

Skuy Benjamin
Form 4
March 03, 2010

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
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Skuy Benjamin

(Last) (First) (Middle)

C/O KAR AUCTION SERVICES,
INC., 13085 HAMILTON
CROSSING BLVD.

(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)
03/01/2010

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
X Officer (give title ____ Other (specify
below) below)

EVP of International Markets

6. Individual or Joint/Group Filing(Check
Applicable Line)
X 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. 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)
				(A) or (D)			
			Code	V	Amount		Price
Common Stock					25,000 ⁽¹⁾	I	By KAR Holdings II, LLC
Common Stock					5,000	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
required to respond unless the form
displays a currently valid OMB control
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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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Employee Stock Option (right to buy)	\$ 10					(2)(3)(8) 08/20/2017	Common Stock 175,88 (2) (3) (8)
Employee Stock Option (right to buy)	\$ 16.264					(4)(5)(8) 02/07/2018	Common Stock 15,040 (4) (5) (8)
Employee Stock Option (right to buy)	\$ 13.46	03/01/2010		A	121,560	(6)(7)(8) 03/01/2020	Common Stock 121,560 (6) (7) (8)

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Skuy Benjamin C/O KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032	EVP of International Markets

Signatures

/s/ Rebecca C. Polak as
Attorney-in-Fact 03/03/2010

****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) Includes 25,000 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

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purpose.

- (2) 43,970 of these options are service options that became exercisable as of the effective date of the Company's IPO.

131,910 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least

- (3) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.

- (4) 3,760 of these options are service options that became exercisable as of the effective date of the Company's IPO.

11,280 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least

- (5) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.

30,390 of these options are service options that vest based upon the passage of time and the reporting person's continued service with the

- (6) Company. These options will vest as follows: 25% of these options become exercisable on 3/1/2011, 25% of these options become exercisable on 3/1/2012, 25% of these options become exercisable on 3/1/2013, and the remaining 25% become exercisable on 3/1/2014.

91,170 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least

- (7) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.

- (8) 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.

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.