

KAR Auction Services, Inc.  
 Form 4  
 January 09, 2015

**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 \*  
 Kestner Michael T.

(Last) (First) (Middle)

13085 HAMILTON CROSSING  
 BLVD.

(Street)

CARMEL, IN 46032

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 KAR Auction Services, Inc. [KAR]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 01/07/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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**

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) Price	5,922 (1)	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)

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

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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)	8. Price of Derivative Security (Instr. 5)
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						Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Phantom Stock	(2)					(3)(4)	(3)	Common Stock	2,422	
Phantom Stock	(2)	01/07/2015		A	20	(3)	(3)	Common Stock	20	\$ 34.24

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director    10% Owner    Officer    Other

Kestner Michael T.  
13085 HAMILTON CROSSING BLVD.  
CARMEL, IN 46032                    X

## Signatures

Rebecca C. Polak                    01/09/2015

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).
- 1,584 of these shares are shares of restricted stock that 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 grant (June 10, 2014) and such grant is subject to forfeiture until vested.
- (1) Incentive Plan and one-fourth of the grant vests every three months from the date of grant (June 10, 2014) and such grant is subject to forfeiture until vested.
  - (2) The phantom stock will convert into shares of KAR common stock on a one-for-one basis.
  - (3) 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.
  - (4) Represents director fees deferred in the reporting person's account in the KAR Auction Services, Inc. Directors Deferred Compensation Plan. 2,422 of these shares of restricted stock were granted on 6/10/2014 at a price of \$31.57 per share and will be settled only for shares of KAR common stock on a one-for-one basis. These 2,422 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.

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- (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 14 shares are vested and the remaining shares will vest as follows: 3 shares vest on 3/9/2015 and the remaining 3 shares vest on 6/9/2015.
- (7) Reflects dividend payment of which 12 shares are vested and the remaining shares will vest as follows: 5 shares vest on 3/9/2015 and the remaining 5 shares vest on 6/9/2015.
- (8) Reflects dividend payment of which 13 shares are vested and the remaining shares will vest as follows: 3 shares vest on 3/9/2015 and the remaining 3 shares vest on 6/9/2015.

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.