

Pentland Adele Louise
Form 4
February 20, 2018

FORM 4

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

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

OMB APPROVAL

OMB
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(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
____X____ Officer (give title below) ____ Other (specify below)
EVP, CHF Bus. Aff. & Legal OFC

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

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

**Persons who respond to the collection of
information contained in this form are not
required to respond unless the form**

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 | | | | | (5) 05/15/2022 | Common Stock 48,899 |
| Restricted Stock Units -1 | (8) | | | | | (6) (7) | Common Stock 12,224 |
| Restricted Stock Units -2 | (8) | | | | | (6) (7) | Common Stock 54,332 |
| Restricted Stock Units -3 | (8) | | | | | (9) (7) | Common Stock 33,572 |
| Restricted Stock Units -4 | (8) | | | | | (9) (7) | Common Stock 60,647 |
| Restricted Stock Units -5 | (8) | | | | | (10) (7) | 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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