

Celaya Jorge
Form 4
October 09, 2018

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Celaya Jorge

2. Issuer Name and Ticker or Trading Symbol
LIQUIDITY SERVICES INC
[LQDT]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

 Director 10% Owner
 Officer (give title below) Other (specify below)
EVP & Chief Financial Officer

(Last) (First) (Middle)

C/O LIQUIDITY SERVICES, INC., 6931 ARLINGTON ROAD, SUITE 200

3. Date of Earliest Transaction (Month/Day/Year)
10/04/2018

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

BETHESDA, MD 20814

(City) (State) (Zip)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 10/04/2018 | | F(1) | 1,599 D \$ 5.53 | 42,458 | D | |
| Common Stock | 10/05/2018 | | F(1) | 5,336 D \$ 5.26 | 37,122 | D | |
| Common Stock | 10/08/2018 | | F(1) | 9,327 D \$ 5.25 | 27,795 | D | |

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

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SEC 1474 (9-02)

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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) | 8. Price or Value of Underlying Securities (Instr. 3 and 4) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Grant | \$ 9.7 | | | | | <u>(2)</u> | 10/01/2025 | Common Stock | 43,724 |
| Employee Stock Grant | \$ 6.63 | | | | | <u>(3)</u> | 10/01/2025 | Common Stock | 6,335 |
| Employee Stock Grant | \$ 5.8 | | | | | <u>(4)</u> | 10/01/2025 | Common Stock | 6,335 |
| Employee Stock Option | \$ 6.63 | | | | | <u>(5)</u> | 10/01/2025 | Common Stock | 13,891 |
| Employee Stock Option | \$ 6.63 | | | | | <u>(6)</u> | 10/01/2025 | Common Stock | 3,473 |
| Employee Stock Grant | \$ 8.15 | | | | | <u>(3)</u> | 10/01/2025 | Common Stock | 3,322 |
| Employee Stock Grant | \$ 5.8 | | | | | <u>(7)</u> | 10/01/2025 | Common Stock | 4,850 |
| Employee Stock Grant | \$ 8.3 | | | | | <u>(4)</u> | 10/01/2026 | Common Stock | 6,644 |
| Employee Stock Option | \$ 8.3 | | | | | <u>(8)</u> | 10/01/2026 | Common Stock | 5,750 |

| | | | | | |
|-----------------------|---------|------|------------|--------------|--------|
| Employee Stock Option | \$ 8.3 | (6) | 10/01/2026 | Common Stock | 5,750 |
| Employee Stock Option | \$ 4.47 | (6) | 10/01/2027 | Common Stock | 30,420 |
| Employee Stock Grant | \$ 4.47 | (4) | 10/01/2027 | Common Stock | 3,120 |
| Employee Stock Option | \$ 4.47 | (9) | 10/01/2027 | Common Stock | 20,280 |
| Employee Stock Grant | \$ 4.47 | (10) | 10/01/2027 | Common Stock | 2,080 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Celaya Jorge C/O LIQUIDITY SERVICES, INC. 6931 ARLINGTON ROAD, SUITE 200 BETHESDA, MD 20814 | | | EVP & Chief Financial Officer | |

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 an advance election by the insider to satisfy tax withholding obligations related to vesting of restricted shares by authorizing the issuer to sell a number of shares with an aggregate fair market value that would satisfy the withholding amount due.
Twenty-five percent of this restricted stock grant vested on October 1, 2016 and thereafter 1/4 of the restricted stock grant will vest on October 1 of each year for three years. In the event that Mr. Celaya's employment is terminated by the Company without cause or by Mr.
- (2) Celaya for good reason within his first eighteen months of employment, 37.5 percent of this restricted stock grant will become vested as of the date of his termination. On the eighteen month anniversary of Mr. Celaya's start of employment, this acceleration provision will expire.
- (3) 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.
- (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 option grant vested on October 1, 2016 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- (6) This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.

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- (7) 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.
- (8) 18/48th of this option grant vested on April 1, 2018 and thereafter 1/48th of the option grant will vest each month for thirty months.
- (9) 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.
- (10) 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.

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