

KAR Auction Services, Inc.  
 Form 4  
 April 14, 2016

**FORM 4**

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Hammer John C

(Last) (First) (Middle)

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)  
 04/13/2016

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

President and CEO of AFC

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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) |        | 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) |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------|--------|-----------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|
|                                 |                                      |                                                    |                                | (A) or (D)                                    | Amount |                                                                                               |                                                          |                                   |
| Common Stock                    | 04/13/2016                           |                                                    | M                              | V                                             | 7,500  | A \$ 10 7,500                                                                                 | D                                                        |                                   |
| Common Stock                    | 04/13/2016                           |                                                    | S <sup>(1)</sup>               |                                               | 7,500  | D \$ 39 0                                                                                     | D                                                        |                                   |
| Common Stock                    |                                      |                                                    |                                |                                               |        | 593                                                                                           | D                                                        |                                   |

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

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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) | 8. Amount or Number of Shares |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|-------------------------------|
| Employee Stock Option (right to buy)       | \$ 10                                                  | 04/13/2016                           |                                                    | A                              | 7,500                                                                                   | (2)(3) 07/29/2019                                        | Common Stock                                                  | 7,500                         |
| Employee Stock Option (right to buy)       | \$ 16.07                                               |                                      |                                                    |                                |                                                                                         | (2)(4) 02/28/2022                                        | Common Stock                                                  | 32,000                        |
| Restricted Stock Units                     | (5)                                                    |                                      |                                                    |                                |                                                                                         | (6) (6)                                                  | Common Stock                                                  | 1,906                         |

## Reporting Owners

| Reporting Owner Name / Address                                     | Relationships |           |                          |       |
|--------------------------------------------------------------------|---------------|-----------|--------------------------|-------|
|                                                                    | Director      | 10% Owner | Officer                  | Other |
| Hammer John C<br>13085 HAMILTON CROSSING BLVD.<br>CARMEL, IN 46032 |               |           | President and CEO of AFC |       |

## Signatures

Rebecca C. Polak, as Attorney  
In Fact 04/14/2016  
\*\*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) This transaction was effected pursuant to a Rule 10b5-1 plan adopted by the reporting person on 11/16/2015.

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- (2) An additional condition to vesting is that the reporting person must be a director, officer, employee, consultant or agent of the Company or any of its subsidiaries on the date on which the conditions set forth above are satisfied.
- (3) These performance options are currently exercisable.
- (4) These service options are currently exercisable.
- (5) 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 2/20/16.

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 2/20/2016, one-third of these restricted stock units will vest on 2/20/2017 and the remaining one-third of these restricted stock units will vest on 2/20/2018, 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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