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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 8, 2005

MarketAxess Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

0-50670

(Commission
File Number)

52-2230784

(IRS Employer
Identification No.)

**140 Broadway, 42nd Floor
New York, New York 10005**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (212) 813-6000

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 1.01. Entry into a Material Definitive Agreement.

On February 8, 2005, MarketAxess Holdings Inc. (the “Company”) announced the appointment of Thomas M. Thees, 44, as its Chief Operating Officer. The principal terms of Mr. Thees’ employment are described in the Company’s offer letter, which was accepted by Mr. Thees on February 8, 2005.

Pursuant to the terms of the offer letter, Mr. Thees will receive a base salary of \$200,000 annually and is guaranteed a bonus of \$600,000 for the year ending December 31, 2005. His targeted bonus range for the year ending December 31, 2005 is \$600,000 to \$900,000. In addition, Mr. Thees received (i) a stock option award to purchase 225,000 shares of the Company’s common stock, which will vest over a three-year period beginning on the grant date; (ii) a restricted stock award of 10,000 shares of the Company’s common stock, which is subject to performance-accelerated vesting provisions; and (iii) a stock option award to purchase 40,000 shares of the Company’s common stock, which will vest over a three-year period beginning on January 1, 2006.

Exhibit 10.1 is hereby incorporated by reference into this Item 1.01.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On February 8, 2005, MarketAxess Holdings Inc. (the “Company”) announced the appointment of Thomas M. Thees, 44, as its Chief Operating Officer. The press release announcing Mr. Thees’ appointment is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 5.02.

Prior to joining the Company, Mr. Thees was a Managing Director and Head of Investment Grade Trading North America at Morgan Stanley, where he served in a variety of positions for over 16 years. Mr. Thees is currently the Chairman of the Investment Grade Committee at The Bond Market Association. He also served on The Bond Market Association’s Board of Directors from 2000 to 2002. Mr. Thees received an A.B. in International Relations and Government from Georgetown University.

There were no arrangements or understandings between Mr. Thees and any other persons pursuant to which Mr. Thees was selected or nominated as an officer of the Company. Mr. Thees does not have a family relationship with any director or executive officer of the Company. There were no transactions since the beginning of the Company’s last fiscal year between the Company and Mr. Thees.

The description of Mr. Thees’ offer letter set forth in Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 5.02.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits:

10.1 Offer Letter dated February 8, 2005 between the Company and Thomas M. Thees.

99.1 Press Release entitled "MarketAxess Names Former Morgan Stanley Executive Thomas Thees as Chief Operating Officer" issued by MarketAxess Holdings Inc. on February 8, 2005.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MARKETAXESS HOLDINGS INC.

Date: February 11, 2005

By: /s/Richard M. McVey
Name: Richard M. McVey
Title: Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit</u> 10.1	Offer Letter dated February 8, 2005 between the Company and Thomas M. Thees.
99.1	Press Release entitled "MarketAxess Names Former Morgan Stanley Executive Thomas Thees as Chief Operating Officer" issued by MarketAxess Holdings Inc. on February 8, 2005.

February 8, 2005

Thomas M. Thees
[* * *]

Dear Tom:

It is my pleasure to confirm our offer to you to join MarketAxess Holdings Inc. (the "Company") with the title and in the capacity of Chief Operating Officer. You will report to the Chief Executive Officer of the Company or as the Board of Directors of the Company shall direct. Your employment date with the Company will be February 8, 2005 ("Date of Hire").

Your base compensation will be Two Hundred Thousand Dollars (\$200,000.00) per annum, payable at such times as base compensation is paid to employees of the Company. You will be guaranteed a bonus for the year ending December 31, 2005 in the amount of Six Hundred Thousand Dollars (\$600,000.00) ("2005 Guaranteed Bonus"), provided you are employed with the Company on the payout date. Your targeted bonus range for the year ending December 31, 2005 will be Six Hundred Thousand Dollars (\$600,000.00) to Nine Hundred Thousand Dollars (\$900,000.00). Subject to the Company's obligation in respect of the 2005 Guaranteed Bonus, the actual bonus amount payable to you for the year ending December 31, 2005 will be in the sole discretion of the Company, based on your performance and that of the Company.

