FORM 4

## **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL

OMB Number: 3235-0287

Estimated average burden hours per response: 0.5

	Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See	STATEMENT OF CHANGES IN BENE
_	Instruction 1(b).	Filed pursuant to Section 16(a) of the Securities

U obligat	ions may continuions tion 1(b).			nt to Section 16(a)					934			hours	per response:	0.5				
Name and Address of Reporting Person*     Rallo James M						or Section 30(h) of the Investment Company Act of 1940  2. Issuer Name and Ticker or Trading Symbol  LIQUIDITY SERVICES INC [ LQDT ]							Relationship of Reporting Person(s) to Issuer (Check all applicable)     Director			Owner		
(Last) (First) (Middle) C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR					05/09	3. Date of Earliest Transaction (Month/Day/Year) 05/09/2014							X Officer (give title Other (specify below)  CFO, Treasurer, President RSCG					
(Street) WASHIN	NGTON D		20036		4. If A	4. If Amendment, Date of Original Filed (Month/Day/Year)							Individual or Joint/Group Filing (Check Applicable Line)     X Form filed by One Reporting Person     Form filed by More than One Reporting					
(City)	(Si										Person							
		Tab	le I - No	n-Deriv	ative S	Securities Acc	quired	, Dis	posed o	of, or Be	nefic	ially	Owned	k				
1. Title of Security (Instr. 3)					ction ay/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)			4. Securities Acquired (A Disposed Of (D) (Instr. 3, 5)		d (A) c r. 3, 4	or and	5. Amou Securition Benefici Owned I Reporte	es ally Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
							Code	v	Amount	(A) or (D)	Pric	се	Transaction(s) (Instr. 3 and 4)			(11150.4)		
Common Stock			05/09/2014			P		8,000	) A	<b>\$</b> 1	12.2	8,	000	I	By James M. Rallo IRA			
Common	Stock			05/09/	/2014		P		7,885	5 A	<b>\$</b> 1	12.2	7,	885	I	By Kimberly Rallo IRA		
Common	Stock			05/09/	/2014		P		4,625	5 A	\$1	12.2	4,	625	I	By Kimberly Rallo SIMPLE IRA		
Common Stock			05/09/2014			P		685	A	\$:	12.2	6	85	I	By James M. Rallo Cust. Michael Rallo MD UTMA			
Common Stock				05/09/2014			P		460	A	\$:	12.2	4	60	I	By James M. Rallo Cust. Melissa Rallo MD UTMA		
Common Stock 05/12/					/2014		P	14,06		5 A	\$1	3.06	6 14,065		I	By James M. Rallo 401k		
		T				curities Acqu Ills, warrants,							Owned					
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deem Execution if any (Month/Da	ed Date,	4. Transacti Code (Ins B)	5. Number 6	5. Date Ex Expiration Month/Da	cercisa 1 Date	able and	7. Title and Amo of Securities Underlying Derivative Secur (Instr. 3 and 4)		ınt 8. D	. Price of perivative security nstr. 5)	9. Number derivative Securities Beneficiall Owned Following Reported Transactio (Instr. 4)	Ownersh Form: Direct (D or Indire (I) (Instr.	Beneficial Ownership ct (Instr. 4)		

		т	able II - Deriva (e.g.,	tive s	Secu calls	rities war	Acc rant	s, options	converti	, or Ben ble sec	efficially	Owned			
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)	Code V FA Transaction of Code (Instr. De 8) Se Ac (A Di of (Instr. Se		of Derive Secu Acque (A) o Dispe	r osed ) r. 3, 4	Date Expiration Ex@adis Balaric Saldite and Expiration Date (Month/Day/Year)		of Tiffette and Shancest 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)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option	\$7.48							(1)	10/01/2018	Common Stock	2,338		2,338	D	
Employee Stock Grant	\$15.47							(2)	10/01/2020	Common Stock	4,172		4,172	D	
Employee Stock Option	\$15.47							(3)	10/01/2020	Common Stock	6,678		6,678	D	
Employee Stock Grant	\$15.47							(4)	10/01/2020	Common Stock	5,526		5,526	D	
Employee Stock Grant	\$31.11							(5)	10/01/2021	Common Stock	3,723		3,723	D	
Employee Stock Option	\$31.11							(6)	10/01/2021	Common Stock	12,358		12,358	D	
Employee Stock Grant	\$38.09							(7)	10/01/2022	Common Stock	3,753		3,753	D	
Employee Stock Grant	\$38.09							(8)	10/01/2022	Common Stock	5,003		5,003	D	
Employee Stock Option	\$38.09							(9)	10/01/2022	Common Stock	3,335		3,335	D	
Employee Stock Option	\$38.09							(10)	10/01/2022	Common Stock	3,335		3,335	D	
Employee Stock Grant	\$29.47							(11)	07/18/2023	Common Stock	12,216		12,216	D	
Employee Stock Grant	\$29.47							(12)	07/18/2023	Common Stock	28,503		28,503	D	
Employee Stock Option	\$29.47							(13)	07/18/2023	Common Stock	24,871		24,871	D	
Employee Stock Option	\$29.47							(14)	07/18/2023	Common Stock	58,031		58,031	D	
Employee Stock Grant	\$21.99							(15)	10/01/2023	Common Stock	4,692		4,692	D	
Employee Stock Grant	\$21.99							(16)	10/01/2023	Common Stock	4,691		4,691	D	
Employee Stock Option	\$21.99							(17)	10/01/2023	Common Stock	9,938		9,938	D	
Employee Stock Option	\$21.99							(18)	10/01/2023	Common Stock	9,938		9,938	D	

## Explanation of Responses:

- 1. Twenty percent of this option grant vested on October 1, 2009 and thereafter 1/60th of the option grant will vest each month for forty-eight months.
- 2. Twenty-five percent of this restricted stock grant vested on October 1, 2011 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- 3. Twenty-five percent of this option grant vested on October 1, 2011 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- 4. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- $5. \ Twenty-five percent of this restricted stock grant vested on October 1, 2012 and thereafter 1/4 th of the restricted stock grant will vest on October 1 of each year for three years.$
- $6. \ Twenty-five percent of this option grant vested on October 1, 2012 and thereafter 1/48 th of the option grant will vest each month for thirty-six months.$
- $7.\ Twenty-five percent of this restricted stock grant vested on October 1, 2013 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.$
- 8. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 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.
- $10. \ This \ option \ becomes \ exercisable, if \ at \ all, \ based \ on \ the \ Issuer's \ achievement \ of \ certain \ financial \ milestones.$
- 11. Twenty-five percent of this restricted stock grant will vest on July 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on July 1 of each year for three years.
- 12. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- 13. Twenty-five percent of this option grant will vest on July 18, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

- 14. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
- 15. Twenty-five percent of this restricted stock grant will vest on October 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- 16. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- $17. \ Twenty-five percent of this option grant will vest on October 1, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.$
- 18. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.

/s/ James E. Williams, by power of attorney 05/13/2014

\*\* Signature of Reporting Person Date

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 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.