SEC Form 4	
------------	--

 $\Box$ 

## FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

ursuant to Section 16(a) of the Securities Exchange Act of 1034 Eilod n

	OMB APPROVAL										
I											
I	OMB Number: 3235-0287										
l	Estimated average bur	den									
l	hours per response:	0.5									

Instruction 1(b).		File	d pursuant to Section 16(a) of the Securities Exchange Act of 1934			
			or Section 30(h) of the Investment Company Act of 1940		<u>-</u>	
1. Name and Address Rallo James N	1 0	n*	2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>LIQUIDITY SERVICES INC</u> [ LQDT ]		tionship of Reporting Perso all applicable) Director Officer (give title	on(s) to Issuer 10% Owner Other (specify
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year)		below)	below)
C/O LIQUIDITY		( )	05/15/2015		CFO, Treasurer, Presi	dent RSCG
1920 L STREET,	N.W., 6TH FLO	OR				
			4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Indiv Line)	idual or Joint/Group Filing	(Check Applicable
(Street)	DC	20036		X	Form filed by One Repor	ting Person
WASHINGTON	DC	20036			Form filed by More than Person	One Reporting
(City)	(State)	(Zip)				

## Table I - Non-Derivative Securities Acquired, Disposed of. or Beneficially Owned

	Ta	ble I - Non-Dei	rivative S	ecurities Acq	uired,	Dis	posed of	, or Ben	eficially	Owned		
1. Title of Security (In	str. 3)	2. Transaction Date (Month/Day/Year)2A. Deemed Execution Date, if any (Month/Day/Year)3. Transaction Code (Instr.4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)				(A) or . 3, 4 and	5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature o Indirect Beneficial Ownership			
					Code	v	Amount	(A) or (D)	Price	Transaction(s) (Instr. 3 and 4)		(Instr. 4)
Common Stock										15,039(1)	I	By James M Rallo 401k
Common Stock										8,000	I	By James M Rallo IRA
Common Stock										4,625	I	By Kimberly Rallo SIMPLE IRA <sup>(2)</sup>
Common Stock										3,985	I	By Kimberl Rallo IRA <sup>(2)</sup>
Common Stock										685	I	By James M Rallo Cust. Michael Rallo MD UTMA <sup>(2)</sup>
Common Stock										460	I	By James M Rallo Cust. Melissa Rallo MD UTMA
		Table II - Deriv (e.g.,		curities Acqui Is, warrants,						Owned		
1. Title of 2.	3. Transaction	3A. Deemed	4.		-			7. Title and	-	8. Price of 9. Numb	per of 10.	11. Natu

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)

								uired, Dis , options,	converti			Owned			
Security or (Instr. 3) P	Conversion	3. Transaction <del>Date</del> (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	<b>£</b> ode Transa Code ( 8)	V (ANUMBE(D)		Expiration Date (Month/Day/Year)		Titlete and Shacesnt of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. <del>Ownership</del> Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature <del>of Indirect</del> Beneficial Ownership (Instr. 4)	
				Code	v	-(A)	(D)	Date <del>-Exercisable</del>	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option	\$7.48							(3)	10/01/2018	Common Stock	2,338		2,338	D	
Employee Stock Option	\$15.47							(4)	10/01/2020	Common Stock	6,678		6,678	D	
Employee Stock Grant	\$15.47							(5)	10/01/2020	Common Stock	5,527		5,527	D	
Employee Stock Grant	\$31.11							(6)	10/01/2021	Common Stock	1,862		1,862	D	
Employee Stock Option	\$31.11							(7)	10/01/2021	Common Stock	12,358		12,358	D	
Employee Stock Grant	\$38.09							(8)	10/01/2022	Common Stock	2,502		2,502	D	
Employee Stock Option	\$38.09							(9)	10/01/2022	Common Stock	3,335		3,335	D	
Employee Stock Grant	\$29.47							(10)	07/18/2023	Common Stock	9,162		9,162	D	
Employee Stock Option	\$29.47							(11)	07/18/2023	Common Stock	24,871		24,871	D	
Employee Stock Grant	\$21.99							(12)	10/01/2023	Common Stock	3,519		3,519	D	
Employee Stock Grant	\$21.99							(13)	10/01/2023	Common Stock	4,691		4,691	D	
Employee Stock Option	\$21.99							(14)	10/01/2023	Common Stock	9,938		9,938	D	
Employee Stock Option	\$21.99							(15)	10/01/2023	Common Stock	9,938		9,938	D	
Employee Stock Grant	\$13.57							(16)	05/14/2024	Common Stock	44,215		44,215	D	
Employee Stock Grant	\$10.41	05/15/2015		Α		61,734		(17)	10/01/2024	Common Stock	61,734	\$0	61,734	D	
Employee Stock Grant	\$10.41	05/15/2015		Α		15,434		(18)	10/01/2024	Common Stock	15,434	\$0	15,434	D	
Employee Stock Option	\$10.41	05/15/2015		A		12,675		(19)	10/01/2024	Common Stock	12,675	\$0	12,675	D	
Employee Stock Option	\$10.41	05/15/2015		Α		3,169		(20)	10/01/2024	Common Stock	3,169	\$0	3,169	D	

## Explanation of Responses:

1. The number of securities shown as being held in Issuer's 401(k) account for the Reporting Person's benefit is the approximate number of shares of common stock. De minimis fractional interests reported by the Issuer's 401(k) Plan trustee/administrator and held indirectly through the Plan's stock purchase account are not reflected.

2. Mr. Rallo disclaims beneficial ownership of these shares.

3. These options became fully vested on October 1, 2013.

4. These options became fully vested on October 1, 2014.

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 October 1, 2012 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.

7. Twenty-five percent of this option grant vested on October 1, 2012 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 vested on October 1, 2013 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.

9. Twenty-five percent of this option grant vested on October 1, 2013 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

10. Twenty-five percent of this restricted stock grant vested on July 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on July 1 of each year for three years.

11. Twenty-five percent of this option grant vested on July 18, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

12. Twenty-five percent of this restricted stock grant vested on October 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.

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

14. Twenty-five percent of this option grant vested on October 1, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

- 15. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 16. Fifty percent of this restricted stock grant will vest on November 1, 2015 and thereafter 1/4th of the restricted stock grant will vest on November 1 of each year for two years.
- 17. Twenty-five percent of this restricted stock grant will vest on October 1, 2015 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- 18. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 19. Twenty-five percent of this option grant will vest on October 1, 2015 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 20. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.

<u>/s/ James E. Williams, by</u> power of attorney

<u>05/22/2015</u> Date

\*\* Signature of Reporting Person

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

 $^{\ast}$  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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.