

NASDAQ OMX GROUP, INC.
Form DEF 14A
April 16, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

The NASDAQ OMX Group, Inc.

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(Name of Registrant as Specified In its Charter)

N/A

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(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

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(4) Date Filed:

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THE NASDAQ OMX GROUP, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 27, 2010

To the holders of voting securities of The NASDAQ OMX Group, Inc.:

Please take notice that the annual meeting of stockholders of The NASDAQ OMX Group, Inc., a Delaware corporation, will be held at NASDAQ OMX MarketSite, Four Times Square, New York, New York 10036, on May 27, 2010, at 9:00 a.m., local time, for the following purposes, all as described in the attached proxy statement:

1. To elect 15 directors to a one-year term;
2. To ratify the appointment of Ernst & Young LLP as NASDAQ OMX's independent registered public accounting firm for the fiscal year ending December 31, 2010;
3. To approve the amended and restated NASDAQ OMX Equity Incentive Plan;
4. To approve an amendment to the NASDAQ OMX Equity Incentive Plan to allow for a one-time stock option exchange program;
5. To approve the amended and restated NASDAQ OMX Employee Stock Purchase Plan;
6. To approve the NASDAQ OMX 2010 Executive Corporate Incentive Plan;
7. To approve the conversion of Series A preferred stock into common stock; and
8. To transact such other business as may properly come before the annual meeting or any adjournment or postponement of the meeting.

We urge you to read carefully the attached proxy statement for additional information concerning the matters to be considered at this meeting.

Our board of directors has fixed the close of business on April 1, 2010 as the record date for the determination of holders of our voting securities entitled to vote at the annual meeting. Only holders of record at the close of business on the record date will be entitled to notice of, and to vote at, the annual meeting or any postponement or adjournment of the meeting. A list of these holders will be available at the annual meeting, and for at least 10 days prior to the annual meeting, at our principal executive offices at One Liberty Plaza, New York, New York 10006.

To ensure your representation at the 2010 annual meeting of stockholders, you are urged to vote, whether or not you plan to attend the meeting, by proxy by one of the following methods as promptly as possible:

1. Submit a proxy via the Internet or telephone pursuant to the instructions provided in the notice of Internet availability of proxy materials that we will mail no later than April 16, 2010 to holders of voting securities as of the record date; or

2. Request printed copies of the proxy materials by mail pursuant to the instructions provided in the notice of Internet availability of proxy materials and complete, date, sign and return the proxy card that you will receive in response to your request.

If you attend the meeting, you may revoke your proxy and vote in person, even if you have previously submitted a proxy for your NASDAQ OMX securities.

By Order of the Board of Directors,

Robert Greifeld

Chief Executive Officer

New York, New York

April 16, 2010

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THE NASDAQ OMX GROUP, INC.

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 27, 2010

We are furnishing this proxy statement to the holders of the voting securities of The NASDAQ OMX Group, Inc., a Delaware corporation, in connection with the solicitation of proxies by our board of directors for use in voting at the annual meeting of stockholders to be held at the time and place and for the purposes set forth in the accompanying notice of annual meeting, and at any and all adjournments or postponements of this meeting.

In accordance with SEC rules, instead of mailing printed copies of our proxy materials to each stockholder of record, we are furnishing the proxy materials for the 2010 annual meeting by providing access to these documents on the Internet. A notice of Internet availability of proxy materials is being mailed to holders of our voting securities. We first mailed or delivered this notice to holders of our voting securities on or about April 16, 2010. The notice of Internet availability contains instructions for accessing and reviewing our proxy materials and submitting a proxy over the Internet. Our proxy materials were made available at <http://ir.nasdaqomx.com/annuals.cfm> on the date that we first mailed or delivered the notice of Internet availability. The notice will also tell you how to request our proxy materials in printed form or by e-mail, at no charge. The notice contains a control number that you will need to submit a proxy for your securities.

THE ANNUAL MEETING

When and where is the meeting? The annual meeting is scheduled to be held at NASDAQ OMX MarketSite, Four Times Square, New York, New York 10036, on May 27, 2010, at 9:00 a.m. local time.

What is the purpose of the meeting? At the annual meeting, the holders of NASDAQ OMX's voting securities will be asked to consider and vote upon each of the following matters:

1. To elect 15 directors to a one-year term;
2. To ratify the appointment of Ernst & Young LLP as NASDAQ OMX's independent registered public accounting firm for the fiscal year ending December 31, 2010;
3. To approve the amended and restated NASDAQ OMX Equity Incentive Plan;
4. To approve an amendment to the NASDAQ OMX Equity Incentive Plan to allow for a one-time stock option exchange program;
5. To approve the amended and restated NASDAQ OMX Employee Stock Purchase Plan;
6. To approve the 2010 NASDAQ OMX Executive Corporate Incentive Plan;
7. To approve the conversion of Series A preferred stock into common stock; and

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8. To transact such other business as may properly come before the annual meeting or any adjournment or postponement of the meeting.

Who is entitled to vote? Only holders of record listed on the books of NASDAQ OMX at the close of business on April 1, 2010 (the record date) of the following NASDAQ OMX securities will be entitled to notice of, and to vote at, the annual meeting:

common stock, par value \$0.01 per share; and

3.75% Series A convertible notes due 2012 (the voting notes, and together with the common stock, the NASDAQ OMX securities).

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As of the record date, there were outstanding 209,554,448 shares of common stock (including shares of restricted common stock entitled to vote at the annual meeting). Our certificate of incorporation provides holders of the voting notes the right to vote on a converted basis with holders of the common stock on matters submitted for a stockholder vote. As of the record date, the voting notes were convertible into 34,482 shares of our common stock.

