

Jan 11, 2024 | EBAY

eBay Inc. Reaches Agreement with U.S. Attorney's Office for the District of Massachusetts

Press Release



SAN JOSE, Calif., January 11, 2024 – eBay Inc. (NASDAQ: EBAY) today stated that it has entered into a deferred prosecution agreement with the U.S. Attorney's Office for the District of Massachusetts with respect to actions taken in 2019 by former eBay employees against Ina and David Steiner. As set forth in the agreement, eBay takes responsibility for the misconduct of its former employees.

"The company's conduct in 2019 was wrong and reprehensible," said Jamie Iannone, Chief Executive Officer at eBay. "From the moment eBay first learned of the 2019 events, eBay cooperated fully and extensively with law enforcement authorities. We continue to extend our deepest apologies to the Steiners for what they endured. Since these events occurred, new leaders

have joined the company and eBay has strengthened its policies, procedures, controls and training. eBay remains committed to upholding high standards of conduct and ethics and to making things right with the Steiners.”

In August 2019, eBay was notified by law enforcement of suspicious actions by certain members of its security team and immediately launched a comprehensive investigation, which was conducted with the assistance of outside legal counsel.

The U.S. Attorney’s Office has acknowledged that eBay provided extensive cooperation to the Government during the course of its parallel investigation. Specifically, as noted in the deferred prosecution agreement, the Company’s cooperation included “proactively disclosing certain evidence of which the United States was previously unaware; providing information obtained through its internal investigation, which allowed the government to preserve and obtain evidence as part of its own independent investigation; making detailed factual presentations to the U.S. Attorney’s Office; voluntarily facilitating interviews of employees; and collecting and producing voluminous relevant documents to the U.S. Attorney’s Office.”

Under the three-year deferred prosecution agreement, eBay has agreed that the U.S. Attorney’s Office will file a six-count criminal Information in the United States District Court for the District of Massachusetts and the U.S. Attorney has agreed to defer any prosecution of eBay on those counts. During the agreement’s three-year term, eBay will continue to cooperate fully with the U.S. Attorney’s Office and will be subject to an independent compliance monitor to assess its compliance program and, where appropriate, to modify that program. eBay will also be required to pay a \$3,000,000 penalty. If eBay successfully meets its obligations under the deferred prosecution agreement, after three years, the agreement will expire, and the U.S. Attorney has agreed to dismiss the criminal Information against eBay.

Forward-Looking Statements

This press release contains forward-looking statements, including, among other things, statements relating to eBay’s deferred prosecution agreement and the potential dismissal by the U.S. Attorney of the criminal Information against eBay. Such forward-looking statements are based on eBay’s current expectations and assumptions and involve risks and uncertainties that could cause actual results to differ materially from such expectations. Such risks and uncertainties include, but are not limited to, the factors discussed under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in eBay’s most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, copies of which may be obtained by visiting eBay’s Investor Relations website at <https://investors.ebayinc.com> or the Securities and Exchange Commission’s website at www.sec.gov. Undue reliance should not be placed on the forward-looking statements in this press release, which are based on information available to eBay on the date hereof. eBay assumes no obligation to update such statements.

Contact

press@ebay.com