

GOLDBERG MICHAEL B  
Form 3  
December 10, 2009

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name and Ticker or Trading Symbol	
Â KELSO INVESTMENT ASSOCIATES VII LP		(Month/Day/Year)	KAR Auction Services, Inc. [KAR]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	
C/O KELSO AND COMPANY,Â 320 PARK AVENUE 24TH FLOOR			5. If Amendment, Date Original Filed(Month/Day/Year)	
(Street)			(Check all applicable)	
NEW YORK,Â NYÂ 10022			<input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below)    (specify below)	
(City)	(State)	(Zip)	6. Individual or Joint/Group Filing(Check Applicable Line)	
			<input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	45,323,240 <sup>(1)</sup>	I <sup>(2)</sup> <sup>(3)</sup> <sup>(4)</sup> <u>(5)</u> <u>(6)</u> <u>(7)</u>	By KAR Holdings II, LLC

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

SEC 1473 (7-02)

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date	3. Title and Amount of Securities Underlying	4. Conversion	5. Ownership	6. Nature of Indirect Beneficial Ownership
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(Month/Day/Year)	Derivative Security (Instr. 4)	or Exercise Price of Derivative Security	Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	(Instr. 5)
Date Exercisable	Expiration Date	Title	Amount or Number of Shares	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KELSO INVESTMENT ASSOCIATES VII LP C/O KELSO AND COMPANY 320 PARK AVENUE 24TH FLOOR NEW YORK, NY 10022	^	^ X	^	^
Kelso GP VII, L.P. C/O KELSO AND COMPANY 320 PARK AVENUE 24TH FLOOR NEW YORK, NY 10022	^	^ X	^	^
Kelso GP VII, LLC C/O KELSO AND COMPANY 320 PARK AVENUE 24TH FLOOR NEW YORK, NY 10022	^	^ X	^	^
GOLDBERG MICHAEL B C/O KELSO AND COMPANY 320 PARK AVENUE 24TH FLOOR NEW YORK, NY 10022	^ X	^ X	^	^
Moore Church M C/O KELSO AND COMPANY 320 PARK AVENUE 24TH FLOOR NEW YORK, NY 10022	^ X	^ X	^	^

## Signatures

/s/ Kelso Investment Associates VII,  
L.P. By /s/ James J. Connors, II, as  
Attorney-in-Fact 12/10/2009

\_\_Signature of Reporting Person Date

/s/ Kelso GP VII, L.P. By /s/ James J.  
Connors, II, as Attorney-in-Fact 12/10/2009

\_\_Signature of Reporting Person Date

/s/ Kelso GP VII, LLC By /s/ James J.  
Connors, II, as Attorney-in-Fact 12/10/2009

\_\_Signature of Reporting Person Date

/s/ Michael B. Goldberg By /s/ James J.  
Connors, II, as Attorney-in-Fact 12/10/2009

\_\_Signature of Reporting Person

Date

/s/ Church M. Moore By /s/ James J.  
Connors, II, as Attorney-in-Fact

12/10/2009

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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 (i) 18,479,970 shares of common stock held of record by KAR Holdings II, LLC (which are attributable to Axle Holdings II, LLC), by virtue of Kelso Investment Associates VII, L.P.'s (KIA VII) ownership interest in Axle Holdings II, LLC, (ii) 4,575,990 shares of common stock held of record by KAR Holdings II, LLC (which are attributable to Axle Holdings II, LLC), by virtue of KEP VI, LLC's (KEP VI) ownership interest in Axle Holdings II, LLC, (iii) 17,847,820 shares of common stock held of record by KAR Holdings II, LLC, by virtue of KIA VII's ownership interest in KAR Holdings II, LLC and (iv) 4,419,460 shares of common stock held of record by KAR Holdings II, LLC, by virtue of KEP VI's ownership interest in KAR Holdings II, LLC.
    - (2) Kelso GP VII, LLC (GP VII LLC) is the general partner of Kelso GP VII, L.P. (GP VII LP). GP VII LP is the general partner of KIA VII. KIA VII is the majority owner of KAR Holdings II, LLC. Each of GP VII LLC, GP VII LP and KIA VII disclaims beneficial ownership of the securities owned of record by KAR Holdings II, LLC, except to the extent of their respective pecuniary interests therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
      - (3) Each of GP VII LLC, GP VII LP and KIA VII, due to their common control, could be deemed to beneficially own each other's securities. GP VII LLC disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LP and KIA VII, except to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
        - (4) GP VII LP disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC and KIA VII, except, in the case of KIA VII, to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes. KIA VII disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC and GP VII LP, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
          - (5) KEP VI and GP VII LLC due to their common control could be deemed to beneficially own each other's securities. KEP VI disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC, GP VII LP and KIA VII, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes. Each of GP VII LLC, GP VII LP and KIA VII disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by KEP VI, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
            - (6) KEP VI disclaims beneficial ownership of the securities owned of record by KAR Holdings II, LLC, except to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of the reported securities for purposes of Section 16 or for any other purposes.
              - (7) Messrs. Berney, Bynum, Connors, Goldberg, Loverro, Matelich, Nickell, Wahrhaftig, Wall, Moore and Osborne may be deemed to share beneficial ownership of securities owned of record or beneficially owned by GP VII LLC, GP VII LP, KIA VII, KEP VI and KAR Holdings II, LLC, by virtue of their status as managing members of GP VII LLC and KEP VI, but disclaim beneficial ownership of such securities, and this report shall not be deemed an admission that any of Messrs. Berney, Bynum, Connors, Goldberg, Loverro, Matelich, Nickell, Wahrhaftig, Wall, Moore and Osborne is the beneficial owner of these securities for purposes of Section 16 or for any other purposes.

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### Remarks:

Because an electronically filed joint filing is limited to a maximum of ten reporting persons, this I

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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