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8 *Attorneys for Plaintiffs Steve Sims and Edith Liss*

9 UNITED STATES DISTRICT COURT
 10 NORTHERN DISTRICT OF CALIFORNIA
 11 SAN FRANCISCO DIVISION

12 STEPHEN SILVERMAN, derivatively on)
 behalf of PAYPAL HOLDINGS, INC.,)
 13)
 Plaintiff,)
 14)
 v.)
 15)
 DANIEL SCHULMAN, JOHN D. RAINEY,)
 16 PATRICK L.A. DUPUIS, WENCES)
 CASARES, JONATHAN CHRISTODORO,)
 17 JOHN J. DONAHOE, DAVID W. DORMAN,)
 18 GAIL J. MCGOVERN, DAVID M.)
 MOFFETT, PIERRE M. OMIYAR and)
 19 FRANK D. YEARY,)
 20)
 Defendants,)
 21)
 -and-)
 22)
 PAYPAL HOLDINGS, INC.,)
 23)
 24 Nominal Defendant.)

Case No. 5:17-cv-00162-RS

**STIPULATION AND ~~PROPOSED~~
 ORDER CONSOLIDATING RELATED
 DERIVATIVE ACTIONS AND
 APPOINTING CO-LEAD COUNSEL FOR
 PLAINTIFFS**

Date Action Filed: January 12, 2017

25 *[Caption continued on next page.]*

1 STEVE SEEMAN, derivatively on behalf of)
PAYPAL HOLDINGS, INC.,)

Case No. 3:17-cv-02206-RS

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Plaintiff,

v.

DANIEL SCHULMAN, JOHN D. RAINEY,)
PATRICK L.A. DUPUIS, WENCES)
CASARES, JONATHAN CHRISTODORO,)
JOHN J. DONAHOE, DAVID W. DORMAN,)
GAIL J. MCGOVERN, DAVID M.)
MOFFETT, PIERRE M. OMIDYAR, and)
FRANK D. YEARY,)

Defendants,

-and-

PAYPAL HOLDINGS, INC.,)

Nominal Defendant.)

Date Action Filed: April 20, 2017

[Caption continued on next page.]

1 STEVE SIMS, Derivatively on Behalf of) Case No. 3:17-cv-02428-LHK
2 PAYPAL HOLDINGS, INC.)

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Plaintiff,

v.

DANIEL SCHULMAN, JOHN RAINEY,
JOHN DONAHOE, DAVID MOFFETT,
PIERRE OMIDYAR, GAIL MCGOVERN,
FRANK YEARY, DAVID DORMAN,
JONATHAN CHRISTODORO, WENCES
CASARES, and PATRICK DUPUIS,

Defendants,

-and-

PAYPAL HOLDINGS, INC., a Delaware
corporation,

Nominal Defendant.

Date Action Filed: April 27, 2017

[Caption continued on following page.]

1 EDITH LISS, Derivatively on Behalf of)
PAYPAL HOLDINGS, INC.)

Case No. 5:17-cv-02446-EJD

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Plaintiff,

v.

DANIEL SCHULMAN, JOHN RAINEY,
JOHN DONAHOE, DAVID MOFFETT,
PIERRE OMIDYAR, GAIL MCGOVERN,
FRANK YEARY, DAVID DORMAN,
JONATHAN CHRISTODORO, WENCES
CASARES, and PATRICK DUPUIS,

Defendants,

-and-

PAYPAL HOLDINGS, INC., a Delaware
corporation,

Nominal Defendant.

Date Action Filed: April 28, 2017

1 **WHEREAS**, there are presently four related stockholder derivative actions currently
2 pending in this District against the Individual Defendants,¹ who are certain current and former
3 directors and officers of nominal defendant PayPal Holdings, Inc. ("PayPal") (PayPal, together
4 with the Individual Defendants, is collectively referred to herein as "Defendants"): *Silverman v.*
5 *Schulman, et al.*, Case No. 5:17-cv-00162-RS; *Seeman v. Schulman, et al.*, Case No. 3:17-cv-
6 02206-RS; *Sims v. Schulman, et al.*, Case No. 3:17-cv-02428-LHK; and *Liss v. Schulman, et al.*,
7 Case No. 5:17-cv-02446-EJD (together, the "Related Derivative Actions");

8 **WHEREAS**, under Fed. R. Civ. P. 42(a), when actions involve "a common question of
9 law or fact," the Court may "(1) join for hearing or trial any or all matters at issue in the actions;
10 (2) consolidate the actions; or (3) issue any other orders to avoid unnecessary cost or delay";

