

DELLPLAIN KATHLEEN K  
 Form 4  
 February 07, 2006

**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 \*  
 DELLPLAIN KATHLEEN K

(Last) (First) (Middle)  
 3150 139TH AVENUE SE  
 (Street)

BELLEVUE, WA 98005

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 Expedia, Inc. [EXPE]

3. Date of Earliest Transaction (Month/Day/Year)  
 02/04/2006

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)

EVP, Human Resources

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 Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	02/04/2006		M	2,393	A \$ 0	5,598 <sup>(1)</sup>	D
Common Stock	02/04/2006		F	782	D \$ 25.47	4,816	D

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

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SEC 1474 (9-02)

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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)	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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units <sup>(2)</sup>	<u>(3)</u>	02/04/2006		M	2,393	02/04/2006 <sup>(4)</sup>	02/04/2009	Common Stock	2,393
Options to Purchase Common Stock <sup>(5)</sup>	\$ 3.69					08/09/2005	07/28/2007	Common Stock	6,050
Options to Purchase Common Stock <sup>(5)</sup>	\$ 3.69					08/09/2005	08/10/2007	Common Stock	1,210
Options to Purchase Common Stock <sup>(5)</sup>	\$ 2.5					08/09/2005	01/16/2008	Common Stock	8,720
Options to Purchase Common Stock <sup>(5)</sup>	\$ 10.22					08/09/2005 <sup>(6)</sup>	08/02/2008	Common Stock	25,700
Options to Purchase Common Stock <sup>(5)</sup>	\$ 25.64					08/09/2005 <sup>(7)</sup>	02/04/2012	Common Stock	19,600
Options to Purchase Common Stock <sup>(5)</sup>	\$ 13.32					08/09/2005 <sup>(8)</sup>	07/09/2012	Common Stock	21,200
Options to Purchase Common Stock <sup>(5)</sup>	\$ 14.5					08/09/2005 <sup>(9)</sup>	02/07/2013	Common Stock	17,700
	\$ 0 <sup>(3)</sup>					02/07/2006 <sup>(10)</sup>	02/07/2007		6,580

Restricted Stock Units <u>(2)</u>					Common Stock	
Restricted Stock Units <u>(2)</u>	\$ 0 <u>(3)</u>		02/10/2006 <sup>(11)</sup>	02/10/2010	Common Stock	15,3

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DELLPLAIN KATHLEEN K 3150 139TH AVENUE SE BELLEVUE, WA 98005			EVP, Human Resources	

## 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).
- (1) Includes 3,205 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 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.
- (5) Represents stock options of Expedia received in connection with the Spin-off. In connection with the Spin-Off, stock options to purchase IAC common stock were adjusted into stock options to purchase Expedia common stock. The vesting schedules below reflect vesting dates remaining following the Spin-Off.
- (6) Options for 12,117 shares were vested at August 9, 2005, and the balance for 13,625 shares vested on February 2, 2006.
- (7) Options for 11,250 shares were vested at August 9, 2005, and the balance of 8,433 shares vested on February 4, 2006.
- (8) Options for approximately 6,209 shares were vested at August 9, 2005, options for approximately 1,363 shares vested on September 9, 2005 and options for approximately 1,363 shares vest monthly thereafter until the options are fully vested July 9, 2006.
- (9) Options for approximately 5,448 shares were vested at August 9, 2005, options for approximately 682 shares vested on September 7, 2005 and options for approximately 682 shares vest monthly thereafter until the options are fully vested February 7, 2007.
- (10) 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.
- (11)

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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.