

Kramer Franklin D
Form 4
February 04, 2010

FORM 4

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

OMB APPROVAL

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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)
02/01/2010

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 | | | | | 66,082 ⁽¹⁾ | 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Employee Stock Option | \$ 12.89 | | | | | (2) | 04/03/2016 | Common Stock | 20,000 |
| Employee Stock Option | \$ 14.75 | | | | | (3) | 10/02/2016 | Common Stock | 11,271 |
| Employee Stock Option | \$ 11.19 | | | | | (4) | 10/01/2017 | Common Stock | 10,272 |
| Restricted Shares | \$ 11.66 | | | | | (5) | 06/03/2018 | Common Stock | 2,573 |
| Employee Stock Option | \$ 11.66 | | | | | (6) | 06/03/2018 | Common Stock | 15,082 |
| Employee Stock Option | \$ 8.55 | | | | | (7) | 04/28/2019 | Common Stock | 21,086 |
| Employee Stock Option | \$ 10.7 | 02/01/2010 | | A | 18,612 | (8) | 02/01/2020 | Common Stock | 18,612 |
| Restricted Share Grant | \$ 10.7 | 02/01/2010 | | A | 3,364 | (9) | 02/01/2020 | Common Stock | 3,364 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Kramer Franklin D C/O LIQUIDITY SERVICES, INC. 1920 L STREET, N.W., 6TH FLOOR WASHINGTON, DC 20036 | | X | | |

Signatures

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

02/04/2010

__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 3,509 shares of restricted stock that vest on February 18, 2010.
- (2) These options became fully vested on April 3, 2008.
- (3) These options became fully vested on October 2, 2007.
- (4) These options became fully vested on October 1, 2008.
- (5) These restricted shares vested on April 29, 2009.
- (6) These options became fully vested on June 3, 2009.
- (7) 100% of this option grant will vest on February 18, 2010.
- (8) These options have a one-year vesting period, such that 100% of this option grant will vest on February 1, 2011.
- (9) These restricted shares have a one-year vesting period, such that 100% of this restricted share grant will vest on February 1, 2011.

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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