

FRIEDMAN ADENA T  
Form 4  
December 15, 2006

**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)  
  
ONE LIBERTY PLAZA  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/13/2006

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

NEW YORK, NY 10006  
  
(City) (State) (Zip)

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

**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)
Common Stock, par value \$0.01 per share	12/13/2006		A	(A) or (D) Amount 10,870 (1)	\$ 0 34,821 (2)	D	

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

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(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)	\$ 35.92	12/13/2006		A	32,558	<u>(3)</u>	12/13/2016	Common Stock	32,558
Employee Stock Option (Right to Buy)	\$ 7.35					<u>(4)</u>	11/15/2014	Common Stock	200,000
Employee Stock Option (Right to Buy)	\$ 8.5					<u>(5)</u>	07/29/2013	Common Stock	300
Employee Stock Option (Right to Buy)	\$ 9.15					<u>(6)</u>	02/18/2014	Common Stock	100,000
Employee Stock Option (Right to Buy)	\$ 13					<u>(7)</u>	02/14/2011	Common Stock	7,850
Employee Stock Option (Right to Buy)	\$ 13					<u>(8)</u>	01/23/2012	Common Stock	32,100

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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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

12/15/2006

\_\_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).

(1) Restricted stock vests 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. Restricted stock vests 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.

(2) 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.

(3) 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.

(4) Options exercisable as to 50% on January 15, 2008 and as to 50% on January 15, 2009.

(5) Represents exercisable options.

(6) Options exercisable as to 100% on February 18, 2007.

(7) Represents exercisable options.

(8) Represents exercisable options.

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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