

PayPal Holdings, Inc.  
Form 4  
October 18, 2016

**FORM 4**

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

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

## OMB APPROVAL

OMB  
Number: 3235-0287  
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2005  
Estimated average  
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response... 0.5

(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)  
**10/15/2016**

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount (A) or (D)	Price	
Common Stock	10/15/2016		M		33,701	A \$ 0	203,364 D
Common Stock	10/15/2016		F		17,575 (1)	D \$ 39.24	185,789 D

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

**Persons who respond to the collection of  
information contained in this form are not  
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SEC 1474  
(9-02)

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**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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Restricted Stock Units -1	(2)	10/15/2016		M	33,701	(3) (4)	Common Stock 33,
Non-Qualified Stock Option (right to buy)	\$ 31.56					(5) 10/15/2021	Common Stock 161
Non-Qualified Stock Option (right to buy)	\$ 35.88					(6) 04/01/2022	Common Stock 145
Non-Qualified Stock Option (right to buy)	\$ 41.64					(7) 07/17/2022	Common Stock 30,
Restricted Stock Units -3	(2)					(8) (4)	Common Stock 54,
Restricted Stock Units -4	(2)					(9) (4)	Common Stock 11,
Restricted Stock Units -5	(2)					(10) (4)	Common Stock 163

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHULMAN DANIEL H C/O PAYPAL HOLDINGS, INC. 2211 NORTH FIRST STREET SAN JOSE, CA 95131	X		President and CEO	

## Signatures

By: Brian Yamasaki For: Daniel H. Schulman

10/17/2016

\*\*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 33,701 shares of restricted stock units granted to the Reporting Person on 10/15/14.

(2) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.

(3) 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.

(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.

(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 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.

(10) The reporting person received a restricted stock unit grant subject to a three-year vesting schedule, vesting 33.34% on the one year anniversary, and 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.

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.