

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) August 30, 2017

EXPEDIA, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-37429
(Commission
File Number)

20-2705720
(I.R.S. Employer
Identification No.)

333 108th Avenue NE
Bellevue, Washington 98004
(Address of principal executive offices) (Zip code)

(425) 679-7200
Registrant's telephone number, including area code

Not Applicable
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

On September 5, 2017, Expedia, Inc. (the “*Company*”) filed a Current Report on Form 8-K (the “*Original 8-K*”) reporting that Dara Khosrowshahi had resigned as the Company’s President and Chief Executive Officer, effective August 31, 2017, and would continue to serve as a member of the Board of Directors of the Company (the “*Board*”) and that the Board had (i) appointed Mark D. Okerstrom, the Company’s Executive Vice President of Operations and Chief Financial Officer, to serve as President and Chief Executive Officer of the Company, effective as of August 31, 2017, (ii) appointed Alan Pickerill, the Company’s Senior Vice President, Investor Relations and Treasurer, to serve as Executive Vice President and Chief Financial Officer, effective as of August 31, 2017, and (iii) expanded the Board size from fourteen to fifteen members and elected Mr. Okerstrom to fill the newly-created directorship.

On September 15, 2017, the Compensation and Section 16 Committees of the Board approved new compensation arrangements for Messrs. Okerstrom, Pickerill and Khosrowshahi. This filing is being made to amend the Original 8-K to include the following information regarding these new compensation arrangements:

Arrangements with Mark D. Okerstrom

On September 15, 2017, the Company entered into a new, long-term Employment Agreement with Mark D. Okerstrom, the Company’s Chief Executive Officer and President (the “*Okerstrom Employment Agreement*”), which is effective as of September 15, 2017 and has a term that expires on September 15, 2021.

Compensation. Under the terms of the Okerstrom Employment Agreement, Mr. Okerstrom will receive a base salary of \$1,000,000. Mr. Okerstrom will also be entitled to receive an annual discretionary bonus.

Severance. Upon a termination of Mr. Okerstrom’s employment by the Company without cause (other than by reason of his death or disability) or by Mr. Okerstrom for good reason, subject to his execution and non-revocation of a release and compliance with the restrictive covenants described below:

- the Company will continue to pay his base salary through the longer of (i) the completion of the term of the Okerstrom Employment Agreement, subject to a maximum of 36 months and (ii) twelve months; provided that such payments will be offset by any amount earned by Mr. Okerstrom from another employer during such time period;
 - except as described under “Equity Grants” with respect to the Performance Stock Option (defined below) granted on September 15, 2017, and with respect to Mr. Okerstrom’s March 2016 Company stock option grants, which have special vesting terms, all equity held by Mr. Okerstrom that otherwise would have vested during the twelve-month period following termination of employment will accelerate; provided that any equity awards that vest less frequently than annually shall be treated as though such awards vested annually;
 - Mr. Okerstrom will have eighteen months following the date of termination to exercise any vested stock options granted by the Company (including stock options accelerated pursuant to the terms of the Okerstrom Employment Agreement) or, if earlier, through the scheduled expiration date of the options; and
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- the Company will pay Mr. Okerstrom in a lump sum an amount equal to 12 months of monthly premiums of group health plan continuation coverage under COBRA at the level of coverage in which Mr. Okerstrom participated.

Restrictive Covenants. Mr. Okerstrom will be restricted from competing with the Company and from soliciting Company employees and business partners during the eighteen-month period following his termination of employment for any reason.

Equity Grants. In connection with Mr. Okerstrom entering into the Okerstrom Employment Agreement, the Section 16 Committee of the Board also approved the following long-term equity awards to Mr. Okerstrom:

- an award of 300,000 Company stock options that vest in equal installments on the first four anniversaries of the date of grant, subject to Mr. Okerstrom's continued employment with the Company (the "*Service-Based Options*");
- an award of 300,000 Company stock options that are subject to Mr. Okerstrom's continued employment with the Company and satisfaction of a stock price goal of \$200 (a 40.7% increase to the closing price of Expedia's common stock on the date of grant), measured on the basis of the average of the closing prices of the Company's common stock for either the six or twelve-month period immediately preceding September 15, 2021 (the "*Performance-Based Options*"); and
- an award of 25,000 Company restricted stock units that vest on September 15, 2021, subject to continued employment through the applicable vesting date and satisfaction of either (i) a performance goal relating to worldwide hotel room night bookings, or (ii) a performance goal relating to an increase in the Company's stock price ("*Service-Based RSUs*").

The exercise price for the Service-Based Options and the Performance-Based Options is \$142.13, and each Company stock option has a seven-year term.

Upon a termination of Mr. Okerstrom's employment by the Company without cause (other than by reason of his death or disability) or resignation by Mr. Okerstrom for good reason, (i) the Performance-Based Option will vest on a pro-rated basis for each full month from the date of grant to the first anniversary of the termination date, subject to the achievement of the stock price goal, (ii) that portion of the Service-Based Option that would have vested during the twelve-month period following termination of employment will accelerate, and (iii) that portion of the Service-Based RSU that would have vested during the twelve-month period following termination of employment will accelerate (treating the award as if it vested pro-rata on an annual basis over four years).

In the event of a Change in Control (as defined in the Fourth Amended and Restated Expedia, Inc. 2005 Stock and Annual Incentive Plan), each of the Performance-Based Option, the Service-Based Option and the Service-Based RSU will vest in full.

Arrangements with Alan Pickerill

On September 15, 2017, the Company entered into a new, long-term Employment Agreement with Alan Pickerill, the Company's Executive Vice President and Chief Financial Officer (the "*Pickerill Employment Agreement*"), which is effective as of September 15, 2017 and has a term that expires on September 15, 2020.

Compensation. Under the terms of the Pickerill Employment Agreement, Mr. Pickerill will receive a base salary of \$450,000. Mr. Pickerill will also be entitled to receive an annual discretionary bonus with an annual target bonus equal to 80% of his base salary.

Severance. Upon a termination of Mr. Pickerill's employment by the Company without cause (other than by reason of his death or disability) or by Mr. Pickerill for good reason, subject to his execution and non-revocation of a release and compliance with the restrictive covenants described below:

- the Company will continue to pay his base salary through the longer of (i) the completion of the term of the Pickerill Employment Agreement and (ii) twelve months; provided that such payments will be offset by any amount earned by Mr. Pickerill from another employer during such time period;
- all Company equity held by Mr. Pickerill that otherwise would have vested during the twelve-month period following termination of employment will accelerate; provided that any Company equity awards that vest less frequently than annually shall be treated as though such awards vested annually;
- Mr. Pickerill will have eighteen months following such date of termination to exercise any vested stock options granted by the Company (including stock options accelerated pursuant to the terms of the Pickerill Employment Agreement) or, if earlier, through the scheduled expiration date of the options; and
- the Company will pay Mr. Pickerill in a lump sum an amount equal to 12 months of monthly premiums of group health plan continuation coverage under COBRA at the level of coverage in which Mr. Pickerill participated.

Restrictive Covenants. Mr. Pickerill will be restricted from competing with the Company and from soliciting Company employees and business partners during the eighteen-month period following his termination of employment for any reason.

Equity Grants. In connection with Mr. Pickerill's entering into the Pickerill Employment Agreement, the Section 16 Committee of the Board approved an award of 50,000 Company stock options that vest in equal installments on the first four anniversaries of the date of grant, subject to Mr. Pickerill's continued employment with the Company.

Arrangements with Dara Khosrowshahi

As previously announced, Mr. Khosrowshahi resigned as the Company's President and Chief Executive Officer, effective August 31, 2017, and continues to serve as a member of the Board. On September 20, 2017, the Company and Mr. Khosrowshahi entered into an equity treatment agreement (the "DK ETA") governing the treatment of Company equity awards held by Mr. Khosrowshahi as of August 31, 2017.

The material terms of the DK ETA are as follows:

- Mr. Khosrowshahi has forfeited the following unvested Company stock options:
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- o Company stock option for 1,600,000 shares, with a \$95/share exercise price, scheduled to vest in equal installments on March 31, 2018 and March 31, 2020; and
- o Company stock option for 780,000 shares, with a \$95/share exercise price, scheduled to vest on September 30, 2020, subject to satisfaction of a \$170/share Company stock price goal.
- Mr. Khosrowshahi retains the following unvested Company stock options, which will vest on the original vesting schedules, subject to Mr. Khosrowshahi's continued service as a member of the Board:
 - o Company stock option for 50,000 shares, with a \$78.52/share exercise price, scheduled to vest on February 26, 2018;
 - o Company stock option for 125,000 shares, with a \$91.75/share exercise price, scheduled to vest in equal installments on February 27, 2018 and February 27, 2019; and
 - o Company stock option for 320,000 shares, with a \$95/share exercise price, scheduled to vest on September 30, 2020, subject to satisfaction of a \$170/share Company stock price goal.
- Mr. Khosrowshahi may exercise any vested Company stock options until the earlier of (i) one year following the date that Mr. Khosrowshahi ceases to be a member of the Board, and (ii) the applicable expiration date of such Company stock option. The exercise of any vested Company stock options by Mr. Khosrowshahi may, at the election of Mr. Khosrowshahi, be settled on a net basis.
- Until the date of his departure from the Board, Mr. Khosrowshahi will retain a minimum of 287,715 Company shares, exclusive of Company shares underlying Company stock options.

The descriptions of the Okerstrom Employment Agreement, the Okerstrom Performance-Based Option, the Pickerill Employment Agreement and the DK ETA are qualified in their entirety by reference to the full text of those agreements, copies of which are filed as Exhibits 10.1, 10.2, 10.3 and 10.4, respectively, herewith and are incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Employment Agreement between Mark Okerstrom and Expedia, Inc., effective September 15, 2017
10.2	Stock Option Agreement between Mark Okerstrom and Expedia, Inc., effective September 15, 2017 (Performance Options)
10.3	Employment Agreement between Alan Pickerill and Expedia, Inc., effective September 15, 2017
10.4	Equity Treatment Agreement between Dara Khosrowshahi and Expedia, Inc., effective September 20, 2017

SIGNATURES

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 thereunto duly authorized.

EXPEDIA, INC.

