

SCHULMAN DANIEL H  
 Form 4  
 July 19, 2017

**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 \*  
**SCHULMAN DANIEL H**  
  
 (Last) (First) (Middle)  
**C/O PAYPAL HOLDINGS, INC., 2211 NORTH FIRST STREET**  
  
 (Street)  
**SAN JOSE, CA 95131**  
  
 (City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**PayPal Holdings, Inc. [PYPL]**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**07/17/2017**

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)  
**President and CEO**

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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	07/17/2017		M	3,811 A \$ 0	3,811	D	
Common Stock	07/17/2017		F	1,988 (1) D \$ 57.58	1,823	D	
Common Stock					199,069	I	by GRAT (2)

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

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SEC 1474 (9-02)

number.

**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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Restricted Stock Units -4	(3)	07/17/2017		M	3,811	(4)	(5)	Common Stock	3,811
Non-Qualified Stock Option (right to buy)	\$ 31.56					(6)	10/15/2021	Common Stock	161,700
Non-Qualified Stock Option (right to buy)	\$ 35.88					(7)	04/01/2022	Common Stock	145,200
Non-Qualified Stock Option (right to buy)	\$ 41.64					(8)	07/17/2022	Common Stock	30,400
Restricted Stock Units -1	(3)					(9)	(5)	Common Stock	67,400
Restricted Stock Units -3	(3)					(10)	(5)	Common Stock	36,300
Restricted Stock Units -5	(3)					(11)	(5)	Common Stock	109,100
Restricted Stock Units -6	(3)					(11)	(5)	Common Stock	181,900
Restricted Stock Units -7	(3)					(12)	(5)	Common Stock	125,800
Restricted Stock Units -8	(3)					(12)	(5)	Common Stock	26,400

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
	X		President and CEO	

SCHULMAN DANIEL H  
C/O PAYPAL HOLDINGS, INC.  
2211 NORTH FIRST STREET  
SAN JOSE, CA 95131

## Signatures

By: Brian Yamasaki For: Daniel H.  
Schulman

07/19/2017

\_\_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) Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of 3,811 shares of restricted stock granted to the Reporting Person on 07/17/15.
- (2) Represents 199,069 shares of common stock previously owned directly which were contributed to a grantor retained annuity trust on April 11, 2017. The contribution was exempt from reporting pursuant to Rule 16a-13.
- (3) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.  
The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 07/17/16 and 25% each year thereafter. Upon vesting, the reporting person will receive a number of shares of common stock equal to the number of restricted stock units that have vested.
- (4) Not applicable.
- (5) The option grant is subject to a four-year vesting schedule, vesting 25% on 9/30/15 and 1/48th per month thereafter.
- (6) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 10/1/15 and 1/48th per month thereafter.
- (7) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 01/17/16 and 1/48th per month thereafter.  
The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 10/15/15 and 25% each thereafter. Upon vesting, the reporting person will receive a number of shares of common stock equal to the number of restricted stock units that have vested.
- (8) The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 4/1/16 and 25% each year thereafter. Upon vesting, the reporting person will receive a number of shares of common stock equal to the number of restricted stock units that have vested.
- (9) The reporting person received a restricted stock unit grant subject to a three-year vesting schedule, vesting 33.34% on the one year anniversary date of the restricted stock unit, 33.33% on the second year anniversary, and 33.33% on the third year anniversary. Upon vesting, the reporting person will receive a number of shares of common stock equal to the number of restricted stock units that have vested.
- (10) The reporting person earned 152,289 shares in respect of PBRUs for the 2015-2016 performance period, which were granted to the reporting person as restricted stock units on 3/1/17. 100% of the shares subject to such restricted stock units will vest on the first anniversary of the date of grant.
- (11)

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.