

KNIGHT CAPITAL GROUP, INC.  
Form 3  
August 16, 2012

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 * |         |          | 2. Date of Event Requiring Statement  |  | 3. Issuer Name <b>and</b> Ticker or Trading Symbol |  |
| Â JEFFERIES GROUP INC                     |         |          | (Month/Day/Year)  |  | KNIGHT CAPITAL GROUP, INC. [KCG]                   |  |
| /DE/                                      |         |          | 08/06/2012  |  |  |  |
| (Last)                                    | (First) | (Middle) | 4. Relationship of Reporting Person(s) to Issuer  |  |  | 5. If Amendment, Date Original Filed(Month/Day/Year)                             |
| 520 MADISON AVENUE,Â 12TH FLOOR           |         |          | (Check all applicable)  |  |  |  |
| (Street)                                  |         |          | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br><input type="checkbox"/> Officer <input type="checkbox"/> Other<br>(give title below)    (specify below) |  |  | 6. Individual or Joint/Group Filing(Check Applicable Line)                       |
| NEW YORK,Â NYÂ 10022                      |         |          |   |  |  | <input type="checkbox"/> Form filed by One Reporting Person                      |
| (City)                                    | (State) | (Zip)    |   |  |  | <input checked="" type="checkbox"/> Form filed by More than One Reporting Person |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security<br>(Instr. 4)  | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|-------------------------------------|--|---|--|
| Class A Common Stock <sup>(1)</sup> | 1,486  | I   | Note <sup>(2)</sup>                                      |

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

SEC 1473 (7-02)

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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

| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security<br>(Instr. 4) | 4. Conversion or Exercise Price of Derivative | 5. Ownership Form of Derivative Security: | 6. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|---|---|--|---|---|--|
|---|---|--|---|---|--|

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|   | Date Exercisable | Expiration Date  | Title                                  | Amount or Number of Shares | Security          | Direct (D) or Indirect (I) (Instr. 5) |   |
|---|------------------|------------------|--|----------------------------|-------------------|---------------------------------------|---|
| Series A-1 Convertible Preferred Stock <sup>(1)</sup> | 08/13/2012       | ∞ <sup>(3)</sup> | Class A Common Stock                   | 13,267,340 <sup>(4)</sup>  | \$ 1.5            | D                                     | ∞ |
| Series A-1 Convertible Preferred Stock <sup>(5)</sup> | 08/13/2012       | ∞ <sup>(3)</sup> | Class A Common Stock                   | 3,316,668 <sup>(6)</sup>   | \$ 1.5            | D                                     | ∞ |
| Series A-2 Convertible Preferred Stock <sup>(1)</sup> | 08/13/2012       | ∞ <sup>(3)</sup> | Series A-1 Convertible Preferred Stock | 80,099 <sup>(7)</sup>      | \$ <sup>(7)</sup> | D                                     | ∞ |
| Series A-2 Convertible Preferred Stock <sup>(5)</sup> | 08/13/2012       | ∞ <sup>(3)</sup> | Series A-1 Convertible Preferred Stock | 20,025 <sup>(8)</sup>      | \$ <sup>(8)</sup> | D                                     | ∞ |
| Option - Right to Buy <sup>(5)</sup>                  | 08/02/2012       | 08/18/2012       | Class A Common Stock                   | 100,000 <sup>(9)</sup>     | \$ 5              | D                                     | ∞ |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| JEFFERIES GROUP INC /DE/<br>520 MADISON AVENUE<br>12TH FLOOR<br>NEW YORK, NY 10022                             | ∞             | ∞ X       | ∞       | ∞     |
| JEFFERIES & COMPANY, INC.<br>520 MADISON AVE. 12TH FL.<br>NEW YORK, NY 10022                                   | ∞             | ∞ X       | ∞       | ∞     |
| Jefferies High Yield Trading, LLC<br>THE METRO CENTER<br>ONE STATION PLACE, THREE NORTH<br>STAMFORD, CT 06902  | ∞             | ∞ X       | ∞       | ∞     |
| Jefferies High Yield Holdings, LLC<br>THE METRO CENTER, ONE STATION PLACE<br>THREE NORTH<br>STAMFORD, CT 06902 | ∞             | ∞ X       | ∞       | ∞     |

## Signatures

/s/ Roland T. Kelly, Assistant Secretary

08/16/2012

<sup>\_\_</sup>Signature of Reporting Person

Date

|   |            |
|---|------------|
| /s/ Roland T. Kelly, Authorized Person                  | 08/16/2012 |
| __Signature of Reporting Person                         | Date       |
| /s/ Roland T. Kelly, Assistant Secretary                | 08/16/2012 |
| __Signature of Reporting Person                         | Date       |
| /s/ Roland T. Kelly, Managing Director and<br>Assoc. GC | 08/16/2012 |
| __Signature of Reporting Person                         | Date       |

## Explanation of Responses:

\* 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).

