

KNIGHT CAPITAL GROUP, INC.  
 Form 4  
 August 29, 2012

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
 JEFFERIES GROUP INC /DE/

2. Issuer Name and Ticker or Trading Symbol  
 KNIGHT CAPITAL GROUP, INC.  
 [KCG]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 520 MADISON AVENUE,  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 08/27/2012

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 \_\_\_X\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)

NEW YORK, NY 10022  
 (City) (State) (Zip)

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

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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Series A-2 Convertible Preferred Stock	(1)	08/27/2012	S	2,500					08/13/2012	(1)	Series A-1 Convertible Preferred Stock	2,500
Series A-2 Convertible Preferred Stock	(1)	08/27/2012	S	625					08/13/2012	(1)	Series A-1 Convertible Preferred Stock	625

## Reporting Owners

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

## Signatures

/s/ Roland T. Kelly, Assistant Secretary	08/29/2012
**Signature of Reporting Person	Date
/s/ Roland T. Kelly, MD and Associate General Counsel	08/29/2012
**Signature of Reporting Person	Date
/s/ Roland T. Kelly, Authorized Person	08/29/2012

\_\_Signature of Reporting Person

Date

/s/ Roland T. Kelly, Assistant Secretary

08/29/2012

\_\_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).

- Shares of Series A-2 Convertible Preferred Stock will be convertible at the option of the holder into shares of Series A-1 Convertible Preferred Stock 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. In addition, if the closing price of the Class A Common Stock exceeds 200% of the then applicable conversion price for 60 consecutive trading days, all of the outstanding shares of Series A-2 Convertible Preferred Stock will mandatorily convert into shares of Class A Common Stock at a ratio of 666.667 shares of Class A Common Stock for each share of Series A-2 Convertible Preferred Stock (subject to customary anti-dilution adjustments), which reflects an approximate initial conversion price of \$1.50 per share of Class A Common Stock. The Series A-2 Convertible Preferred Stock has no expiration date.
- (1) Represents shares directly held by Jefferies & Company, Inc. The Reporting Persons disclaim beneficial ownership over such shares, except to the extent of their pecuniary interests.
  - (2) Represents shares directly held by Jefferies High Yield Trading, LLC. The Reporting Persons disclaim beneficial ownership over such shares, except to the extent of their pecuniary interests.

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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