

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Murray Novelette</u>  (Last) (First) (Middle) 6931 ARLINGTON ROAD SUITE 200  (Street) BETHESDA MD 20814  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 09/11/2020	3. Issuer Name and Ticker or Trading Symbol <u>LIQUIDITY SERVICES INC [ LQDT ]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Human Resources Officer</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)  6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Employee Stock Grant	(1)	01/01/2024	Common Stock	1,850	(2)	D	
Employee Stock Grant	(3)	01/01/2024	Common Stock	1,850	(2)	D	
Employee Stock Option	(4)	12/03/2029	Common Stock	4,450	6.69	D	
Employee Stock Option	(5)	12/03/2029	Common Stock	4,450	6.69	D	
Employee Stock Grant	(6)	01/01/2023	Common Stock	1,575	(2)	D	
Employee Stock Grant	(3)	01/01/2023	Common Stock	2,100	(2)	D	
Employee Stock Option	(7)	12/04/2028	Common Stock	12,900	6.11	D	
Employee Stock Option	(5)	12/04/2028	Common Stock	12,900	6.11	D	
Employee Stock Grant	(8)	10/01/2021	Common Stock	3,627	(2)	D	
Employee Stock Grant	(3)	03/15/2022	Common Stock	4,353	(2)	D	
Employee Stock Grant	(9)	10/01/2020	Common Stock	775	(2)	D	
Employee Stock Grant	(10)	09/30/2020	Common Stock	2,790	(2)	D	
Employee Stock Option	(11)	12/20/2026	Common Stock	1,850	10.3	D	
Employee Stock Option	(12)	12/20/2026	Common Stock	1,850	10.3	D	
Employee Stock Grant	(13)	10/01/2020	Common Stock	554	(2)	D	

**Explanation of Responses:**

1. Twenty-five percent of this restricted stock grant will vest on January 1, 2021 and thereafter 1/4th of the restricted stock grant will vest on each of January 1, 2022, January 1, 2023 and January 1, 2024.

2. Each restricted stock unit is the economic equivalent of one share of Liquidity Services, Inc. Common Stock.

3. These restricted stock units vest, if at all, based on total shareholder return (TSR) milestones. TSR is calculated based on the change in a the Issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock.

4. 12/48th of this option grant will vest on January 1, 2021 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 total shareholder return (TSR) milestones. TSR is calculated based on the change in the Issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock.
6. Twenty-five percent of this restricted stock grant will vest on January 1, 2020 and thereafter 1/4th of the restricted stock grant will vest on each October 1, 2020, October 1, 2021, and October 1, 2022.
7. 12/48th of this option grant will vest on January 1, 2020 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
8. Twenty-five percent of this restricted stock grant will vest on April 1, 2019 and thereafter 1/4th of the restricted stock grant will vest on each July 1, 2019, October 1, 2020, and October 1, 2021.
9. Twenty-five percent of this restricted stock grant will vest on January 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.
10. These restricted stock units vest, if at all, based on the completion of the Issuer's strategic transformation as well as the Issuer's achievement of certain financial milestones.
11. This option becomes exercisable, if at all, based on the completion of the Issuer's strategic transformation as well as the Issuer's achievement of certain financial milestones.
12. 15/48th of this option grant will vest on January 1, 2018 and thereafter 1/48th of the option grant will vest each month for thirty-three months.
13. These restricted stock units vest, if at all, based on the Issuer's achievement of certain financial milestones.

**Remarks:**

/s/ Mark A. Shaffer, by                      09/21/2020  
power of attorney.

\*\* Signature of Reporting                      Date  
Person

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

\* If the form is filed by more than one reporting person, see Instruction 5 (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).

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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