

NASDAQ STOCK MARKET INC
 Form 4
 February 16, 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)
 02/14/2006

____ 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)
Common Stock	02/14/2006		F	993 D	\$ 25,325 ⁽¹⁾ 39.4	D	

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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)	8. F. Derivative 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					<u>(2)</u>	02/14/2011	Common Stock	23,600
Employee Stock Option (Right to Buy)	\$ 7.35					<u>(3)</u>	11/15/2014	Common Stock	200,000
Employee Stock Option (Right to Buy)	\$ 9.15					<u>(4)</u>	02/18/2014	Common Stock	100,000
Employee Stock Option (Right to Buy)	\$ 8.5					<u>(5)</u>	07/29/2013	Common Stock	30,300
Employee Stock Option (Right to Buy)	\$ 13					<u>(6)</u>	01/23/2012	Common Stock	32,100

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

02/16/2006

__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).

Represents (a) 14,000 shares of common stock acquired upon exercise of vested options, (b) 9,950 shares of restricted stock granted under

(1) The Nasdaq Stock Market, Inc. Equity Incentive Plan, of which 8,120 shares are vested, and (3) 1,375 shares acquired under The Nasdaq 2000 Employee Stock Purchase Plan.

(2) Represents exercisable options.

Options exercisable as to 50% on January 15, 2009 ("tranche 1"), subject to accelerated vesting of the entire tranche 1 on January 15, 2008, or in the alternative, extension of vesting of the entire tranche 1 until January 15, 2010, depending on whether applicable

(3) performance goals to be determined by the Board of Directors are met. Options exercisable as to 50% on January 15, 2010 ("tranche 2"), subject to accelerated vesting of the entire tranche 2 on January 15, 2009, or in the alternative, extension of vesting of the entire tranche 2 until January 15, 2011, depending on whether applicable performance goals to be determined by the Board of Directors are met.

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

(5) Options exercisable as to 33% on each of July 29, 2004 and 2005 and as to 34% on July 29, 2006.

(6) 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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