

KAR Auction Services, Inc.
 Form 4
 March 03, 2014

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 *
 Price Lisa A.

(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)

02/27/2014

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)

EVP of Human Resources

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 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) | Code | V | Amount | (D) | Price |

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)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|-----------------------------------------|----------------------------------------------|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|-----------------------------------------|----------------------------------------------|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | | | (Instr. 3 and 4) | | |
|---------------------------------------------------|---------------------------------------------------|-------------------------|--------------------|--------------------------------------------------------------------------------|------------------|-----|---------------------|--------------------|-----------------|-------------------------------------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option (right to buy) | \$ 30.89 | 02/27/2014 | A | | 17,500 | | (1)(2) | 02/27/2024 | Common Stock | 17,500 |
| Employee Stock Options (right to buy) | \$ 18.8 | | | | | | (2)(3) | 05/05/2021 | Common Stock | 15,000 |
| Employee Stock Options (right to buy) | \$ 10 | | | | | | (2)(4) | 08/20/2017 | Common Stock | 10,280 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-------------------------------------------------------------------------------------------------------|---------------|-----------|------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Price Lisa A. C/O: KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032 | | | EVP of Human Resources | |

Signatures

Rebecca C. Polak as Attorney
In Fact 03/03/2014

__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) These options are service options that vest based upon the passage of time and the reporting person's continued service with the Company. These options will vest as follows: 25% of these options become exercisable on 2/27/2015, 25% of these options become exercisable on 2/27/2016, 25% of these options become exercisable on 2/27/2017, and the remaining 25% of these options become exercisable on 2/27/2018.
- (2)

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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.

These options are service options that vest based upon the passage of time and the reporting person's continued service with the

- (3) Company. 25% of these options became exercisable on 5/5/2012, 25% of these options became exercisable on 5/5/2013, 25% of these options become exercisable on 5/5/2014, and the remaining 25% become exercisable on 5/5/2015.

These options are performance options that vest as follows: 25% of these options vested on March 1, 2013; 25% of these options vest if the closing price of a share of the Company's common stock exceeds \$25.00 for twenty (20) consecutive trading days; 25% of these

- (4) options vest if the closing price of a share of the Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days; and 25% of these options vest if the closing price of a share of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.

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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