

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>DOMINO KATHRYN ANN</u> (Last) (First) (Middle) <u>C/O LIQUIDITY SERVICES, INC.</u> <u>1920 L STREET, N.W., 6TH FLOOR</u> (Street) <u>WASHINGTON DC</u> <u>20036</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>02/05/2014</u>	3. Issuer Name and Ticker or Trading Symbol <u>LIQUIDITY SERVICES INC [LQDT]</u>	
		4. 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>Chief Accounting Officer</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>2,160</u>	<u>D</u>	

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<u>Employee Stock Option</u>	<u>(1)</u>	<u>10/05/2017</u>	<u>Common Stock</u>	<u>4,757</u>	<u>13.48</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(2)</u>	<u>12/29/2018</u>	<u>Common Stock</u>	<u>5,417</u>	<u>7.48</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(3)</u>	<u>12/01/2019</u>	<u>Common Stock</u>	<u>5,626</u>	<u>9.05</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(4)</u>	<u>11/30/2020</u>	<u>Common Stock</u>	<u>1,000</u>	<u>15.47</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(5)</u>	<u>11/30/2020</u>	<u>Common Stock</u>	<u>2,765</u>	<u>15.47</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(6)</u>	<u>11/30/2020</u>	<u>Common Stock</u>	<u>3,802</u>	<u>15.47</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(7)</u>	<u>11/30/2020</u>	<u>Common Stock</u>	<u>1,198</u>	<u>15.47</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(8)</u>	<u>10/01/2021</u>	<u>Common Stock</u>	<u>1,533</u>	<u>31.37</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(9)</u>	<u>11/22/2021</u>	<u>Common Stock</u>	<u>4,560</u>	<u>31.37</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(10)</u>	<u>11/22/2021</u>	<u>Common Stock</u>	<u>750</u>	<u>31.37</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(11)</u>	<u>11/16/2022</u>	<u>Common Stock</u>	<u>1,518</u>	<u>38.09</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(12)</u>	<u>11/16/2022</u>	<u>Common Stock</u>	<u>2,024</u>	<u>38.09</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(13)</u>	<u>11/27/2023</u>	<u>Common Stock</u>	<u>3,500</u>	<u>21.99</u>	<u>D</u>	
<u>Employee Stock Grant</u>	<u>(14)</u>	<u>11/27/2023</u>	<u>Common Stock</u>	<u>3,500</u>	<u>21.99</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(15)</u>	<u>11/27/2023</u>	<u>Common Stock</u>	<u>3,519</u>	<u>21.99</u>	<u>D</u>	
<u>Employee Stock Option</u>	<u>(16)</u>	<u>11/27/2023</u>	<u>Common Stock</u>	<u>3,519</u>	<u>21.99</u>	<u>D</u>	

Explanation of Responses:

- These options became fully vested on October 1, 2011.
- These options became fully vested on October 1, 2012.
- These options became fully vested on October 1, 2013.
- 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.
- These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
- Twenty-five percent of this option grant vested on October 1, 2011 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- These options became fully vested on December 1, 2011.
- 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.
- Twenty-five percent of this option grant vested on October 1, 2012 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
- These options became fully vested on December 1, 2012.
- Twenty-five percent of this restricted stock grant vested on October 1, 2013 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.

12. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
13. Twenty-five percent of this restricted stock grant vested on October 1, 2014 and thereafter 1/4th of the restricted stock grant will vest on October 1 of each year for three years.
14. These restricted shares will vest, if at all, based on the Issuer's achievement of certain financial milestones.
15. Twenty-five percent of this option grant vested on October 1, 2014 and thereafter 1/48th of the option grant will vest each month for thirty-six months.
16. This option becomes exercisable, if at all, based on the Issuer's achievement of certain financial milestones.

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

02/14/2014

** 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 5 (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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