

Merritt Thomas M
Form 4
February 21, 2006

FORM 4

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

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
Merritt Thomas M

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
KNIGHT CAPITAL GROUP,
INC., 545 WASHINGTON
BOULEVARD

3. Date of Earliest Transaction
(Month/Day/Year)
02/16/2006

____ Director ____ 10% Owner
____ Officer (give title below) ____ Other (specify below)
Chief Legal Officer

(Street)
JERSEY CITY, NJ 07310

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

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

(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)
Restricted Class A Common Stock	02/16/2006		A	3,500 (1)	A \$ 12.47 10,232	D	
Class A Common Stock	02/16/2006		M	25,000	A \$ 4.22 27,070	D	
Class A Common Stock	02/16/2006		S	25,000	D \$ 12.553 2,070	D	

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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
Stock Option (Right to Buy)	\$ 4.22	02/16/2006		M		25,000		07/25/2005	07/25/2007	Class A Common Stock	25,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Merritt Thomas M KNIGHT CAPITAL GROUP, INC. 545 WASHINGTON BOULEVARD JERSEY CITY, NJ 07310	Chief Legal Officer

Signatures

/s/ Thomas M. Merritt 02/21/2006

__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).
- Issued pursuant to Issuer's 2003 Long Term Incentive Plan. Restrictions lapse pursuant to following schedule: 33 1/3% of the stock
- (1) restrictions lapse as of the first anniversary of the date acquired; 66 2/3% of the stock restrictions lapse as of the second anniversary of the date acquired; and 100% lapse as of the third anniversary.

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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