u>	165
<u>Change in Control</u>	