

PAYPAL HOLDINGS, INC.

Reported by
READY WILLIAM J

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 12/19/17 for the Period Ending 12/15/17

Address	2211 NORTH FIRST STREET SAN JOSE, CA, 95131
Telephone	(408) 967-7400
CIK	0001633917
Symbol	PYPL
SIC Code	7389 - Services-Business Services, Not Elsewhere Classified
Industry	Internet Services
Sector	Technology
Fiscal Year	12/31

FORM 4

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

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Form 5 obligations may
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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 or
Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *			2. Issuer Name and Ticker or Trading Symbol			5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
Ready William J			PayPal Holdings, Inc. [PYPL]			<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) EVP, Chief Operating Officer		
(Last) (First) (Middle)			3. Date of Earliest Transaction (MM/DD/YYYY)					
C/O PAYPAL HOLDINGS, INC., 2211 NORTH FIRST STREET			12/15/2017					
(Street)			4. If Amendment, Date Original Filed (MM/DD/YYYY)			6. Individual or Joint/Group Filing (Check Applicable Line)		
SAN JOSE, CA 95131						<input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		
(City) (State) (Zip)								

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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	12/15/2017		M		25092	A	\$0.0	112550	D	
Common Stock	12/15/2017		M		5339	A	\$0.0	117889	D	
Common Stock	12/15/2017		F		15880 <u>(1)</u>	D	\$75.65	102009	D	

Table II - Derivative Securities Beneficially Owned (e.g. , puts, calls, warrants, options, convertible securities)

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Restricted Stock Units -3	<u>(2)</u>	12/15/2017		M		25092		<u>(3)</u>	<u>(4)</u>	Common Stock	25092	\$0.0	25094	D	
Restricted Stock Units -4	<u>(2)</u>	12/15/2017		M		5339		<u>(3)</u>	<u>(4)</u>	Common Stock	5339	\$0.0	5340	D	
Non-Qualified Stock Option (right to buy)	\$35.88							<u>(5)</u>	4/1/2022	Common Stock	32275		32275	D	
Restricted Stock Units -5	<u>(2)</u>							<u>(6)</u>	<u>(4)</u>	Common Stock	8068		8068	D	
Restricted Stock Units -6	<u>(2)</u>							<u>(7)</u>	<u>(4)</u>	Common Stock	37768		37768	D	
Restricted Stock Units -7	<u>(2)</u>							<u>(7)</u>	<u>(4)</u>	Common Stock	97035		97035	D	
Restricted Stock Units -8	<u>(2)</u>							<u>(8)</u>	<u>(4)</u>	Common Stock	388140		388140	D	
Restricted Stock Units -9	<u>(2)</u>							<u>(9)</u>	<u>(4)</u>	Common Stock	13986		13986	D	

Explanation of Responses:

- Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of 30,431 restricted stock units granted to the Reporting Person on January 15, 2014.
- 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 20% on the second year anniversary date of the restricted stock unit and 3.33% monthly 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.
- Not applicable.
- 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.

- (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) 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.
- (8) 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 quarterly 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.
- (9) The reporting person earned a total of 27,972 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 which vested on 3/1/17 (date of grant).

Reporting Owners

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

Signatures

By: Brian Yamasaki For: William J. Ready

12/18/2017

**Signature of Reporting Person

Date

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

* 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).

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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