

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 16, 2004**

IAC/INTERACTIVE CORP

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction
of incorporation)

0-20570
(Commission File
Number)

59-2712887
(IRS Employer
Identification No.)

152 West 57th Street, New York, NY
(Address of principal executive offices)

10019
(Zip Code)

Registrant's telephone number, including area code: **(212) 314-7300**

(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))

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On November 16, 2004, IAC/InterActiveCorp ("IAC" or the "Company") and Thomas J. McInerney, currently CEO of HSN and IAC Electronic Retailing, agreed to amend the terms of Mr. McInerney's existing employment agreement with the Company, dated October 9, 2002, to reflect the appointment of Mr. McInerney as Chief Financial Officer of IAC.

The information regarding Mr. McInerney's amended employment agreement included under the caption "Employment Agreement between IAC and Mr. McInerney" in Item 5.02 of this Current Report on Form 8-K is incorporated by reference into this Item 1.01.

ITEM 5.02. DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

General

On November 16, 2004, IAC issued a press release announcing that Thomas J. McInerney, age 40, currently CEO of HSN and IAC Electronic Retailing, will succeed Dara Khosrowshahi as IAC's Chief Financial Officer. The transition of duties and responsibilities from Mr. Khosrowshahi to Mr. McInerney will occur over the coming weeks and is expected to be completed by January 1, 2005. Mr. McInerney will continue to serve as CEO of HSN and IAC Electronic Retailing until a successor is appointed. The full text of the press release, appearing in Exhibit 99.1 hereto, is incorporated herein by reference.

Employment Agreement between IAC and Mr. McInerney

On October 9, 2002, the Company and Mr. McInerney entered into an employment agreement in connection with his employment as CEO of HSN and IAC Electronic Retailing (the "Initial Employment Agreement"), the terms of which will be amended to reflect Mr. McInerney's employment as Chief Financial Officer of IAC (the "Amended Employment Agreement"). The Amended Employment Agreement will provide that Mr. McInerney shall receive an annual base salary of \$550,000 per year and shall be eligible to receive annual discretionary bonuses. The Amended Employment Agreement will not have a stated term and will remain in effect until terminated by either party.

In connection with his employment as CEO of HSN and IAC Electronic Retailing, pursuant to the Initial Employment Agreement Mr. McInerney received a grant of 50,000 IAC restricted stock units, all of which vest on January 17, 2006, subject to Mr. McInerney's continued employment with the Company (the "Initial RSUs"). Upon a change of control of IAC, 100% of the Initial RSUs shall immediately vest.

Consistent with the terms of the Initial Employment Agreement, the Amended Employment Agreement will provide that if Mr. McNerney terminates his employment for any reason, all restricted stock and stock options granted to Mr. McNerney by the Company, Ticketmaster and/or Ticketmaster Online-Citysearch, Inc. on or before May 31, 2002 shall (i) in the case of unvested options, continue to vest until the date that is 18 months from his resignation (the "End Date") and (ii) in the case of vested options (both as of the termination date and those vesting before the End Date), shall remain exercisable through the End Date; provided, that any such stock options that vest in the immediate three months prior to the End Date shall remain exercisable for three months from the applicable vesting date. The rights of Mr. McNerney described in this paragraph shall be referred to as the "Resignation Rights."

Consistent with the terms of the Initial Employment Agreement, the Amended Employment Agreement will provide that if Mr. McNerney terminates his employment for good reason on any day of the calendar year other than the last day of the Company's taxable year or the Company terminates Mr. McNerney's employment for any reason other than death, disability or cause, then Mr. McNerney shall be entitled to the Resignation Rights and 100% of the Initial RSUs shall immediately vest.

