

Shaffer Mark A
Form 4
January 04, 2019

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 *
Shaffer Mark A

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director
 Officer (give title below) _____ Other (specify below)
VP, Gen. Counsel & Secretary

(Last) (First) (Middle)

C/O LIQUIDITY SERVICES, INC., 6931 ARLINGTON ROAD, SUTIE 200

3. Date of Earliest Transaction (Month/Day/Year)
01/02/2019

(Street)

BETHESDA, MD 20814

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

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 01/02/2019 | | J ⁽¹⁾ | 310 A \$ 0 | 11,835 | D | |
| Common Stock | 01/02/2019 | | F ⁽²⁾ | 163 D \$ 6.12 | 11,672 | 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. In-the-Money Derivative Securities (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Grant | \$ 4.57 | | | | | <u>(3)</u> | 02/16/2026 | Common Stock | 1,726 |
| Employee Stock Grant | \$ 5.8 | | | | | <u>(4)</u> | 02/16/2026 | Common Stock | 431 |
| Employee Stock Grant | \$ 8.15 | | | | | <u>(5)</u> | 06/22/2026 | Common Stock | 7,500 |
| Employee Stock Grant | \$ 8.3 | | | | | <u>(6)</u> | 10/01/2026 | Common Stock | 4,425 |
| Employee Stock Grant | \$ 8.3 | | | | | <u>(4)</u> | 10/01/2026 | Common Stock | 8,850 |
| Employee Stock Option | \$ 8.3 | | | | | <u>(7)</u> | 10/01/2026 | Common Stock | 5,250 |
| Employee Stock Option | \$ 8.3 | | | | | <u>(8)</u> | 10/01/2026 | Common Stock | 5,250 |
| Employee Stock Option | \$ 4.47 | | | | | <u>(9)</u> | 10/01/2027 | Common Stock | 18,240 |
| Employee Stock Option | \$ 4.47 | | | | | <u>(10)</u> | 10/01/2027 | Common Stock | 12,160 |
| Employee Stock Grant | \$ 4.47 | | | | | <u>(11)</u> | 10/01/2027 | Common Stock | 1,860 |
| | \$ 4.47 | 01/02/2019 | | <u>J</u> ⁽¹⁾ | 310 | <u>(12)</u> | 10/01/2027 | | 1,240 |

| Employee Stock Grant | | | | Common Stock | |
|-----------------------|---------|------|------------|--------------|--------|
| Employee Stock Option | \$ 6.11 | (9) | 10/01/2028 | Common Stock | 31,150 |
| Employee Stock Grant | \$ 6.11 | (11) | 10/01/2028 | Common Stock | 5,050 |
| Employee Stock Option | \$ 6.11 | (13) | 10/01/2028 | Common Stock | 31,150 |
| Employee Stock Grant | \$ 6.11 | (14) | 10/01/2028 | Common Stock | 5,050 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Shaffer Mark A C/O LIQUIDITY SERVICES, INC. 6931 ARLINGTON ROAD, SUTIE 200 BETHESDA, MD 20814 | | | VP, Gen. Counsel & Secretary | |

Signatures

/s/ Mark A.
Shaffer

01/04/2019

**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) Represents the vesting of restricted stock.
- (2) Represents an advance election by the insider to satisfy tax withholding obligations related to vesting of restricted shares by authorizing the issuer to sell a number of shares with an aggregate fair market value that would satisfy the withholding amount due.
- (3) Twenty-five percent of this restricted stock grant vested on October 1, 2016 and thereafter 1/4 of the restricted stock grant will vest on October 1 of each year for three years.
- (4) These restricted stock units will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- (5) Twenty-five percent of this restricted stock grant vested on July 1, 2017 and thereafter 1/4 of the restricted stock grant will vest on July 1 of each year for three years.
- (6) Twenty-five percent of this restricted stock grant vested on April 1, 2018 and thereafter 1/4th of the restricted stock grant will vest on each of October 1, 2018, October 1, 2019, and October 1, 2020.
- (7) 18/48th of this option grant will vest on April 1, 2018 and thereafter 1/48th of the option grant will vest each month for thirty months.

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- (8) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
This option becomes exercisable, if at all, based on total shareholder return (TSR) milestones. TSR is calculated based on the change in a the issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock
- (9) 15/48th of this option grant will vest on January 1, 2019 and thereafter 1/48th of the option grant will vest each month for thirty three months.
- (10) These restricted stock units vest, if at all, based on total shareholder return (TSR) milestones. TSR is calculated based on the change in a the issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock.
- (11) Twenty-five percent of this restricted stock grant vested on January 1, 2019 and thereafter 1/4th of the restricted stock grant will vest on each October 1, 2019, October 1, 2020, and October 1, 2021.
- (12) 15/48th of this option grant will vest on January 1, 2020 and thereafter 1/48th of the option grant will vest each month for thirty three months.
- (13) Twenty-five percent of this restricted stock grant will vest on January 1, 2020 and thereafter 1/4th of the restricted stock grant will vest on each October 1, 2020, October 1, 2021, and October 1, 2022.

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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