

LIQUIDITY SERVICES INC
Form 4
February 04, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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

02/01/2010

(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)
Common Stock				(A) or (D)	1,326,690 ⁽¹⁾	I	See footnote ⁽²⁾
Common Stock				(A) or (D)	8,999 ⁽³⁾	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)

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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	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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option	\$ 12.89					(4)	04/03/2016	Common Stock	20,000
Employee Stock Option	\$ 14.75					(5)	10/02/2016	Common Stock	9,393
Employee Stock Option	\$ 11.19					(6)	10/01/2017	Common Stock	8,560
Restricted Shares	\$ 11.66					(7)	06/03/2018	Common Stock	2,573
Employee Stock Option	\$ 11.66					(8)	06/03/2018	Common Stock	15,082
Employee Stock Option	\$ 8.55					(9)	04/28/2019	Common Stock	21,086
Employee Stock Option	\$ 10.7	02/01/2010		A	18,612	(10)	02/01/2020	Common Stock	18,612
Restricted Stock Grant	\$ 10.7	02/01/2010		A	3,364	(11)	02/01/2020	Common Stock	3,364
Restricted Stock Grant	\$ 10.7	02/01/2010		A	2,804	(11)	02/01/2020	Common Stock	2,804

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

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

Signatures

/s/ James E. Williams, by power of attorney 02/04/2010

__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. 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) Includes 3,509 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.
(9) These options have a one-year vesting period, such that 100% of this option grant will vest on February 1, 2011.
(10) These restricted shares have a one-year vesting period, such that 100% of this restricted share grant will vest on February 1, 2011.
(11)

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.