

**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                                 |           |
|--|-----------|
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|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person*<br><u>Mateus-Tique Jaime</u><br><br>(Last) (First) (Middle)<br><u>C/O LIQUIDITY SERVICES, INC.</u><br><u>1920 L STREET, N.W., 6TH FLOOR</u><br><br>(Street)<br><u>WASHINGTON DC 20036</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>LIQUIDITY SERVICES INC [ LQDT ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><input checked="" type="checkbox"/> Director 10% Owner<br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>05/22/2012</u>                 |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                              |  |

**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                    | 05/22/2012                           |  | S                              |   | 30,000  | D          | \$62.81 | 95,262  | I  | By the Em El 2007 Irrevocable Trust                   |
| Common Stock                    | 05/23/2012                           |  | S                              |   | 7,000   | D          | \$63.44 | 88,262  | I  | By the Em El 2007 Irrevocable Trust                   |
| Common Stock                    |                                      |  |                                |   |   |            |         | 159,394   | D  |   |
| Common Stock                    |                                      |  |                                |   |   |            |         | 1   | I  | By the Jaime Mateus-Tique 2005 Irrevocable Trust      |

**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                      | \$42.31  |                                      |  |                                |   |  |     | (1)  | 02/01/2022      | Common Stock 5,328  |  | 5,328  | D   |  |
| Restricted Stock Grant                     | \$42.31  |                                      |  |                                |   |  |     | (2)  | 02/01/2022      | Common Stock 851  |  | 851  | D   |  |
| Employee Stock Option                      | \$14.3   |                                      |  |                                |   |  |     | (3)  | 02/01/2021      | Common Stock 15,012   |  | 15,012   | D   |  |
| Employee Stock Option                      | \$11.77  |                                      |  |                                |   |  |     | (4)  | 02/01/2020      | Common Stock 18,612   |  | 18,612   | D   |  |
| Employee Stock Option                      | \$12.02  |                                      |  |                                |   |  |     | (5)  | 10/01/2017      | Common Stock 76,000   |  | 76,000   | D   |  |
| Employee Stock Option                      | \$17.63  |                                      |  |                                |   |  |     | (6)  | 09/21/2016      | Common Stock 75,000   |  | 75,000   | D   |  |

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(e.g., puts, calls, warrants, options, convertible securities)**

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|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|----------------------------|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D) | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |  |
| Employee Stock Option                      | \$7  |                                      |  |                                |   |  |     | (7)  | 12/21/2015      | Common Stock  | 30,000                     |  | 30,000   | D   |  |

**Explanation of Responses:**

1. These options have a one-year vesting period such that 100% of this option grant will vest on February 1, 2013.
2. These restricted shares have a one-year vesting period such that 100% of this restricted share grant will vest on February 1, 2013.
3. These options became fully vested on February 1, 2012.
4. These options became fully vested on February 1, 2011.
5. Twenty-five percent of this option grant vested on October 1, 2009 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
6. These options became fully vested on September 21, 2010.
7. These options became fully vested on April 19, 2006.

/s/ James E. Williams, by  
power of attorney

05/24/2012

\*\* 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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