

KNIGHT CAPITAL GROUP, INC.
Form 4
May 28, 2013

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 *
Blackstone Group L.P.

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)

3. Date of Earliest Transaction (Month/Day/Year)
02/28/2013

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

C/O THE BLACKSTONE GROUP L.P., 345 PARK AVENUE

(Street)

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

NEW YORK, NY 10154

(City) (State) (Zip)

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)
Class A Common Stock	02/28/2013		C ⁽¹⁾	56,502,694 A <u>(2)</u>	56,502,694	I	See Footnotes (3) (6) (7) (10) (11)
Class A Common Stock	02/28/2013		C ⁽¹⁾	28,666 A <u>(2)</u>	28,666	I	See Footnotes (4) (6) (7) (10) (11)
Class A Common Stock	02/28/2013		C ⁽¹⁾	344,000 A <u>(2)</u>	344,000	I	See Footnotes (5) (6) (7)

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

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(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 (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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Series A-1 Cumulative Perpetual Convertible Preferred Stock	<u>(2)</u>	02/28/2013		<u>C(1)</u>	84,754	<u>(2)</u> <u>(2)</u>	Class A Common Stock 56,502,69
Series A-1 Cumulative Perpetual Convertible Preferred Stock	<u>(2)</u>	02/28/2013		<u>C(1)</u>	43	<u>(2)</u> <u>(2)</u>	Class A Common Stock 28,666
Series A-1 Cumulative Perpetual Convertible Preferred Stock	<u>(2)</u>	02/28/2013		<u>C(1)</u>	516	<u>(2)</u> <u>(2)</u>	Class A Common Stock 344,000
Restricted Stock Units	<u>(8)</u>					<u>(8)</u> <u>(8)</u>	Class A Common Stock 35,461

Reporting Owners

Reporting Owner Name / Address

Relationships

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Director 10% Owner Officer Other

Blackstone Group L.P.
C/O THE BLACKSTONE GROUP L.P.
345 PARK AVENUE
NEW YORK, NY 10154 X

Blackstone Holdings III L.P.
C/O THE BLACKSTONE GROUP L.P.
345 PARK AVENUE
NEW YORK, NY 10154 X

Blackstone Holdings III GP L.P.
C/O THE BLACKSTONE GROUP L.P.
345 PARK AVENUE
NEW YORK, NY 10154 X

Blackstone Holdings III GP Management L.L.C.
C/O THE BLACKSTONE GROUP L.P.
345 PARK AVENUE
NEW YORK, NY 10154 X

Blackstone Group Management L.L.C.
C/O THE BLACKSTONE GROUP
345 PARK AVENUE
NEW YORK, NY 10154 X

SCHWARZMAN STEPHEN A
C/O THE BLACKSTONE GROUP L.P.
345 PARK AVENUE
NEW YORK, NY 10154 X

Signatures

BLACKSTONE HOLDINGS III L.P., By: Blackstone Holdings III GP L.P., its general partner, By: Blackstone Holdings III GP Management L.L.C., its general partner, By: /s/ John G. Finley, Name: John G. Finley, Title: Chief Legal Officer 05/28/2013
 Signature of Reporting Person Date

BLACKSTONE HOLDINGS III GP L.P., By: Blackstone Holdings III GP Management L.L.C., its general partner, By: /s/ John G. Finley, Name: John G. Finley, Title: Chief Legal Officer 05/28/2013
 Signature of Reporting Person Date

BLACKSTONE HOLDINGS III GP MANAGEMENT L.L.C, By: /s/ John G. Finley, Name: John G. Finley, Title: Chief Legal Officer 05/28/2013
 Signature of Reporting Person Date

THE BLACKSTONE GROUP L.P., By: Blackstone Group Management L.L.C., its general partner, By: /s/ John G. Finley, Name: John G. Finley, Title: Chief Legal Officer 05/28/2013
 Signature of Reporting Person Date

BLACKSTONE GROUP MANAGEMENT L.L.C., By: /s/ John G. Finley, Name: John G. Finley, Title: Chief Legal Officer 05/28/2013
 Signature of Reporting Person Date

