

LIQUIDITY SERVICES INC
 Form 4
 September 11, 2008

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

OMB APPROVAL
 OMB Number: 3235-0287
 Expires: January 31, 2005
 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 *
 Mateus-Tique Jaime

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
 President and Chief Op Officer

(Last) (First) (Middle)
 C/O LIQUIDITY SERVICES,
 INC., 1920 L STREET, N.W., 6TH
 FLOOR

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/09/2008

(Street)
 WASHINGTON, DC 20036

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 Indirect Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V Amount		
Common Stock	09/09/2008		S ⁽¹⁾	D	8,000	\$ 10.03	2,663,355 D
Common Stock	09/10/2008		S ⁽¹⁾	D	900	\$ 10	2,662,455 D
Common Stock	09/11/2008		S ⁽¹⁾	D	8,000	\$ 10.03	2,654,455 D
Common Stock							119,000 I
							By the Em El 2007 Irrevocable

Common Stock	470,531	I	Trust By the Jaime Mateus-Tique 2005 Qualified Grantor Retained Annuity Trust
Common Stock	35,000	I	By the Mateus-Tique Foundation

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

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SEC 1474
(9-02)

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. Price of Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 12.02					<u>(2)</u> 10/01/2017	Common Stock	76,000	
Employee Stock Option	\$ 17.63					<u>(3)</u> 09/21/2016	Common Stock	75,000	
Employee Stock Option	\$ 7					<u>(4)</u> 12/21/2015	Common Stock	60,000	

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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	Director	10% Owner	Officer	Other
Mateus-Tique Jaime C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR WASHINGTON, DC 20036	X	X	President and Chief Op Officer	

Signatures

/s/ James E. Williams, by power of attorney
09/11/2008

__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 transactions reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on December 12, 2006.
- (2) Twenty-five percent of this option grant will vest on October 1, 2008, and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- (3) Twenty-five percent of this option grant vested on September 21, 2007, and thereafter, 1/48th of the option grant will vest each month for thirty-six months.
- (4) This option became fully vested on April 19, 2006.

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.