

LIQUIDITY SERVICES INC  
Form 4  
May 01, 2009

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
CLOUGH PHILLIP A

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)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

400 EAST PRATT STREET, SUITE 910

04/28/2009

(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

BALTIMORE, MD 21202-3116

(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		
				Code	V	Amount	
Common Stock						1,326,690 <sup>(1)</sup>	I See footnote <sup>(2)</sup>
Common Stock	04/28/2009		A	4,211	A	\$ 0 7,128 <sup>(3)</sup>	D
Common Stock	04/29/2009		M	2,573	A	\$ 0 11,339 <sup>(3)</sup>	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)

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 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)	Amount or Number of Shares
				Code V	(A) (D)	Date Exercisable Expiration Date	Title	
Employee Stock Option	\$ 12.89					(4) 04/03/2016	Common Stock	20,000
Employee Stock Option	\$ 14.75					(5) 10/02/2016	Common Stock	9,390
Employee Stock Option	\$ 11.19					(6) 10/01/2017	Common Stock	8,560
Restricted Shares	\$ 11.66	04/29/2009		M	2,573	(7) 06/03/2018	Common Stock	2,573
Employee Stock Option	\$ 11.66					(8) 06/03/2018	Common Stock	15,000
Employee Stock Option	\$ 8.55	04/28/2009		A	25,303	(9) 04/28/2019	Common Stock	25,303

## Reporting Owners

**Reporting Owner Name / Address**

**Relationships**

Director 10% Owner Officer Other

CLOUGH PHILLIP A  
400 EAST PRATT STREET, SUITE 910  
BALTIMORE, MD 21202-3116

X

## Signatures

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

05/01/2009

\*\*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).

Consists of the following shares held by the following entities: (a) 1,165,895 shares by ABS Capital Partners VI, LP ("ABS VI"); (b) 22,209 shares by ABS Capital Partners VI-A, LP ("ABS VI-A"); and (c) 138,586 shares by ABS Capital Partners VI Offshore, LP ("ABS Capital Partners VI Offshore," and together with ABS VI and ABS VI-A, the "ABS Entities"). ABS Partners VI, LLC is the general partner of the ABS Entities and has voting and dispositive powers over these shares. The address for these entities affiliated with ABS Capital Partners is 400 East Pratt Street, Suite 910, Baltimore, MD 21202-3116.

(1) Mr. Phillip Clough is a managing member of ABS Partners VI, LLC, the general partner of the ABS Entities. ABS Partners VI, LLC exercises voting and dispositive power over the shares held by the ABS Entities. Mr. Clough disclaims beneficial ownership of these shares except to the extent of his pecuniary interest. The address for these entities affiliated with ABS Capital Partners is 400 East Pratt Street, Suite 910, Baltimore, MD 21202-3116.

(2) Consists of 2,917 shares of restricted stock that vest on September 30, 2009, and 4,211 shares of restricted stock that vest on February 18, 2010.

(3) These options became fully vested on April 3, 2008.

(4) These options became fully vested on October 2, 2007.

(5) These options became fully vested on October 1, 2008.

(6) These restricted shares vested on April 29, 2009.

(7) These options became fully vested on April 29, 2009.

(8) 100% of this option grant will vest on February 18, 2010.

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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