In the event your employment is terminated by the Company, prior to the payout date of your bonus for 2005, for any reason other than (a) within six (6) months following a Change of Control (as used in this offer letter, the term "Change of Control" shall have the meaning given it in Article XII, Section 1.1 of the Company's 2004 Stock Incentive Plan) or (b) termination by the Company for Cause, which shall be defined as (i) insubordination, dishonesty, fraud, incompetence, moral turpitude, gross negligence or willful misconduct, refusal to perform your duties or responsibilities for any reason other than illness or incapacity or materially unsatisfactory performance of your duties or (ii) conviction of, or plea of guilty or nolo contendere to, either a crime relating to the Company or any affiliate or any felony, you will be entitled to the 2005 Guaranteed Bonus, which will be paid as soon as practical but no later than ninety (90) days after your termination date.

In the event your employment is terminated by the Company or its successor, prior to the payout date of your bonus for 2006, other than for Cause and within six (6) months following a Change of Control, you will be entitled to (a) any portion of your 2005 and/or 2006 annual base compensation not yet paid, payable at such times as base compensation is paid to employees of the Company or its successor, (b) to the extent you are eligible for, and elect, COBRA continuation coverage, the Company will pay your COBRA premium for so long as you continue to receive such 2005 and/or 2006 base compensation payments, (c) the 2005 Guaranteed Bonus (if your termination date is prior to the payout date of your bonus for 2005) and (d) a one-time bonus payment in the amount of Four Hundred Thousand Dollars (\$400,000). Bonus payments pursuant to this paragraph will be made as soon as practical but no later than ninety (90) days after your termination date.

Payments of base and bonus compensation will be net of all applicable taxes and withholdings. Your entitlement to the payments and benefits described in this offer letter in the event of involuntary termination of your employment will be subject to your execution of a waiver and general release satisfactory to the Company and your continued compliance with the terms and conditions of the Employment Documents (as defined below).

It will be recommended to the Compensation Committee of the Board of Directors that you be granted three equity awards on your Date of Hire as follows: (a) a stock option award to purchase Two Hundred Twenty-five Thousand (225,000) shares of the Company's common stock at the fair market value at the time of the grant, which will vest over a three-year period beginning on the grant date; (b) a restricted stock award of Ten Thousand (10,000) shares of the Company's common stock, which will be subject to performance-accelerated vesting provisions approved by the Compensation Committee; and (c) a stock option award to purchase Forty Thousand (40,000) shares of the Company's common stock at the fair market value at the time of grant, which will vest over a three-year period beginning January 1, 2006. The vesting schedule and performance metrics, as applicable, and other terms for each of these grants will be detailed in their respective equity grant agreements. All grants are subject to and governed by the provisions of the Company's 2004 Stock Incentive Plan and their respective agreements, and are subject to execution of the agreements by you and the Company.

You will be eligible to participate in the Company's benefit plans, currently including life, health, dental and disability insurance and an unmatched 401(k) plan; provided that such benefit plan eligibility and participation shall be subject to the terms and conditions of the Company's plans, policies and programs.

Enclosed with this offer letter is various documentation that must be completed and returned with this offer letter, including but not limited to an Employment Application, a Confidentiality Agreement, and a Proprietary Information and Non-Competition Agreement (collectively, the "Employment Documents"), which are required of all the Company's employees.

This offer is subject to your eligibility to work in the United States, and the Company's satisfactory completion of a background check including confirmation of prior employment, reference, criminal and credit verification and a drug-screening test.

Your employment shall be at-will, in that either you or the Company may terminate your employment at any time for any or no reason.

This offer is further subject to approval by the Board of Directors of the Company.

