

KAR Auction Services, Inc.

Form 4

March 17, 2014

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Caruso Thomas J.

(Last) (First) (Middle)

C/O: KAR AUCTION SERVICES,
INC., 13085 HAMILTON
CROSSING BOULEVARD

(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)
03/17/2014

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director _____ 10% Owner
__X__ Officer (give title _____ Other (specify
below) below)
Chief Client Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ 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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/17/2014		M		5,137	A	\$ 16.677
Common Stock	03/17/2014		S		5,137	D	\$ 31.28 0

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

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information contained in this form are not
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(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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 10					(1)(2) 08/20/2017	Common Stock 98,933 (1) (2)
Employee Stock Option (right to buy)	\$ 16.677	03/17/2014		M	5,137	(2)(3)(4) 08/19/2018	Common Stock 5,137 (2) (3) (4)
Employee Stock Option (right to buy)	\$ 13.46					(2)(5)(6) 03/01/2020	Common Stock 111,950 (2) (5) (6)
Employee Stock Option (right to buy)	\$ 14.44					(2)(7) 02/25/2021	Common Stock 100,000 (2) (7)

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Caruso Thomas J. C/O: KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BOULEVARD CARMEL, IN 46032	Chief Client Officer

Signatures

Rebecca C. Polak as Attorney
In Fact 03/17/2014

__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).

- 32,978 of these performance options are currently exercisable. 32,977 of these options vest if the closing price of a share of the
- (1) Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 32,978 of these options vest if the closing price of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.
- (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) 13,700 of these options are service options that are currently exercisable.
- 15,413 of these performance options are currently exercisable. 10,275 of these options vest if the closing price of a share of the
- (4) Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 10,275 of these options vest if the closing price of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.
- (5) 11,195 of these options are service options that became exercisable on 3/1/2014.
- 33,585 of these performance options are currently exercisable. 33,585 of these options vest if the closing price of a share of the
- (6) Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 33,585 of these options vest if the closing price of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.
- (7) 50,000 of these service options are currently exercisable. 25,000 of these options become exercisable on 2/25/2014 and 25,000 of these options become exercisable on 2/25/2015.

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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