

PayPal Holdings, Inc.
Form 4
July 21, 2015

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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, 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 *
Barel Tomer

2. Issuer Name and Ticker or Trading Symbol
PayPal Holdings, Inc. [PYPL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2211 NORTH FIRST STREET
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
07/17/2015

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
SVP, CRO

SAN JOSE, CA 95131
(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

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 Ownership (Instr. 4)
				(A) or (D) Price			
Restricted Stock Units-1	07/17/2015		A ⁽¹⁾	108,495 A \$ 0 0		D	

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

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SEC 1474 (9-02)

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

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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)	\$ 22.98	07/17/2015		A ⁽²⁾		2,866		⁽³⁾	04/02/2019	Common Stock	2,866 (2)
Non-Qualified Stock Option (right to buy)	\$ 34.99	07/17/2015		A ⁽²⁾		3,520		⁽⁴⁾	04/01/2020	Common Stock	3,520 (2)
Non-Qualified Stock Option (right to buy)	\$ 36.94	07/17/2015		A ⁽²⁾		9,855		⁽⁴⁾	04/01/2021	Common Stock	9,855 (2)
Non-Qualified Stock Option (right to buy)	\$ 35.88	07/17/2015		A ⁽²⁾		32,275		⁽⁴⁾	04/01/2022	Common Stock	32,275 (2)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Barel Tomer 2211 NORTH FIRST STREET SAN JOSE, CA 95131			SVP, CRO	

Signatures

By: Russell S. Elmer For: Tomer Barel
07/17/2015
Date

**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) In connection with the spin-off of the Issuer from eBay Inc. on July 17, 2015, each outstanding eBay RSU award was converted into a RSU award denominated in shares of the Issuer's common stock pursuant to the terms of the employee matters agreement between eBay Inc and the Issuer. The number of underlying shares was adjusted in a manner intended to preserve the aggregate intrinsic value of the original eBay RSU award. Each RSU represents a contingent right to receive one share of the Issuer's underlying common stock.

(2) In connection with the spin-off of the Issuer from eBay Inc. on July 17, 2015, each outstanding eBay stock option was converted into an award of options to purchase shares of the Issuer's common stock pursuant to the terms of the employee matters agreement between eBay Inc. and the Issuer. The number of shares and exercise prices of each option award was adjusted in a manner intended to preserve the aggregate intrinsic value of the original eBay stock option.

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- (3) Options become exercisable as to 25% on the one year anniversary date of the original eBay grant and 1/48th monthly thereafter.
- (4) The option grant is subject to a four-year vesting schedule, vesting 12.5% on the 6 month anniversary of the original eBay 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.

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