

PayPal Holdings, Inc.  
Form 4  
July 21, 2015

**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  
Expires: January 31,  
2005  
Estimated average  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**SCHULMAN DANIEL H**

(Last) (First) (Middle)

**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)  
**07/17/2015**

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)
Restricted Stock Units-1	07/17/2015		A <sup>(1)</sup>	134,804 A \$ 0	19,275	D	
Restricted Stock Units-1	07/17/2015		A <sup>(1)</sup>	121,965 A \$ 0	19,275	D	
Restricted Stock Units-1	07/17/2015		A <sup>(1)</sup>	72,618 A \$ 0	19,275	D	

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

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SEC 1474  
(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 Security (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security
Non-Qualified Stock Option (right to buy)	\$ 31.55	07/17/2015		A <sup>(2)</sup>		161,764		<sup>(3)</sup>	10/15/2021	Common Stock	16
Non-Qualified Stock Option (right to buy)	\$ 35.88	07/17/2015		A <sup>(2)</sup>		145,234		<sup>(4)</sup>	04/01/2022	Common Stock	14

## Reporting Owners

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

## Signatures

By: Russell S. Elmer For: Daniel H. Schulman 07/17/2015

\_\_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) In connection with the spin-off of the Issuer from eBay Inc. on July 17, 2015, each outstanding eBay RSU award was converted into a RSU award denominated in shares of the Issuer's common stock pursuant to the terms of the employee matters agreement between eBay Inc. and the Issuer. The number of underlying shares was adjusted in a manner intended to preserve the aggregate intrinsic value of the original eBay RSU award. Each RSU represents a contingent right to receive one share of the Issuer's underlying common stock.

(2) In connection with the spin-off of the Issuer from eBay Inc. on July 17, 2015, each outstanding eBay stock option was converted into an award of options to purchase shares of the Issuer's common stock pursuant to the terms of the employee matters agreement between eBay Inc. and the Issuer. The number of shares and exercise prices of each option award was adjusted in a manner intended to preserve the aggregate intrinsic value of the original eBay stock option.

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- (3) The option grant is subject to a four-year vesting schedule, vesting 25% on 9/30/15 and 1/48th per month thereafter.
- (4) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 10/1/15 and 1/48th per month thereafter.

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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