

KAR Auction Services, Inc.

Form 4

August 18, 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

OMB
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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)
08/18/2014

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 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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	08/18/2014		M	3,075	A \$ 10	3,075	D
Common Stock	08/18/2014		S	3,075	D \$ 29.4	0	D
Common Stock	08/18/2014		M	5,000	A \$ 16.677	5,000	D
Common Stock	08/18/2014		S	5,000	D \$ 29.4	0	D

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

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(9-02)

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	08/18/2014		A		3,075		(1)(2) 08/20/2017		Common Stock	3,075 (1) (2)
Employee Stock Option (right to buy)	\$ 16.677	08/18/2014		A		5,000		(2)(3) 08/19/2018		Common Stock	5,000 (2) (3)
Employee Stock Option (right to buy)	\$ 13.46							(2)(4)(5) 03/01/2020		Common Stock	78,365 (2) (4) (5)
Employee Stock Option (right to buy)	\$ 14.44							(2)(6) 02/25/2021		Common Stock	50,000 (2) (6)

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

Chief Client Officer

CARMEL, IN 46032

Signatures

Rebecca C. Polak as Attorney

08/18/2014

In Fact

__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) 2,228 of these performance options are currently exercisable. 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) 15,688 of these performance options are currently exercisable. 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.
- (4) 11,195 of these options are service options that are currently exercisable.
- (5) 33,585 of these performance options are currently exercisable. 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.
- (6) 25,000 of these service options are currently exercisable. 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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