

Under the DGCL, the certificate of incorporation of a corporation may give the board the right to issue new classes of preferred shares with voting, conversion, dividend distribution and other rights to be determined by the board at the time of issuance. Our certificate of incorporation gives our board this right.

Multi-class structure

As discussed above, our Class B common stock has ten votes per share, while our common stock, which is the class of stock we are selling in this offering and which will be the only class of stock which is publicly traded, has one vote per share. Our Class C common stock, of which no shares will be outstanding immediately following this offering, will not have any voting rights. Because of our multi-class structure, IAC will be able to control all matters submitted to our stockholders for approval even if it owns significantly less than 50% of our total outstanding capital stock. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

In addition, IAC is permitted to transfer its capital stock to third parties, including through a sale or a distribution of IAC's capital stock to IAC's stockholders. In a distribution, IAC may choose to distribute our Class B common stock only to holders of IAC's high-vote Class B common stock, and to distribute our common stock to holders of IAC's low-vote common stock. Any such transfer or distribution could result in persons other than IAC having a significant portion of the combined voting power of our outstanding capital stock relative to their equity interest.

Classified board

The DGCL generally provides for a one-year term for directors, but permits directorships to be divided into up to three classes with up to three-year terms, with the years for each class expiring in different years, if permitted by the certificate of incorporation, an initial bylaw or a bylaw adopted by the stockholders. Our certificate of incorporation and bylaws will provide for one-year terms for directors.

Removal of directors

Under the DGCL, except in the case of a corporation with a classified board or with cumulative voting, any director or the entire board may be removed, with or without cause, by the holders of a majority of the shares entitled to vote at an election of directors. A director elected to serve a term on a "classified" board may not be removed by stockholders without cause.

Our bylaws will provide that any director or the entire board may at any time be removed with or without cause by the vote of a majority of the voting power of our shares of stock issued and outstanding.

Director vacancies

The DGCL provides that vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (a) otherwise provided in the certificate of incorporation or bylaws of the corporation or (b) the certificate of incorporation directs that a particular class of stock is to elect such director, in which case a majority of the other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.

Our bylaws will provide that vacancies may be filled by the vote of a majority of the remaining directors or a majority of the voting power of our shares stock issued and outstanding.

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No cumulative voting

Cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Our certificate of incorporation will not provide for cumulative voting.

Special meetings of stockholders

Under the DGCL, a special meeting of stockholders may be called by the board of directors or by such persons authorized in the certificate of incorporation or the bylaws.

Our bylaws will provide that special meetings of the stockholders may be called by the Chairman of our board of directors or by a majority of our board of directors.

Action by written consent

Under the DGCL, unless otherwise provided in the corporation's certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of stockholders of a corporation may be taken without a meeting, without prior notice and without a vote, if one or more consents in writing, setting forth the action to be so taken, are signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Our certificate of incorporation will not restrict the ability of stockholders to act by written consent, provided such consent is signed in writing by the holders of our outstanding capital stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Amending our certificate of incorporation and bylaws

Under the DGCL, a certificate of incorporation may be amended if: (i) the board of directors adopts a resolution setting forth the proposed amendment,