By: /s/ Robert J. Dzielak

Robert J. Dzielak

*Executive Vice President, General Counsel
and Secretary*

Date: September 21, 2017

EXHIBIT INDEX

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10.3	<u>Employment Agreement between Alan Pickerill and Expedia, Inc., effective September 15, 2017</u>
10.4	<u>Equity Treatment Agreement between Dara Khosrowshahi and Expedia, Inc., effective September 20, 2017</u>

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered into by and between Mark D. Okerstrom (“Executive”) and Expedia, Inc., a Delaware corporation (the “Company”), and is effective as of September 15, 2017 (the “Effective Date”).

WHEREAS, the Company desires to establish its right to the services of Executive, in the capacity described below, on the terms and conditions hereinafter set forth, and Executive is willing to accept such employment on such terms and conditions.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, Executive and the Company have agreed and do hereby agree as follows:

1A. EMPLOYMENT. The Company agrees to employ Executive as President and Chief Executive Officer of the Company; Executive accepts and agrees to such employment. During Executive’s employment with the Company, Executive shall perform all services and acts necessary or advisable to fulfill the duties and responsibilities as are commensurate and consistent with Executive’s position and shall render such services on the terms set forth herein. During Executive’s employment with the Company, Executive shall report directly to the Chairman and Senior Executive of the Company. Executive shall have such powers and duties with respect to the Company as may reasonably be assigned to Executive by the Chairman and Senior Executive, to the extent consistent with Executive’s position and status. Executive agrees to devote all of Executive’s working time, attention and efforts to the Company and to perform the duties of Executive’s position in accordance with the Company’s policies as in effect from time to time. Executive’s principal place of employment shall be the Company’s offices located in Bellevue, Washington.

2A. TERM OF AGREEMENT. The term (“Term”) of this Agreement shall commence on the Effective Date and shall continue through September 15, 2021, unless sooner terminated in accordance with the provisions of Section 1 of the Standard Terms and Conditions.

3A. COMPENSATION.

(a) BASE SALARY. During the Term, the Company shall pay Executive an annualized base salary of \$1,000,000.00 (the “Base Salary”), payable in equal biweekly installments or in accordance with the Company’s payroll practice as in effect from time to time. For all purposes under this Agreement, the term “Base Salary” shall refer to Base Salary as in effect from time to time.

(b) DISCRETIONARY BONUS. During the Term, Executive shall be eligible to receive discretionary annual bonuses. Any such annual bonus shall be paid not later than March 15 of the calendar year immediately following the calendar year with respect to which such annual bonus relates (unless Executive has elected to defer receipt of such bonus pursuant to an arrangement that meets the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”)).

(c) BENEFITS.

(i) Retirement and Welfare Plans. During the Term, from the Effective Date through the date of termination of Executive’s employment with the Company for any reason, Executive shall be entitled to participate in any welfare, health and life insurance and pension benefit plans as may be adopted from time to time by the Company on the same basis as that provided to similarly situated executives of the Company generally, consistent with the terms of such plans.

(ii) Reimbursement for Business Expenses. During the Term, the Company shall reimburse Executive for all reasonable and necessary expenses incurred by Executive in performing Executive’s duties for the Company, on the same basis as similarly situated executives of the Company generally and in accordance with the Company’s policies as in effect from time to time.

(iii) Vacation. During the Term, Executive shall be entitled to annual paid vacation in accordance with the plans, policies, programs and practices of the Company applicable to similarly situated executives of the Company generally.

4A. NOTICES. All notices and other communications under this Agreement shall be in writing and shall be given by first-class mail, certified or registered with return receipt requested or hand delivery acknowledged in writing by the recipient personally, and shall be deemed to have been duly given three days after mailing or immediately upon duly acknowledged hand delivery to the respective persons named below:

If to the Company: Expedia, Inc.
 333 108th Avenue NE
 Bellevue, Washington 98004
 Attention: General Counsel

If to Executive: At the most recent address on record for Executive at the Company.

Either party may change such party's address for notices by notice duly given pursuant hereto.

5A. GOVERNING LAW; JURISDICTION. This Agreement and the legal relations thus created between the parties hereto shall be governed by and construed under and in accordance with the internal laws of the State of Washington without reference to the principles of conflicts of laws. Any and all disputes between the parties which may arise pursuant to this Agreement will be heard and determined before an appropriate federal court in Washington, or, if not maintainable therein, then in an appropriate Washington state court. The parties acknowledge that such courts have jurisdiction to interpret and enforce the provisions of this Agreement, and the parties consent to, and waive any and all objections that they may have as to, personal jurisdiction and/or venue in such courts.

6A. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. Executive expressly understands and acknowledges that the Standard Terms and Conditions attached hereto are incorporated herein by reference, deemed a part of this Agreement and are binding and enforceable provisions of this Agreement. References to "this Agreement" or the use of the term "hereof" shall refer to this Agreement and the Standard Terms and Conditions attached hereto, taken as a whole.

(Signature page follows.)

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed and delivered by its duly authorized officer and Executive has executed and delivered this Agreement.

EXPEDIA, INC.

/s/ Robert J. Dzielak

By: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

Dated: September 15, 2017

EXECUTIVE

/s/ Mark D. Okerstrom

Mark D. Okerstrom

Dated: September 15, 2017

1. TERMINATION OF EXECUTIVE'S EMPLOYMENT.

(a) DEATH. Upon termination of Executive's employment prior to the expiration of the Term by reason of Executive's death, the Company shall pay Executive's designated beneficiary or beneficiaries, within 30 days of Executive's death in a lump sum in cash, (i) Executive's Base Salary from the date of Executive's death through the end of the month in which Executive's death occurs and (ii) any Accrued Obligations (as defined in Section 1(f) below) in a lump sum in cash.

(b) DISABILITY. If, as a result of Executive's disability (as provided under Section 409A(a)(2)(C) of the Code and Treasury regulation section 1.409A-3(i)(4) and other official guidance issued thereunder) (a "Disability"), Executive shall have been absent from the full-time performance of Executive's duties with the Company for a period of four consecutive months and, within 30 days after written notice is provided to Executive by the Company (in accordance with Section 4A hereof), Executive shall not have returned to the full-time performance of Executive's duties, Executive's employment under this Agreement may be terminated by the Company for Disability. During any period prior to such termination during which Executive is absent from the full-time performance of Executive's duties with the Company due to Disability, the Company shall continue to pay Executive's Base Salary at the rate in effect at the commencement of such period of Disability, offset by any amounts payable to Executive under any disability insurance plan or policy provided by the Company. Upon termination of Executive's employment due to Disability, the Company shall pay Executive within 30 days of such termination (i) Executive's Base Salary through the end of the month in which Executive's termination of employment for Disability occurs in a lump sum in cash, offset by any amounts payable to Executive under any disability insurance plan or policy provided by the Company; and (ii) any Accrued Obligations in a lump sum in cash.

(c) TERMINATION FOR CAUSE; RESIGNATION WITHOUT GOOD REASON. The Company may terminate Executive's employment under this Agreement with or without Cause at any time and Executive may resign under this Agreement with or without Good Reason at any time. As used herein, "Cause" shall mean: (i) the plea of guilty or nolo contendere to, conviction for, or the commission of, a felony offense by Executive; *provided, however*, that after indictment, the Company may suspend Executive from the rendition of services, but without limiting or modifying in any other way the Company's obligations under this Agreement; (ii) a material breach by Executive of a fiduciary duty owed to the Company or any of its subsidiaries; (iii) a material breach by Executive of any of the covenants made by Executive in Section 2 hereof; (iv) the willful or gross neglect by Executive of the material duties required by this Agreement; or (v) a knowing and material violation by Executive of any Company policy pertaining to ethics, legal compliance, wrongdoing or conflicts of interest that, in the case of the conduct described in clauses (iv) or (v) above, if curable, is not cured by Executive within 30 days after Executive is provided with written notice thereof. Upon Executive's (A) termination of employment by the Company for Cause prior to the expiration of the Term or (B) resignation without Good Reason prior to the expiration of the Term, this Agreement shall terminate without further obligation by the Company, except for the payment of any Accrued Obligations in a lump sum in cash within 30 days of such termination.

(d) TERMINATION BY THE COMPANY OTHER THAN FOR DEATH, DISABILITY OR CAUSE OR RESIGNATION BY EXECUTIVE FOR GOOD REASON. Upon termination of Executive's employment prior to the expiration of the Term by the Company without Cause (other than for death or Disability) or by Executive for Good Reason (as defined below), then:

(i) the Company shall continue to pay Executive the Base Salary through the longer of (x) the end of the Term over the course of the then remaining Term, subject to a maximum of 36 months and (y) 12 months following termination (such period, the "Salary Continuation Period") in equal biweekly installments in accordance with the Company's payroll practice as in effect from time to time; and the Company shall pay Executive in a lump sum (without regard to whether Executive actually elects COBRA coverage) an amount equal to the monthly premiums during the Salary Continuation Period with respect to COBRA continuation coverage under the Company's group health plans in existence on

the date of termination, and at the level of coverage Executive participated in, as of the date of termination;

(ii) the Company shall pay Executive within 30 days of the date of such termination in a lump sum in cash any Accrued Obligations;

(iii) the Company will consider in good faith the payment of a discretionary bonus on a pro rata basis for the year in which the Termination of Employment occurs, any such payment to be paid (if at all) based on actual performance during the year in which termination has occurred and based on the number of days of employment during such year relative to 365 days (payable in a lump sum at the time such annual bonus would otherwise have been paid);

(iv) except as otherwise provided in any individual award agreement (including the two stock option agreements between Executive and the Company dated March 7, 2016 and the performance based stock option agreement between Executive and the Company of even date herewith), any compensation awards of Executive based on, or in the form of, Company equity (e.g. restricted stock, restricted stock units, stock options or similar instruments) (“Equity Awards”) that are outstanding and unvested at the time of such termination but which would, but for a termination of employment, have vested during the 12 months following such termination (such period, the “Equity Acceleration Period”) shall vest (and with respect to awards other than stock options and stock appreciation rights, settle) as of the date of such termination of employment; *provided that* any outstanding award with a vesting schedule that would, but for a termination of employment, have resulted in a smaller percentage (or none) of the award being vested through the end of such Equity Acceleration Period than if it vested annually pro rata over its vesting period shall, for purposes of this provision, be treated as though it vested annually pro rata over its vesting period (e.g., if 100 restricted stock units (“RSUs”) were granted 2.7 years prior to the date of the termination and vested pro rata on each of the first five anniversaries of the grant date and 100 RSUs were granted 1.7 years prior to the date of termination and vested on the fifth anniversary of the grant date, then on the date of termination 20 RSUs from the first award and 40 RSUs from the second award would vest and settle); *provided further* that any amount that would vest under this provision but for the fact that outstanding performance conditions have not been satisfied shall vest (and with respect to awards other than stock options and stock appreciation rights, settle) only if, and at such point as, such performance conditions are satisfied; and *provided further* that to the extent that any such equity awards constitutes “non-qualified deferred compensation” within the meaning of Section 409A, such awards shall vest, but only settle in accordance with their terms (it being understood that it is intended that no equity awards outstanding as of the date of this Agreement constitutes “non-qualified deferred compensation” within the meaning of Section 409A); and

(v) any then vested options of Executive (including options vesting as a result of (iv) above) granted by the Company to purchase Company equity, shall remain exercisable through the date that is 18 months following the date of such termination or, if earlier, through the original scheduled expiration date of such options.

