

KAR Auction Services, Inc.
Form 4
September 26, 2013

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 *
HALLETT JAMES P

(Last) (First) (Middle)

**C/O: KAR AUCTION SERVICES,
INC., 13085 HAMILTON
CROSSING BOULEVARD**

(Street)

CARMEL, IN 46032

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
KAR Auction Services, Inc. [KAR]

3. Date of Earliest Transaction
(Month/Day/Year)
09/24/2013

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) below)

Chief Executive Officer

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	09/24/2013		S		12,954 (1)	\$ 26.625	26,356 (2)	I	By KAR Holdings II, LLC

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**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 control
number.**

SEC 1474
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)**

Edgar Filing: KAR Auction Services, Inc. - Form 4

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. F Der Sec (Ins
Employee Stock Option (right to buy)	\$ 13.46			Code V (A) (D)		(3)(4)(5) 03/01/2020	Common Stock 150,000 (3) (4) (5)	

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
HALLETT JAMES P C/O: KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BOULEVARD CARMEL, IN 46032	X Chief Executive Officer

Signatures

Rebecca C. Polak as Attorney
In Fact 09/26/2013
 **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) Reflects sales of shares of common stock of KAR Auction Services, Inc. (the "Company") in a secondary offering by KAR Holdings II, LLC that closed on September 24, 2013.
Includes 26,356 shares of common stock held of record by KAR Holdings II, LLC, by virtue of the reporting person's common ownership interest in KAR Holdings II, LLC. The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- (2) 28,125 of these service options are currently exercisable. 9,375 of these options become exercisable on 3/1/2014.
56,250 of these performance options are currently exercisable. 28,125 of these options vest if the closing price of a share of the Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 28,125 of these options vest if the closing price of a share of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.
- (3) An additional condition to vesting is that the reporting person must be a director, officer, employee, consultant or agent of the Company or any of its subsidiaries on the date on which the conditions set forth above are satisfied.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Edgar Filing: KAR Auction Services, Inc. - Form 4

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