

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Shaffer Mark A</u> (Last) (First) (Middle) C/O LIQUIDITY SERVICES, INC. 6931 ARLINGTON ROAD, SUTIE 200 (Street) BETHESDA MD 20814 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LIQUIDITY SERVICES INC [LQDT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP, Gen. Counsel & Secretary</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/01/2020</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	10/01/2020		M ⁽¹⁾		1,424	A	\$0	21,408	D	
Common Stock	10/01/2020		M ⁽²⁾		199	A	\$0	21,607	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Grant	(3)	10/01/2020		J ⁽⁴⁾			2,212	(5)	10/01/2020	Common Stock	2,212	\$0	0	D	
Employee Stock Option	\$8.3							(6)	10/01/2026	Common Stock	5,250		5,250	D	
Employee Stock Option	\$8.3							(7)	10/01/2026	Common Stock	5,250		5,250	D	
Employee Stock Option	\$4.47							(8)	10/01/2027	Common Stock	18,240		18,240	D	
Employee Stock Option	\$4.47							(9)	10/01/2027	Common Stock	12,160		12,160	D	
Employee Stock Grant	(3)							(10)	10/01/2021	Common Stock	744		744	D	
Employee Stock Grant	(3)	10/01/2020		J ⁽⁴⁾		310		(11)	10/01/2021	Common Stock	620	\$0	310	D	
Employee Stock Option	\$6.11							(8)	10/01/2028	Common Stock	31,150		31,150	D	
Employee Stock Grant	(3)							(10)	10/01/2028	Common Stock	5,050		5,050	D	
Employee Stock Option	\$6.11							(12)	10/01/2028	Common Stock	31,150		31,150	D	
Employee Stock Grant	(3)							(13)	10/01/2022	Common Stock	3,787		3,787	D	
Employee Stock Option	\$6.69							(8)	12/03/2029	Common Stock	29,200		29,200	D	

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Employee Stock Option	\$6.69							(14)	12/03/2029	Common Stock	29,200		29,200	D	
Employee Stock Grant	(3)							(10)	01/01/2024	Common Stock	12,250		12,250	D	
Employee Stock Grant	(3)							(15)	01/01/2024	Common Stock	12,250		12,250	D	

Explanation of Responses:

1. Represents the net issuance of 1,424 shares from the vesting of 2,212 restricted stock units from which the federal and state withholding due at the vesting of such restricted stock units was satisfied by the issuer withholding 788 shares. The reporting person relinquished the shares and the issuer cancelled the shares and returned them to treasury in exchange for remitting federal and state tax withholding obligations of the reporting person resulting from the vesting of restricted stock units. Shares withheld represent an exempt transaction pursuant to Section 16b-3(e). No shares were sold by the reporting person.
2. Represents the net issuance of 199 shares from the vesting of 310 restricted stock units from which the federal and state withholding due at the vesting of such restricted stock units was satisfied by the issuer withholding 111 shares. The reporting person relinquished the shares and the issuer cancelled the shares and returned them to treasury in exchange for remitting federal and state tax withholding obligations of the reporting person resulting from the vesting of restricted stock units. Shares withheld represent an exempt transaction pursuant to Section 16b-3(e). No shares were sold by the reporting person.
3. Each restricted stock unit is the economic equivalent of one share of Liquidity Services, Inc. Common Stock.
4. Represents the vesting of restricted stock units.
5. These restricted stock units fully vested on October 1, 2020.
6. These options became fully exercisable on October 1, 2020.
7. These options become exercisable, if at all, based on the issuer's achievement of certain financial milestones.
8. These options become exercisable, if at all, based on total shareholder return (TSR) milestones. TSR is calculated based on the change in a the issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock
9. 15/48th of this option grant vested on January 1, 2019 and thereafter, an additional 1/48th vests each month for thirty-three months.
10. These restricted stock units vest, if at all, based on total shareholder return (TSR) milestones. TSR is calculated based on the change in a the issuer's stock price during the performance period, taking into account any dividends paid during that period, which are assumed to be reinvested in the stock.
11. Twenty-five percent of this restricted stock unit grant vested on January 1, 2019 and thereafter, an additional 1/4th vests on each of October 1, 2019, October 1, 2020, and October 1, 2021.
12. 15/48th of this option grant vested on January 1, 2020 and thereafter, an additional 1/48th vests each month for thirty-three months.
13. Twenty-five percent of this restricted stock unit grant vested on January 1, 2020 and thereafter, an additional 1/4th vests on each of January 1, 2020, January 1, 2021, and January 1, 2022.
14. 12/48th of this option grant will vest on January 1, 2021 and thereafter, an additional 1/48th will vest each month for thirty-six months.
15. Twenty-five percent of this restricted stock unit grant will vest on January 1, 2021 and thereafter, an additional 1/4th will vest on each of January 1, 2022, January 1, 2023 and January 1, 2024.

Remarks:

/s/ Mark A. Shaffer

10/02/2020

** Signature of Reporting Person

Date

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

* 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).

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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