

SCHULMAN DANIEL H

Form 4

April 02, 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  
Number: 3235-0287  
Expires: January 31,  
2005  
Estimated average  
burden hours per  
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SCHULMAN DANIEL H

(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)  
03/29/2018

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)

President and CEO

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                    | 03/29/2018                           |                                                    | S                              |                                                                   | 3,316<br><u>(1)</u> | D          | \$<br>75.1849<br><u>(2)</u>                                                                   | 346,300                                                  | D                                                     |
| Common Stock                    | 03/29/2018                           |                                                    | S                              |                                                                   | 5,884<br><u>(1)</u> | D          | \$<br>76.0033<br><u>(3)</u>                                                                   | 340,416                                                  | D                                                     |
| Common Stock                    | 03/29/2018                           |                                                    | S                              |                                                                   | 1,800<br><u>(1)</u> | D          | \$<br>76.8959<br><u>(4)</u>                                                                   | 338,616                                                  | D                                                     |
| Common Stock                    | 03/29/2018                           |                                                    | M                              |                                                                   | 15,000              | A          | \$ 31.56                                                                                      | 353,616                                                  | D                                                     |

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|              |            |   |                      |   |                          |         |   |
|--------------|------------|---|----------------------|---|--------------------------|---------|---|
| Common Stock | 03/29/2018 | S | <u>4,400</u><br>(1)  | D | \$ <u>75.1811</u><br>(5) | 349,216 | D |
| Common Stock | 03/29/2018 | S | <u>8,100</u><br>(1)  | D | \$ <u>75.986</u><br>(6)  | 341,116 | D |
| Common Stock | 03/29/2018 | S | <u>2,500</u><br>(1)  | D | \$ <u>76.8874</u><br>(7) | 338,616 | D |
| Common Stock | 04/01/2018 | M | 18,154               | A | \$ 0                     | 356,770 | D |
| Common Stock | 04/01/2018 | M | 54,555               | A | \$ 0                     | 411,325 | D |
| Common Stock | 04/01/2018 | F | <u>36,028</u><br>(8) | D | \$ 75.87                 | 375,297 | 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)

| 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 Underlying (Instr. 3 and 4) |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------|
|                                            |                                                        |                                      |                                                    | Code                           | V (A) (D)                                                                               | Date Exercisable Expiration Date                         | Title                                    |
| Non-Qualified Stock Option (right to buy)  | \$ 31.56                                               | 03/29/2018                           |                                                    | M                              | 15,000                                                                                  | (9) 10/15/2021                                           | Common Stock                             |
| Performance Stock Units                    | (10)                                                   | 04/01/2018                           |                                                    | A                              | 379,110                                                                                 | (10) 04/01/2023                                          | Common Stock                             |
| Restricted Stock Units -3                  | (11)                                                   | 04/01/2018                           |                                                    | M                              | 18,154                                                                                  | (12) (13)                                                | Common Stock                             |
| Restricted Stock Units -5                  | (11)                                                   | 04/01/2018                           |                                                    | M                              | 54,555                                                                                  | (14) (13)                                                | Common Stock                             |
| Non-Qualified Stock Option (right to buy)  | \$ 35.88                                               |                                      |                                                    |                                |                                                                                         | (15) 04/01/2022                                          | Common Stock                             |
|                                            | \$ 41.64                                               |                                      |                                                    |                                |                                                                                         | (16) 07/17/2022                                          |                                          |

|                                                 |      |  |      |      |                 |
|-------------------------------------------------|------|--|------|------|-----------------|
| Non-Qualified<br>Stock Option<br>(right to buy) |      |  |      |      | Common<br>Stock |
| Restricted<br>Stock Units -1                    | (11) |  | (17) | (13) | Common<br>Stock |
| Restricted<br>Stock Units -4                    | (11) |  | (18) | (13) | Common<br>Stock |
| Restricted<br>Stock Units -6                    | (11) |  | (14) | (13) | Common<br>Stock |
| Restricted<br>Stock Units -9                    | (11) |  | (14) | (13) | Common<br>Stock |

## Reporting Owners

| Reporting Owner Name / Address                                                                  | Relationships |           |                   |       |
|-------------------------------------------------------------------------------------------------|---------------|-----------|-------------------|-------|
|                                                                                                 | Director      | 10% Owner | Officer           | Other |
| SCHULMAN DANIEL H<br>C/O PAYPAL HOLDINGS, INC.<br>2211 NORTH FIRST STREET<br>SAN JOSE, CA 95131 | X             |           | President and CEO |       |

## Signatures

By: Brian Yamasaki For: Daniel H. Schulman 04/02/2018

\_\_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) The sales reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan.
  - (2) Represents the weighted average price of shares sold at prices that ranged from \$74.56 to \$75.56.
  - (3) Represents the weighted average price of shares sold at prices that ranged from \$75.57 to \$76.55.
  - (4) Represents the weighted average price of shares sold at prices that ranged from \$76.5850 to \$77.17.
  - (5) Represents the weighted average price of shares sold at prices that ranged from \$74.56 to \$75.56.
  - (6) Represents the weighted average price of shares sold at prices that ranged from \$75.5850 to \$76.5850.
  - (7) Represents the weighted average price of shares sold at prices that ranged from \$76.59 to \$77.16.
  - (8) Represents shares withheld to satisfy tax withholding obligations in connection with the vesting of shares of restricted stock units granted to the Reporting Person.
  - (9) The option grant is subject to a four-year vesting schedule, vesting 25% on 9/30/15 and 1/48th per month thereafter.
  - (10) Each performance stock unit represents a contingent right to receive one share of PayPal's common stock. One-half of the performance stock units are earned upon PayPal common stock achieving an average closing price per share of \$105 or higher for 90 consecutive trading days during the five-year performance period. The other one-half of the performance stock units are earned upon PayPal common stock achieving an average closing price per share of \$125 or higher for 90 consecutive trading days during the five-year performance period (the date on which the \$105 or \$125 closing price per share target is achieved is referred to as an "earned date" for the applicable performance stock units). If earned, the performance stock units will vest ratably on the third, fourth and fifth

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anniversaries of the grant date; provided, however, that if the earned date(s) is after the third anniversary of the grant date but before the fourth anniversary, the performance stock units will vest ratably on t

- (11) 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 25% on 4/1/16 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.

- (13) Not applicable.

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.

- (15) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 10/1/15 and 1/48th per month thereafter.

- (16) The option grant is subject to a four-year vesting schedule, vesting 12.5% on 01/17/16 and 1/48th per month thereafter.

The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 10/15/15 and 25% each 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.

The reporting person received restricted stock units subject to a four-year vesting schedule, vesting 25% on 07/17/16 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.

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