

PayPal Holdings, Inc.  
Form 4  
September 16, 2015

**FORM 4**

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

OMB APPROVAL

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**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 \*  
**Ferguson Hill**

(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)  
**09/14/2015**

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)  
**SVP, Consumer**

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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	09/14/2015		M		16,755 A \$ 0	45,951	D
Common Stock	09/14/2015		F		8,743 (1) D \$ 33.77	37,208	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)

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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 or Number of Shares
Restricted Stock Units -6	(2)	09/14/2015		M	16,755	(3) (4)	Common Stock	16,755
Non-Qualified Stock Option (right to buy)	\$ 17.87					(5) 09/09/2018	Common Stock	8,200
Non-Qualified Stock Option (right to buy)	\$ 22.68					(6) 04/13/2019	Common Stock	7,400
Non-Qualified Stock Option (right to buy)	\$ 34.99					(6) 04/01/2020	Common Stock	9,000
Non-Qualified Stock Option (right to buy)	\$ 35.19					(6) 04/01/2021	Common Stock	27,900
Non-Qualified Stock Option (right to buy)	\$ 35.88					(6) 04/01/2022	Common Stock	32,200
Restricted Stock Units - 11	(2)					(3) (4)	Common Stock	16,100
Restricted Stock Units -10	(2)					(7) (4)	Common Stock	99,400
Restricted Stock Units -3	(2)					(3) (4)	Common Stock	5,300
Restricted Stock Units -4	(2)					(3) (4)	Common Stock	1,600
Restricted Stock Units -5	(2)					(3) (4)	Common Stock	85,000
Restricted Stock Units -7	(2)					(3) (4)	Common Stock	6,000

Restricted Stock Units -8	<u>(2)</u>		<u>(3)</u>	<u>(4)</u>	Common Stock	3,7
Restricted Stock Units -9	<u>(2)</u>		<u>(3)</u>	<u>(4)</u>	Common Stock	10,4

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Ferguson Hill C/O PAYPAL HOLDINGS, INC. 2211 NORTH FIRST STREET SAN JOSE, CA 95131			SVP, Consumer	

## Signatures

By: Russell S. Elmer For: Hill  
Ferguson

09/16/2015

\*\*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) Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of 16,755 shares of restricted stock granted to the Reporting Person on 09/14/12.
- (2) 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 the one year anniversary date 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.
- (3) Not applicable.
- (4) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.
- (5) The option grant is subject to a four-year vesting schedule, vesting 12.5% on the 6 month anniversary of the original eBay grant and 1/48th per month thereafter.  
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.
- (6) Not applicable.

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.