KAR Auction Services, Inc.

Form 4

February 11, 2016

Check this box

if no longer

subject to

Section 16.

Form 4 or

obligations

may continue.

Form 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

See Instruction 1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person *

St. Hilaire Stephane

CARMEL, IN 46032

(City)

1. Title of

Security

(Instr. 3)

(First) (Middle)

13085 HAMILTON CROSSING BLVD.

(Street)

(State) (Zip)

(Month/Day/Year)

2. Issuer Name and Ticker or Trading

Symbol

KAR Auction Services, Inc. [KAR]

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

02/09/2016

4. If Amendment, Date Original

Filed(Month/Day/Year)

response...

Estimated average

burden hours per

OMB

Number:

Expires:

OMB APPROVAL

3235-0287

January 31,

2005

0.5

5. Relationship of Reporting Person(s) to

Issuer

(Check all applicable)

Director 10% Owner

X_ Officer (give title Other (specify below)

President and CEO of ADESA

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

2. Transaction Date 2A. Deemed 3. 4. Securities 5. Amount of 6. Ownership 7. Nature of Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect Code Disposed of (D) Beneficially (D) or Indirect Beneficial (Instr. 3, 4 and 5) Ownership (Month/Day/Year) (Instr. 8) Owned (I) Following (Instr. 4) (Instr. 4)

> Reported (A) Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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

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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

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number Transaction of Derivative Expiration Date Code Securities

6. Date Exercisable and (Month/Day/Year)

7. Title and Amount of 8 **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	f			,
				Code V	(A) (I	D) Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 30.89					(1)(2)	02/27/2024	Common Stock	38,884 (1) (2)
Employee Stock Option (right to buy)	\$ 10					(2)(3)	08/20/2017	Common Stock	59,355
Employee Stock Option (right to buy)	\$ 13.46					(2)(4)(5)	03/01/2020	Common Stock	72,768
Restricted Stock Units	<u>(6)</u>	02/09/2016		A	3,216	<u>(7)</u>	<u>(7)</u>	Common Stock	3,216

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

St. Hilaire Stephane

13085 HAMILTON CROSSING BLVD. President and CEO of ADESA

CARMEL, IN 46032

Signatures

Rebecca C. Polak, as Attorney

In Fact 02/11/2016

**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 are service options that vest based upon the passage of time and the reporting person's continued service with the Company. These options will vest as follows: 25% of these options became exercisable on 2/27/2015, 25% of these options will become exercisable on 2/27/2016, 25% of these options become exercisable on 2/27/2017, and the remaining 25% of these options become

Reporting Owners 2

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exercisable on 2/27/2018.

- (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) 59,355 of these performance options are currently exercisable.
- (4) 5,598 of these service options are currently exercisable.
- (5) 67,170 of these options are performance options that are currently exercisable.
- (6) Converts into common stock on a 1-for-1 basis.
 - The compensation committee certified on February 9, 2016 that the Company achieved the 2015 net income performance goal for the restricted stock unit awards granted in 2015 under the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan. These
- (7) restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows: one-third of these restricted stock units vest on 2/20/2016, one-third of these restricted stock units vest on 2/20/2017 and the remaining one-third of these restricted stock units vest on 2/20/2018.

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.