KAR Auction Services, Inc.

Form 4

August 18, 2014

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

5. Relationship of Reporting Person(s) to

January 31, 2005

0.5

Estimated average burden hours per

OMB APPROVAL

response...

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

Check this box

obligations may continue. See Instruction

1. Name and Address of Reporting Person *

08/15/2014

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

2. Issuer Name and Ticker or Trading

(Print or Type Responses)

1(b).

Common

Stock

Kestner Michael T.			uction Se	ervices, Ir	nc. [KAR]	(Check all applicable)			
	(3. Date of Earliest Transaction (Month/Day/Year) 08/15/2014				_X_ Director	10%	Owner	
			onth/Day/Year)			6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person			
IN 46032						Form filed by Mo Person	ore than One Re	porting	
(State)	(Zip)	Tab	le I - Non-I	Derivative	Securities Acqu	uired, Disposed of,	or Beneficial	ly Owned	
	Execution I any	Date, if	Code (Instr. 8)	omr Dispose (Instr. 3, 4	ed of (D) and 5) (A) or	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 Indirect Beneficial Ownership (Instr. 4)	
	(First) (MILTON CROSS (Street) IN 46032 (State) 2. Transaction Date	(First) (Middle) (Street) (Street) (Zip) 2. Transaction Date (Month/Day/Year) (Annual Park Street) (Annual Park Street) (Annual Park Street) (Month/Day/Year) (Annual Park Street) (Middle) (Mi	KAR A (First) (Middle) 3. Date o (Month/I MILTON CROSSING 08/15/2 (Street) 4. If Ame Filed(Month) IN 46032 (State) (Zip) Table 2. Transaction Date 2A. Deemed (Month/Day/Year) Execution Date, if	KAR Auction Se (First) (Middle) 3. Date of Earliest Tr (Month/Day/Year) MILTON CROSSING 08/15/2014 (Street) 4. If Amendment, Day Filed(Month/Day/Year) IN 46032 (State) (Zip) Table I - Non-I 2. Transaction Date 2A. Deemed 3. (Month/Day/Year) Execution Date, if Transaction any Code (Month/Day/Year) (Instr. 8)	KAR Auction Services, Ir (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) MILTON CROSSING 08/15/2014 (Street) 4. If Amendment, Date Origina Filed(Month/Day/Year) IN 46032 (State) (Zip) Table I - Non-Derivative 2. Transaction Date 2A. Deemed 3. 4. Securiti (Month/Day/Year) Execution Date, if Transactionor Dispose any Code (Instr. 3, 4 (Month/Day/Year) (Instr. 8)	KAR Auction Services, Inc. [KAR] (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) MILTON CROSSING 08/15/2014 (Street) 4. If Amendment, Date Original Filed(Month/Day/Year) IN 46032 (State) (Zip) Table I - Non-Derivative Securities Acquired (A (Month/Day/Year) Execution Date, if Transactiom Disposed of (D) (Month/Day/Year) (Instr. 3, 4 and 5) (Month/Day/Year) (Instr. 8)	KAR Auction Services, Inc. [KAR] (Check (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year)X Director — Officer (give to below) (Street) 4. If Amendment, Date Original 6. Individual or Joi Filed(Month/Day/Year) Applicable Line) — X Form filed by Original 6. Individual or Joi Form filed by Month/Day/Year) Applicable Line) — Form filed by Month/Day/Year) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired (A) 5. Amount of Securities any Code (Instr. 3, 4 and 5) Beneficially Owned (Month/Day/Year) (Instr. 8) Owned Following Reported Transaction(s) (Instr. 3 and 4)	KAR Auction Services, Inc. [KAR] (Check all applicable (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year)	

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

P

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.

D

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

2,000

Α

\$

(1)

29.0325 $5,922 \frac{(2)}{}$

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8. Price of Derivative Security (Instr. 5)

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. 5. TransactionNumber Code of (Instr. 8) 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
Phantom Stock	<u>(3)</u>					(4)(5)	<u>(4)</u>	Common Stock	2,422
Phantom Stock	<u>(3)</u>					<u>(4)</u>	<u>(4)</u>	Common Stock	26

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Kestner Michael T. 13085 HAMILTON CROSSING BLVD. X CARMEL, IN 46032

Signatures

Rebecca C. 08/18/2014

**Signature of Date
Reporting Person

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).
- The price reported in column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$29.026 to \$29.039, inclusive. The reporting person undertakes to provide to KAR Auction Services, Inc., any security holder of KAR Auction Services, Inc., or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares purchased at each separate price within the range set forth in this footnote.
- 1,584 of these shares are shares of restricted stock that were granted pursuant to the KAR Auction Services, Inc. 2009 Omnibus Stock and(2) Incentive Plan and one-fourth of the grant vests every three months from the date of grant (June 10, 2014) and such grant is subject to forfeiture until vested.
- (3) The phantom stock will convert into shares of KAR common stock on a one-for-one basis.
- (4) The reporting person will receive shares of KAR common stock, on a one-for-one basis, at a future date(s) specified by him pursuant to the deferred compensation plan.
- (5) Represents director fees deferred in the reporting person's account in the KAR Auction Services, Inc. Directors Deferred Compensation Plan. 2,422 of these shares of restricted stock were granted on 6/10/2014 at a price of \$31.57 per share and will be settled only for shares

Reporting Owners 2

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of KAR common stock on a one-for-one basis. These 2,422 shares of restricted stock were granted pursuant to the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan and one-fourth of the grant vests every three months from the date of the grant and such grant is subject to forfeiture until vested.

- (6) Reflects the reinvestment of dividend equivalents in additional shares of phantom stock pursuant to the terms of the KAR Auction Services, Inc. Directors Deferred Compensation Plan.
- (7) Reflects dividend payment of which 7 shares are vested and the remaining shares will vest as follows: 3 shares vest on 9/9/2014, 3 shares vest on 12/9/2014, 3 shares vest on 3/9/2015 and the remaining 3 shares vest on 6/9/2015.

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.