

KAR Auction Services, Inc.
Form 4
August 31, 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 *
Hill Mark E

(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)

05/21/2015

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)

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) (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 Indirect Beneficial Ownership (Instr. 4)	
Common Stock				(A) or (D)	Price			
Common Stock	05/21/2015		P(1)	500	A \$ 37.799	500	I	R. Helen Just Revocable Living Trust Dated October 27, 1997 (2)
Common Stock	05/21/2015		P(1)	300	A \$ 37.795	300	I	R. Helen Just Revocable

Common Stock	08/29/2016		J ⁽³⁾	800	D	\$ 0 ⁽³⁾	0	I	Living Trust Dated October 27, 1997 ⁽²⁾
Common Stock	08/29/2016		J ⁽⁴⁾	800	A	\$ 0 ⁽⁴⁾	800	I	R. Helen Just Revocable Living Trust Dated October 27, 1997 ⁽²⁾ Family Member's Brokerage Account ⁽⁵⁾

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

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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 of Derivative Security (Instr. 5)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
						Code	V (A) (D)			
Phantom Stock	<u>(6)</u>					<u>(7)(8)</u>	<u>(8)</u>	Common Stock	8,743	
Phantom Stock	<u>(6)</u>	08/31/2016		A	0	<u>(8)</u>	<u>(8)</u>	Common Stock	0	\$ 41.49

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director 10% Owner Officer Other

Hill Mark E
13085 HAMILTON CROSSING BLVD. X
CARMEL, IN 46032

Signatures

Rebecca C. Polak as Attorney
In Fact 08/31/2016

__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) On May 21, 2015, the reporting person caused the trust to purchase 300 shares of KAR common stock for \$37.795 and 500 shares of KAR common stock for \$37.799.
- (2) The reporting person is trustee of the R. Helen Just Revocable Living Trust Dated October 27, 1997. Members of the reporting person's immediate family are beneficiaries of the trust. The reporting person disclaims beneficial ownership of the securities held by the trust except to the extent of his pecuniary interest therein.
- (3) On August 29, 2016, the reporting person caused the trust to transfer the 800 shares of KAR common stock to a brokerage account for the benefit of a member of the reporting person's immediate family for no value pursuant to the distribution of trust assets, over which the reporting person holds a power of attorney.
- (4) On August 29, 2016, the reporting person caused the R. Helen Just Revocable Living Trust Dated October 27, 1997, of which the reporting person is trustee, to transfer 800 shares of KAR common stock to a brokerage account (over which the reporting person holds a power of attorney) for the benefit of a member of the reporting person's immediate family for no value pursuant to the distribution of trust assets.
- (5) The reporting person disclaims beneficial ownership of the securities held by the trust except to the extent of his pecuniary interest therein.
- (6) The phantom stock will convert into shares of KAR common stock on a one-for-one basis.
- (7) Represents director fees deferred in the reporting person's account in the KAR Auction Services, Inc. Directors Deferred Compensation Plan. Shares of restricted stock were granted on 6/8/2016 at a price of \$41.30 per share and will be settled only for shares of KAR common stock on a one-for-one basis. These 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.
- (8) 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.
- (9) 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.
- (10) Reflects dividend payment of which 43.6365 shares are vested and the remaining shares will vest as follows: 4.8665 shares vest on 9/7/2016, 4.8665 shares vest on 12/7/2016, 4.8665 shares vest on 3/7/2017 and the remaining 4.8666 shares vest on 6/7/2017.

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.