

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> 3. Date of Earliest Transaction (Month/Day/Year) 08/12/2022 4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director _____ 10% Owner _____ Officer (give title below) <input checked="" type="checkbox"/> Chief Legal Officer & Corp Sec _____ Other (specify below) _____ 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person _____
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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	08/12/2022		M ⁽¹⁾		2,280	A	\$4.47	42,001	D	
Common Stock	08/12/2022		M ⁽²⁾		9,734	A	\$6.11	51,735	D	
Common Stock	08/12/2022		M ⁽³⁾		4,866	A	\$6.69	56,601	D	
Common Stock	08/12/2022		M ⁽⁴⁾		378	A	\$9.46	56,979	D	
Common Stock	08/12/2022		F ⁽⁵⁾		5,499	D	\$19.24	51,480	D	
Common Stock	08/12/2022		M ⁽⁶⁾		11,087	A	\$9.46	62,567	D	
Common Stock	08/12/2022		S		11,087	D	\$19.45	51,480	D	
Common Stock	08/12/2022		M ⁽⁷⁾		1,430	A	\$6.69	52,910	D	
Common Stock	08/12/2022		M ⁽⁸⁾		4,294	A	\$9.46	57,204	D	
Common Stock	08/12/2022		S		5,724	D	\$19.43	51,480	D	
Common Stock	08/15/2022		S		24,722	D	\$19.42	26,758	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
Employee Stock Grant	(9)							(10)	09/30/2020	Common Stock	3,806	3,806	D		
Employee Stock Option	\$4.47	08/12/2022		M		2,280		(11)	12/11/2027	Common Stock	2,280	\$0	0	D	
Employee Stock Option	\$6.11	08/12/2022		M		9,734		(12)	12/04/2028	Common Stock	12,979	\$0	3,245	D	
Employee Stock Grant	(9)							(13)	01/01/2023	Common Stock	1,262		1,262	D	
Employee Stock Option	\$6.69	08/12/2022		M		9,125		(14)	12/03/2029	Common Stock	19,467	\$0	10,342	D	
Employee Stock Grant	(9)							(15)	01/01/2024	Common Stock	6,125		6,125	D	
Employee Stock Option	\$9.46	08/12/2022		M		16,783		(16)	12/01/2030	Common Stock	42,400	\$0	25,617	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	\$9.46	08/12/2022		M			42,400	(11)	12/01/2030	Common Stock	42,400	\$0	0	D	
Employee Stock Grant	(9)							(17)	01/01/2025	Common Stock	5,737		5,737	D	
Employee Stock Option	\$22.2							(18)	12/07/2031	Common Stock	7,740		7,740	D	
Employee Stock Option	\$22.2							(19)	12/07/2031	Common Stock	7,740		7,740	D	
Employee Stock Grant	(9)							(20)	01/01/2026	Common Stock	8,720		8,720	D	
Employee Stock Grant	(9)							(21)	01/01/2026	Common Stock	8,720		8,720	D	

Explanation of Responses:

- This transaction reflects an exercise of 2,280 options (the "2017 Options") granted under the Liquidity Services, Inc. Third Amended and Restated 2006 Omnibus Long-Term Incentive Plan (as amended, the "Plan") and that certain Stock Option Agreement, dated December 11, 2017, by and between the issuer and the reporting person.
- This transaction reflects an exercise of 9,734 options (the "2018 Options") granted under the Plan and that certain Stock Option Agreement, dated December 4, 2018, by and between the issuer and the reporting person.
- This transaction reflects an exercise of 4,866 options (the "2019 Options") granted under the Plan and that certain Stock Option Agreement, dated December 3, 2019 (the "2019 Agreement"), by and between the issuer and the reporting person.
- This transaction reflects an exercise of 378 options (the "2020 Options") granted under the Plan and that certain Stock Option Agreement, dated December 1, 2020 (the "2020 Agreement"), by and between the issuer and the reporting person.
- The reporting person surrendered 5,499 shares with a market value of \$105,795.76 to the issuer to pay the cost of the 2017 Options, the 2018 Options, the 2019 Options and the 2020 Options.
- This transaction reflects an exercise of 42,400 options granted under the Plan and the 2020 Agreement. The issuer withheld 31,313 shares to cover the cost of the options and taxes and 11,087 shares were acquired by the reporting person.
- This transaction reflects an exercise of 4,259 options granted under the Plan and the 2019 Agreement. The issuer withheld 2,829 shares to cover the cost of the options and taxes and 1,430 shares were acquired by the reporting person.
- This transaction reflects an exercise of 16,405 options granted under the Plan and the 2020 Agreement. The issuer withheld 12,111 shares to cover the cost of the options and taxes and 4,294 shares were acquired by the reporting person.
- Each restricted stock unit is the economic equivalent of one share of Liquidity Services, Inc. Common Stock.
- These restricted stock units will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- These options are fully exercisable.
- 15/48th of this option grant vested on January 1, 2020 and thereafter, an additional 1/48th vests each month for thirty-three months.
- 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, 2021, January 1, 2022, and January 1, 2023.
- 12/48th of this option grant vested on January 1, 2021 and thereafter, an additional 1/48th vests each month for thirty-six months.
- Twenty-five percent of this restricted stock unit grant vested on January 1, 2021 and thereafter, an additional 1/4th vests on each of January 1, 2022, January 1, 2023 and January 1, 2024.
- 12/48th of this option grant vested on January 1, 2022 and thereafter, an additional 1/48th will vest each month for thirty-six months.
- Twenty-five percent of this restricted stock unit grant vested on January 1, 2022 and thereafter, an additional 1/4th will vest on each of January 1, 2023, January 1, 2024 and January 1, 2025.
- These options become exercisable, if at all, based on the Issuer's achievement of certain stock price appreciation milestones.
- 12/48th of this option grant will vest on January 1, 2023 and thereafter, an additional 1/48th will vest each month for thirty-six months.
- These restricted stock units vest, if at all, based on the Issuer's achievement of certain stock price appreciation milestones.
- Twenty-five percent of this restricted stock unit grant will vest on January 1, 2023 and thereafter, an additional 1/4th will vest on each of January 1, 2024, January 1, 2025 and January 1, 2026.

Remarks:

/s/ Mark A. Shaffer

08/15/2022

** 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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