

PayPal Holdings, Inc.  
Form 4  
March 03, 2016

**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)  
03/01/2016

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, Americas & Credit Product

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)
			Code	V	Amount or Price		
Common Stock	03/01/2016		M		3,234 A \$ 0	3,234	D
Common Stock	03/01/2016		A		13,960 (1) A \$ 0	17,194	D
Common Stock	03/01/2016		F		1,098 (2) D \$ 39.25	16,096	D
Common Stock	03/01/2016		F		2,370 (2) D \$ 39.25	13,726	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 Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units -4	(3)	03/01/2016		M	3,234	(4) (5)	Common Stock	3,234	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 03/01/2017	Common Stock	63,690	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 03/01/2018	Common Stock	47,770	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 04/02/2019	Common Stock	24,040	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 04/01/2020	Common Stock	18,050	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 04/01/2021	Common Stock	16,420	
Non-Qualified Stock Option (right to buy)	\$ 0					(6) 04/01/2022	Common Stock	48,410	
Restricted Stock Units -1	(3)					(4) (5)	Common Stock	3,000	
Restricted Stock Units -2	(3)					(4) (5)	Common Stock	4,510	
Restricted Stock Units -3	(3)					(4) (5)	Common Stock	6,150	

Restricted Stock Units -5	<u>(3)</u>		<u>(4)</u>	<u>(5)</u>	Common Stock	8,07
Restricted Stock Units -6	<u>(3)</u>		<u>(4)</u>	<u>(5)</u>	Common Stock	16,13

## 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			SVP, Americas & Credit Product	

## Signatures

By: Russell S. Elmer For: Gary  
Marino

03/02/2016

\_\_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) The reporting person was granted 13,960 shares of common stock as a result of the company's achievement of certain performance criteria for 2014/2015 (the award was originally allocated to the reporting person as performance-based restricted stock units). 50% of the shares vested on the date of grant and the remainder will vest on 3/1/17.
- (2) Represents shares reacquired to satisfy tax withholding obligations in connection with the vesting of (a) 3,234 shares of restricted stock granted to the Reporting Person on 3/2/15 as a result of the company's achievement of certain performance criteria for 2013/2014 (the award was originally allocated to the reporting person as performance-based restricted stock units) and (b) 6,980 shares of restricted stock granted to the Reporting Person on 3/1/16 (see footnote 1).
- (3) Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.
- (4) 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.
- (5) Not applicable.
- (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.

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.