The expiration of the Term shall not give rise to any payment to Executive or acceleration obligation under this Section 1(d).

The payment to Executive of the severance pay and benefits described in Sections 1(d)(i), (iii), (iv) and (v) (the “Severance Payments & Benefits”) above is contingent upon (i) Executive’s compliance with the offset provisions in Section 1(e) below, (ii) Executive’s compliance with the restrictive covenants set forth in Section 2, and (iii) Executive signing and not revoking a separation agreement and release of claims in favor of the Company and its affiliates in a form that is satisfactory to the Company upon Executive’s termination of employment that becomes effective no later than sixty (60) days following Executive’s employment termination date or such earlier date required by the release agreement (such deadline, the “Release Deadline”). If the release does not become effective and irrevocable by the Release Deadline, Executive will forfeit any rights to the Severance Payments and Benefits. In no event will Severance Payments & Benefits be paid or provided until the release actually becomes effective and irrevocable. Upon the release becoming effective and irrevocable, any payments delayed from the date Executive terminates employment through the effective date of the release will be payable in a lump sum without interest as

soon as administratively practicable after the Release Deadline and all other amounts will be payable in accordance with the payment schedule applicable to each payment or benefit. Any Severance Payments & Benefits that would be considered Deferred Payments (as defined below) will be paid on, or, in the case of installments, will not commence until, the sixtieth (60th) day following Executive's separation from service, or, if later, the Delayed Initial Payment Date, as defined below. Any installment payments that would have been made to Executive during the sixty (60)-day period immediately following Executive's separation from service, but for the preceding sentence, will be paid to Executive on the sixtieth (60th) day following Executive's separation from service and the remaining payments shall be made as provided in this Agreement.

As used herein, "Good Reason" shall mean the occurrence of any of the following without Executive's prior written consent: (A) the Company's material breach of any material provision of this Agreement, (B) the material reduction in Executive's title, duties or reporting responsibilities, excluding for this purpose any such reduction that is an isolated and inadvertent action not taken in bad faith or that is authorized pursuant to this Agreement, (C) the material reduction in Executive's Base Salary, or (D) the relocation of Executive's principal place of employment more than 50 miles outside the Seattle metropolitan area, *provided* that in no event shall Executive's resignation be for "Good Reason" unless (x) an event or circumstance set forth in clauses (A) through (D) shall have occurred and Executive provides the Company with written notice thereof within 30 days after Executive has knowledge of the occurrence or existence of such event or circumstance, which notice specifically identifies the event or circumstance that Executive believes constitutes Good Reason, (y) the Company fails to correct the circumstance or event so identified within 30 days after receipt of such notice, and (z) Executive resigns within 90 days after the date of delivery of the notice referred to in clause (x) above.

Notwithstanding the preceding provisions of this Section 1(d), in the event that Executive is a "specified employee" (within the meaning of Section 409A) on the date of termination of Executive's employment with the Company and the Severance Payments & Benefits to be paid within the first six months following such date (the "Initial Payment Period") exceed the amount referenced in Treas. Regs. Section 1.409A-1(b)(9)(iii)(A) (the "Limit"), then (1) any portion of the Severance Payments & Benefits that is a "short-term deferral" within the meaning of Treas. Regs. Section 1.409A-1(b)(4)(i) shall be paid at the times set forth in Section 1(d), (2) any portion of the Severance Payments & Benefits (in addition to the amounts contemplated by the immediately preceding clause (1)) that is payable during the Initial Payment Period that does not exceed the Limit shall be paid at the times set forth in Section 1(d) as applicable, (3) any portion of the Severance Payments & Benefits that exceeds the Limit and is not a "short-term deferral" (and would have been payable during the Initial Payment Period but for the Limit) (the "Deferred Payments") shall be paid, with interest, on the first business day of the first calendar month that begins after the six-month anniversary of Executive's "separation from service" (within the meaning of Section 409A) (the "Delayed Initial Payment Date") and (4) any portion of the Severance Payments & Benefits that is payable after the Initial Payment Period shall be paid at the times set forth in Section 1(d). For purposes of this Agreement, "Interest" shall mean interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code, from the date on which payment would otherwise have been made but for any required delay through the date of payment.

(e) OFFSET. If Executive obtains other employment during the Salary Continuation Period, any payments to be made to Executive under Section 1(d) hereof after the date such employment is secured shall be offset by the amount of compensation earned by Executive from such employment. For purposes of this Section 1(e), Executive shall have an obligation to inform the Company regarding Executive's employment status following termination and during the Salary Continuation Period, but shall have no affirmative duty to seek alternate employment.

(f) ACCRUED OBLIGATIONS. As used in this Agreement, "Accrued Obligations" shall mean the sum of (i) any portion of Executive's accrued and earned but unpaid Base Salary through the date of death or termination of employment for any reason, as the case may be; (ii) any compensation previously earned but deferred by Executive (together with any interest or earnings thereon) that has not yet been paid and that is not otherwise paid at a later date pursuant to any deferred compensation arrangement of the Company to which Executive is a party, if any (provided, that any election made by Executive pursuant to any deferred compensation arrangement that is subject to Section 409A regarding the schedule for payment of such deferred compensation shall prevail over this Section 1(f) to the extent inconsistent herewith); and (iii) other than in the event of Executive's resignation without Good Reason

or termination by the Company for Cause (except as required by applicable law), any portion of Executive's accrued but unpaid vacation pay through the date of death or termination of employment.

(g) OTHER BENEFITS. Upon any termination of Executive's employment prior to the expiration of the Term, Executive shall remain entitled to receive any vested benefits or amounts that Executive is otherwise entitled to receive under any plan, policy, practice or program of, or any other contract or agreement with, the Company in accordance with the terms thereof (other than any such plan, policy, practice or program of the Company that provides benefits in the nature of severance or continuation pay).

2. CONFIDENTIAL INFORMATION; NON-SOLICITATION; NON-COMPETITION; AND PROPRIETARY RIGHTS.

(a) CONFIDENTIALITY. Executive acknowledges that while employed by the Company, Executive will occupy a position of trust and confidence. Executive shall not, except as is appropriate to perform Executive's duties hereunder or as required by applicable law, disclose to others, use, copy, transmit, reproduce, summarize, quote or make commercial, whether directly or indirectly, any Confidential Information. Executive will also take reasonable steps to safeguard such Confidential Information and prevent its loss, theft, or inadvertent disclosure to third persons. This Section 2 shall apply to Confidential Information acquired by Executive whether prior or subsequent to the execution of this Agreement. "Confidential Information" shall mean information about the Company or any of its subsidiaries or affiliates, and their respective clients and customers, including (without limitation) any proprietary knowledge, trade secrets, data, formulae, information and client and customer lists and all papers, resumes, and records (including computer records) of the documents containing such Confidential Information, provided that Confidential Information shall not mean any such information that is previously disclosed to, or in possession of, the public other than by reason of Executive's breach of this Agreement. Notwithstanding the foregoing provisions, if Executive is required to disclose any such confidential or proprietary information pursuant to applicable law or a subpoena or court order, Executive shall promptly notify the Company in writing of any such requirement so that the Company may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions hereof. Executive shall reasonably cooperate with the Company to obtain such a protective order or other remedy. If such order or other remedy is not obtained prior to the time Executive is required to make the disclosure, or the Company waives compliance with the provisions hereof, Executive shall disclose only that portion of the confidential or proprietary information which he is advised by counsel that he is legally required to so disclose. Executive acknowledges that such Confidential Information is specialized, unique in nature and of great value to the Company and its subsidiaries or affiliates, and that such information gives the Company and its subsidiaries or affiliates a competitive advantage. Executive agrees to deliver or return to the Company, at the Company's request at any time or upon termination or expiration of Executive's employment or as soon thereafter as possible, all documents, computer tapes and disks, records, lists, data, drawings, prints, notes and written information (and all copies thereof) furnished by the Company and its subsidiaries or affiliates or prepared by Executive in the course of Executive's employment by the Company and its subsidiaries or affiliates. As used in this Agreement, "affiliates" shall mean any company controlled by, controlling or under common control with the Company.

(b) NON-COMPETITION. In consideration of the Company's promise to disclose, and disclosure of, its Confidential Information and other good and valuable consideration provided hereunder, the receipt and sufficiency of which are hereby acknowledged by Executive, Executive hereby agrees and covenants that during the Term and for a period of 18 months beyond Executive's date of termination of employment for any reason, including the expiration of the Term (the "Restricted Period"), Executive shall not, directly or indirectly, engage in, assist or become associated with a Competitive Activity. For purposes of this Section 2(b): (i) a "Competitive Activity" means, at the time of Executive's termination, any business or other endeavor in the Restricted Territory of a kind being conducted by the Company or any of its subsidiaries or, if engaged in the provision of any travel related services, any of its affiliates in the Restricted Territory (or demonstrably anticipated by the Company or its subsidiaries or affiliates as of the Effective Date or at any time thereafter; and (ii) Executive shall be considered to have become "associated with a Competitive Activity" if Executive becomes directly or indirectly involved as an owner, principal, employee, officer, director, independent contractor, representative, stockholder, financial backer, agent, partner, advisor, lender, or in any other individual or representative capacity with any individual, partnership, corporation or other organization that is engaged in a Competitive Activity. Notwithstanding the foregoing, (i)

Executive may make and retain investments during the Restricted Period, for investment purposes only, in less than five percent of the outstanding capital stock of any publicly-traded corporation engaged in a Competitive Activity if stock of such corporation is either listed on a national stock exchange or on the NASDAQ National Market System if Executive is not otherwise affiliated with such corporation; (ii) Executive may serve as an employee or partner (or otherwise hold an ownership interest) in an investment firm that has an ownership interest in a partnership, corporation or other organization that is engaged in a Competitive Activity provided such ownership interest does not constitute greater than 20% of such investment firm's total assets under management and Executive is not directly involved with the provision of direction or management of such entity; and (iii) Executive may serve as an employee of or partner (or otherwise hold an ownership interest) in a consultancy or investment bank engaged in providing advisory services to entities engaged in Competitive Activities provided that Executive is not directly involved in the provision of the advisory services to such entities. For purposes of this Section 2(b), the "Restricted Territory" shall be defined as any state or political subdivision in the world where the Company is engaged in business, or has verifiable plans to engage in business.

