

HALLETT JAMES P
Form 4
February 21, 2019

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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 *
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)
02/19/2019

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)
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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/19/2019		A		83,528 (1)	A	\$ 0 (2)
							348,617.3877 (3)
Common Stock	02/19/2019		F(4)		36,402	D	\$ 53.85
							312,215.3877

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)

Edgar Filing: HALLETT JAMES P - Form 4

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. F. Der. Sec. (Instr. 3)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 30.89					(5)	02/27/2024	Common Stock	194,404
Restricted Stock Units	(6)					(7)	(7)	Common Stock	7,065
Restricted Stock Units	(6)					(8)	(8)	Common Stock	13,161
Restricted Stock Units	(6)					(9)	(9)	Common Stock	18,019

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

02/21/2019

**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) The number of performance-based restricted stock units that vested was determined based on the Company's cumulative operating adjusted net income per share exceeding certain levels over the three-year period beginning on January 1, 2016 and ending on December 31, 2018.
- (2) Each performance-based restricted stock unit is convertible into a share of common stock on a 1-for-1 basis. The performance-based restricted stock units vested into common stock on February 19, 2019.
- (3) Includes 1,716.2647 shares acquired (including 88.0616 shares acquired by dividend reinvestment) pursuant to the Company's Employee Stock Purchase Plan.
- (4) Shares withheld by the Company to satisfy tax withholding requirements.
- (5) All of these options are currently exercisable.
- (6) Each restricted stock unit is convertible into a share of common stock on a 1-for-1 basis.

These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows: one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vested on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date.
- (7) These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows: one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vested on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date.
- (8) These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows: one-third of these restricted stock units vested on February 24, 2018, one-third of these restricted stock units vest on February 24, 2019 and the remaining one-third of these restricted stock units vest on February 24, 2020, assuming continued employment through the applicable vesting date.
- (9) These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows: one-third of these restricted stock units vest on March 2, 2019, one-third of these restricted stock units vest on March 2, 2020 and the remaining one-third of these restricted stock units vest on March 2, 2021, assuming continued employment through the applicable vesting date.

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