

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 \*  
MENDENHALL RICHARD A

(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  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount (A) or Price (D)   |  |   |
| Common Stock                    | 08/07/2013                           |  | M                              |   | 20,000<br>(1)   | A  | \$ 2.2 20,000 D                                       |
| Common Stock                    | 08/07/2013                           |  | M                              |   | 10,000<br>(1)   | A  | \$ 5.28 30,000 D                                      |
| Common Stock                    | 08/07/2013                           |  | M                              |   | 10,000<br>(1)   | A  | \$ 2.88 40,000 D                                      |
| Common Stock                    | 08/07/2013                           |  | M                              |   | 10,000<br>(1)   | A  | \$ 1.78 50,000 D                                      |
| Common Stock                    | 08/07/2013                           |  | M                              |   | 10,000<br>(1)   | A  | \$ 2.06 60,000 D                                      |
|                                 | 08/07/2013                           |  | M                              |   |   | A  | \$ 1.8 75,000 D                                       |

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|              |            |  |   |               |   |          |         |   |
|--------------|------------|--|---|---------------|---|----------|---------|---|
| Common Stock |            |  |   | 15,000<br>(1) |   |          |         |   |
| Common Stock | 08/07/2013 |  | M | 15,000<br>(1) | A | \$ 2.66  | 90,000  | D |
| Common Stock | 08/07/2013 |  | M | 15,000<br>(1) | A | \$ 6.84  | 105,000 | D |
| Common Stock | 08/07/2013 |  | F | 26,726<br>(3) | D | \$ 12.48 | 78,274  | 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 Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Option (Right to Buy)                      | \$ 2.2   | 08/07/2013                           |  | M                              | 20,000  | 11/24/2004 08/24/2014                                    | Common Stock  | 20,000                     |
| Option (Right to Buy)                      | \$ 5.28  | 08/07/2013                           |  | M                              | 10,000  | 01/01/2008 01/12/2017                                    | Common Stock  | 10,000                     |
| Option (Right to Buy)                      | \$ 2.88  | 08/07/2013                           |  | M                              | 10,000  | 01/09/2009 01/09/2018                                    | Common Stock  | 10,000                     |
| Option (Right to Buy)                      | \$ 1.78  | 08/07/2013                           |  | M                              | 10,000  | 01/07/2010 01/07/2019                                    | Common Stock  | 10,000                     |
| Option (Right to Buy)                      | \$ 2.06  | 08/07/2013                           |  | M                              | 10,000  | 01/06/2011 01/06/2020                                    | Common Stock  | 10,000                     |
| Option (Right to Buy)                      | \$ 1.8   | 08/07/2013                           |  | M                              | 15,000  | 01/06/2012 01/06/2021                                    | Common Stock  | 15,000                     |

Buy)

|                          |         |            |   |        |            |            |              |        |
|--------------------------|---------|------------|---|--------|------------|------------|--------------|--------|
| Option<br>(Right to Buy) | \$ 2.66 | 08/07/2013 | M | 15,000 | 01/12/2013 | 01/12/2022 | Common Stock | 15,000 |
|--------------------------|---------|------------|---|--------|------------|------------|--------------|--------|

|                          |         |            |   |        |                           |            |              |        |
|--------------------------|---------|------------|---|--------|---------------------------|------------|--------------|--------|
| Option<br>(Right to Buy) | \$ 6.84 | 08/07/2013 | M | 15,000 | 08/07/2013 <sup>(2)</sup> | 01/10/2023 | Common Stock | 15,000 |
|--------------------------|---------|------------|---|--------|---------------------------|------------|--------------|--------|

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |

MENDENHALL RICHARD A  
11332 NE 122ND WAY, SUITE 200  
KIRKLAND, WA 98034

## 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) Option accelerated in vesting and became exercisable August 7, 2013.
- (3) Shares withheld by company to cover exercise price on exercise of stock options; not an open market transaction.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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