11 **WHEREAS**, the Related Derivative Actions challenge similar alleged conduct by
12 PayPal's directors and executive officers and involve common questions of law and fact;

13 **WHEREAS**, the parties therefore respectfully submit that consolidation of the Related
14 Derivative Actions is appropriate;

15 **WHEREAS**, to avoid potentially duplicative actions and to prevent any waste of the
16 Court's resources, the parties agree that the Related Derivative Actions should be related and
17 consolidated for all purposes, including pre-trial proceedings and trial, into a single consolidated
18 action (hereinafter referred to as the "Consolidated Derivative Action");

19 **WHEREAS**, the parties agree that Robbins Arroyo LLP and Profy Promisloff &
20 Ciarlanto, P.C. shall be designated as Co-Lead Counsel for plaintiffs in the Consolidated
21 Derivative Action;

22 **WHEREAS**, a factually-related class action alleging violations of the federal securities
23 laws against PayPal and certain PayPal officers was commenced in this District on December 28,

24 _____
25 ¹ The "Individual Defendants" include Daniel H. Schulman, John D. Rainey, John J. Donahoe,
26 David M. Moffett, Pierre M. Omidyar, Gail J. McGovern, Frank D. Yearly, David W. Dorman,
27 Jonathan Christodoro, Wences Casares, and Patrick L.A. Dupuis.

1 2016: *In re PayPal Holdings, Inc. Securities Litigation*, Master File No. 3:16-cv-07371-RS (the
2 "Securities Class Action");

3 **WHEREAS**, on June 1, 2017, the lead plaintiff in the Securities Class Action filed a
4 Notice of Voluntary Dismissal without Prejudice, and the case was closed the same day;

5 **WHEREAS**, the parties have met and conferred and agree that Plaintiffs shall have thirty
6 (30) days from entry of an order on this stipulation to file a consolidated complaint;

7 **WHEREAS**, in the event Plaintiffs do not file a consolidated complaint within thirty (30)
8 days from entry of an order on this stipulation, Plaintiffs shall dismiss the action without
9 prejudice within seven (7) days of the date the consolidated complaint would have been due; and

10 **WHEREFORE**, the parties, through their undersigned counsel, hereby agree, stipulate,
11 and respectfully request that the Court enter an Order as follows:

12 1. Defendants hereby acknowledge service of the summonses and complaints in the
13 Related Derivative Actions. Aside from defenses and objections related to the absence of a
14 summons or of service, Defendants expressly reserve all defenses and objections to the
15 complaints filed in the Related Derivative Actions and any complaints filed in the Consolidated
16 Derivative Action, including but not limited to defenses based on lack of personal jurisdiction
17 and improper venue.

18 2. Defendants need not answer, move or otherwise respond to any of the complaints
19 currently filed in the Related Derivative Actions.

20 3. The following actions shall be consolidated for all purposes, including pre-trial
21 proceedings and trial, into one consolidated action:

<u>Case Name</u>	<u>Case No.</u>	<u>Filing Date</u>
<i>Silverman v. Schulman, et al.</i>	5:17-cv-00162-RS	January 12, 2017
<i>Seeman v. Schulman, et al.</i>	3:17-cv-02206-RS	April 20, 2017
<i>Sims v. Schulman, et al.</i>	3:17-cv-02428-LHK	April 27, 2017
<i>Liss v. Schulman, et al.</i>	5:17-cv-02446-EJD	April 28, 2017

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1 4. Every pleading filed in the Consolidated Derivative Action, or in any separate
2 action included herein, must bear the following caption:

3 UNITED STATES DISTRICT COURT
4 FOR THE NORTHERN DISTRICT OF CALIFORNIA

5 IN RE PAYPAL HOLDINGS, INC.
6 SHAREHOLDER DERIVATIVE
7 LITIGATION

Lead Case No. 5:17-cv-00162-RS

(Consolidated with No. 3:17-cv-02206-RS;
3:17-cv-02428-LHK; and 5:17-cv-02446-EJD)

8 This Document Relates To:

9 ALL ACTIONS.

Hon. Richard Seeborg
Courtroom: 3, 17th Floor

10
11 5. The files of the Consolidated Derivative Action will be maintained in one master
12 file under Lead Case No. 5:17-cv-00162-RS.

