

PayPal Holdings, Inc.  
Form 4  
March 03, 2017

**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 \*  
Marino Gary J

(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)  
03/01/2017

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, Chief Commercial Officer

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	03/01/2017		F		3,389 (1)	D	\$ 42.43 40,740 D
Common Stock	03/01/2017		A		6,993 (2)	A	\$ 0 47,733 D
Common Stock	03/01/2017		F		2,374 (3)	D	\$ 42.43 45,359 D
Common Stock	03/01/2017		A		13,987 (2)	A	\$ 0 59,346 D
Common Stock	03/01/2017		F		6,537 (3)	D	\$ 42.43 52,809 D

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Common Stock	03/01/2017	M	376	A	\$ 34.99	53,185	D
Common Stock	03/01/2017	S	376 <sup>(4)</sup>	D	\$ 42.31	52,809	D
Common Stock	03/01/2017	M	342	A	\$ 35.2	53,151	D
Common Stock	03/01/2017	S	342 <sup>(4)</sup>	D	\$ 42.31	52,809	D
Common Stock	03/01/2017	M	336	A	\$ 35.88	53,145	D
Common Stock	03/01/2017	S	336 <sup>(4)</sup>	D	\$ 42.31	52,809	D
Common Stock	03/01/2017	M	672	A	\$ 35.88	53,481	D
Common Stock	03/01/2017	S	672 <sup>(4)</sup>	D	\$ 42.31	52,809	D
Common Stock	03/02/2017	S	15,660 <sup>(4)</sup>	D	\$ 42.6609 <sup>(5)</sup>	37,149	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 or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 34.99	03/01/2017		M		376		<sup>(6)</sup>	04/01/2020	Common Stock	3
Non-Qualified Stock Option (right to buy)	\$ 35.2	03/01/2017		M		342		<sup>(6)</sup>	04/01/2021	Common Stock	3

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Non-Qualified Stock Option (right to buy)	\$ 35.88	03/01/2017	M	336	(6)	04/01/2022	Common Stock	3
Non-Qualified Stock Option (right to buy)	\$ 35.88	03/01/2017	M	672	(6)	04/01/2022	Common Stock	67
Restricted Stock Units -6	(8)	03/01/2017	A	72,777	(9)	(10)	Common Stock	72
Restricted Stock Units -7	(8)	03/01/2017	A	6,993	(2)	(10)	Common Stock	6
Restricted Stock Units -8	(8)	03/01/2017	A	13,986	(2)	(10)	Common Stock	13
Restricted Stock Units -1	(8)				(11)	(10)	Common Stock	2
Restricted Stock Units -2	(8)				(11)	(10)	Common Stock	4
Restricted Stock Units -3	(8)				(11)	(10)	Common Stock	6
Restricted Stock Units -4	(8)				(11)	(10)	Common Stock	12
Restricted Stock Units -5	(8)				(9)	(10)	Common Stock	37

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Marino Gary J C/O PAYPAL HOLDINGS, INC. 2211 NORTH FIRST STREET SAN JOSE, CA 95131			EVP, Chief Commercial Officer	

## Signatures

By: Brian Yamasaki For: Gary J. Marino  
Date: 03/03/2017

\_\_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 6,980 shares subject to restricted stock units granted to the reporting person in respect of performance-based restricted stock units (PBRsUs) for the 2014-2015 performance period.
- (2)

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The reporting person earned 41,959 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.

- (3) Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of a total of 20,980 shares (see footnote 2) subject to restricted stock units granted to the Reporting Person in respect of PBRsUs for the 2015-2016 performance period.
- (4) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.
- (5) Represents the weighted average price of shares sold at prices that ranged from \$42.23 to \$42.85.
- (6) 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.
- (7) Total represents an aggregate amount of 25,216 shares beneficially held after both exercises are reflected.
- (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) Not applicable.

- (11) 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.

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.