Williams James Edwin Form 4 March 20, 2007

## FORM 4

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**OMB APPROVAL** OMB

3235-0287 Number:

January 31, Expires: 2005

> 10% Owner Other (specify

0.5

Estimated average burden hours per response...

if no longer subject to Section 16. Form 4 or Form 5

Check this box

**SECURITIES** Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Last)

(City)

(Print or Type Responses)

1. Name and Address of Reporting Person \* Williams James Edwin

2. Issuer Name and Ticker or Trading Symbol

LIQUIDITY SERVICES INC

[LQDT]

3. Date of Earliest Transaction

(Month/Day/Year) 03/14/2007

Issuer

Director

below)

X\_ Officer (give title

5. Relationship of Reporting Person(s) to

(Check all applicable)

VP, Gen. Counsel & Secretary

C/O LIQUIDITY SERVICES, INC., 1920 L STREET, N.W., 6TH **FLOOR** 

(State)

(First)

(Middle)

(Zip)

(Street) 4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

\_X\_ Form filed by One Reporting Person Form filed by More than One Reporting

WASHINGTON, DC 20036

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 4. Securities Acquired 5. Amount of 7. Nature of Indirect Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Ownership (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Direct Beneficial (Month/Day/Year) (Instr. 8) Owned (D) or Ownership Indirect (I) **Following** (Instr. 4) Reported (Instr. 4) (A) Transaction(s) (Instr. 3 and 4) Code V Amount (D) Price Common 03/14/2007 3,437 \$ 7 4,137 D M Α Stock Common S 03/19/2007 3,437 700 D Stock

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

Persons who respond to the collection of **SEC 1474** information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

#### Edgar Filing: Williams James Edwin - Form 4

# 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. Transacti Code (Instr. 8)	5. Number action Derivative Securities 8) 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 (1)	\$ 7	03/14/2007		M		3,437	(2)	12/22/2015	Common Stock	3,437
Employee Stock Option	\$ 7						(3)	03/30/2016	Common Stock	30,000

## **Reporting Owners**

Reporting Owner Name / Address	retutionships					
	Director	10% Owner	Officer	Other		

Williams James Edwin C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR WASHINGTON, DC 20036

VP, Gen. Counsel & Secretary

Relationshins

## **Signatures**

/s/ James E.
Williams

\*\*Signature of Reporting Person

O3/19/2007

## **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) Exercise of Stock Options granted under the 2005 Stock Option and Incentive Plan.
- (2) This option vested as to 25% on November 11, 2006 and has vested, and will continue to vest, at 2.083% per month thereafter on the first day of each month for the next 36 months.
- (3) One-quarter of the options vest on March 30, 2007, with the remaining options vesting in monthly installments through March 30, 2010. Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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