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August 30, 2007

Ms. Nancy M. Morris  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NW  
Washington, D.C. 20549-2001

Re: Release No. 34-56103; File No. SR-NASD-2007-039  
National Association of Securities Dealers, Inc.; Notice of Filing and Immediate  
Effectiveness of Proposed Rule Change to Delay Implementation of Certain  
Changes to the Manning Rule

Dear Ms. Morris:

Knight Capital Group, Inc. (Knight)<sup>1</sup> welcomes the opportunity to offer our comments to the Securities and Exchange Commission (Commission) on the above reference rule filing made by the NASD -- now known as, the Financial Industry Regulatory Authority, Inc. (FINRA). In this filing, FINRA seeks to delay the implementation of certain new rules relating to the expansion of NASD IM-2110-2 to apply to OTC equity securities.<sup>2</sup>

Knight supports the Commission's determination to approve this delay, which will provide additional time for market participants to make the necessary system changes to comply with these newly approved requirements. Additionally, the delay will provide the Commission with time to consider FINRA's recently proposed amendments to the applicable minimum price-improvement standards.<sup>3</sup>

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<sup>1</sup> Knight is the parent company of Knight Equity Markets, L.P., Knight Capital Markets LLC, Direct Edge ECN LLC, Knight Equity Markets International Ltd., Direct Trading Institutional, L.P., ValuBond Securities, Inc., and Hotspot FXR, LLC all of whom are registered with SEC or CFTC. Knight through its affiliates make markets in equity securities listed on Nasdaq, OTC Bulletin Board, New York Stock Exchange, and American Stock Exchange, both in the United States and Europe. Knight also owns an asset management business for institutional investors and high net worth individuals through its Deephaven subsidiary. Knight is a major liquidity center for the Nasdaq and listed markets. We trade nearly all equity securities. On active days, Knight executes in excess of two million trades, with volume exceeding four billion shares. Knight's clients include more than 600 broker-dealers and 1000 institutional clients. Currently, Knight employs more than 800 people.

<sup>2</sup> See, SEC Release No. 34-55351 (February 26, 2007) (order approving SR-NASD-2005-146).

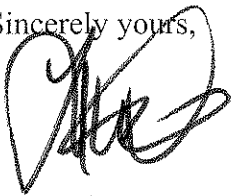
<sup>3</sup> See, SEC Release No. 34-56297 (File No. SR-NASD 2007-041) (August 21, 2007) in which FINRA seeks to amend the Minimum Price-Improvement standards set forth in NASD IM 2110-2.

Knight also supports the comments offered by the Securities Trading Association (STA), the Pink Sheets LLC, the Securities Trading Association of New York (STANY), and TD Ameritrade, Inc., in which each urge the Commission to require FINRA to disseminate publicly real-time trade reports in OTC-traded American Depository Receipts (ADRs).<sup>4</sup>

There is no question that real-time trade information in ADRs would bring far more transparency to this segment of the market, allowing investors to better evaluate the quality of the executions they receive from their brokers. More transparency will undoubtedly lead to a more efficient, reliable and liquid market for ADRs. In short, there is simply no good reason for this information not to be disseminated on a real-time basis. Indeed, in today's capital markets where liquidity and transparency are at the very heart of nearly all regulatory initiatives, it is difficult to understand why there would be any hesitancy whatsoever in moving forward with this initiative.

Thank you for providing us with the opportunity to comment on this rule proposal. Knight would welcome the opportunity to discuss our comments with the Commission.

Sincerely yours,



Leonard J. Amoruso

cc: Chairman Christopher Cox  
Commissioner Paul S. Atkins  
Commissioner Roel C. Campos  
Commissioner Kathleen L. Casey  
Commissioner Annette L. Nazareth  
Dr. Erik R. Sirri, Director, Division of Market Regulation  
Robert L. D. Colby, Deputy Director, Division of Market Regulation  
Stephen Luparello, Senior Executive Vice President, Regulatory Operations, FINRA  
Thomas R. Gira, Executive Vice-President and Deputy, FINRA Market Regulation

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<sup>4</sup> See, Letter of R. Cromwell Coulson, CEO, Pink Sheets LLC, dated August 13, 2007; Letter of Lisa Utasi, Chairman and John C. Giese, President and CEO, Securities Trader Association, dated August 13, 2007; Letter of Stephen Kay, President, Kimberly Unger, Executive Director of the Securities Traders Association of New York, dated August 13, 2007; and, Bryce Engel, Chief Brokerage Operations Officer of TD Ameritrade, Inc., August 17, 2007.