(c) NON-SOLICITATION OF EMPLOYEES. Executive agrees that during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, hire, recruit or solicit the employment or services of (whether as an employee, officer, director, agent, consultant or independent contractor), any employee, officer, director, agent, consultant or independent contractor of the Company or any of its subsidiaries or affiliates or any such person who has terminated his or her relationship with the Company or any of its subsidiaries or affiliates within the six-month period prior to such hiring, recruiting or soliciting (except for (i) such employment or hiring by the Company or any of its subsidiaries or affiliates or (ii) such employment or hiring by Executive of an agent, consultant or independent contractor where the primary duties of such person are not for the Company); provided, however that a general solicitation of the public for employment shall not constitute a solicitation hereunder so long as such general solicitation is not designed to target, or does not have the effect of targeting, any employee, officer, director, agent, consultant or independent contractor of the Company or any of its subsidiaries or affiliates. This Section 2(c) shall not apply to any administrative assistant working directly for Executive.

(d) NON-SOLICITATION OF BUSINESS PARTNERS. During the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, persuade or encourage or attempt to persuade or encourage any business partners or business affiliates of the Company or its subsidiaries or affiliates to cease doing business with the Company or any of its subsidiaries or affiliates or to engage in any business competitive with the Company or its subsidiaries or affiliates on its own or with any competitor of the Company or its subsidiaries or affiliates.

(e) PROPRIETARY RIGHTS; ASSIGNMENT. All Executive Developments (as defined below) shall be made for hire by Executive for the Company or any of its subsidiaries or affiliates. "Executive Developments" means any idea, discovery, invention, design, method, technique, improvement, enhancement, development, computer program, machine, algorithm or other work or authorship, in each case, (i) that (A) relates to the business or operations of the Company or any of its subsidiaries or affiliates, or (B) results from or is suggested by any undertaking assigned to Executive or work performed by Executive for or on behalf of the Company or any of its subsidiaries or affiliates, whether created alone or with others, during or after working hours and (ii) that is conceived or developed during the Term. All Confidential Information and all Executive Developments shall remain the sole property of the Company or any of its subsidiaries or affiliates. Executive shall acquire no proprietary interest in any Confidential Information or Executive Developments developed or acquired during the Term. To the extent Executive may, by operation of law or otherwise, acquire any right, title or interest in or to any Confidential Information or Executive Development, Executive hereby assigns to the Company all such proprietary rights. Executive shall, both during and after the Term, upon the Company's request, promptly execute and deliver to the Company all such assignments, certificates and instruments, and shall promptly perform such other acts, as the Company may from time to time in its reasonable discretion deem necessary or desirable to evidence, establish, maintain, perfect, enforce or defend the Company's rights in Confidential Information and Executive Developments.

(f) COMPLIANCE WITH POLICIES AND PROCEDURES. During the Term, Executive shall adhere to the policies and standards of professionalism set forth in the Company's Policies and Procedures as they may exist from

time to time. Executive hereby consents to, and expressly authorizes, the Company's use of Executive's name and likeness in trade publications and other media for trade or commercial purposes.

(g) **REMEDIES FOR BREACH.** Executive expressly agrees and understands that the Company will have 30 days from receipt of Executive's notice of any alleged breach by the Company of this Agreement to cure any such breach. Executive expressly agrees and understands that the remedy at law for any breach by Executive of this Section 2 will be inadequate and that damages flowing from such breach are not usually susceptible to being measured in monetary terms. Accordingly, it is acknowledged that upon Executive's violation or threatened violation of any provision of this Section 2, the Company shall be entitled to obtain from any court of competent jurisdiction immediate injunctive relief and obtain a temporary order restraining any threatened or further breach as well as an equitable accounting of all profits or benefits arising out of such violation or threatened violation without the requirement of posting any bond. Nothing in this Section 2 shall be deemed to limit the Company's remedies at law or in equity for any breach by Executive of any of the provisions of this Section 2, which may be pursued by or available to the Company.

(h) **SURVIVAL OF PROVISIONS.** The obligations contained in this Section 2 shall, to the extent provided in this Section 2, survive the termination or expiration of Executive's employment with the Company and, as applicable, shall be fully enforceable thereafter in accordance with the terms of this Agreement. If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 2 is excessive in duration or scope or is unreasonable or unenforceable under the laws of that state, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the law of that state.

3. **TERMINATION OF PRIOR AGREEMENTS.** This Agreement constitutes the entire agreement between the parties and terminates and supersedes any and all prior agreements and understandings (whether written or oral) between the parties, including the Employment Agreement between the parties dated October 20, 2011, as amended, with respect to the subject matter of this Agreement. Executive acknowledges and agrees that neither the Company nor anyone acting on its behalf has made, and is not making, and in executing this Agreement, the Executive has not relied upon, any representations, promises or inducements except to the extent the same is expressly set forth in this Agreement.

4. **ASSIGNMENT; SUCCESSORS.** This Agreement is personal in its nature and none of the parties hereto shall, without the consent of the others, assign or transfer this Agreement or any rights or obligations hereunder; provided, that, in the event of a merger, consolidation, transfer, reorganization, or sale of all, substantially all or a substantial portion of, the assets of the Company with or to any other individual or entity, this Agreement shall, subject to the provisions hereof, be binding upon and inure to the benefit of the Company's successor in interest in such transaction, and such successor shall discharge and perform all the promises, covenants, duties, and obligations of the Company hereunder, and all references herein to the "Company" shall refer to such successor.

5. **TAXES; WITHHOLDING.** The Company shall make such deductions and withhold such amounts from each payment and benefit made or provided to Executive hereunder, as may be required from time to time by applicable law, governmental regulation or order. The Company cannot and has not guaranteed any particular tax result for payments under this Agreement. Executive shall be solely responsible for costs and taxes incurred for any payments under this Agreement.

6. **HEADING REFERENCES.** Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. References to "this Agreement" or the use of the term "hereof" shall refer to these Standard Terms and Conditions and the Employment Agreement attached hereto, taken as a whole.

7. **WAIVER; MODIFICATION.** Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such term, covenant, or condition, nor shall any waiver or relinquishment of, or failure to insist upon strict compliance with, any right or power hereunder at any one or more

times be deemed a waiver or relinquishment of such right or power at any other time or times. This Agreement shall not be modified in any respect except by a writing executed by each party hereto.

8. SEVERABILITY. In the event that a court of competent jurisdiction determines that any portion of this Agreement is in violation of any law or public policy, only the portions of this Agreement that violate such law or public policy shall be stricken. All portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, any court order striking any portion of this Agreement shall modify the stricken terms as narrowly as possible to give as much effect as possible to the intentions of the parties under this Agreement.

9. INDEMNIFICATION. The Company shall indemnify and hold Executive harmless for acts and omissions in Executive's capacity as an officer, director or employee of the Company to the maximum extent permitted under applicable law; provided, however, that neither the Company, nor any of its subsidiaries or affiliates, shall indemnify Executive for any losses incurred by Executive as a result of acts described in paragraph 1(c) of this Agreement.

10. SECTION 409A. The Agreement is intended to comply with the requirements of Section 409A or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be administered in accordance with Section 409A. Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. All reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A, including, without limitation, that (i) in no event shall reimbursements by the Company under this Agreement be made later than the end of the calendar year next following the calendar year in which the applicable fees and expenses were incurred, provided, that Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; (ii) the amount of in-kind benefits that the Company is obligated to pay or provide in any given calendar year shall not affect the in-kind benefits that the Company is obligated to pay or provide in any other calendar year; (iii) Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than Executive's remaining lifetime (or if longer, through the 20th anniversary of the Effective Date). Amounts payable under this Agreement upon a termination of employment that constitute deferred compensation within the meaning of Section 409A will not be paid or provided until Executive experiences a "separation from service" within the meaning of Section 409A, and notwithstanding anything contained herein to the contrary, the date on which such separation from service takes place shall be the date of termination.

ACKNOWLEDGED AND AGREED AS OF THE EFFECTIVE DATE:

EXPEDIA, INC.

/s/ Robert J. Dzielak

By: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

Dated: September 15, 2017

EXECUTIVE

/s/ Mark D. Okerstrom

Mark D. Okerstrom

Dated: September 15, 2017

EXPEDIA, INC. STOCK OPTION AGREEMENT

THIS AGREEMENT (this “*Agreement*”), dated September 15, 2017, is entered into by and between Expedia, Inc., a Delaware corporation (the “*Corporation*”) and Mark Okerstrom (the “*Participant*”). All capitalized terms used herein, to the extent not defined, shall have the meanings set forth in the Corporation’s Fourth Amended and Restated 2005 Stock and Annual Incentive Plan (as amended from time to time, the “*Plan*”). Reference is made to the Amended and Restated Employment Agreement (“*Employment Agreement*”), by and between Participant and the Corporation, effective as of September 15, 2017, as amended from time to time.

1. Award of Stock Option

Subject to the provisions of this Agreement and the Plan, the Corporation hereby grants to the Participant on September 15, 2017 (the “*Grant Date*”) an option to purchase 300,000 Shares, at the exercise price of \$142.13 per Share (the “*Stock Option*”). The Stock Option shall be a Nonqualified Stock Option. Unless earlier terminated pursuant to the terms of this Agreement, the Stock Option shall expire on the seventh anniversary of the Grant Date.

