

SCHULMAN DANIEL H  
Form 4  
December 31, 2018

**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)  
12/27/2018

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	12/27/2018		M		11,764	A	\$ 31.56
Common Stock	12/27/2018		S		6,400 (1)	D	\$ 80.9041 (2)
Common Stock	12/27/2018		S		3,250 (1)	D	\$ 81.6341 (3)
Common Stock	12/27/2018		S		1,350 (1)	D	\$ 83.3881 (4)

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Common Stock	12/27/2018	S	<u>6,900</u> (1)	D	\$ <u>80.9116</u> (5)	294,690	D
Common Stock	12/27/2018	S	<u>3,500</u> (1)	D	\$ <u>81.5933</u> (6)	291,190	D
Common Stock	12/27/2018	S	<u>700</u> (1)	D	\$ <u>82.9593</u> (7)	290,490	D
Common Stock	12/27/2018	S	<u>664</u> (1)	D	\$ <u>83.7318</u> (8)	289,826	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 Security (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Non-Qualified Stock Option (right to buy)	\$ 31.56	12/27/2018		M	11,764	<u>(9)</u>	10/15/2021	Common Stock	11,
Non-Qualified Stock Option (right to buy)	\$ 35.88					<u>(10)</u>	04/01/2022	Common Stock	145,
Non-Qualified Stock Option (right to buy)	\$ 41.64					<u>(11)</u>	07/17/2022	Common Stock	30,
Performance Stock Units	<u>(12)</u>					<u>(12)</u>	04/01/2023	Common Stock	379,
Restricted Stock Units -3	<u>(15)</u>					<u>(13)</u>	<u>(14)</u>	Common Stock	18,
	<u>(15)</u>					<u>(16)</u>	<u>(14)</u>		3,8

Restricted Stock Units -4				Common Stock	
Restricted Stock Units -5	(15)	(17)	(14)	Common Stock	54,
Restricted Stock Units -6	(15)	(17)	(14)	Common Stock	121
Restricted Stock Units -9	(15)	(17)	(14)	Common Stock	113

## 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 12/31/2018

\*\*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) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.
- (2) Represents the weighted average price of shares sold at prices that ranged from \$80.29 to \$81.27.
- (3) Represents the weighted average price of shares sold at prices that ranged from \$81.29 to \$82.275.
- (4) Represents the weighted average price of shares sold at prices that ranged from \$82.45 to \$83.90.
- (5) Represents the weighted average price of shares sold at prices that ranged from \$80.30 to \$81.275.
- (6) Represents the weighted average price of shares sold at prices that ranged from \$81.30 to \$82.265.
- (7) Represents the weighted average price of shares sold at prices that ranged from \$82.48 to \$83.46.
- (8) Represents the weighted average price of shares sold at prices that ranged from \$83.48 to \$83.92.
- (9) The option grant is subject to a four-year vesting schedule, vesting 25% on 9/30/15 and 1/48th per month thereafter.
- (10) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 10/1/15 and 1/48th per month thereafter.
- (11) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 01/17/16 and 1/48th per month thereafter.

Each performance stock unit represents a contingent right to receive one share of PayPal's common stock. One-half of the performance stock units are earned upon PayPal common stock achieving an average closing price per share of \$105 or higher for 90 consecutive trading days during the five-year performance period. The other one-half of the performance stock units are earned upon PayPal common stock achieving an average closing price per share of \$125 or higher for 90 consecutive trading days during the five-year performance period. If earned, the performance stock units will, subject to certain exceptions, vest ratably on the third, fourth and fifth anniversaries of the grant date. Any performance stock unit that has not been earned and vested as of the fifth anniversary of the grant date will be forfeited.

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- (13) 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.
- (14) Not applicable.
- (15) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.
- (16) 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.
- (17) 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.

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.