The filing of this Form 3 shall not be construed as an admission that Jefferies Group, Inc. (Group) is or was for the purposes of Section 16(a) of the Securities Exchange Act of 1934, as amended (the Act), the beneficial owner of the shares of Class A common stock, par value \$0.01 per share (Common Stock), Series A-1 Cumulative Perpetual Convertible Preferred Stock, par value \$0.01 per share (Series A-1), Series A-2 Non-Voting Cumulative Perpetual Convertible Preferred Stock, par value \$0.01 per share (Series A-2) or Call Options of Knight Capital Group, Inc. (the Issuer), held for the accounts of Jefferies & Company, Inc. (Jefferies), Jefferies High Yield Trading, LLC (Trading) or Jefferies Strategic Investments LLC (Investments). Pursuant to Rule 16a-1 under the Act, Group disclaims such beneficial ownership, except to the extent of its pecuniary interest.

(1) These shares of Common Stock are directly owned by Investments. Group is the sole member of Investments and may be deemed to beneficially own the reported securities held for the account of Investments.

(2) The Series A-1 and Series A-2 have no expiration dates.

Jefferies directly owns 19,901 shares of Series A-1. Shares of Series A-1 are convertible at the option of the holder into shares of Common Stock at a conversion rate of 666.667 shares of Class A Common Stock for each share of Series A-1, subject to customary anti-dilution adjustments, which equals a conversion price of approximately \$1.50 per share of Class A Common Stock (the Conversion Price). If the closing price of the Class A Common Stock exceeds 200% of the Conversion Price for 60 consecutive trading days, all of the outstanding shares of Series A-1 will mandatorily convert into shares of Class A Common Stock, at the conversion rate described above.

(3) The filing of this Form 3 shall not be construed as an admission that Group or Jefferies is or was for the purposes of Section (16)(a) of the Act, the beneficial owner of the reported securities held for the account of Trading. Jefferies has a service agreement with Trading, pursuant to which Trading has granted to Jefferies the power to vote or direct the vote, and to dispose or to direct the disposition of the reported securities held for the account of Trading and, in such capacity, may be deemed to beneficially own the reported securities held for the account of Trading. Group is the sole owner of Jefferies, and, in such capacity, may be deemed to beneficially own the reported securities held for the accounts of Jefferies and Trading. Pursuant to Rule 16a-1 under the Act, Group and Jefferies disclaim such beneficial ownership, except to the extent of their pecuniary interests.

(4) Trading directly owns 4,975 shares of Series A-1. Shares of Series A-1 are convertible at the option of the holder into shares of Common Stock at a conversion rate of 666.667 shares of Common Stock for each share of Series A-1, subject to customary anti-dilution adjustments, which equals the Conversion Price. If the closing price of the Common Stock exceeds 200% of the Conversion Price for 60 consecutive trading days, all of the outstanding shares of Series A-1 will mandatorily convert into shares of Common Stock at the conversion rate described above.

(5) Jefferies directly owns 80,099 shares of Series A-2. Shares of Series A-2 will be convertible at the option of the holder into shares of Series A-1 on a one-for-one basis upon delivery of a written notice of conversion and a certification that all required regulatory approvals have been obtained and all applicable waiting periods have expired, and such shares of Series A-1 would then be immediately convertible at the option of the holder into shares of Common Stock at a conversion rate as described above. If the closing price of the Common Stock exceeds 200% of the Conversion Price for 60 consecutive trading days, all of the outstanding shares of Series A-2 will mandatorily convert into shares of Common Stock at the conversion rate described above. Assuming a conversion rate of 666.667, the shares of Series A-2 Jefferies holds entitle it to receive an aggregate of 53,399,360 shares of Common Stock.

(6) Trading directly owns 20,025 shares of Series A-2. Shares of Series A-2 will be convertible at the option of the holder into shares of Series A-1 on a one-for-one basis upon delivery of a written notice of conversion and a certification that all required regulatory approvals have been obtained and all applicable waiting periods have expired, and such shares of Series A-1 would then be immediately convertible at the option of the holder into shares of Common Stock at a conversion rate as described above. If the closing price of the Common Stock exceeds 200% of the Conversion Price for 60 consecutive trading days, all of the outstanding shares of Series A-2 will mandatorily convert into shares of Common Stock at the conversion rate described above. Assuming a conversion rate of 666.667, the shares of Series A-2 Trading holds entitle it to receive an aggregate of 13,350,007 shares of Common Stock.

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These call options are directly owned by Trading. Jefferies is the sole member of the holding company of Trading and Group is the sole  
(9) owner of Jefferies; Jefferies and Group therefore may be deemed to beneficially own the reported securities held for the account of Trading.

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.