

Pentland Adele Louise  
 Form 4  
 February 20, 2018

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 Pentland Adele Louise

(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)  
 02/15/2018

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)  
 EVP, CHF Bus. Aff. & Legal OFC

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	02/15/2018		A		21,216 (1)	A	\$ 0 67,261 D
Common Stock	02/15/2018		F		8,620 (2)	D	\$ 78.295 58,641 D
Common Stock	02/16/2018		S		5,734 (3)	D	\$ 77.8763 52,907 D (4)

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

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SEC 1474 (9-02)

**displays a currently valid OMB control 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 of 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)	\$ 0					<u>(5)</u>	05/15/2022	Common Stock	48,899
Restricted Stock Units -1	<u>(8)</u>					<u>(6)</u>	<u>(7)</u>	Common Stock	12,224
Restricted Stock Units -2	<u>(8)</u>					<u>(6)</u>	<u>(7)</u>	Common Stock	54,332
Restricted Stock Units -3	<u>(8)</u>					<u>(9)</u>	<u>(7)</u>	Common Stock	33,572
Restricted Stock Units -4	<u>(8)</u>					<u>(9)</u>	<u>(7)</u>	Common Stock	60,647
Restricted Stock Units -5	<u>(8)</u>					<u>(10)</u>	<u>(7)</u>	Common Stock	21,190

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Pentland Adele Louise C/O PAYPAL HOLDINGS, INC. 2211 NORTH FIRST STREET SAN JOSE, CA 95131			EVP, CHF Bus. Aff. & Legal OFC	

## Signatures

By: Brian Yamasaki For: A. Louise Pentland 02/19/2018

\*\*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) AIP share footnote: The reporting person earned 21,216 shares in respect of performance-based restricted stock unit units (PBRsUs) based on the company's achievement of certain performance targets for the 2017 performance period, which were vested as shares of common stock on 2/15/18.

(2) Tax withholding footnote: Represents shares withheld to satisfy tax withholding obligations in connection with the vesting of 21,216 shares of common stock underlying PBRsUs on 2/15/18 (see footnote 1).

(3) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.

(4) Represents the weighted average price of shares sold at prices that ranged from \$77.57 to \$78.17.

(5) Options become exercisable as to 25% on the one year anniversary date of the grant and 1/48th monthly thereafter.

(6) 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.

(7) Not applicable.

(8) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.

(9) 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.

(10) The reporting person earned a total of 42,380 shares in respect of performance-based restricted stock units (PBRsUs) for the 2015-2016 performance period, which were granted to the reporting person as restricted stock units on 3/1/17. Amount represents 50% of the shares subject to such restricted stock units vesting on the first anniversary of the date of grant.

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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