

KEOUGH DONALD R /NY
Form 4
January 03, 2012

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 *
KEOUGH DONALD R /NY

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)
711 FIFTH AVENUE

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
12/31/2011

Director 10% Owner
 Officer (give title below) Other (specify below)

NEW YORK, NY 10022

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 Ownership (Instr. 4)
Common Stock, par value \$0.001 ⁽¹⁾	12/31/2011		A ⁽¹⁾	322 A	\$ 42.6 120,870 ⁽²⁾	D	
Common Stock, par value \$0.001 ⁽³⁾					500 ⁽³⁾	I	By spouse

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form

SEC 1474 (9-02)

displays a currently valid OMB control number.

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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KEOUGH DONALD R /NY 711 FIFTH AVENUE NEW YORK, NY 10022		X		

Signatures

Joanne Hawkins as Attorney-in-Fact for Donald Keough
Date: 01/03/2012

**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 share units accrued under the Non-Employee Director Deferred Compensation Plan as of December 31, 2011.
- (2) Includes (i) 97,759 shares of IAC Common Stock and (ii) 23,111 share units accrued under the Non-Employee Director Deferred Compensation Plan as of December 31, 2011.
- (3) The reporting person disclaims beneficial ownership of these shares of IAC Common Stock.

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. diately preceding the fiscal year in which the termination occurs, (iii) a lump sum payment equal to 12 times the COBRA premium in effect for the type of medical, dental and vision coverage then in effect for Mr. Swoboda, and (iv) accelerated vesting with respect to 50% of his then outstanding, unvested stock options, restricted stock awards and other equity awards, other than with respect to any performance units that may be used to pay Mr. Swoboda's annual incentive award.

If Mr. Swoboda's employment is terminated by the Company without cause, except as a result of his death or long-term disability, or by Mr. Swoboda for good reason, and the termination occurs within 12 months following a change of control, then he also will receive (i) continued payment of his base salary for the Continuance Period, (ii) a lump sum payment of an amount equal to his current target annual incentive, pro-rated to the date of termination, (iii) a lump sum payment equal to twice the average of Mr. Swoboda's earned annual incentives for the two completed fiscal years immediately preceding the fiscal year in which the termination occurs, (iv) a lump sum payment equal to 24 times the COBRA premium in effect for the type of medical, dental and vision coverage then in effect for Mr. Swoboda, and (v) full accelerated vesting with respect to Mr. Swoboda's then outstanding, unvested stock options, restricted stock and other equity awards, other than with respect to any performance units that may be used to pay Mr. Swoboda's annual incentive award. In addition, if any payment or benefit Mr. Swoboda receives from the Company in connection with a change in control would be considered a parachute payment under Section 280G of the Code, Mr. Swoboda will also receive from the Company an additional payment equal to the amount of any excise tax incurred as a result of any such parachute payments, together with any income, employment and excise taxes related to the additional payment, as well as any related interest and penalties that would not have been imposed absent such payments, in an amount sufficient to restore him to the same after-tax position he would have been in if the excise tax had not been imposed.

As a condition to the receipt of the severance benefits described in the prior paragraphs, Mr. Swoboda must (i) sign and not revoke a separation agreement and release of claims, (ii) refrain from disparaging the Company, its directors or officers for the longer of (a) 12 months or (b) the Continuance Period, and (iii) continue to comply with the noncompete restrictions contained in the Company's standard form of employee agreement regarding confidential information, intellectual property and noncompetition, as previously signed by Mr. Swoboda (the "Confidential Information Agreement"), for the longer of (a) 12 months or (b) the Continuance Period. Under the non-competition provisions of the Confidential Information Agreement and subject to certain limited exceptions, an employee is restricted while employed by the Company and for a period of time following the termination of his or her employment from (i) performing services for any competing business, whether as an employee, officer, director, consultant, agent, contractor or in any other capacity, (ii) being the beneficial owner of an equity interest in any competing business, (iii) requesting any present or future customers or suppliers of the Company to curtail or cancel business with the Company, or (iv) inducing or attempting to influence any employee of the Company to terminate his or her employment with the Company. Competing business includes any entity which is conducting research directed to, developing, manufacturing, marketing, distributing, or selling any product, service, or technology that is competitive with any product, service, or technology that the Company is developing, manufacturing, marketing, distributing, selling, or conducting research directed to, at the time or during the period specified in the Confidential Information Agreement.

In the event of a dispute relating to any provision of the Employment Agreement arising during its term or within three years of its termination, the Company will reimburse Mr. Swoboda for the fees and expenses he incurs in connection with the dispute on a quarterly basis. In the event Mr. Swoboda does not prevail on at least one material issue or if an arbitrator determines that Mr. Swoboda's legal positions were frivolous or without legal foundation, (i) Mr. Swoboda will repay the Company amounts previously reimbursed, and (ii) Mr. Swoboda will reimburse the Company for its fees and expenses.

The foregoing description of the Employment Agreement is subject to, and qualified in its entirety by, the Employment Agreement, which is included as Exhibit 10.4 to this report and incorporated herein by reference.

Item Financial Statements and Exhibits

9.01

(d) Exhibits

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
Exhibit 10.1	Fiscal 2008 Management Incentive Compensation Plan
Exhibit 10.2	Notice of Grant to Charles Swoboda, dated August 21, 2007
Exhibit 10.3	Master Performance Unit Award Agreement, dated August 21, 2007, between Cree, Inc. and Charles Swoboda
Exhibit 10.4	Charles Swoboda Employment Agreement, as amended and restated effective August 21, 2007

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CREE, INC.

By: /s/ John T. Kurtzweil
John T. Kurtzweil
Executive Vice
President - Finance,
Chief Financial
Officer & Treasurer

Date: August 24, 2007

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