By executing this offer letter, you represent, warrant and covenant to and with the Company that your acceptance of this offer and your performance of the duties and responsibilities contemplated hereby do not and will not violate the terms of any other agreement by which you are bound.

This offer letter and the Employment Documents set forth the terms and conditions of your employment by the Company and supersede any and all prior understandings, whether written or oral, regarding this matter.

Please indicate your understanding and acceptance by executing the attached copy of this offer letter and the enclosed Employment Documents and returning them to me not later than Thursday, February 10, 2005. If you have any questions, please feel free to contact Cordelia Boise at (212) 813-6320 or me at (212) 813-6300.

Yours truly,
MarketAxess Holdings Inc.

/s/ Richard M. McVey

By: Richard M. McVey
Chief Executive Officer

Accepted: /s/Thomas M. Thees _____
Thomas M. Thees

Date: February 8, 2005



**MARKETAXESS NAMES FORMER MORGAN STANLEY EXECUTIVE THOMAS THEES
AS CHIEF OPERATING OFFICER**

NEW YORK, February 8, 2005 – MarketAxess Holdings Inc. (Nasdaq: MKTX), the operator of a leading electronic trading platform for U.S. and European high-grade corporate and emerging markets bonds, today announced the appointment of Thomas Thees as Chief Operating Officer.

Mr. Thees, 44, brings over 22 years of fixed income experience to MarketAxess. He joins MarketAxess after more than 16 years at Morgan Stanley, most recently as Managing Director and Head of Investment Grade Trading North America. Under Mr. Thees' leadership, Morgan Stanley became a leading participant and developer of electronic corporate bond trading platforms.

“A recognized leader within the industry and a champion of electronic trading, Tom has made contributions throughout his career that have been instrumental in moving the industry and electronic trading forward,” commented Richard McVey, Chairman and CEO of MarketAxess. “Tom’s deep experience and range of relationships will be instrumental as we continue to penetrate our existing markets and develop new products to better serve our clients’ emerging needs.”

“With the growth of electronic trading in the fixed income markets, MarketAxess has demonstrated its leadership position by providing improved price discovery, market transparency, and innovative technological solutions — serving the needs of both investors and dealers alike,” notes Mr. Thees. “I look forward to continuing my work with clients as part of MarketAxess’ management team and further demonstrating the critical importance of electronic trading in the global fixed income markets.”

Mr. Thees is currently the Chairman of the Investment Grade Committee at The Bond Market Association. He also served on The Bond Market Association’s Board of Directors from 2000 to 2002. Prior to his tenure at Morgan Stanley, Mr. Thees held positions at Goldman Sachs and Citibank.

About MarketAxess

MarketAxess operates one of the leading platforms for the electronic trading of corporate bonds and certain other types of fixed-income securities, serving as an electronic platform through which our more than 500 active institutional investor clients can access the liquidity provided by our broker-dealer clients. MarketAxess’ multi-dealer trading platform allows our institutional investor clients to simultaneously request competitive, executable bids or offers from multiple broker-dealers, and to execute trades with the broker-dealer of their choice. MarketAxess offers our clients the ability to trade U.S. high-grade corporate bonds, crossovers, European high-grade corporate bonds, U.S. Treasury securities, agency securities and emerging markets bonds. MarketAxess also provides data and analytical tools that help our clients make trading decisions, and we facilitate the trading process by electronically communicating order information between trading counterparties. MarketAxess’ current participating dealers are: ABN AMRO, Banc of America Securities, Barclays PLC, Bear Stearns, BNP Paribas, Citigroup Global Markets, Credit Suisse First Boston, Deutsche Bank Securities, DZ Bank, FTN Financial, Goldman Sachs, HSBC, J.P. Morgan Chase, Lehman Brothers, Merrill Lynch, Morgan Stanley, The Royal Bank of Scotland, Santander Investment Securities, SG Corporate & Investment Banking, UBS and Wachovia Securities.

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