

LIQUIDITY SERVICES INC
Form 4
November 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 *
Dudley Gardner H

2. Issuer Name and Ticker or Trading Symbol
LIQUIDITY SERVICES INC
[LQDT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
11/01/2016

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Pres, Capital Assets Group

C/O LIQUIDITY SERVICES, INC., 1920 L STREET, N.W., 6TH FLOOR

(Street)

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

WASHINGTON, DC 20036

(City) (State) (Zip)

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) Code V Amount (D) Price | | | |
| Common Stock | 11/01/2016 | | J ⁽¹⁵⁾ | 5,527 A \$ 8.56 | 26,405 | D | |
| Common Stock | 11/01/2016 | | S ⁽¹⁶⁾ | 2,307 D \$ 8.56 | 24,098 | 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)

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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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option | \$ 13.35 | | | | | <u>(1)</u> 06/16/2020 | Common Stock | 3,188 |
| Employee Stock Grant | \$ 15.47 | | | | | <u>(2)</u> 11/30/2020 | Common Stock | 2,211 |
| Employee Stock Grant | \$ 21.99 | | | | | <u>(3)</u> 11/27/2023 | Common Stock | 416 |
| Employee Stock Grant | \$ 21.99 | | | | | <u>(4)</u> 11/27/2023 | Common Stock | 1,661 |
| Employee Stock Option | \$ 21.99 | | | | | <u>(5)</u> 11/27/2023 | Common Stock | 3,519 |
| Employee Stock Option | \$ 21.99 | | | | | <u>(6)</u> 11/27/2023 | Common Stock | 3,519 |
| Employee Stock Grant | \$ 13.57 | 11/01/2016 | | <u>J(15)</u> | 5,527 | <u>(7)</u> 05/14/2024 | Common Stock | 11,054 |
| Employee Stock Grant | \$ 12.57 | | | | | <u>(8)</u> 10/27/2024 | Common Stock | 12,500 |
| Employee Stock Grant | \$ 10.41 | | | | | <u>(9)</u> 10/01/2024 | Common Stock | 24,291 |
| Employee Stock Option | \$ 10.41 | | | | | <u>(10)</u> 10/01/2024 | Common Stock | 7,338 |
| Employee | \$ 6.63 | | | | | <u>(11)</u> 10/01/2025 | Common | 15,386 |

| | | | | | |
|-----------------------|---------|------|------------|--------------|--------|
| Stock Grant | | | | Stock | |
| Employee Stock Grant | \$ 5.11 | (12) | 10/01/2025 | Common Stock | 5,129 |
| Employee Stock Option | \$ 6.63 | (13) | 10/01/2025 | Common Stock | 11,245 |
| Employee Stock Option | \$ 6.63 | (14) | 10/01/2025 | Common Stock | 2,811 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Dudley Gardner H C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR WASHINGTON, DC 20036 | | | Pres, Capital Assets Group | |

Signatures

/s/ Mark A. Shaffer, by power of attorney
11/03/2016

**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) These options became fully vested on June 1, 2014.
- (2) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- (3) Twenty-five percent of this restricted stock grant vested on October 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- (4) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- (5) Twenty-five percent of this option grant vested on October 1, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- (6) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- (7) Fifty percent of this restricted stock grant vested on November 1, 2015 and thereafter 1/4th of the restricted stock grant will vest on November 1 of each year for two years.
- (8) Twenty-five percent of this restricted stock grant vested on October 1, 2015 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- (9) Twenty-five percent of this restricted stock grant vested on October 1, 2015 and thereafter 1/8th of the restricted stock grant will vest on April 1 and October 1 of each year for three years.
- (10) Twenty-five percent of this option grant vested on October 1, 2015 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

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- (11) Twenty-five percent of this restricted stock grant vested on October 1, 2016 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- (12) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- (13) Twenty-five percent of this option grant vested on October 1, 2016 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- (14) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- (15) Represents the vesting of restricted stock
- (16) Represents reporting person's advance election to sell to cover tax obligations upon vesting such restricted shares

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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