2. Vesting

Subject to (a) the terms and conditions of this Agreement and the provisions of the Plan, and (b) the Participant’s continuous employment by the Corporation or one of its Subsidiaries or Affiliates through the applicable vesting date, the Stock Option shall vest and become exercisable on September 15, 2021 if the average closing price of a Share during (x) the period commencing September 16, 2020 through September 15, 2021, or (y) the period commencing March 16, 2021 through September 15, 2021 equals or exceeds \$200 (subject to equitable adjustment in the case of an adjustment pursuant to Section 3(d) of the Plan, the “*Stock Price Goal*”).

3. Termination of Employment; Change in Control.

(a) *Termination of Employment.* Except as set forth below, Section 5(i) of the Plan shall govern the treatment of the Stock Option upon Participant’s Termination of Employment. For the avoidance of doubt, Section 5(i)(iv) of the Plan shall not govern the treatment of Participant’s Stock Option upon Participant’s Termination of Employment for Good Reason or without Cause; the treatment of the Stock Option under such circumstances shall be governed by Section 3(a)(i)-(iii) of this Agreement.

(i) For purposes of this Agreement, the terms “*Cause*” and “*Good Reason*” shall have the meanings ascribed to such terms set forth in the Employment Agreement.

(ii) In the event of Participant’s Termination of Employment prior to September 30 2021 by the Participant for Good Reason or by the Corporation without Cause, other than by reason of death or Disability, subject to (A) Participant’s compliance with the restrictive covenants set forth in Section 2 of the Employment Agreement, and (B) Participant signing and not revoking a separation agreement and release of claims in favor of the Corporation and its affiliates in a form that is satisfactory to the Corporation that becomes effective no later than sixty (60) days following Participant’s employment termination date or such earlier date required by the release agreement, the Stock Option shall remain outstanding, and, if the Stock Price Goal is satisfied, the Stock Option shall vest on September 15, 2021 as to 6,250 Shares for each full month from and after September 30, 2017

through the one-year anniversary of Participant's Termination of Employment (subject to a maximum of 300,000 Shares) and the unvested portion of the Stock Option shall be forfeited and canceled.

(iii) In the event of Participant's Termination of Employment by the Participant for Good Reason or by the Corporation without Cause, other than by reason of death or Disability, the vested portion of the Stock Option (including any portion that vests pursuant to this Section 3) shall remain exercisable until September 15, 2024.

(b) *Change in Control.* In the event of a Change in Control, the Stock Option immediately shall vest in full.

4. Terms of Employment; Termination of Employment by the Corporation for Cause

(a) Nothing in this Agreement or the Plan shall confer upon the Participant any right to continue in the employ or service of the Corporation or any of its Subsidiaries or Affiliates or interfere in any way with their rights to terminate the Participant's employment or service at any time.

(b) In the event the Participant exercises any portion of the Stock Option within two years prior to the Participant's Termination of Employment for Cause, the Participant agrees that the Corporation shall be entitled to recover from the Participant, at any time within two years following such exercise, and the shall pay over to the Corporation, the excess of (i) the aggregate Fair Market Value of the Common Stock subject to such exercise on the date of exercise over (ii) the aggregate exercise price of the Common Stock subject to such exercise on the date of exercise.

5. Taxes and Withholding

No later than the date as of which an amount in respect of the Stock Option first becomes includible in the Participant's gross income for federal, state, local or foreign income or employment or other tax purposes, the Participant shall pay to the Corporation or make arrangements satisfactory to the Committee regarding payment of any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to such amount and the Corporation shall, to the extent permitted or required by law, have the right to deduct from any payment of any kind otherwise due to the Participant (either directly or indirectly through its agent), federal, state, local and foreign taxes of any kind required by law to be withheld. Notwithstanding the foregoing, the Corporation shall be entitled to hold the shares of Common Stock issuable to the Participant upon exercise of the Participant's Stock Option until the Corporation or the agent selected by the Corporation to manage the Plan under which the Stock Option has been issued (the "*Agent*") has received from the Participant (i) a duly executed Form W-9 or W-8, as applicable and (ii) payment for any federal, state, local or foreign taxes of any kind required by law to be withheld with respect to any portion of such Stock Option.

6. Conflicts and Interpretation

Applicable terms of the Plan are expressly incorporated by reference into this Agreement. In the event of any conflict between this Agreement and the Plan, the Plan shall control. In the event of any ambiguity in this Agreement, or any matters as to which this Agreement is silent, the Plan shall govern including, without limitation, the provisions thereof pursuant to which the Committee has the power, among others, to (i) interpret the Plan, (ii) prescribe, amend and rescind rules and regulations relating to the Plan and (iii) make all other determinations deemed necessary or advisable for the administration of the Plan. In the event of any (x) conflict between any information posted on the

Morgan Stanley Benefit Access System or successor system and this Agreement, the Plan and/or the books and records of the Corporation or (y) ambiguity in any information posted on the Morgan Stanley Benefit Access System or successor system, this Agreement, the Plan and/or the books and records of the Corporation, as applicable, shall control.

7. Data Protection

The Participant authorizes the release from time to time to the Corporation (and any of its Subsidiaries or Affiliates) and to the Agent (together, the “**Relevant Companies**”) of any and all personal or professional data that is necessary or desirable for the administration of the Plan and/or this Agreement (the “**Relevant Information**”). Without limiting the above, the Participant permits his or her employing company to collect, process, register and transfer to the Relevant Companies all Relevant Information (including any professional and personal data that may be useful or necessary for the purposes of the administration of the Plan and/or this Agreement and/or to implement or structure any further grants of equity awards (if any)). The Participant hereby authorizes the Relevant Information to be transferred to any jurisdiction that the Corporation, his or her employing company or the Agent considers appropriate. The Participant shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

8. Amendment

The Committee may unilaterally amend the Stock Option, prospectively or retroactively, but no such amendment shall, without the Participant’s consent, materially impair the rights of the Participant with respect to the Stock Option, except such an amendment made to cause the Stock Option to comply with applicable law, stock exchange rules or accounting rules.

9. Notification of Changes

Any changes to this Agreement shall be communicated (either directly by the Corporation or indirectly through any of its Subsidiaries, Affiliates or the Agent) to the Participant electronically via email (or otherwise in writing) promptly after such change becomes effective.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, as of the Grant Date, the Corporation has caused this Agreement to be executed on its behalf by a duly authorized officer, and the Participant has hereunto set the Participant's hand. Electronic acceptance of this Agreement pursuant to the Corporation's instructions to the Participant (including through an online acceptance process managed by the Agent) shall constitute execution of the Agreement by the Participant.

EXPEDIA, INC.

/s/ Robert J. Dzielak

By: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

Mark Okerstrom, Participant

/s/ Mark D. Okerstrom

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (“Agreement”) is entered into by and between Alan Pickerill (“Executive”) and Expedia, Inc., a Delaware corporation (the “Company”), and is effective as of September 15, 2017 (the “Effective Date”).

WHEREAS, the Company desires to establish its right to the services of Executive, in the capacity described below, on the terms and conditions hereinafter set forth, and Executive is willing to accept such employment on such terms and conditions.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth, Executive and the Company have agreed and do hereby agree as follows:

1A. EMPLOYMENT. The Company agrees to employ Executive as Executive Vice President and Chief Financial Officer of the Company; Executive accepts and agrees to such employment. During Executive’s employment with the Company, Executive shall perform all services and acts necessary or advisable to fulfill the duties and responsibilities as are commensurate and consistent with Executive’s position and shall render such services on the terms set forth herein. During Executive’s employment with the Company, Executive shall report directly to the Chief Executive Officer of the Company or such person(s) as from time to time may be designated by the Company (hereinafter referred to as the “Reporting Officer”). Executive shall have such powers and duties with respect to the Company as may reasonably be assigned to Executive by the Reporting Officer, to the extent consistent with Executive’s position and status. Executive agrees to devote all of Executive’s working time, attention and efforts to the Company and to perform the duties of Executive’s position in accordance with the Company’s policies as in effect from time to time. Executive’s principal place of employment shall be the Company’s offices located in Bellevue, Washington.

2A. TERM OF AGREEMENT. The term (“Term”) of this Agreement shall commence on the Effective Date and shall continue through September 15, 2020, unless sooner terminated in accordance with the provisions of Section 1 of the Standard Terms and Conditions.

3A. COMPENSATION.

(a) BASE SALARY. During the Term, the Company shall pay Executive an annualized base salary of \$450,000.00 (the “Base Salary”), payable in equal biweekly installments or in accordance with the Company’s payroll practice as in effect from time to time. For all purposes under this Agreement, the term “Base Salary” shall refer to Base Salary as in effect from time to time.

(b) DISCRETIONARY BONUS. During the Term, Executive shall be eligible to receive discretionary annual bonuses with an annual target bonus equal to 80% of Base Salary, with amounts, if any, for any partial year payable on a *pro rata* basis (based on the number of days of employment during any such partial year relative to 365 days). Any such annual bonus shall be paid not later than March 15 of the calendar year immediately following the calendar year with respect to which such annual bonus relates (unless Executive has elected to defer receipt of such bonus pursuant to an arrangement that meets the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”)).

(c) BENEFITS.

(i) Retirement and Welfare Plans. During the Term, from the Effective Date through the date of termination of Executive’s employment with the Company for any reason, Executive shall be entitled to participate in any welfare, health and life insurance and pension benefit plans as may be adopted from time to time by the Company on the same basis as that provided to similarly situated executives of the Company generally, consistent with the terms of such plans.

(ii) Reimbursement for Business Expenses. During the Term, the Company shall reimburse Executive for all reasonable and necessary expenses incurred by Executive in performing Executive’s

duties for the Company, on the same basis as similarly situated executives of the Company generally and in accordance with the Company's policies as in effect from time to time.

(iii) Vacation. During the Term, Executive shall be entitled to annual paid vacation in accordance with the plans, policies, programs and practices of the Company applicable to similarly situated executives of the Company generally.

4A. NOTICES. All notices and other communications under this Agreement shall be in writing and shall be given by first-class mail, certified or registered with return receipt requested or hand delivery acknowledged in writing by the recipient personally, and shall be deemed to have been duly given three days after mailing or immediately upon duly acknowledged hand delivery to the respective persons named below:

If to the Company: Expedia, Inc.
 333 108th Avenue NE
 Bellevue, Washington 98004
 Attention: General Counsel

If to Executive: At the most recent address on record for Executive at the Company.

