## Edgar Filing: KAR Auction Services, Inc. - Form 4

| KAR Auction<br>Form 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                         |            |                                                                                               |                                                     |                                           |                                                                                                                                         |                                                                      |                                                                   |  |  |
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| January 11, 20                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | _                                       |            |                                                                                               |                                                     |                                           |                                                                                                                                         | OMB A                                                                | PPROVAL                                                           |  |  |
| FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                         |            |                                                                                               |                                                     |                                           |                                                                                                                                         | 3235-0287                                                            |                                                                   |  |  |
| Check this<br>if no longe<br>subject to<br>Section 16<br>Form 4 or                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | statem                                  | ENT OF CHA | F CHANGES IN BENEFICIAL OWNERSH<br>SECURITIES                                                 |                                                     |                                           |                                                                                                                                         | Expires:<br>Estimated a<br>burden hou                                | irs per                                                           |  |  |
| Form 4 or<br>Form 5<br>obligations<br>may continue.<br>See Instruction<br>1(b).<br>Form 5<br>obligations<br>may continue.<br>See Instruction<br>1(b).<br>Form 5<br>obligations<br>Mage Comparison (Comparison (Compa |                                         |            |                                                                                               |                                                     |                                           |                                                                                                                                         |                                                                      |                                                                   |  |  |
| (Print or Type Responses)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                         |            |                                                                                               |                                                     |                                           |                                                                                                                                         |                                                                      |                                                                   |  |  |
| 1. Name and Address of Reporting Person <u>*</u><br>Kestner Michael T.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                         |            | uer Name <b>and</b><br>1<br>Auction Se                                                        |                                                     | c                                         | 5. Relationship of Reporting Person(s) to<br>Issuer<br>(Check all applicable)                                                           |                                                                      |                                                                   |  |  |
| (Last) (First) (Middle)<br>13085 HAMILTON CROSSING<br>BLVD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                         |            | <ul><li>3. Date of Earliest Transaction</li><li>(Month/Day/Year)</li><li>01/07/2016</li></ul> |                                                     |                                           | X_ Director 10% Owner<br>Officer (give title Other (specify<br>below) below)                                                            |                                                                      |                                                                   |  |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | (Street) 4. If Amer<br>Filed(Mont       |            |                                                                                               |                                                     |                                           | <ul> <li>6. Individual or Joint/Group Filing(Check</li> <li>Applicable Line)</li> <li>_X_ Form filed by One Reporting Person</li> </ul> |                                                                      |                                                                   |  |  |
| CARMEL, IN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | N 46032                                 |            |                                                                                               |                                                     |                                           | Form filed by M<br>Person                                                                                                               | More than One Ro                                                     | eporting                                                          |  |  |
| (City)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (State) (Z                              | Zip) Ta    | ble I - Non-D                                                                                 | Derivative S                                        | Securities Ac                             | quired, Disposed o                                                                                                                      | f, or Beneficial                                                     | lly Owned                                                         |  |  |
| 1.Title of<br>Security<br>(Instr. 3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2. Transaction Date<br>(Month/Day/Year) |            | Code<br>ar) (Instr. 8)                                                                        | 4. Securit<br>ionAcquired<br>Disposed<br>(Instr. 3, | (A) or<br>of (D)<br>4 and 5)<br>(A)<br>or | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4)                      | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |  |  |
| Common<br>Stock                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                         |            |                                                                                               |                                                     |                                           | 5,922                                                                                                                                   | D                                                                    |                                                                   |  |  |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

 (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transactic<br>Code<br>(Instr. 8) | 5. Number of<br>tiorDerivative<br>Securities<br>) Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4, and<br>5) |     | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | 7. Title and Amount of<br>Underlying Securities<br>(Instr. 3 and 4) |                                  | 8<br>D<br>S<br>(I |
|-----------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----|----------------------------------------------------------------|--------------------|---------------------------------------------------------------------|----------------------------------|-------------------|
|                                                     |                                                                       |                                         |                                                             | Code V                                 | (A)                                                                                                             | (D) | Date<br>Exercisable                                            | Expiration<br>Date | Title                                                               | Amount or<br>Number of<br>Shares |                   |
| Phantom<br>Stock                                    | <u>(1)</u>                                                            |                                         |                                                             |                                        |                                                                                                                 |     | (2)(3)(4)                                                      | (2)                | Common<br>Stock                                                     | 5,212                            |                   |
| Phantom<br>Stock                                    | <u>(1)</u>                                                            | 01/07/2016                              |                                                             | А                                      | 41.0218                                                                                                         |     | (2)                                                            | (2)                | Common<br>Stock                                                     | 41.0218                          | 1                 |

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## **Reporting Owners**

| Reporting Owner Name / Address                                        |     | Relationships |           |         |       |  |  |  |
|-----------------------------------------------------------------------|-----|---------------|-----------|---------|-------|--|--|--|
|                                                                       |     | Director      | 10% Owner | Officer | Other |  |  |  |
| Kestner Michael T.<br>13085 HAMILTON CROSSING BLY<br>CARMEL, IN 46032 | VD. | Х             |           |         |       |  |  |  |
| Signatures                                                            |     |               |           |         |       |  |  |  |
| Rebecca C. 01/11/20<br>Polak                                          | )16 |               |           |         |       |  |  |  |

\*\*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) The phantom stock will convert into shares of KAR common stock on a one-for-one basis.
- (2) The reporting person will receive shares of KAR common stock, on a one-for-one basis, at a future date(s) specified by him pursuant to the deferred compensation plan.

Represents director fees deferred in the reporting person's account in the KAR Auction Services, Inc. Directors Deferred Compensation Plan. 2,620 of these shares of restricted stock were granted on 6/03/2015 at a price of \$38.18 per share and will be settled only for shares

(3) of KAR common stock on a one-for-one basis. These 2,620 shares of restricted stock were granted pursuant to the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan and one-fourth of the grant vests every three months from the date of the grant and such grant is subject to forfeiture until vested.

Represents director fees deferred in the reporting person's account in the KAR Auction Services, Inc. Directors Deferred Compensation Plan. 170 of these shares of restricted stock were granted on 1/4/2016 at a price of \$36.92 per share and will be settled only for shares of

- (4) KAR common stock on a one-for-one basis. These 170 shares of restricted stock were granted pursuant to the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan and 50% will vest on March 9, 2016 and the remaining 50% will vest on June 8, 2016 and such grant is subject to forfeiture until vested.
- (5) Reflects the reinvestment of dividend equivalents in additional shares of phantom stock pursuant to the terms of the KAR Auction Services, Inc. Directors Deferred Compensation Plan.
- (6) Reflects dividend payment of which 27.6965 shares are vested and the remaining shares will vest as follows: 5 shares vest on 3/2/2016, and the remaining 4 shares vest on 6/2/2016.

- (7) Reflects dividend payment of which 29.0363 shares are vested and the remaining shares will vest as follows: 4.9832 shares vest on 3/2/2016, and the remaining 4.9757 shares vest on 6/2/2016.
- (8) Reflects dividend payment of which 30.5424 shares are vested and the remaining shares will vest as follows: 5.2397 shares vest on 3/2/2016, and the remaining 5.2397 shares vest on 6/2/2016.

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.