

NASDAQ STOCK MARKET INC  
 Form 4  
 January 12, 2007

**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 \*  
 FRIEDMAN ADENA T

2. Issuer Name and Ticker or Trading Symbol  
 NASDAQ STOCK MARKET INC  
 [NDAQ]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/10/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Executive Vice President

ONE LIBERTY PLAZA

(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  
 \_\_\_ Form filed by More than One Reporting Person

NEW YORK, NY 10006

(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 Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock, par value \$0.01 per share	01/10/2007		M		5,750	A	\$ 13 40,571
Common Stock, par value \$0.01 per share	01/10/2007		S <sup>(1)</sup>		5,750	D	\$ 35 34,821 <sup>(2)</sup>

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

**Persons who respond to the collection of information contained in this form are not**

SEC 1474 (9-02)

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**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
Employee Stock Option (Right to Buy)	\$ 13	01/10/2007		M	5,750	<sup>(3)</sup> 02/14/2011	Common Stock 5,750
Employee Stock Option (Right to Buy)	\$ 7.35					<sup>(4)</sup> 11/15/2014	Common Stock 200,000
Employee Stock Option (Right to Buy)	\$ 8.5					<sup>(5)</sup> 07/29/2013	Common Stock 300
Employee Stock Option (Right to Buy)	\$ 9.15					<sup>(6)</sup> 02/18/2014	Common Stock 100,000
Employee Stock Option (Right to Buy)	\$ 13					<sup>(7)</sup> 01/23/2012	Common Stock 32,100
Employee Stock Option (Right to Buy)	\$ 35.92					<sup>(8)</sup> 12/13/2016	Common Stock 32,558

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRIEDMAN ADENA T ONE LIBERTY PLAZA NEW YORK, NY 10006			Executive Vice President	

## Signatures

/s/ Edward S. Knight, by power of attorney

01/12/2007

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) The sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on April 25, 2006. Represents (a) 14,000 shares of common stock acquired upon exercise of vested options, (b) 20,820 shares of restricted stock granted under The Nasdaq Stock Market, Inc. Equity Incentive Plan, of which 8,120 shares are vested, and (3) 1 share acquired under The Nasdaq 2000 Employee Stock Purchase Plan.
- (2) Represents exercisable options.
- (3) Options exercisable as to 50% on January 15, 2008 and as to 50% on January 15, 2009.
- (4) Represents exercisable options.
- (5) Options exercisable as to 100% on February 18, 2007.
- (6) Represents exercisable options.
- (7) Options exercisable as to 50% on December 13, 2010, subject to accelerated vesting on December 13, 2009, or extension of vesting until December 13, 2011, depending on the achievement of performance goals to be determined by the Board of Directors. Options exercisable as to 50% on December 13, 2011, subject to accelerated vesting on December 13, 2010, or extension of vesting until December 13, 2012, depending on the achievement of performance goals to be determined by the Board of Directors.

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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