

NASDAQ STOCK MARKET INC  
 Form 4  
 November 14, 2007

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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**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 \*  
**JACOBS JOHN**

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)  
**11/12/2007**

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ 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) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|  |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
| Common Stock, par value \$0.01 per share | 11/12/2007                           |  | M                              | 3,600   | A \$ 13   | 48,215   | D                                 |
| Common Stock, par value \$0.01 per share | 11/12/2007                           |  | M                              | 2,400   | A \$ 13.38  | 50,615   | D                                 |
| Common Stock, par value \$0.01 per share | 11/12/2007                           |  | S <sup>(1)</sup>               | 6,000   | D \$ 40.68  | 44,615 <sup>(2)</sup>                                    | D                                 |

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

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(9-02)

**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  | 11/12/2007                           |  | M                              | 3,600   | <u>(3)</u>   | 02/14/2011  | Common Stock | 3,600                      |
| Employee Stock Option (Right to Buy)       | \$ 13.38   | 11/12/2007                           |  | M                              | 2,400   | <u>(4)</u>   | 07/24/2012  | Common Stock | 2,400                      |
| Employee Stock Option (Right to Buy)       | \$ 7.35  |                                      |  |                                |   | <u>(5)</u>   | 11/15/2014  | Common Stock | 200,000                    |
| Employee Stock Option (Right to Buy)       | \$ 8.5   |                                      |  |                                |   | <u>(6)</u>   | 07/29/2013  | Common Stock | 30,300                     |
| Employee Stock Option (Right to Buy)       | \$ 9.15  |                                      |  |                                |   | <u>(7)</u>   | 02/18/2014  | Common Stock | 100,000                    |
| Employee Stock Option                      | \$ 35.92   |                                      |  |                                |   | <u>(8)</u>   | 12/13/2016  | Common Stock | 32,558                     |

(Right to  
Buy)

## Reporting Owners

| Reporting Owner Name / Address                         | Relationships |           |                          |       |
|--|---------------|-----------|--------------------------|-------|
|  | Director      | 10% Owner | Officer                  | Other |
| JACOBS JOHN<br>ONE LIBERTY PLAZA<br>NEW YORK, NY 10006 |               |           | Executive Vice President |       |

## Signatures

/s/ Edward S. Knight, by power of attorney 11/14/2007

\_\_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 February 20, 2007.
  - Includes (i) 14,000 shares acquired upon the exercise of vested stock options, (ii) 17,620 shares of restricted stock granted under The
- (2) Nasdaq Stock Market, Inc. Equity Incentive Plan, of which 6,750 shares are vested and (iii) 12,995 shares acquired under The Nasdaq 2000 Employee Stock Purchase Plan.
- (3) Options exercisable as to 100%.
- (4) Options exercisable as to 100%.
- (5) Options exercisable as to 50% on January 15, 2008 and as to 50% on January 15, 2009.
- (6) Options exercisable as to 100%.
- (7) Options exercisable as to 100%.
- (8) 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.