Either party may change such party's address for notices by notice duly given pursuant hereto.

5A. GOVERNING LAW; JURISDICTION. This Agreement and the legal relations thus created between the parties hereto shall be governed by and construed under and in accordance with the internal laws of the State of Washington without reference to the principles of conflicts of laws. Any and all disputes between the parties which may arise pursuant to this Agreement will be heard and determined before an appropriate federal court in Washington, or, if not maintainable therein, then in an appropriate Washington state court. The parties acknowledge that such courts have jurisdiction to interpret and enforce the provisions of this Agreement, and the parties consent to, and waive any and all objections that they may have as to, personal jurisdiction and/or venue in such courts.

6A. COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument. Executive expressly understands and acknowledges that the Standard Terms and Conditions attached hereto are incorporated herein by reference, deemed a part of this Agreement and are binding and enforceable provisions of this Agreement. References to "this Agreement" or the use of the term "hereof" shall refer to this Agreement and the Standard Terms and Conditions attached hereto, taken as a whole.

(Signature page follows.)

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed and delivered by its duly authorized officer and Executive has executed and delivered this Agreement.

EXPEDIA, INC.

/s/ Robert J. Dzielak

By: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

Dated: September 15, 2017

EXECUTIVE

/s/ Alan Pickerill

Alan Pickerill

Dated: September 15, 2017

1. TERMINATION OF EXECUTIVE'S EMPLOYMENT.

(a) DEATH. Upon termination of Executive's employment prior to the expiration of the Term by reason of Executive's death, the Company shall pay Executive's designated beneficiary or beneficiaries, within 30 days of Executive's death in a lump sum in cash, (i) Executive's Base Salary from the date of Executive's death through the end of the month in which Executive's death occurs and (ii) any Accrued Obligations (as defined in Section 1(f) below) in a lump sum in cash.

(b) DISABILITY. If, as a result of Executive's disability (as provided under Section 409A(a)(2)(C) of the Code and Treasury regulation section 1.409A-3(i)(4) and other official guidance issued thereunder) (a "Disability"), Executive shall have been absent from the full-time performance of Executive's duties with the Company for a period of four consecutive months and, within 30 days after written notice is provided to Executive by the Company (in accordance with Section 4A hereof), Executive shall not have returned to the full-time performance of Executive's duties, Executive's employment under this Agreement may be terminated by the Company for Disability. During any period prior to such termination during which Executive is absent from the full-time performance of Executive's duties with the Company due to Disability, the Company shall continue to pay Executive's Base Salary at the rate in effect at the commencement of such period of Disability, offset by any amounts payable to Executive under any disability insurance plan or policy provided by the Company. Upon termination of Executive's employment due to Disability, the Company shall pay Executive within 30 days of such termination (i) Executive's Base Salary through the end of the month in which Executive's termination of employment for Disability occurs in a lump sum in cash, offset by any amounts payable to Executive under any disability insurance plan or policy provided by the Company; and (ii) any Accrued Obligations in a lump sum in cash.

(c) TERMINATION FOR CAUSE; RESIGNATION WITHOUT GOOD REASON. The Company may terminate Executive's employment under this Agreement with or without Cause at any time and Executive may resign under this Agreement with or without Good Reason at any time. As used herein, "Cause" shall mean: (i) the plea of guilty or nolo contendere to, conviction for, or the commission of, a felony offense by Executive; *provided, however*, that after indictment, the Company may suspend Executive from the rendition of services, but without limiting or modifying in any other way the Company's obligations under this Agreement; (ii) a material breach by Executive of a fiduciary duty owed to the Company or any of its subsidiaries; (iii) a material breach by Executive of any of the covenants made by Executive in Section 2 hereof; (iv) the willful or gross neglect by Executive of the material duties required by this Agreement; or (v) a knowing and material violation by Executive of any Company policy pertaining to ethics, legal compliance, wrongdoing or conflicts of interest that, in the case of the conduct described in clauses (iv) or (v) above, if curable, is not cured by Executive within 30 days after Executive is provided with written notice thereof. Upon Executive's (A) termination of employment by the Company for Cause prior to the expiration of the Term or (B) resignation without Good Reason prior to the expiration of the Term, this Agreement shall terminate without further obligation by the Company, except for the payment of any Accrued Obligations in a lump sum in cash within 30 days of such termination.

(d) TERMINATION BY THE COMPANY OTHER THAN FOR DEATH, DISABILITY OR CAUSE OR RESIGNATION BY EXECUTIVE FOR GOOD REASON. Upon termination of Executive's employment prior to the expiration of the Term by the Company without Cause (other than for death or Disability) or by Executive for Good Reason (as defined below), then:

(i) the Company shall continue to pay Executive the Base Salary through the longer of (x) the end of the Term over the course of the then remaining Term and (y) 12 months following termination (such period, the "Salary Continuation Period") in equal biweekly installments in accordance with the Company's payroll practice as in effect from time to time; and the Company shall pay Executive in a lump sum (without regard to whether Executive actually elects COBRA coverage) an amount equal to 12 months of monthly premiums with respect to COBRA continuation coverage under the Company's group health plans in existence on the date of termination, and at the level of coverage Executive participated in, as of the date of termination;

(ii) the Company shall pay Executive within 30 days of the date of such termination in a lump sum in cash any Accrued Obligations;

(iii) the Company will consider in good faith the payment of a discretionary bonus on a pro rata basis for the year in which the Termination of Employment occurs, any such payment to be paid (if at all) based on actual performance during the year in which termination has occurred and based on the number of days of employment during such year relative to 365 days (payable in a lump sum at the time such annual bonus would otherwise have been paid);

(iv) except as otherwise provided in any individual award agreement, any compensation awards of Executive based on, or in the form of, Company equity (e.g. restricted stock, restricted stock units, stock options or similar instruments) (“Equity Awards”) that are outstanding and unvested at the time of such termination but which would, but for a termination of employment, have vested during the 12 months following such termination (such period, the “Equity Acceleration Period”) shall vest (and with respect to awards other than stock options and stock appreciation rights, settle) as of the date of such termination of employment; *provided that* any outstanding award with a vesting schedule that would, but for a termination of employment, have resulted in a smaller percentage (or none) of the award being vested through the end of such Equity Acceleration Period than if it vested annually pro rata over its vesting period shall, for purposes of this provision, be treated as though it vested annually pro rata over its vesting period (e.g., if 100 restricted stock units (“RSUs”) were granted 2.7 years prior to the date of the termination and vested pro rata on each of the first five anniversaries of the grant date and 100 RSUs were granted 1.7 years prior to the date of termination and vested on the fifth anniversary of the grant date, then on the date of termination 20 RSUs from the first award and 40 RSUs from the second award would vest and settle); *provided further* that any amount that would vest under this provision but for the fact that outstanding performance conditions have not been satisfied shall vest (and with respect to awards other than stock options and stock appreciation rights, settle) only if, and at such point as, such performance conditions are satisfied; and *provided further* that to the extent that any such equity awards constitutes “non-qualified deferred compensation” within the meaning of Section 409A, such awards shall vest, but only settle in accordance with their terms (it being understood that it is intended that no equity awards outstanding as of the date of this Agreement constitutes “non-qualified deferred compensation” within the meaning of Section 409A); and

(v) any then vested options of Executive (including options vesting as a result of (iv) above) granted by the Company to purchase Company equity, shall remain exercisable through the date that is 18 months following the date of such termination or, if earlier, through the original scheduled expiration date of such options.

The expiration of the Term shall not give rise to any payment to Executive or acceleration obligation under this Section 1(d).

The payment to Executive of the severance pay and benefits described in Sections 1(d)(i), (iii), (iv) and (v) (the “Severance Payments & Benefits”) above is contingent upon (i) Executive’s compliance with the offset provisions in Section 1(e) below, (ii) Executive’s compliance with the restrictive covenants set forth in Section 2, and (iii) Executive signing and not revoking a separation agreement and release of claims in favor of the Company and its affiliates in a form that is satisfactory to the Company upon Executive’s termination of employment that becomes effective no later than sixty (60) days following Executive’s employment termination date or such earlier date required by the release agreement (such deadline, the “Release Deadline”). If the release does not become effective and irrevocable by the Release Deadline, Executive will forfeit any rights to the Severance Payments and Benefits. In no event will Severance Payments & Benefits be paid or provided until the release actually becomes effective and irrevocable. Upon the release becoming effective and irrevocable, any payments delayed from the date Executive terminates employment through the effective date of the release will be payable in a lump sum without interest as soon as administratively practicable after the Release Deadline and all other amounts will be payable in accordance with the payment schedule applicable to each payment or benefit. Any Severance Payments & Benefits that would be considered Deferred Payments (as defined below) will be paid on, or, in the case of installments, will not commence until, the sixtieth (60th) day following Executive’s separation from service, or, if later, the Delayed Initial

Payment Date, as defined below. Any installment payments that would have been made to Executive during the sixty (60)-day period immediately following Executive's separation from service, but for the preceding sentence, will be paid to Executive on the sixtieth (60th) day following Executive's separation from service and the remaining payments shall be made as provided in this Agreement.

As used herein, "Good Reason" shall mean the occurrence of any of the following without Executive's prior written consent: (A) the Company's material breach of any material provision of this Agreement, (B) the material reduction in Executive's title, duties or reporting responsibilities, excluding for this purpose any such reduction that is an isolated and inadvertent action not taken in bad faith or that is authorized pursuant to this Agreement, (C) the material reduction in Executive's Base Salary, or (D) the relocation of Executive's principal place of employment more than 50 miles outside the Seattle metropolitan area, *provided* that in no event shall Executive's resignation be for "Good Reason" unless (x) an event or circumstance set forth in clauses (A) through (D) shall have occurred and Executive provides the Company with written notice thereof within 30 days after Executive has knowledge of the occurrence or existence of such event or circumstance, which notice specifically identifies the event or circumstance that Executive believes constitutes Good Reason, (y) the Company fails to correct the circumstance or event so identified within 30 days after receipt of such notice, and (z) Executive resigns within 90 days after the date of delivery of the notice referred to in clause (x) above.

