

LIQUIDITY SERVICES INC

Form 4

March 04, 2009

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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

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 Indirect Beneficial Ownership (Instr. 4) |   |                  |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|------------------|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |   |   |                  |
| Common Stock                    | 03/02/2009                           |  | P                              |   | 268,700<br>(1)  | A  | \$ 4.727 268,700                                      | I | See footnote (4) |
| Common Stock                    | 03/03/2009                           |  | P                              |   | 275,000<br>(2)  | A  | \$ 5.5573 543,700                                     | I | See footnote (4) |
| Common Stock                    | 03/04/2009                           |  | P                              |   | 200,000<br>(3)  | A  | \$ 5.8785 743,700                                     | I | See footnote (4) |
| Common                          |                                      |  |                                |   |   |  | 2,917   | D |                  |

Stock

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)

| 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 or Value of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Employee Stock Option                      | \$ 12.89   |                                      |  |                                |   | <u>(5)</u> 04/03/2016                                    | Common Stock  | 20,000  |
| Employee Stock Option                      | \$ 14.75   |                                      |  |                                |   | <u>(6)</u> 10/02/2016                                    | Common Stock  | 9,393   |
| Employee Stock Option                      | \$ 11.19   |                                      |  |                                |   | <u>(7)</u> 10/01/2017                                    | Common Stock  | 8,560   |
| Employee Stock Option                      | \$ 11.66   |                                      |  |                                |   | <u>(8)</u> 06/03/2018                                    | Common Stock  | 2,573   |
| Employee Stock Option                      | \$ 11.66   |                                      |  |                                |   | <u>(9)</u> 06/03/2018                                    | Common Stock  | 15,082  |

## Reporting Owners

| Reporting Owner Name / Address                       | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| CLOUGH PHILLIP A<br>400 EAST PRATT STREET, SUITE 910 |               | X         |         |       |

BALTIMORE, MD 21202-3116

## Signatures

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

03/04/2009

\_\_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 purchased by the following entities: (a) 236,134 shares purchased by ABS Capital Partners VI, LP ("ABS VI"); (b) 4,498 shares purchased by ABS Capital Partners VI-A, LP ("ABS VI-A"); and (c) 28,068 shares purchased 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) Consists of the following shares purchased by the following entities: (a) 241,670 shares purchased by ABS VI; (b) 4,604 shares purchased by ABS VI-A; and (c) 28,726 shares purchased by ABS Capital Partners VI Offshore, LP. 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.

(2) Consists of the following shares purchased by the following entities: (a) 175,760 shares purchased by ABS VI; (b) 3,348 shares purchased by ABS VI-A; and (c) 20,892 shares purchased by ABS Capital Partners VI Offshore, LP. 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.

(3) 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.

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

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

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

(7) These restricted shares vest on April 29, 2009.

(8) These options vest on April 29, 2009.

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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