

St-Hilaire Stephane  
 Form 4  
 February 26, 2018

**FORM 4**

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

OMB APPROVAL

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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 \*  
 St-Hilaire Stephane

(Last) (First) (Middle)

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)

02/22/2018

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
 \_\_\_X\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

CEO of ADESA

6. Individual or Joint/Group Filing (Check Applicable Line)

\_\_\_X\_\_\_ 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Common Stock                    | 02/22/2018                           |  | M                              |   | 1,154   | A  | \$ 0 <sup>(1)</sup><br><sub>(2)</sub>                 |
| Common Stock                    | 02/22/2018                           |  | F <sup>(3)</sup>               |   | 455   | D  | \$ 50.87  |
| Common Stock                    | 02/24/2018                           |  | M                              |   | 1,081   | A  | \$ 0 <sup>(4)</sup>                                   |
| Common Stock                    | 02/24/2018                           |  | F <sup>(3)</sup>               |   | 426   | D  | \$ 51.42  |

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

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**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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Employee Stock Option (right to buy)       | \$ 30.89   |                                      |  |                                |   | (5) 02/27/2024   | Common Stock  | 38,884 (5)                    |
| Employee Stock Option (right to buy)       | \$ 13.46   |                                      |  |                                |   | (6) 03/01/2020   | Common Stock  | 72,768                        |
| Restricted Stock Units                     | (7)  | 02/22/2018                           |  | M                              | 1,154   | (8) (8)  | Common Stock  | 1,154                         |
| Restricted Stock Units                     | (7)  | 02/24/2018                           |  | M                              | 1,081   | (9) (9)  | Common Stock  | 1,081                         |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |              |       |
|--|---------------|-----------|--------------|-------|
|  | Director      | 10% Owner | Officer      | Other |
| St-Hilaire Stephane<br>13085 HAMILTON CROSSING BLVD.<br>CARMEL, IN 46032 |               |           | CEO of ADESA |       |

## Signatures

Rebecca C. Polak, as Attorney

In Fact

02/26/2018

\_\_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 22, 2018.
- (2) Includes 1,199.1733 shares acquired (including 33.7188 shares acquired by dividend reinvestment) pursuant to the Company's Employee Stock Purchase Plan.
- (3) Shares withheld by the Company to satisfy tax withholding requirements.
- (4) 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 24, 2018.
- (5) 29,163 of these options are currently exercisable and the remaining 9,721 options become exercisable on February 27, 2018, assuming continued employment through the applicable vesting date.
- (6) All of these options are currently exercisable.
- (7) Each restricted stock unit is convertible into a share of 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:
- (8) one-third of these restricted stock units vested on February 23, 2017, one-third of these restricted stock units vested 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:
- (9) one-third of these restricted stock units vested on February 24, 2018, one-third of these restricted stock units vest on February 24, 2019 and the remaining one-third of these restricted stock units vest on February 24, 2020, 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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