

Loverro Frank J
 Form 4
 September 26, 2013

FORM 4

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

OMB APPROVAL

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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 *
 KEP VI LLC

(Last) (First) (Middle)

C/O: KELSO AND COMPANY, 320
 PARK AVENUE, 24TH FLOOR

(Street)

NEW YORK, NY 10022

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 KAR Auction Services, Inc. [KAR]

3. Date of Earliest Transaction
 (Month/Day/Year)
 09/24/2013

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
 ___ Officer (give title below) ___ Other (specify below)

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

___ Form filed by One Reporting Person
 X 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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | 09/24/2013 | | S | 5,853,433 (1) | \$ 26.625 (2) (3) (4) (5) (6) (7) (8) | I | By KAR Holdings II, LLC |

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

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SEC 1474
 (9-02)

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

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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. 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. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|---|--|---|---|--------------------------------------|--|--|---|---|--|
|---|--|---|---|--------------------------------------|--|--|---|---|--|

| Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|------|---|-----|-----|---------------------|--------------------|-------|--|
|------|---|-----|-----|---------------------|--------------------|-------|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| KEP VI LLC C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| BERNEY PHILIP E C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| BYNUM FRANK K C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| Connors James J II C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| OSBORNE STANLEY DE J C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| Loverro Frank J C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR NEW YORK, NY 10022 | | X | | |
| MATELICH GEORGE E C/O: KELSO AND COMPANY 320 PARK AVENUE, 24TH FLOOR | | X | | |

NEW YORK, NY 10022

NICKELL FRANK T
 C/O: KELSO AND COMPANY X
 320 PARK AVENUE, 24TH FLOOR
 NEW YORK, NY 10022

WAHRHAFTIG DAVID I
 C/O: KELSO AND COMPANY X
 320 PARK AVENUE, 24TH FLOOR
 NEW YORK, NY 10022

WALL THOMAS R IV
 C/O: KELSO AND COMPANY X
 320 PARK AVENUE, 24TH FLOOR
 NEW YORK, NY 10022

Signatures

*By: /s/ Rosanna T. Leone, as Attorney-in-Fact 09/26/2013

__Signature of Reporting Person Date

Philip E. Berney By: * 09/26/2013

__Signature of Reporting Person Date

Frank K. Bynum, Jr. By: * 09/26/2013

__Signature of Reporting Person Date

James J. Connors, II By: * 09/26/2013

__Signature of Reporting Person Date

Stanley de J. Osborne By: * 09/26/2013

__Signature of Reporting Person Date

Frank J. Loverro By: * 09/26/2013

__Signature of Reporting Person Date

George E. Matelich By: * 09/26/2013

__Signature of Reporting Person Date

Frank T. Nickell By: * 09/26/2013

__Signature of Reporting Person Date

David I. Wahrhaftig By: * 09/26/2013

__Signature of Reporting Person Date

Thomas R. Wall, IV By: * 09/26/2013

__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) Reflects sales of shares of common stock of KAR Auction Services, Inc. in a secondary offering by KAR Holdings II, LLC that closed on September 24, 2013.

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- (2) Includes (i) 4,856,106 shares of common stock held of record by KAR Holdings II, LLC (which are attributable to Axle Holdings II, LLC), by virtue of Kelso Investment Associates VII, L.P.'s (KIA VII) ownership interest in Axle Holdings II, LLC, (ii) 1,202,465 shares of common stock held of record by KAR Holdings II, LLC (which are attributable to Axle Holdings II, LLC), by virtue of KEP VI, LLC's (KEP VI) ownership interest in Axle Holdings II, LLC, (iii) 4,689,993 shares of common stock held of record by KAR Holdings II, LLC, by virtue of KIA VII's ownership interest in KAR Holdings II, LLC and (iv) 1,161,331 shares of common stock held of record by KAR Holdings II, LLC, by virtue of KEP VI's ownership interest in KAR Holdings II, LLC.
- (3) Kelso GP VII, LLC (GP VII LLC) is the general partner of Kelso GP VII, L.P. (GP VII LP). GP VII LP is the general partner of KIA VII. Each of GP VII LLC, GP VII LP and KIA VII disclaims beneficial ownership of the securities owned of record by KAR Holdings II, LLC, except to the extent of their respective pecuniary interests therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
- (4) Each of GP VII LLC, GP VII LP and KIA VII, due to their common control, could be deemed to beneficially own each other's securities. GP VII LLC disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LP and KIA VII, except to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
- (5) GP VII LP disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC and KIA VII, except, in the case of KIA VII, to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes. KIA VII disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC and GP VII LP, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
- (6) KEP VI and GP VII LLC due to their common control could be deemed to beneficially own each other's securities. KEP VI disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by each of GP VII LLC, GP VII LP and KIA VII, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes. Each of GP VII LLC, GP VII LP and KIA VII disclaims beneficial ownership of all of the securities owned of record, or deemed beneficially owned, by KEP VI, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all the reported securities for purposes of Section 16 or for any other purposes.
- (7) KEP VI disclaims beneficial ownership of the securities owned of record by KAR Holdings II, LLC, except to the extent of its pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of the reported securities for purposes of Section 16 or for any other purposes.
- (8) Messrs. Berney, Bynum, Connors, Goldberg, Loverro, Matelich, Nickell, Wahrhaftig, Wall, Moore, Osborne, Collins and Matlin may be deemed to share beneficial ownership of securities owned of record or beneficially owned by GP VII LLC, GP VII LP, KIA VII, KEP VI and KAR Holdings II, LLC, by virtue of their status as managing members of GP VII LLC and KEP VI, but disclaim beneficial ownership of such securities, and this report shall not be deemed an admission that any of Messrs. Berney, Bynum, Connors, Goldberg, Loverro, Matelich, Nickell, Wahrhaftig, Wall, Moore, Osborne, Collins and Matlin is the beneficial owner of these securities for purposes of Section 16 or for any other purposes.

Remarks:

Because an electronically filed joint filing is limited to a maximum of ten reporting persons, this Form 4 is one of two filed to

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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