

PayPal Holdings, Inc.  
Form 4  
July 21, 2015

**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 \*  
Barel Tomer

(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  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
SVP, CRO

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Restricted Stock Units-1	07/17/2015		A <sup>(1)</sup>		108,495	A	\$ 0 0
						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)**

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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)	8. Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 22.98	07/17/2015		A <sup>(2)</sup>	2,866	<sup>(3)</sup> 04/02/2019	Common Stock	2,866
Non-Qualified Stock Option (right to buy)	\$ 34.99	07/17/2015		A <sup>(2)</sup>	3,520	<sup>(4)</sup> 04/01/2020	Common Stock	3,520
Non-Qualified Stock Option (right to buy)	\$ 36.94	07/17/2015		A <sup>(2)</sup>	9,855	<sup>(4)</sup> 04/01/2021	Common Stock	9,855
Non-Qualified Stock Option (right to buy)	\$ 35.88	07/17/2015		A <sup>(2)</sup>	32,275	<sup>(4)</sup> 04/01/2022	Common Stock	32,275

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Barel Tomer 2211 NORTH FIRST STREET SAN JOSE, CA 95131			SVP, CRO	

## Signatures

By: Russell S. Elmer For: Tomer Barel 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) Options become exercisable as to 25% on the one year anniversary date of the original eBay grant and 1/48th monthly thereafter.
- (4) 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.

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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