Rallo James M Form 4 October 09, 2018

# FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

**OMB** 3235-0287 Number:

January 31, Expires: 2005

10% Owner

**OMB APPROVAL** 

Estimated average burden hours per response... 0.5

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

obligations

1(b).

(Last)

(City)

may continue.

See Instruction

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

(Print or Type Responses)

1. Name and Address of Reporting Person \* Rallo James M

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

LIQUIDITY SERVICES INC [LQDT]

3. Date of Earliest Transaction

(Check all applicable)

C/O LIQUIDITY SERVICES,

(Street)

(State)

(First)

(Middle)

(Zip)

(Month/Day/Year) 10/04/2018

Director X\_ Officer (give title Other (specify below) President RSCG and CAG

INC., 6931 ARLINGTON ROAD, **SUITE 200** 

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Applicable Line)

Filed(Month/Day/Year)

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

#### BETHESDA, MD 20814

(City)	(State) (2	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)	Cransaction(A) or Disposed of Code (D)		5. Amount of Securities Beneficially Owned 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)	Price	Reported Transaction(s) (Instr. 3 and 4)			
Common Stock	10/04/2018		S <u>(1)</u>	917	D	\$ 5.53	8,405	D		
Common Stock	10/05/2018		S(1)	3,059	D	\$ 5.26	5,346	D		
Common Stock	10/08/2018		S <u>(1)</u>	5,346	D	\$ 5.25	0	D		
Common Stock							15,039 (2)	I	By James M. Rallo 401k	

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Common Stock	8,000	I	By James M. Rallo IRA
Common Stock	685	I	By James M. Rallo Cust. Michael Rallo MD UTMA (3)
Common Stock	460	I	By James M. Rallo Cust. Melissa Rallo MD UTMA (3)

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

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SEC 1474 (9-02)

> 8. Pr Deriv Secu (Inst

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			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	\$ 7.48					<u>(4)</u>	10/01/2018	Common Stock	2,338
Employee Stock Option	\$ 15.47					<u>(5)</u>	10/01/2020	Common Stock	6,678
Employee Stock Grant	\$ 15.47					<u>(6)</u>	10/01/2020	Common Stock	5,527

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Employee Stock Option	\$ 31.37	<u>(7)</u>	10/01/2021	Common Stock	12,358
Employee Stock Option	\$ 38.09	(8)	10/01/2022	Common Stock	3,335
Employee Stock Option	\$ 29.47	<u>(9)</u>	07/18/2023	Common Stock	24,871
Employee Stock Option	\$ 21.99	(10)	10/01/2023	Common Stock	9,938
Employee Stock Option	\$ 10.41	(11)	10/01/2024	Common Stock	12,675
Employee Stock Grant	\$ 6.63	(12)	10/01/2025	Common Stock	6,380
Employee Stock Grant	\$ 5.8	<u>(6)</u>	10/01/2025	Common Stock	6,380
Employee Stock Option	\$ 6.63	(13)	10/01/2025	Common Stock	13,987
Employee Stock Option	\$ 6.63	(14)	10/01/2025	Common Stock	3,497
Employee Stock Grant	\$ 8.3	<u>(15)</u>	10/01/2026	Common Stock	3,925
Employee Stock Grant	\$ 8.3	<u>(6)</u>	10/01/2026	Common Stock	7,850
Employee Stock Option	\$ 8.3	(16)	10/01/2026	Common Stock	4,650
Employee Stock Option	\$ 8.3	(14)	10/01/2026	Common Stock	4,650
Employee Stock Option	\$ 4.47	<u>(14)</u>	10/01/2027	Common Stock	93,420
Employee Stock	\$ 4.47	<u>(6)</u>	10/01/2027	Common Stock	24,540

Grant

Employee Stock Option	\$ 4.47	<u>(17)</u>	10/01/2027	Common Stock	62,280
Employee Stock Grant	\$ 4.47	(18)	10/01/2027	Common Stock	16,360

# **Reporting Owners**

Reporting Owner Name / Address

Director 10% Owner Officer

Rallo James M C/O LIQUIDITY SERVICES, INC. 6931 ARLINGTON ROAD, SUITE 200 BETHESDA, MD 20814

President RSCG and CAG

Other

# **Signatures**

/s/ Mark A. Shaffer, by power of attorney

10/08/2018

\*\*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) Represents reporting person's advance election to sell upon vesting such restricted shares.
- 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.
- (3) Mr. Rallo disclaims beneficial ownership of these shares.
- (4) These options became fully vested on October 1, 2013.
- (5) These options became fully vested on October 1, 2014.
- (6) These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- (7) These options became fully vested on October 1, 2015.
- (8) These options became fully vested on October 1, 2016.
- (9) 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.
- (10) These options became fully vested on October 1, 2017.
- (11) Twenty-five percent of this option grant vested on October 1, 2015 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, 2016 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
- (13) Twenty-five percent of this option grant vested on October 1, 2016 and thereafter 1/48th of the option grant will vest each month for thirty-six months.

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- (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 vested on April 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.
- (16) 18/48th of this option grant vested on April 1, 2018 and thereafter 1/48th of this option grant will vest each month for thirty months.
- (17) 15/48th of this option grant will vest on January 1, 2019 and thereafter 1/48th of the option grant will vest each month for thirty three months.
- (18) Twenty-five percent of this restricted stock grant will vest on January 1, 2019 and thereafter 1/4th of the restricted stock grant will vest on each October 1, 2019, October 1, 2020, and October 1, 2021.

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.