Notwithstanding the preceding provisions of this Section 1(d), in the event that Executive is a "specified employee" (within the meaning of Section 409A) on the date of termination of Executive's employment with the Company and the Severance Payments & Benefits to be paid within the first six months following such date (the "Initial Payment Period") exceed the amount referenced in Treas. Regs. Section 1.409A-1(b)(9)(iii)(A) (the "Limit"), then (1) any portion of the Severance Payments & Benefits that is a "short-term deferral" within the meaning of Treas. Regs. Section 1.409A-1(b)(4)(i) shall be paid at the times set forth in Section 1(d), (2) any portion of the Severance Payments & Benefits (in addition to the amounts contemplated by the immediately preceding clause (1)) that is payable during the Initial Payment Period that does not exceed the Limit shall be paid at the times set forth in Section 1(d) as applicable, (3) any portion of the Severance Payments & Benefits that exceeds the Limit and is not a "short-term deferral" (and would have been payable during the Initial Payment Period but for the Limit) (the "Deferred Payments") shall be paid, with Interest, on the first business day of the first calendar month that begins after the six-month anniversary of Executive's "separation from service" (within the meaning of Section 409A) (the "Delayed Initial Payment Date") and (4) any portion of the Severance Payments & Benefits that is payable after the Initial Payment Period shall be paid at the times set forth in Section 1(d). For purposes of this Agreement, "Interest" shall mean interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code, from the date on which payment would otherwise have been made but for any required delay through the date of payment.

(e) OFFSET. If Executive obtains other employment during the Salary Continuation Period, any payments to be made to Executive under Section 1(d) hereof after the date such employment is secured shall be offset by the amount of compensation earned by Executive from such employment. For purposes of this Section 1(e), Executive shall have an obligation to inform the Company regarding Executive's employment status following termination and during the Salary Continuation Period, but shall have no affirmative duty to seek alternate employment.

(f) ACCRUED OBLIGATIONS. As used in this Agreement, "Accrued Obligations" shall mean the sum of (i) any portion of Executive's accrued and earned but unpaid Base Salary through the date of death or termination of employment for any reason, as the case may be; (ii) any compensation previously earned but deferred by Executive (together with any interest or earnings thereon) that has not yet been paid and that is not otherwise paid at a later date pursuant to any deferred compensation arrangement of the Company to which Executive is a party, if any (provided, that any election made by Executive pursuant to any deferred compensation arrangement that is subject to Section 409A regarding the schedule for payment of such deferred compensation shall prevail over this Section 1(f) to the extent inconsistent herewith); and (iii) other than in the event of Executive's resignation without Good Reason or termination by the Company for Cause (except as required by applicable law), any portion of Executive's accrued but unpaid vacation pay through the date of death or termination of employment.

(g) **OTHER BENEFITS.** Upon any termination of Executive's employment prior to the expiration of the Term, Executive shall remain entitled to receive any vested benefits or amounts that Executive is otherwise entitled to receive under any plan, policy, practice or program of, or any other contract or agreement with, the Company in accordance with the terms thereof (other than any such plan, policy, practice or program of the Company that provides benefits in the nature of severance or continuation pay).

2. CONFIDENTIAL INFORMATION; NON-SOLICITATION; NON-COMPETITION; AND PROPRIETARY RIGHTS.

(a) **CONFIDENTIALITY.** Executive acknowledges that while employed by the Company, Executive will occupy a position of trust and confidence. Executive shall not, except as is appropriate to perform Executive's duties hereunder or as required by applicable law, disclose to others, use, copy, transmit, reproduce, summarize, quote or make commercial, whether directly or indirectly, any Confidential Information. Executive will also take reasonable steps to safeguard such Confidential Information and prevent its loss, theft, or inadvertent disclosure to third persons. This Section 2 shall apply to Confidential Information acquired by Executive whether prior or subsequent to the execution of this Agreement. "Confidential Information" shall mean information about the Company or any of its subsidiaries or affiliates, and their respective clients and customers, including (without limitation) any proprietary knowledge, trade secrets, data, formulae, information and client and customer lists and all papers, resumes, and records (including computer records) of the documents containing such Confidential Information, provided that Confidential Information shall not mean any such information that is previously disclosed to, or in possession of, the public other than by reason of Executive's breach of this Agreement. Notwithstanding the foregoing provisions, if Executive is required to disclose any such confidential or proprietary information pursuant to applicable law or a subpoena or court order, Executive shall promptly notify the Company in writing of any such requirement so that the Company may seek an appropriate protective order or other appropriate remedy or waive compliance with the provisions hereof. Executive shall reasonably cooperate with the Company to obtain such a protective order or other remedy. If such order or other remedy is not obtained prior to the time Executive is required to make the disclosure, or the Company waives compliance with the provisions hereof, Executive shall disclose only that portion of the confidential or proprietary information which he is advised by counsel that he is legally required to so disclose. Executive acknowledges that such Confidential Information is specialized, unique in nature and of great value to the Company and its subsidiaries or affiliates, and that such information gives the Company and its subsidiaries or affiliates a competitive advantage. Executive agrees to deliver or return to the Company, at the Company's request at any time or upon termination or expiration of Executive's employment or as soon thereafter as possible, all documents, computer tapes and disks, records, lists, data, drawings, prints, notes and written information (and all copies thereof) furnished by the Company and its subsidiaries or affiliates or prepared by Executive in the course of Executive's employment by the Company and its subsidiaries or affiliates. As used in this Agreement, "affiliates" shall mean any company controlled by, controlling or under common control with the Company.

(b) **NON-COMPETITION.** In consideration of the Company's promise to disclose, and disclosure of, its Confidential Information and other good and valuable consideration provided hereunder, the receipt and sufficiency of which are hereby acknowledged by Executive, Executive hereby agrees and covenants that during the Term and for a period of 18 months beyond Executive's date of termination of employment for any reason, including the expiration of the Term (the "Restricted Period"), Executive shall not, directly or indirectly, engage in, assist or become associated with a Competitive Activity. For purposes of this Section 2(b): (i) a "Competitive Activity" means, at the time of Executive's termination, any business or other endeavor in the Restricted Territory of a kind being conducted by the Company or any of its subsidiaries or, if engaged in the provision of any travel related services, any of its affiliates in the Restricted Territory (or demonstrably anticipated by the Company or its subsidiaries or affiliates as of the Effective Date or at any time thereafter; and (ii) Executive shall be considered to have become "associated with a Competitive Activity" if Executive becomes directly or indirectly involved as an owner, principal, employee, officer, director, independent contractor, representative, stockholder, financial backer, agent, partner, advisor, lender, or in any other individual or representative capacity with any individual, partnership, corporation or other organization that is engaged in a Competitive Activity. Notwithstanding the foregoing, Executive may make and retain investments during the Restricted Period, for investment purposes only, in less than five percent of the outstanding capital stock of any publicly-traded corporation engaged in a Competitive Activity if

stock of such corporation is either listed on a national stock exchange or on the NASDAQ National Market System if Executive is not otherwise affiliated with such corporation.

(c) NON-SOLICITATION OF EMPLOYEES. Executive agrees that during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, hire, recruit or solicit the employment or services of (whether as an employee, officer, director, agent, consultant or independent contractor), any employee, officer, director, agent, consultant or independent contractor of the Company or any of its subsidiaries or affiliates or any such person who has terminated his or her relationship with the Company or any of its subsidiaries or affiliates within the six-month period prior to such hiring, recruiting or soliciting (except for (i) such employment or hiring by the Company or any of its subsidiaries or affiliates or (ii) such employment or hiring by Executive of an agent, consultant or independent contractor where the primary duties of such person are not for the Company); provided, however that a general solicitation of the public for employment shall not constitute a solicitation hereunder so long as such general solicitation is not designed to target, or does not have the effect of targeting, any employee, officer, director, agent, consultant or independent contractor of the Company or any of its subsidiaries or affiliates. This Section 2(c) shall not apply to any administrative assistant working directly for Executive.

(d) NON-SOLICITATION OF BUSINESS PARTNERS. During the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, persuade or encourage or attempt to persuade or encourage any business partners or business affiliates of the Company or its subsidiaries or affiliates to cease doing business with the Company or any of its subsidiaries or affiliates or to engage in any business competitive with the Company or its subsidiaries or affiliates on its own or with any competitor of the Company or its subsidiaries or affiliates.

(e) PROPRIETARY RIGHTS; ASSIGNMENT. All Executive Developments (as defined below) shall be made for hire by Executive for the Company or any of its subsidiaries or affiliates. "Executive Developments" means any idea, discovery, invention, design, method, technique, improvement, enhancement, development, computer program, machine, algorithm or other work or authorship, in each case, (i) that (A) relates to the business or operations of the Company or any of its subsidiaries or affiliates, or (B) results from or is suggested by any undertaking assigned to Executive or work performed by Executive for or on behalf of the Company or any of its subsidiaries or affiliates, whether created alone or with others, during or after working hours and (ii) that is conceived or developed during the Term. All Confidential Information and all Executive Developments shall remain the sole property of the Company or any of its subsidiaries or affiliates. Executive shall acquire no proprietary interest in any Confidential Information or Executive Developments developed or acquired during the Term. To the extent Executive may, by operation of law or otherwise, acquire any right, title or interest in or to any Confidential Information or Executive Development, Executive hereby assigns to the Company all such proprietary rights. Executive shall, both during and after the Term, upon the Company's request, promptly execute and deliver to the Company all such assignments, certificates and instruments, and shall promptly perform such other acts, as the Company may from time to time in its reasonable discretion deem necessary or desirable to evidence, establish, maintain, perfect, enforce or defend the Company's rights in Confidential Information and Executive Developments.

(f) COMPLIANCE WITH POLICIES AND PROCEDURES. During the Term, Executive shall adhere to the policies and standards of professionalism set forth in the Company's Policies and Procedures as they may exist from time to time. Executive hereby consents to, and expressly authorizes, the Company's use of Executive's name and likeness in trade publications and other media for trade or commercial purposes.

