

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| OMB APPROVAL                                 |           |
|--|-----------|
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|   |  |   |
|---|--|---|
| 1. Name and Address of Reporting Person *<br><u>Ready William J</u><br><br>(Last) (First) (Middle)<br>C/O PAYPAL HOLDINGS, INC.<br>2211 NORTH FIRST STREET<br><br>(Street)<br>SAN JOSE CA 95131<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>PayPal Holdings, Inc. [ PYPL ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>EVP, Chief Operating Officer</u> |
|   | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>06/01/2019</u>                |   |
|   |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> 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                    | 06/01/2019                           |  | M                              |   | 24,258  | A          | \$0.0    | 80,541  | D  |   |
| Common Stock                    | 06/01/2019                           |  | F                              |   | 12,028 <sup>(1)</sup>   | D          | \$109.75 | 68,513  | D  |   |

**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 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: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|--------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)    | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Restricted Stock Units -8                  | (2)  | 06/01/2019                           |  | M                              |   |  | 24,258 | (3)  | (4)             | Common Stock  | 24,258                                     | \$0.0  | 137,466   | D  |       |
| Non-Qualified Stock Option (right to buy)  | \$35.88  |                                      |  |                                |   |  |        | (5)  | 04/01/2022      | Common Stock  | 7,397                                      |  | 7,397   | D  |       |
| Restricted Stock Units - 11                | (2)  |                                      |  |                                |   |  |        | (6)  | (4)             | Common Stock  | 48,339                                     |  | 48,339  | D  |       |
| Restricted Stock Units -10                 | (2)  |                                      |  |                                |   |  |        | (6)  | (4)             | Common Stock  | 33,532                                     |  | 33,532  | D  |       |
| Restricted Stock Units -7                  | (2)  |                                      |  |                                |   |  |        | (6)  | (4)             | Common Stock  | 64,690                                     |  | 64,690  | D  |       |

**Explanation of Responses:**

1. Represents shares withheld to satisfy tax withholding obligations in connection with the vesting of shares of restricted stock units granted to the Reporting Person.
2. Each restricted stock unit represents a contingent right to receive one share of PayPal's common stock.
3. 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.
4. Not applicable.
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 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.

By: Brian Yamasaki For: 06/04/2019  
William J. Ready

\*\* 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.