

KAR Auction Services, Inc.

Form 4

February 27, 2017

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Skuy Benjamin

(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)
02/23/2017

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)

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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 Ownership (Instr. 4)
Common Stock				(A) or (D)	88,489.3535 (1)	D	
Common Stock	02/23/2017		M	581	A \$ 0 (2)	581	D
Common Stock	02/23/2017		F(3)	127	D \$ 44.8	454	D

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
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SEC 1474
(9-02)

displays a currently valid OMB control number.

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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 16.264							<u>(4)</u>	02/07/2018	Common Stock	15,040
Employee Stock Option (right to buy)	\$ 13.46							<u>(4)</u>	03/01/2020	Common Stock	71,560
Restricted Stock Units	<u>(5)</u>							<u>(6)</u>	<u>(6)</u>	Common Stock	576
Restricted Stock Units	<u>(5)</u>	02/23/2017		A		1,742		<u>(7)</u>	<u>(7)</u>	Common Stock	1,742
Restricted Stock Units	<u>(2)</u>	02/23/2017		M		581		<u>(8)</u>	<u>(8)</u>	Common Stock	581

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Skuy Benjamin C/O KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032	EVP of International Markets

Signatures

Rebecca C. Polak as Attorney
In Fact

02/27/2017

__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) Includes 619.3535 shares acquired (including 10.1917 shares acquired by dividend reinvestment) pursuant to the Company's Employee Stock Purchase Plan on May 31, 2016.
- (2) Each restricted stock unit is convertible into a share of common stock on a 1-for-1 basis. The restricted stock units vested in common stock on February 23, 2017.
- (3) Shares withheld by the Company to satisfy tax withholding requirements.
- (4) All of these options are currently exercisable.
- (5) Each restricted stock unit is convertible into a share of common stock on a 1-for-1 basis.

These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:
(6) one-third of these restricted stock units vested on February 20, 2016, one-third of these restricted stock units vested on February 20, 2017 and the remaining one-third of these restricted stock units vest on February 20, 2018, assuming continued employment through the applicable vesting date.

- The compensation committee certified on February 23, 2017 that the Company achieved the 2016 net income performance goal for the restricted stock unit awards granted in 2016 under the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan. These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:
(7) one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vest on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date.

- These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:
(8) one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vest on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date

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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