

PayPal Holdings, Inc.
Form 4
July 29, 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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Barel Tomer

(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)
07/28/2016

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)

SVP, Chief Risk Officer

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	07/28/2016		M		2,866	A	\$ 22.98 27,017
Common Stock	07/28/2016		S		2,866	D	\$ 37.2032 24,151
Common Stock	07/28/2016		S		2,996	D	\$ 37.211 21,155

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
required to respond unless the form
displays a currently valid OMB control**

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 Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 22.98	07/28/2016		M	2,866	<u>(1)</u>	04/02/2019	Common Stock	2,866
Non-Qualified Stock Option (right to buy)	\$ 34.99					<u>(2)</u>	04/01/2020	Common Stock	3,520
Non-Qualified Stock Option (right to buy)	\$ 35.88					<u>(2)</u>	04/01/2022	Common Stock	32,270
Non-Qualified Stock Option (right to buy)	\$ 36.95					<u>(2)</u>	04/01/2021	Common Stock	9,850
Restricted Stock Units -2	<u>(5)</u>					<u>(3)</u>	<u>(4)</u>	Common Stock	2,340
Restricted Stock Units -3	<u>(5)</u>					<u>(3)</u>	<u>(4)</u>	Common Stock	2,930
Restricted Stock Units -4	<u>(5)</u>					<u>(3)</u>	<u>(4)</u>	Common Stock	6,560
Restricted Stock Units -5	<u>(5)</u>					<u>(3)</u>	<u>(4)</u>	Common Stock	5,470
Restricted Stock Units -6	<u>(5)</u>					<u>(6)</u>	<u>(4)</u>	Common Stock	39,930
Restricted Stock Units -7	<u>(5)</u>					<u>(3)</u>	<u>(4)</u>	Common Stock	12,100
Restricted Stock Units -8	<u>(5)</u>					<u>(6)</u>	<u>(4)</u>	Common Stock	37,770

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Barel Tomer C/O PAYPAL HOLDINGS, INC. 2211 NORTH FIRST STREET SAN JOSE, CA 95131			SVP, Chief Risk Officer	

Signatures

By: Russell S. Elmer For: Tomer
Barel

07/28/2016

__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) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.
- (2) The option grant is subject to a four-year vesting schedule, vesting 12.5% on the 6 month anniversary of the grant and 1/48th per month thereafter.

The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on the one year anniversary date
- (3) of the restricted stock unit 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) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.

- (6) 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.