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The plans were adopted in 2009 and 2014, have a stated term of ten years, and provide that the exercise price of stock options granted will not be less than the fair value of the Company's common stock on the grant date. The plans do not specify grant dates or vesting schedules of awards as those determinations have been delegated to the Compensation and Human Resources Committee of IAC's Board of Directors (the "Committee"). Each grant agreement reflects the vesting schedule for that particular grant as determined by the Committee. Broad-based stock option awards issued to date have generally vested in two equal annual installments over a three-year period.

The amount of stock-based compensation expense recognized in the combined statement of operations is reduced by estimated forfeitures, as the expense recorded is based on awards that are ultimately expected to vest. The forfeiture rate is estimated at the grant date based on historical experience and revised, if necessary, in subsequent periods if actual forfeitures differ from the estimated rate. At December 31, 2014, there is \$32.0 million of unrecognized compensation cost, net of estimated forfeitures, related to all equity-based awards, which is expected to be recognized over a weighted average period of approximately 2 years.

The total income tax benefit recognized in the accompanying combined statement of operations for the years ended December 31, 2012, 2013 and 2014 related to stock-based compensation is \$4.9 million, \$4.1 million and \$7.9 million, respectively.

Stock options

Stock options outstanding at December 31, 2014 and changes during the year ended December 31, 2014 is as follows:

	December 31, 2014			
	Shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
	(Shares and intrinsic value in thousands)			
Outstanding at January 1, 2014	287	\$ 190.00		
Granted	351	325.06		
Exercised	(51)	111.24		
Forfeited	(2)	319.76		
Outstanding at December 31, 2014	585	\$ 277.62	7.3	\$ 68,010
Options exercisable	224	\$ 233.30	5.3	\$ 38,187

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value (the difference between the per share price of Match Group, Inc. at the last date of grant and the exercise price, multiplied by the number of in-the-money options) that would have been received by the option holders had all option holders exercised their options on December 31, 2014. This amount changes based on the fair value of Match Group, Inc. common stock. The total intrinsic value of stock options exercised during the years ended December 31, 2012, 2013 and 2014 is \$23.9 million, \$34.7 million and \$10.7 million, respectively.

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The following table summarizes the information about stock options outstanding and exercisable at December 31, 2014:

Range of exercise prices	Options outstanding			Options exercisable		
	Outstanding at December 31, 2014	Weighted-average remaining contractual life in years	Weighted-average exercise price	Exercisable at December 31, 2014	Weighted-average remaining contractual life in years	Weighted-average exercise price
	(Shares in thousands)					
\$50.01 to \$150.00	32	5.1	\$ 118.56	32	5.1	\$ 118.56
\$150.01 to \$250.00	203	4.4	221.09	144	4.1	214.28
\$250.01 to \$350.00	325	9.1	319.76	48	9.1	319.76
\$350.01 to \$450.00	25	9.8	393.90	—	—	—
	585	7.3	\$ 277.62	224	5.3	\$ 223.30

The fair value of each stock option award is estimated on the grant date using the Black-Scholes option pricing model. The Black-Scholes option pricing model incorporates various assumptions, including expected volatility and expected term. Prior to 2014, expected stock price volatilities were estimated based on historical stock price volatilities of peer companies that were chosen on the basis of their similarity to the Company in terms of consumer use, monetization model, margin and growth characteristics and brand strength. At the beginning of 2014 the Company concluded that the most relevant reference point for determining volatility was IAC's historical volatility as a result of the Company representing a large percentage of the overall value of IAC. The risk-free interest rates are based on U.S. Treasuries with comparable terms as the awards, in effect at the grant date. Expected term is based upon the mid-point of the first and last windows for exercise. No dividends have been assumed. The following are the weighted average assumptions used in the Black-Scholes option pricing model:

	Years ended December 31,		
	2012	2013	2014