KAR Auction Services, Inc.

Form 4

February 20, 2014

FORM 4

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

OMB Number: 3235-0287

Check this box if no longer subject to

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

OMB APPROVAL

Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

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

burden hours per response... 0.5

1(b).

(Print or Type Responses)

02/19/2014

Stock

1. Name and A Gottwald D	Symbol	2. Issuer Name and Ticker or Trading Symbol KAR Auction Services, Inc. [KAR]				5. Relationship of Reporting Person(s) to Issuer				
(Last)	(First) (N	Middle) 3. Date	3. Date of Earliest Transaction				(Check all applicable)			
	AUCTION SERV 5 HAMILTON 6 BLVD.	`	(Month/Day/Year) 02/19/2014				Director 10% Owner Self-cert (give title Other (specify below) to below) CEO of AFC			
		. If Amendment, Date Original				6. Individual or Joint/Group Filing(Check				
CARMEL,	Filed(M	led(Month/Day/Year)				Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person				
(City)	(State)	(Zip) Tal	ole I - Non-I	Derivative	Secur	rities Acq	uired, Disposed o	f, or Beneficial	ly Owned	
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)		Code	4. Securi on(A) or D (Instr. 3,	ispose 4 and (A) or	ed of (D)	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	02/19/2014		M	7,000	A	\$ 10	7,000	D		
Common	02/10/2014		C	7 000	D	\$	0	D		

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

S

7,000

D

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SEC 1474

(9-02)

0

28.95

D

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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	rersion (Month/Day/Year) Execution Date, if Transaction of Der code Securion of (Month/Day/Year) (Instr. 8) Acquire (A) or Dispose (D) (Instr. 8)		Securities Acquired (A) or Disposed of	Derivative Expiration Date urities (Month/Day/Year) uired or possed of tr. 3, 4,			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	02/19/2014		M	7,000	<u>(1)</u>	05/06/2019	Common Stock	7,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Gottwald Donald S.

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

CEO of AFC

CARMEL, IN 46032

Signatures

Rebecca C. Polak as Attorney In Fact

02/20/2014

**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).
- 89,575 of these options are performance options that are currently exercisable. 59,347 of these options vest if the closing price of a share (1) of the Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 59,348 of these options vest if the closing price of a share of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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