

NASDAQ STOCK MARKET INC

Form 4

September 21, 2007

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

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(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)

NEW YORK, NY 10006

(City) (State) (Zip)

3. Date of Earliest Transaction
(Month/Day/Year)
09/20/2007

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

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

Executive Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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	09/20/2007		M	5,000	A \$ 13 39,157	D	
Common Stock, par value \$0.01 per share	09/20/2007		S ⁽¹⁾	5,000	D \$ 38.11 34,157 ⁽²⁾	D	

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	09/20/2007		M	5,000	(3) 01/23/2012	Common Stock 5,000
Employee Stock Option (Right to Buy)	\$ 7.35					(4) 11/15/2014	Common Stock 200,000
Employee Stock Option (Right to Buy)	\$ 8.5					(5) 07/29/2013	Common Stock 300
Employee Stock Option (Right to Buy)	\$ 9.15					(6) 02/18/2014	Common Stock 100,000
Employee Stock Option (Right to Buy)	\$ 35.92					(7) 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

09/21/2007

__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 August 28, 2007.

Represents (a) 14,000 shares of common stock acquired upon exercise of vested options, (b) 20,156 shares of restricted stock granted under The Nasdaq Stock Market, Inc. Equity Incentive Plan, of which 9,286 shares are vested, and (3) 1 share acquired under The Nasdaq 2000 Employee Stock Purchase Plan.

(3) Represents exercisable options.

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

(5) Represents exercisable options.

(6) Represents exercisable options.

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. 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.

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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