

LIQUIDITY SERVICES INC
Form 4
October 11, 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 *
Celaya Jorge

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)
10/06/2016

____ Director
 Officer (give title below) _____ Other (specify below)
EVP & Chief Financial Officer

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. 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) | Price | | |
| Common Stock | 10/06/2016 | | S ⁽⁷⁾ | D | \$ 3,107 10.28 | D | |
| Common Stock | 10/07/2016 | | S ⁽⁷⁾ | D | \$ 3,728 10.06 | D | |
| Common Stock | 10/10/2016 | | S ⁽⁷⁾ | D | \$ 5,226 10.03 | D | |

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

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. F | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-----------------|--------------|----------------------------|
| | | | | Code | V | (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Grant | \$ 9.7 | | | | | | <u>(1)</u> | 10/01/2025 | Common Stock | 131,173 |
| Employee Stock Grant | \$ 6.63 | | | | | | <u>(2)</u> | 10/01/2025 | Common Stock | 19,006 |
| Employee Stock Grant | \$ 5.11 | | | | | | <u>(3)</u> | 10/01/2025 | Common Stock | 6,335 |
| Employee Stock Option | \$ 6.63 | | | | | | <u>(4)</u> | 10/01/2025 | Common Stock | 13,891 |
| Employee Stock Option | \$ 6.63 | | | | | | <u>(5)</u> | 10/01/2025 | Common Stock | 3,473 |
| Employee Stock Grant | \$ 8.15 | | | | | | <u>(6)</u> | 10/01/2025 | Common Stock | 9,966 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Celaya Jorge C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR WASHINGTON, DC 20036 | | | EVP & Chief Financial Officer | |

Signatures

/s/ Mark A. Shaffer, by power of
attorney

10/11/2016

__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).

- 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. In the event that Mr. Celaya's employment is terminated by the Company without cause or by Mr. Celaya for good reason within his first eighteen months of employment, 37.5 percent of this restricted stock grant will become vested as of the date of his termination. On the eighteen month anniversary of Mr. Celaya's start of employment, this acceleration provision will expire.
- (1) Celaya for good reason within his first eighteen months of employment, 37.5 percent of this restricted stock grant will become vested as of the date of his termination. On the eighteen month anniversary of Mr. Celaya's start of employment, this acceleration provision will expire.
 - (2) 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.
 - (3) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
 - (4) 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.
 - (5) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
 - (6) 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.
 - (7) 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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