Vignes David Form 4 May 09, 2011

FORM 4

OMB APPROVAL

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response... 0.5

Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

Stock

(Print or Type Responses)

1. Name and Address of Reporting Person * Vignes David			2. Issuer Name and Ticker or Trading Symbol KAR Auction Services, Inc. [KAR]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) C/O KAR AU INC., 13085 I	HAMILTO:	· ·	3. Date of Earliest Transaction (Month/Day/Year) 05/05/2011	Director 10% Owner X Officer (give title Other (specify below) EVP of Enterprise Optimization		
CARMEL, IN	(Street) N 46032		4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State)	(Zip)	Table I - Non-Derivative Securities Acquired Disposed of or Reneficially Owned
(City)	(State)	(P)	Table L. Non-Derivative Securities Acquired Disposed of or Keneticially Owned

1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securities	5. Amount of	6. Ownership	7. Nature of
Security	(Month/Day/Year)	Execution Date, if	Transactio	onAcquired (A) or	Securities	Form: Direct	Indirect
(Instr. 3)		any	Code	Disposed of (D)	Beneficially	(D) or	Beneficial
		(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4 and 5)	Owned	Indirect (I)	Ownership
					Following	(Instr. 4)	(Instr. 4)
				(4)	Reported		
				(A)	Transaction(s)		
			Code V	or Amount (D) Price	(Instr. 3 and 4)		
			Code v	Amount (D) Thee			D., I/AD
Common					(4)		By KAR
Ctaalr					$3,510 \frac{(1)}{}$	I	Holdings

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

II, LLC

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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. Transacti Code (Instr. 8)	orDerivative Securitie Acquired or Dispose (D)	(Instr. 3, 4,		ate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 10						(2)(3)(8)	08/20/2017	Common Stock	105,520 (2) (3) (8)
Employee Stock Option (right to buy)	\$ 16.677						(4)(5)(8)	08/19/2018	Common Stock	54,800 (4) (5) (8)
Employee Stock Option (right to buy)	\$ 13.46						(6)(7)(8)	03/01/2020	Common Stock	89,560 (6) (7) (8)
Employee Stock Option (right to buy)	\$ 18.8	05/05/2011		A	50,000		(8)(9)	05/05/2021	Common Stock	50,000 (8) (9)

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

Vignes David

C/O KAR AUCTION SERVICES, INC. 13085 HAMILTON CROSSING BLVD. CARMEL, IN 46032

EVP of Enterprise Optimization

Signatures

/s/ Rebecca C. Polak as Attorney-in-Fact

05/09/2011 Date

**Signature of Reporting Person

Reporting Owners 2 Edgar Filing: Vignes David - Form 4

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).
- Includes 3,510 shares of common stock held of record by KAR Holdings II, LLC, by virtue of the reporting person's common ownership interest in KAR Holdings II, LLC. The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of the securities for purposes of Section 16 or for any other purpose.
- (2) 26,380 of these options are service options that became exercisable as of the effective date of the Company's IPO.
 - 79,140 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least
- (3) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.
- (4) 13,700 of these options are service options that became exercisable as of the effective date of the Company's IPO.
 - 41,100 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least
- (5) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.
- 22,390 of these options are service options that vest based upon the passage of time and the reporting person's continued service with the Company. These options will vest as follows: 25% of these options become exercisable on 3/1/2011, 25% of these options become exercisable on 3/1/2012, 25% of these options become exercisable on 3/1/2013, and the remaining 25% become exercisable on 3/1/2014.
 - 67,170 of these options are performance options that will vest as follows: 25% of these options vest if, during any consecutive 90-day period, the average closing price per share of the Company's common stock (or, the "average closing price") is at least \$20.00 and the closing price per share of the Company's common stock on the last day of such 90-day period (or, the "last day closing price") is at least
- (7) \$17.00; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$25.00 and the last day closing price is at least \$21.25; the next 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$30.00 and the last day closing price is at least \$25.50; and the remaining 25% of these options vest if, during any consecutive 90-day period, the average closing price is at least \$35.00 and the last day closing price is at least \$29.75.
- (8) An additional condition to vesting is that the reporting person must be a director, officer, employee, consultant or agent of the Company or any of its subsidiaries on the date on which the conditions above are satisfied.
- These options are service options that vest based upon the passage of time and the reporting person's continued service with the (9) Company. These options will vest as follows: 25% of these options become exercisable on 5/5/2012, 25% of these options become exercisable on 5/5/2013, 25% of these options become exercisable on 5/5/2014, and the remaining 25% become exercisable on 5/5/2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.