

Kramer Franklin D  
Form 4  
February 22, 2012

**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 \*  
Kramer Franklin D

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction  
(Month/Day/Year)  
02/17/2012

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

C/O LIQUIDITY SERVICES, INC., 1920 L STREET, N.W., 6TH FLOOR

(Street)

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

WASHINGTON, DC 20036

(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)
				(A) or (D) Price			
Common Stock					8,454	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)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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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	\$ 12.89					<u>(1)</u> 04/03/2016	Common Stock	20,000
Employee Stock Option	\$ 14.75					<u>(2)</u> 10/02/2016	Common Stock	11,271
Employee Stock Option	\$ 11.19					<u>(3)</u> 10/01/2017	Common Stock	10,272
Employee Stock Option	\$ 11.66					<u>(4)</u> 06/03/2018	Common Stock	15,082
Employee Stock Option	\$ 8.55					<u>(5)</u> 04/28/2019	Common Stock	21,086
Employee Stock Option	\$ 10.7					<u>(6)</u> 02/01/2020	Common Stock	18,612
Employee Stock Option	\$ 14.3					<u>(7)</u> 02/01/2021	Common Stock	15,012
Employee Stock Option	\$ 42.31	02/17/2012		A	5,328	<u>(8)</u> 02/01/2022	Common Stock	5,328
Restricted Stock Grant	\$ 42.31	02/17/2012		A	851	<u>(9)</u> 02/01/2022	Common Stock	851

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

X

Kramer Franklin D  
C/O LIQUIDITY SERVICES, INC.  
1920 L STREET, N.W., 6TH FLOOR  
WASHINGTON, DC 20036

## Signatures

/s/ James E. Williams, by power of  
attorney

02/22/2012

\_\_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) These options became fully vested on April 3, 2008.
- (2) These options became fully vested on October 2, 2007.
- (3) These options became fully vested on October 1, 2008.
- (4) These options became fully vested on June 3, 2009.
- (5) These options became fully vested on February 18, 2010.
- (6) These options became fully vested on February 1, 2011.
- (7) These options became fully vested on February 1, 2012.
- (8) These options have a one-year vesting period such that 100% of this option grant will vest on February 1, 2013.
- (9) These restricted shares have a one-year vesting period such that 100% of this restricted share grant will vest on February 1, 2013.

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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