STEPHEN A. SCHWARZMAN, By: /s/ Stephen A. Schwarzman, Name: Stephen A. Schwarzman

05/28/2013

__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) Mandatory conversion for no additional consideration, pursuant to the Certificate of Designations (the "Certificate of Designations") applicable to the Series A-1 Cumulative Perpetual Convertible Preferred Stock, par value \$0.01 per share (the "Series A-1 Preferred Stock"), the Series A-1 Preferred Stock into the Issuer's Class A Common Stock, par value \$0.01 per share (the "Common Stock").
- Shares of Series A-1 Preferred Stock were convertible in accordance with the terms thereof at an initial conversion rate of 666.667 shares of Common Stock per \$1,000 of stated value of Series A-1 Preferred Stock (subject to certain adjustments). In addition, if the closing price of the Common Stock exceeded 200% of the then applicable conversion price for 60 consecutive trading days, all of the outstanding shares of Series A-1 Preferred Stock would mandatorily convert into shares of Common Stock at a ratio of 666.667 shares of Common Stock for each share of Series A-1 Preferred Stock (subject to certain adjustments), which reflects an approximate initial conversion price of \$1.50 per share of Common Stock. All Series A-1 Preferred Stock mandatorily converted on February 28, 2013.
- (2) Represents securities directly held by Blackstone Capital Partners VI L.P.
- (3) Represents securities directly held by Blackstone Family Investment Partnership VI L.P.
- (4) Represents securities directly held by Blackstone Family Investment Partnership VI ESC L.P. (collectively, with Blackstone Capital Partners VI L.P. and Blackstone Family Investment Partnership VI L.P., the "Blackstone Funds").
- (5) Blackstone Management Associates VI L.L.C. is the general partner of Blackstone Capital Partners VI L.P. BMA VI L.L.C. is the sole member of Blackstone Management Associates VI L.L.C. BCP VI Side-By-Side GP L.L.C. is the general partner of Blackstone Family Investment Partnership VI L.P. and Blackstone Family Investment Partnership VI ESC L.P.
- (6) Blackstone Holdings III L.P. is the managing member and the owner of a majority in interest of BMA VI L.L.C. and the sole member of BCP VI Side-By-Side GP L.L.C. Blackstone Holdings III GP L.P. is the general partner of Blackstone Holdings III L.P. The general partner of Blackstone Holdings III GP L.P. is Blackstone Holdings III GP Management L.L.C. The sole member of Blackstone Holdings III GP Management L.L.C. is The Blackstone Group L.P. The general partner of The Blackstone Group L.P. is Blackstone Group Management L.L.C. Blackstone Group Management L.L.C. is wholly owned by Blackstone's senior managing directors and controlled by its founder, Stephen A. Schwarzman.
- (7) Restricted stock units granted to Blackstone Management Partners L.L.C. pursuant to the Knight Capital Group, Inc. 2010 Equity Incentive Plan in connection with Martin Brand's service on the board of directors of the Issuer. The restricted stock units vest on August 27, 2016 or upon earlier retirement by Mr. Brand and will be settled upon vesting. Each restricted stock unit represents a contingent right to receive one share of Common Stock.
- (8) The Blackstone Group, L.P., Blackstone Group Management L.L.C. and Mr. Schwarzman may be deemed to indirectly control Blackstone Management Partners L.L.C.
- (9) Due to the limitations of the electronic filing system, Blackstone Capital Partners VI L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI ESC L.P., Blackstone Management Associates VI L.L.C., BMA VI L.L.C. and BCP VI Side-By-Side GP L.L.C. are filing a separate Form 4.
- (10) Each of the Reporting Persons, other than the Blackstone Funds to the extent of their direct holdings, disclaims beneficial ownership of such Common Stock, except to the extent of such Reporting Person's pecuniary interest therein, and, pursuant to Rule 16a-1(a)(4) under the Securities Exchange Act of 1934, each of the Reporting Persons, including the Blackstone Funds, states that the inclusion of these shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or for any other purpose.
- (11)

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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