Certain Transactions between IAC and Mr. McNerney

In connection with his employment as CEO of HSN and IAC Electronic Retailing, Mr. McNerney has received: (i) an annual salary of \$450,000 since January 1, 2003, (ii) a cash bonus in the amount of \$400,000 in 2003 and \$500,000 in 2004 in respect of 2002 and 2003 performance, respectively, (iii) an equity award of 50,000 restricted stock units pursuant to the terms of his Initial Employment Agreement (as described above) and (iv) an equity award in respect of 2003 performance consisting of 121,191 IAC restricted stock units, 55,682 of which vest in equal installments over five years of the anniversary date of the grant and 65,509 of which vest in one installment on the fifth anniversary of the date of the grant.

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.

IAC/INTERACTIVECORP

By: /s/ Gregory R. Blatt
 Name: Gregory R. Blatt
 Title: Senior Vice President and
 General Counsel

Date: November 22, 2004

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release of IAC/InterActiveCorp dated November 16, 2004.

IAC/InterActiveCorp**Thomas McInerney to succeed Dara Khosrowshahi as IAC CFO**

New York, NY – November 16, 2004 – IAC/InterActiveCorp announced today that Thomas J. McInerney, currently CEO of HSN and IAC Electronic Retailing, will succeed Dara Khosrowshahi as IAC's Chief Financial Officer on January 1, 2005. The Company announced last week that Mr. Khosrowshahi, currently IAC's CFO, will succeed Erik Blachford as President and CEO of IAC Travel. The transition will occur over the coming weeks, and will be final by year-end.

Barry Diller, Chairman and CEO of IAC, said: "The value of any company is in its ability to fill senior positions internally... our peoplepower is one of our core strengths – last week we announced that Dara Khosrowshahi would replace Erik Blachford and today it's that Tom McInerney will become our CFO. He has all the right experience for this position, including strong service as CFO of a public company at Ticketmaster, and successful operating experience at one of our core businesses. Electronic Retailing and its principal business HSN have begun to consistently perform under his leadership and his very talented colleagues, beginning with Marty Nealon, President of HSN-US. Mr. McInerney will continue his current Electronic Retailing responsibilities until a replacement is named."

About Thomas J. McInerney

Thomas J. McInerney was named CEO of IAC/InterActiveCorp's HSN and Electronic Retailing group in January 2003. In this capacity, Mr. McInerney oversees HSN, HSN.com, America's Store, Improvements, Home Shopping Europe, Euvía in Germany, as well as IAC's television shopping interests in Shop Channel in Japan and TVSN in China. From May 1999 to January 2003, Mr. McInerney was Executive Vice President and Chief Financial Officer of Ticketmaster, the world's leading ticketing and access business. At Ticketmaster, he was responsible for all financial operations of the company including SEC reporting, planning and budgeting, financial analyst and shareholder relations, and tax. He also had responsibility for the company's human resources efforts and worked closely with the business development team on strategic planning and acquisitions. Prior to joining Ticketmaster, Mr. McInerney spent 11 years as an investment banker at Morgan Stanley, most recently as a Principal, working with a wide variety of public companies in the consumer, industrial and service industries, advising on capital raising and mergers and acquisitions. Mr. McInerney holds an MBA from Harvard and a BA from Yale.

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About IAC/InterActiveCorp

IAC/InterActiveCorp (NASDAQ: IACI) operates leading and diversified businesses in sectors being transformed by the internet, online and offline... our mission is to harness the power of interactivity to make daily life easier and more productive for people all over the world.

IAC consists of IAC Travel, which includes Expedia, Hotels.com, Hotwire, Interval International, Classic Custom Vacations and Expedia Corporate Travel; HSN; Ticketmaster, which oversees ReserveAmerica; Match.com; Precision Response Corporation; IAC Local and Media Services, which includes Citysearch, Evite, Entertainment Publications, TripAdvisor and ServiceMagic; IAC Financial Services and Real Estate, which includes LendingTree, RealEstate.com, GetSmart, and Domania; and IAC Interactive Development which includes ZeroDegrees. <http://iac.com>

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