

KAR Auction Services, Inc.
Form 4
February 22, 2017

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 *
Loughmiller Eric M.

(Last) (First) (Middle)

C/O: KAR AUCTION SERVICES, INC., 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)
02/20/2017

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)
EVP & CFO

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. 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	02/20/2017		M	2,977	A \$ 0 ⁽²⁾	2,977	D
Common Stock	02/20/2017		F ⁽³⁾	993	D \$ 46.48	1,984	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)

displays a currently valid OMB control 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)	\$ 30.89					(4) 02/27/2024	Common Stock	97,204
Restricted Stock Units	(2)	02/20/2017		M	2,977	(5) (5)	Common Stock	2,977

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Loughmiller Eric M. C/O: KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032			EVP & CFO	

Signatures

Rebecca C. Polak as Attorney
In Fact 02/22/2017

__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) Includes 621.8178 shares acquired (including 12.6560 shares acquired by dividend reinvestment) pursuant to the Company's Employee Stock Purchase Plan on May 31, 2016.
- (2) 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 February 20, 2017.

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(3) Shares withheld by the Company to satisfy tax withholding requirements.

(4) 48,602 of these options are currently exercisable, 24,301 of these options become exercisable on February 27, 2017 and the remaining 24,301 options become exercisable on February 27, 2018, assuming continued employment through the applicable vesting date.

These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:
(5) one-third of these restricted stock units vested on February 20, 2016, one-third of these restricted stock units vested on February 20, 2017 and the remaining one-third of these restricted stock units vest on February 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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