

Market Leader, Inc.  
Form 4  
August 09, 2013

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Morris Ian H

(Last) (First) (Middle)  
11332 NE 122ND WAY, SUITE 200  
(Street)

KIRKLAND, WA 98034

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
Market Leader, Inc. [LEDR]

3. Date of Earliest Transaction (Month/Day/Year)  
08/07/2013

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
\_\_\_\_ 10% Owner  
\_\_\_\_ Other (specify below)  
CEO

6. Individual or Joint/Group Filing (Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership: Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	08/07/2013		M		150,000 (1)	A	\$ 5.4 310,966 D
Common Stock	08/07/2013		M		250,000 (1)	A	\$ 2.85 560,966 D
Common Stock	08/07/2013		M		240,000 (1)	A	\$ 1.96 800,966 D
Common Stock	08/07/2013		M		210,938 (1)	A	\$ 2.01 1,011,904 D
Common Stock	08/07/2013		M		143,750	A	\$ 2.26 1,155,654 D

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Common Stock	08/07/2013	M	93,750	A	\$ 4.66	1,249,404	D
Common Stock	08/07/2013	F	458,908 (6)	D	\$ 12.48	790,496	D
Common Stock	08/07/2013	D	143,750	D	\$ 12.48	646,746	D
Common Stock	08/07/2013	D	93,750	D	\$ 12.48	552,996	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Option (Right to Buy)	\$ 5.4	08/07/2013		M	150,000	03/19/2007 <sup>(2)</sup>	12/19/2016	Common Stock
Option (Right to Buy)	\$ 2.85	08/07/2013		M	250,000	10/28/2008 <sup>(3)</sup>	07/28/2018	Common Stock
Option (Right to Buy)	\$ 1.96	08/07/2013		M	240,000	10/30/2009 <sup>(4)</sup>	07/30/2019	Common Stock
Option (Right to Buy)	\$ 2.01	08/07/2013		M	210,938	12/23/2010 <sup>(5)</sup>	09/23/2020	Common Stock
Stock Appreciation Right	\$ 2.26	08/07/2013		M	143,750	01/06/2012 <sup>(7)</sup>	10/06/2016	Common Stock
Stock Appreciation Right	\$ 4.66	08/07/2013		M	93,750	09/14/2012 <sup>(8)</sup>	06/14/2017	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Morris Ian H 11332 NE 122ND WAY, SUITE 200 KIRKLAND, WA 98034			CEO	

## Signatures

Jacqueline  
Davidson, CFO 08/09/2013

    \*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Shares acquired on exercise of stock options.
- (2) The Option vested over 4 years at the rate of 6.25% per quarter from the grant date of December 19, 2006.
- (3) The Option vested over 4 years at the rate of 6.25% per quarter from the grant date of July 28, 2008.
- (4) The Option vested over 4 years at the rate of 6.25% per quarter from the grant date of July 30, 2009.
- (5) The Option vests over 4 years at the rate of 6.25% per quarter from the grant date of September 23, 2010. 50% of the unvested portion accelerated in vesting and became exercisable as of August 7, 2013.
- (6) Shares withheld by company to cover exercise price and taxes on exercise of stock options; not an open market transaction.
- (7) The Stock Appreciation Right vests over 4 years at the rate of 6.25% per quarter from the grant date of October 6, 2011. 50% of the unvested portion accelerated in vesting and became exercisable as of August 7, 2013.
- (8) The Stock Appreciation Right vests over 4 years at the rate of 6.25% per quarter from the grant date of June 14, 2012. 50% of the unvested portion accelerated in vesting and became exercisable as of August 7, 2013.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.