

**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

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>Burton Thomas B</u>  (Last) (First) (Middle) <u>C/O LIQUIDITY SERVICES, INC.</u> <u>1920 L STREET, N.W., 6TH FLOOR</u>  (Street) <u>WASHINGTON DC 20036</u>  (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>Pres, COO, Gov't Liquid LLC</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/01/2013</u>	
		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	10/01/2013		s		3,819	D	\$32.67	879	D	
Common Stock	10/02/2013		s		879	D	\$32.51	0	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					
Employee Stock Grant	\$38.09							(1)	10/01/2022	Common Stock 2,389		2,389	D	
Employee Stock Grant	\$38.09							(2)	10/01/2022	Common Stock 3,185		3,185	D	
Employee Stock Option	\$38.09							(3)	10/01/2022	Common Stock 4,777		4,777	D	
Employee Stock Option	\$38.09							(4)	10/01/2022	Common Stock 4,777		4,777	D	
Employee Stock Grant	\$38.09							(5)	10/01/2022	Common Stock 10,000		10,000	D	
Employee Stock Grant	\$31.11							(6)	10/01/2021	Common Stock 3,556		3,556	D	
Employee Stock Option	\$31.11							(7)	10/01/2021	Common Stock 11,801		11,801	D	
Employee Stock Grant	\$15.47							(8)	10/01/2020	Common Stock 2,125		2,125	D	
Employee Stock Option	\$15.47							(9)	10/01/2020	Common Stock 12,556		12,556	D	
Employee Stock Grant	\$15.47							(10)	10/01/2020	Common Stock 11,053		11,053	D	
Employee Stock Option	\$7.48							(11)	10/01/2018	Common Stock 44,003		44,003	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					
Employee Stock Option	\$10.93							(12)	10/01/2017	Common Stock	17,999	17,999	D	

**Explanation of Responses:**

1. Twenty-five percent of this restricted stock grant will vest on October 1, 2013 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
2. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
3. Twenty-five percent of this option grant will vest on October 1, 2013 and thereafter 1/48th of the restricted stock grant will vest each month for thirty-six months.
4. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.
5. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
6. Twenty-five percent of this restricted stock grant vested on October 1, 2012 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
7. Twenty-five percent of this option grant vest on October 1, 2012 and thereafter 1/48th of the restricted stock grant will vest each month for thirty-six months.
8. Twenty-five percent of this restricted stock grant vested on October 1, 2011 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
9. Twenty-five percent of this option grant vest on October 1, 2011 and thereafter 1/48th of the restricted stock grant will vest each month for thirty-six months.
10. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
11. These options became fully vested on October 1, 2013.
12. These options became fully vested on October 1, 2011.

/s/ James E. Williams, by                      10/03/2013  
power of attorney

\*\* 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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