

KAR Auction Services, Inc.

Form 4

February 27, 2017

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

OMB APPROVAL

OMB  
Number: 3235-0287  
Expires: January 31,  
2005  
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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 \*  
**POLAK REBECCA C.**

(Last) (First) (Middle)

**C/O: KAR AUCTION SERVICES,  
INC., 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)  
**02/23/2017**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, Gen. Counsel & Secretary**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)
			Code	V	Amount	(A) or (D) Price			
Common Stock							28,250.2033	D	
Common Stock	02/23/2017		M		1,107	A \$ 0 <sup>(1)</sup>	1,107	D	
Common Stock	02/23/2017		F <sup>(2)</sup>		397	D \$ 44.8	710	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**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)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (right to buy)	\$ 10							(3)	05/06/2019	Common Stock	176,7
Employee Stock Option (right to buy)	\$ 30.89							(4)	02/27/2024	Common Stock	34,99
Restricted Stock Units	(5)							(6)	(6)	Common Stock	953
Restricted Stock Units	(5)	02/23/2017		A		3,321		(7)	(7)	Common Stock	3,32
Restricted Stock Units	(1)	02/23/2017		M		1,107		(8)	(8)	Common Stock	1,10

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
POLAK REBECCA C. C/O: KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032	EVP, Gen. Counsel & Secretary

## Signatures

Rebecca C.  
Polak

02/27/2017

    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) Each restricted stock unit is convertible into a share of common stock on a 1-for-1 basis. The restricted stock units vested in common stock on February 23, 2017.
- (2) Shares withheld by the Company to satisfy tax withholding requirements.
- (3) All of these options are currently exercisable.

- (4) 17,498 of these options are currently exercisable, 8,749 of these options become exercisable on February 27, 2017 and the remaining 8,749 options become exercisable on February 27, 2018, assuming continued employment through the applicable vesting date.

- (5) Converts into common stock on a 1-for-1 basis.

These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:

- (6) one-third of these restricted stock units vested on February 20, 2016, one-third of these restricted stock units vested on February 20, 2017 and the remaining one-third of these restricted stock units vest on February 20, 2018, assuming continued employment through the applicable vesting date.

The compensation committee certified on February 23, 2017 that the Company achieved the 2016 net income performance goal for the restricted stock unit awards granted in 2016 under the KAR Auction Services, Inc. 2009 Omnibus Stock and Incentive Plan. These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:

- (7) one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vest on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date.

These restricted stock units remain subject to a time-vesting requirement and are scheduled to vest and settle in common stock as follows:

- (8) one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vest on February 22, 2018 and the remaining one-third of these restricted stock units vest on February 22, 2019, assuming continued employment through the applicable vesting date.

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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