(g) REMEDIES FOR BREACH. Executive expressly agrees and understands that the Company will have 30 days from receipt of Executive's notice of any alleged breach by the Company of this Agreement to cure any such breach. Executive expressly agrees and understands that the remedy at law for any breach by Executive of this Section 2 will be inadequate and that damages flowing from such breach are not usually susceptible to being measured in monetary terms. Accordingly, it is acknowledged that upon Executive's violation or threatened violation of any provision of this Section 2, the Company shall be entitled to obtain from any court of competent jurisdiction immediate injunctive relief and obtain a temporary order restraining any threatened or further breach as well as an equitable accounting of all profits or benefits arising out of such violation or threatened violation without the

requirement of posting any bond. Nothing in this Section 2 shall be deemed to limit the Company's remedies at law or in equity for any breach by Executive of any of the provisions of this Section 2, which may be pursued by or available to the Company.

(h) SURVIVAL OF PROVISIONS. The obligations contained in this Section 2 shall, to the extent provided in this Section 2, survive the termination or expiration of Executive's employment with the Company and, as applicable, shall be fully enforceable thereafter in accordance with the terms of this Agreement. If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 2 is excessive in duration or scope or is unreasonable or unenforceable under the laws of that state, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the law of that state.

3. TERMINATION OF PRIOR AGREEMENTS. This Agreement constitutes the entire agreement between the parties and terminates and supersedes any and all prior agreements and understandings (whether written or oral) between the parties, including the Employment Agreement between the parties dated October 20, 2011, as amended, with respect to the subject matter of this Agreement. Executive acknowledges and agrees that neither the Company nor anyone acting on its behalf has made, and is not making, and in executing this Agreement, the Executive has not relied upon, any representations, promises or inducements except to the extent the same is expressly set forth in this Agreement.

4. ASSIGNMENT; SUCCESSORS. This Agreement is personal in its nature and none of the parties hereto shall, without the consent of the others, assign or transfer this Agreement or any rights or obligations hereunder; provided, that, in the event of a merger, consolidation, transfer, reorganization, or sale of all, substantially all or a substantial portion of, the assets of the Company with or to any other individual or entity, this Agreement shall, subject to the provisions hereof, be binding upon and inure to the benefit of the Company's successor in interest in such transaction, and such successor shall discharge and perform all the promises, covenants, duties, and obligations of the Company hereunder, and all references herein to the "Company" shall refer to such successor.

5. TAXES; WITHHOLDING. The Company shall make such deductions and withhold such amounts from each payment and benefit made or provided to Executive hereunder, as may be required from time to time by applicable law, governmental regulation or order. The Company cannot and has not guaranteed any particular tax result for payments under this Agreement. Executive shall be solely responsible for costs and taxes incurred for any payments under this Agreement.

6. HEADING REFERENCES. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. References to "this Agreement" or the use of the term "hereof" shall refer to these Standard Terms and Conditions and the Employment Agreement attached hereto, taken as a whole.

7. WAIVER; MODIFICATION. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such term, covenant, or condition, nor shall any waiver or relinquishment of, or failure to insist upon strict compliance with, any right or power hereunder at any one or more times be deemed a waiver or relinquishment of such right or power at any other time or times. This Agreement shall not be modified in any respect except by a writing executed by each party hereto.

8. SEVERABILITY. In the event that a court of competent jurisdiction determines that any portion of this Agreement is in violation of any law or public policy, only the portions of this Agreement that violate such law or public policy shall be stricken. All portions of this Agreement that do not violate any statute or public policy shall continue in full force and effect. Further, any court order striking any portion of this Agreement shall modify the stricken terms as narrowly as possible to give as much effect as possible to the intentions of the parties under this Agreement.

9. INDEMNIFICATION. The Company shall indemnify and hold Executive harmless for acts and omissions in Executive's capacity as an officer, director or employee of the Company to the maximum extent permitted under

applicable law; provided, however, that neither the Company, nor any of its subsidiaries or affiliates, shall indemnify Executive for any losses incurred by Executive as a result of acts described in paragraph 1(c) of this Agreement.

10. SECTION 409A. The Agreement is intended to comply with the requirements of Section 409A or an exemption or exclusion therefrom and, with respect to amounts that are subject to Section 409A, shall in all respects be administered in accordance with Section 409A. Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A. In no event may Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. All reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Section 409A shall be made or provided in accordance with the requirements of Section 409A, including, without limitation, that (i) in no event shall reimbursements by the Company under this Agreement be made later than the end of the calendar year next following the calendar year in which the applicable fees and expenses were incurred, provided, that Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; (ii) the amount of in-kind benefits that the Company is obligated to pay or provide in any given calendar year shall not affect the in-kind benefits that the Company is obligated to pay or provide in any other calendar year; (iii) Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than Executive's remaining lifetime (or if longer, through the 20th anniversary of the Effective Date). Amounts payable under this Agreement upon a termination of employment that constitute deferred compensation within the meaning of Section 409A will not be paid or provided until Executive experiences a "separation from service" within the meaning of Section 409A, and notwithstanding anything contained herein to the contrary, the date on which such separation from service takes place shall be the date of termination.

ACKNOWLEDGED AND AGREED AS OF THE EFFECTIVE DATE:

EXPEDIA, INC.

/s/ Robert J. Dzielak

By: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

Dated: September 15, 2017

EXECUTIVE

/s/ Alan Pickerill

Alan Pickerill

Dated: September 15, 2017

Equity Treatment Agreement

This Equity Treatment Agreement (“**ETA**”) is made effective September 20, 2017, by and between Dara Khosrowshahi (“**DK**”) and Expedia, Inc., a Delaware corporation (“**Expedia**”). Capitalized terms used in this ETA that are not defined shall have the meanings set forth in Expedia’s Fourth Amended and Restated 2005 Stock and Annual Incentive Plan (as amended from time to time, the “**Plan**”).

For good and valuable consideration, DK and Expedia Agree as follows:

1. Set forth below is a true and complete statement of the vested and unvested Options that DK holds as of the date of the ETA, prior to giving effect to the forfeiture described in Section 2(a) below.

(a) Unvested Options

Annual Review Options

- | | |
|--|--|
| <ul style="list-style-type: none"> o “Unvested 2014 ARO” <ul style="list-style-type: none"> ▪ Option for 50,000 Shares ▪ \$78.52/Share exercise price ▪ Vests February 26, 2018 ▪ Expires February 26, 2021 | <ul style="list-style-type: none"> o “Unvested 2015 ARO” <ul style="list-style-type: none"> ▪ Option for 125,000 Shares ▪ \$91.75/Share exercise price ▪ 50% vests February 27, 2018 ▪ 50% vests February 27, 2019 ▪ Expires February 27, 2022 |
|--|--|

2015 LTI Options

- | | |
|--|--|
| <ul style="list-style-type: none"> o “2015 SBO” <ul style="list-style-type: none"> ▪ Option for 1,600,000 Shares ▪ \$95.00/Share exercise price ▪ 50% vests March 31, 2018 ▪ 50% vests March 31, 2020 ▪ Expires March 31, 2022 | <ul style="list-style-type: none"> o “2015 PBO” <ul style="list-style-type: none"> ▪ Option for 1,100,000 Shares ▪ \$95.00/Share exercise price ▪ Vests September 30, 2020 if price goal met ▪ Expires March 31, 2022 |
|--|--|

(b) Vested Options

- o Option for 72,383 Shares; \$18.63/Share strike; expiring March 1, 2018
 - o Option for 300,000 Shares; \$56.99/Share strike; expiring July 31, 2019
 - o Option for 200,000 Shares; \$65.75/Share strike; expiring March 13, 2020
 - o Option for 150,000 Shares; \$78.52/Share strike; expiring February 26, 2021
 - o Option for 125,000 Shares; \$91.75/Share strike; expiring February 27, 2022
-

2. Treatment of Unvested Options

a. Effective on the date of this ETA, DK forfeits (i) the 2015 SBO, and (ii) a portion of the 2015 PBO corresponding to 780,000 Shares.

b. The Unvested 2014 ARO and the Unvested 2015 ARO shall remain outstanding and shall vest according to the existing vesting schedules set forth in Section 1(a) of this ETA, subject to DK's continued service as a member of the Board through the applicable vesting dates; *provided* that DK shall forfeit any then unvested portion of the Unvested 2014 ARO and the Unvested 2015 ARO if he ceases to be a member of the Board prior to the applicable vesting date for any reason. Notwithstanding the foregoing, the Unvested 2014 ARO and the Unvested 2015 ARO shall vest in full upon a Change in Control, subject to DK's continued service as a member of the Board through the date of the Change in Control.

c. A portion of the 2015 PBO corresponding to 320,000 Shares (the "**Retained 2015 PBO**") shall remain outstanding and, subject to DK's continuous service as a member of the Board through September 30, 2020, the Retained 2015 PBO shall vest and become exercisable on September 30, 2020 if the average closing price of a Share during (x) the period commencing October 1, 2019 through September 30, 2020, or (y) the period commencing April 1, 2020 through September 30, 2020 equals or exceeds \$170 (subject to equitable adjustment in the case of an adjustment pursuant to Section 3(d) of the Plan); *provided* that DK shall forfeit the Retained 2015 PBO if he ceases to be a member of the Board prior to September 30, 2020 for any reason. Notwithstanding the foregoing, the Retained 2015 PBO shall vest in full upon (i) a Change in Control or (ii) the acquisition for cash by Liberty Expedia Holdings, Inc. or any of its Affiliates of "beneficial ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 100% of the Outstanding Company Voting Securities, subject to DK's continued service as a member of the Board through the date of such event.

3. Exercise of Vested Options. DK may exercise any vested Options until the earlier of (a) one year following the date that DK ceases to be a member of the Board, and (b) the applicable expiration date of such Option. The exercise of any vested Options by DK may, at the election of DK, be settled on a net basis with a number of shares withheld having a Fair Market Value on the date of exercise of each such Option sufficient to cover in full both the exercise price and withholding taxes then due.

4. Share Ownership. DK agrees that until the date of DK's departure from the Board, DK shall retain "beneficial ownership" (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a minimum of 287,715 Shares, exclusive of Shares underlying Options.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, as of the date first above written, Expedia has caused this Agreement to be executed on its behalf by a duly authorized officer and DK has hereunto set his hand.

EXPEDIA, INC.

By: /s/ Robert J. Dzielak

Name: Robert J. Dzielak
Title: Executive Vice President,
General Counsel and Secretary

By: /s/ Dara Khosrowshahi

DARA KHOSROWSHAHI

[Signature Page to Equity Treatment Agreement]