Shaffer Mark A
Form 4
October 03, 2018

FORM 4

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

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

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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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
Shaffer Mark A

(Last) (First) (Middle)

C/O LIQUIDITY SERVICES, INC., 6931 ARLINGTON ROAD, SUTIE 200

(Street)

BETHESDA, MD 20814

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
10/01/2018

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 below) _____ Other (specify below)
VP, Gen. Counsel & Secretary

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. 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	10/01/2018		J(1)		4,335	A	$ 0	14,290	D	
Common Stock	10/01/2018		F(2)		872	D	$ 5.95	13,418	D	
Common Stock	10/02/2018		F(2)		43	D	$ 5.83	13,375	D	
Common Stock	10/03/2018		F(2)		296	D	$ 5.8	13,079	D	

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

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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 D S (
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Employee Stock Grant	$ 9.35	10/01/2018		J[1]			397	[3]	04/09/2025	Common Stock	397	
Employee Stock Grant	$ 4.57	10/01/2018		J[1]			1,726	[4]	02/16/2026	Common Stock	3,452	
Employee Stock Grant	$ 5.8							[5]	02/16/2026	Common Stock	1,726	
Employee Stock Grant	$ 8.15							[6]	06/22/2026	Common Stock	7,500	
Employee Stock Grant	$ 8.3	10/01/2018		J[1]			2,212	[7]	10/01/2026	Common Stock	6,637	
Employee Stock Grant	$ 8.3							[5]	10/01/2026	Common Stock	8,850	
Employee Stock Option	$ 8.3							[8]	10/01/2026	Common Stock	5,250	
Employee Stock Option	$ 8.3							[9]	10/01/2026	Common Stock	5,250	
Employee Stock	$ 4.47							[9]	10/01/2027	Common Stock	18,240	

Option						
Employee Stock Option	$ 4.47		(10)	10/01/2027	Common Stock	12,160
Employee Stock Grant	$ 4.47		(5)	10/01/2027	Common Stock	1,860
Employee Stock Grant	$ 4.47		(11)	10/01/2027	Common Stock	1,240

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shaffer Mark A C/O LIQUIDITY SERVICES, INC. 6931 ARLINGTON ROAD, SUTIE 200 BETHESDA, MD 20814			VP, Gen. Counsel & Secretary	

Signatures

/s/ Mark A. Shaffer	10/03/2018
**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) Represents the vesting of restricted stock.

(2) Represents an advance election by the insider to satisfy tax withholding obligations related to vesting of restricted shares by authorizing the issuer to sell a number of shares with an aggregate fair market value that would satisfy the withholding amount due.

(3) Twenty-five percent of this restricted stock grant vested on October 1, 2015 and thereafter 1/8 of the restricted stock grant will vest on April 1 and October 1 of each year for three years.

(4) 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.

(5) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.

(6) Twenty-five percent of this restricted stock grant vested on July 1, 2017 and thereafter 1/4 of the restricted stock grant will vest on July 1 of each year for three years.

(7) Twenty-five percent of this restricted stock grant vested on April 1, 2018 and thereafter 1/4th of the restricted stock grant will vest on each of October 1, 2018, October 1, 2019, and October 1, 2020.

(8) 18/48th of this option grant will vest on April 1, 2018 and thereafter 1/48th of the option grant will vest each month for thirty months.

(9) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.

(10) 15/48th of this option grant will vest on January 1, 2019 and thereafter 1/48th of the option grant will vest each month for thirty three months.

(11) Twenty-five percent of this restricted stock grant will vest on January 1, 2019 and thereafter 1/4th of the restricted stock grant will vest on each October 1, 2019, October 1, 2020, and October 1, 2021.

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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