

KAR Auction Services, Inc.
 Form 4
 October 22, 2013

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 *
 Byrd Warren W

(Last) (First) (Middle)

C/O: KAR AUCTION SERVICES,
 INC., 13085 HAMILTON
 CROSSING BOULEVARD

(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)
 10/18/2013

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)
 EVP of Corp Dev & Real Estate

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. 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			
Common Stock					1,319 ⁽¹⁾	I	By KAR Holdings II, LLC
Common Stock	10/18/2013		M	8,000 A \$ 10	8,000	D	
Common Stock	10/18/2013		S	8,000 D \$ 30	0	D	
Common Stock	10/21/2013		M	3,000 A \$ 10	3,000	D	
	10/21/2013		S	3,000 D \$ 30	0	D	

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Common
Stock

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

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(9-02)

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)	8. Amount or Number of Shares
Employee Stock Options (right to buy)	\$ 10	10/18/2013		M	5,000	(2)(3) 08/20/2017	Common Stock	5,000 (2) (3)
Employee Stock Options (right to buy)	\$ 10	10/18/2013 ⁽⁴⁾		M	6,000	(3)(5) 08/20/2017	Common Stock	6,000 (3) (5)
Employee Stock Options (right to buy)	\$ 12.1					(3)(6) 08/06/2020	Common Stock	15,500 (3) (6)

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Byrd Warren W
C/O: KAR AUCTION SERVICES, INC.
13085 HAMILTON CROSSING BOULEVARD
CARMEL, IN 46032

EVP of Corp Dev & Real Estate

Signatures

/s/ Rebecca C. Polak, as
Attorney-in-Fact

10/22/2013

__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) Includes 1,967 shares of common stock held of record by KAR Holdings II, LLC, by virtue of the reporting person's common ownership interest in KAR Holdings II, LLC. The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- (2) 16,970 of these options are service options that are exercisable.
- (3) 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.
- (4) 3,000 shares were exercised on 10/18/13 and 3,000 shares were exercised on 10/21/13.
- (5) 26,978 of these performance options are currently exercisable. 32,977 of these options vest if the closing price of a share of the Company's common stock exceeds \$30.00 for twenty (20) consecutive trading days and 32,978 of these options vest if the closing price of a share of the Company's common stock exceeds \$35.00 for twenty (20) consecutive trading days.
- (6) 7,750 of these options are service options that are exercisable. 7,750 of these service options become exercisable on 8/6/2014.

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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