13 6. Co-Lead Counsel for plaintiffs for the conduct of *In re PayPal Holdings, Inc.*
14 *Shareholder Derivative* Litigation, Lead Case No. 5:17-cv-00162-RS, is designated as follows:

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28 -and-

1 PROFY PROMISLOFF & CIARLANTO, P.C.

2 JEFFREY J. CIARLANTO

3 JOSEPH M. PROFY

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10 profy@prolawpa.com

11 david@prolawpa.com

12 7. Plaintiffs' Co-Lead Counsel will be responsible for coordinating all activities and
13 appearances on behalf of plaintiffs and for the dissemination of notices and orders of this Court.
14 The parties further agree that no motion, request for discovery, or other pre-trial or trial
15 proceedings will be initiated or filed by any plaintiffs except through plaintiffs' Co-Lead
16 Counsel.

17 8. Defendants' counsel may rely upon all agreements made with any of plaintiffs'
18 Co-Lead Counsel, or other duly authorized representative of plaintiffs' Co-Lead Counsel, and
19 such agreements will be binding on plaintiffs.

20 9. This Order shall apply to each purported derivative action arising out of the same
21 or substantially the same transactions or events as the Related Derivative Actions that is
22 subsequently filed in, removed to, or transferred to this Court.

23 10. If a case that properly belongs as part of *In re PayPal Holdings, Inc. Shareholder*
24 *Derivative Litigation*, Lead Case No. 5:17-cv-00162-RS, is hereafter filed in this Court or
25 transferred here from another court, plaintiffs' Co-Lead Counsel shall promptly call to the
26 attention of the Clerk of the Court the filing or transfer of any case that might properly be
27 consolidated as part of *In re PayPal Holdings, Inc. Shareholder Derivative Litigation*, Lead Case
28 No. 5:17-cv-00162-RS.

11. In the interest of efficiency and avoidance of unnecessary duplication of effort or
judicial resources by the Court or the parties, it is further Ordered that (i) within thirty (30) days
of the entry of an order consolidating the Related Derivative Actions, plaintiffs shall file a

1 consolidated complaint; (ii) if plaintiffs decide to file a consolidated complaint, the parties shall
2 meet and confer within seven (7) days of that filing and propose a schedule with the Court
3 regarding further proceedings in the Consolidated Derivative Action, including the filing of
4 Defendants' anticipated motions to dismiss; and (iii) in the event Plaintiffs do not file a
5 consolidated complaint within thirty (30) days from entry of an order on this stipulation,
6 Plaintiffs shall dismiss the action without prejudice within seven (7) days of the date the
7 consolidated complaint would have been due.

8 12. All initial case management conferences currently scheduled, attendant
9 deadlines, and related ADR procedures shall be deferred until the Court issues a ruling on
10 Defendants' anticipated motions to dismiss.

11 13. Pursuant to Fed. R. Civ. P. 5(b)(2)(E), all parties consent to service by e-mail of
12 any document required to be served in the Consolidated Derivative Action.

13 **IT IS SO STIPULATED.**

14 Dated: June 29, 2017

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18 */s/ Shane P. Sanders*
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25 *Counsel for Plaintiffs Steve Sims and Edith Liss*
26 *and [Proposed] Co-Lead Counsel for Plaintiffs*

1 Dated: June 29, 2017

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DAVID M. PROMISLOFF

/s/ Jeffrey J. Ciarlanto

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*Counsel for Plaintiff Stephen Silverman and
[Proposed] Co-Lead Counsel for Plaintiffs*

11 Dated: June 29, 2017

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EVAN J. SMITH

/s/ Evan J. Smith

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Counsel for Plaintiff Stephen Silverman

1 Dated: June 29, 2017

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/s/ Timothy W. Brown

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Of Counsel for Plaintiff Steve Seeman

9 Dated: June 29, 2017

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/s/ Alexander K. Talarides

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SIGNATURE ATTESTATION

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I, Shane P. Sanders, am the ECF user whose identification and password are being used to file the foregoing Stipulation and [Proposed] Order Consolidating Related Derivative Actions and Appointing Co-Lead Counsel for Plaintiffs. In compliance with Civil L.R. 5-1(i)(3), I hereby attest that concurrence in the filing of this document has been obtained.

Dated: June 29, 2017

/s/ Shane P. Sanders
SHANE P. SANDERS

ORDER

PURSUANT TO STIPULATION, IT IS SO ORDERED.

DATED: 6/30/17


HON. RICHARD SEEBORG
UNITED STATES DISTRICT COURT