A list of holders entitled to vote at the annual meeting will be available at the annual meeting and for at least 10 days prior to the annual meeting, between the hours of 9:00 a.m. and 5:00 p.m. local time, at our principal executive offices, One Liberty Plaza, New York, New York 10006. You may arrange to review this list by contacting NASDAQ OMX's corporate secretary, Joan Conley, c/o The NASDAQ OMX Group, Inc., One Liberty Plaza, New York, New York 10006.

How many votes do I have? Each share of common stock has one vote, subject to the voting limitation in our certificate of incorporation that generally prohibits a holder from voting in excess of 5% of the total voting power of NASDAQ OMX. The holder of each voting note is entitled to the number of votes equal to the number of shares of common stock into which that voting note could be converted on the record date, subject to the 5% voting limitation contained in our certificate of incorporation.

Is my vote confidential? Your individual vote is confidential and will not be disclosed to third parties. Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be displayed except as required by law.

What constitutes a quorum? The presence of the holders of a majority (greater than 50%) of the votes entitled to be cast at the meeting constitutes a quorum. Presence may be in person or by proxy. You will be considered part of the quorum if you submit a proxy by Internet, by telephone or by returning a signed and dated proxy card (if proxy materials are requested in printed form) or if you vote in person at the annual meeting. Abstentions and broker non-votes are counted as present and entitled to vote at the meeting for purposes of determining a quorum.

Who counts the votes? Our transfer agent, BNY Mellon, tabulates the votes and acts as inspector of elections.

How do I vote? You can ensure that your NASDAQ OMX securities are voted at the meeting by:

attending the meeting and voting in person, as discussed below;

submitting your proxy by Internet or telephone; or

if you request a printed copy of proxy materials, completing, signing, dating and returning the proxy card in the envelope provided.

Proxy Submission by Internet. You have the option to submit a proxy for your securities through the Internet. The notice of Internet availability of proxy materials contains the website address for Internet proxy submission. Internet proxy submission is available 24 hours a day until 11:59 p.m. (E.D.T.) on May 26, 2010. You must enter your control number, which is printed in the lower right hand corner of the notice of Internet availability, and you will be given the opportunity to confirm that your instructions have been properly recorded.

Proxy Submission by Telephone. You have the option to submit a proxy for your securities by telephone. The notice of Internet availability of proxy materials will have information about Internet proxy submission but is not permitted to include a telephone number for submitting a proxy by phone because that would enable a stockholder to submit a proxy without first accessing the proxy materials.

The instructions for telephonic proxy submission are provided on the website where the proxy materials can be viewed. You will be provided with a telephone number for submitting your proxy at this site.

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Alternatively, if you request paper copies of the proxy materials, your proxy card will list a toll-free telephone number that you may use to submit a proxy for your shares. Telephone proxy submission is available 24 hours a day until 11:59 p.m. (E.D.T.) on May 26, 2010. When you submit a proxy by telephone, you will be required to enter your control number. You will then receive easy-to-follow voice prompts allowing you to instruct the proxy holders how to vote your securities and to confirm that your instructions have been properly recorded. If you are located outside the United States or Canada, you should instruct the proxy holders how to vote your securities by Internet or by mail.

Proxy Submission by Mail. If you choose to submit a proxy by mail after requesting and receiving printed proxy materials, simply complete, sign and date your proxy form and return it in the postage-paid envelope provided.

How do I complete the proxy? The proxy provides that each stockholder may vote his or her NASDAQ OMX securities For or Against or Abstain for individual nominees or for all of the nominees, and may vote For or Against or Abstain from voting with respect to the ratification of NASDAQ OMX's independent registered public accounting firm, and the requested approval of: (i) the amended and restated NASDAQ OMX Equity Incentive Plan, (ii) an amendment to the NASDAQ OMX Equity Incentive Plan to allow for a one-time stock option exchange program, (iii) the amended and restated NASDAQ OMX Employee Stock Purchase Plan, (iv) the 2010 NASDAQ OMX Executive Corporate Incentive Plan, and (v) the conversion of Series A preferred stock into common stock.

Whichever method you select to transmit your instructions, the proxy holders will vote your securities as provided by those instructions. **IF YOU PROVIDE A PROXY WITHOUT SPECIFIC VOTING INSTRUCTIONS, YOUR NASDAQ OMX SECURITIES WILL BE VOTED BY THE PROXY HOLDERS FOR THE ELECTION OF THE DIRECTORS NAMED IN THIS PROXY STATEMENT AND FOR THE OTHER PROPOSALS SET FORTH HEREIN.**

IF YOUR NASDAQ OMX SECURITIES ARE HELD BY A BROKER, BANK OR OTHER NOMINEE THAT DOES NOT HAVE EXPRESS AUTHORITY TO VOTE ON A PARTICULAR MATTER, YOU WILL RECEIVE INSTRUCTIONS FROM YOUR NOMINEE, WHICH YOU MUST FOLLOW TO HAVE YOUR NASDAQ OMX SECURITIES VOTED. THE BROKER, BANK OR OTHER NOMINEE MAY ONLY VOTE THE NASDAQ OMX SECURITIES THAT IT HOLDS FOR YOU AS PROVIDED BY YOUR INSTRUCTIONS, SUBJECT TO CERTAIN EXCEPTIONS DESCRIBED BELOW.

What do I need to do to attend the annual meeting? If you are a holder of record, you should indicate that you plan to attend the meeting when submitting your proxy. For the safety and comfort of our stockholders, admission to the annual meeting will be restricted to holders of record and beneficial owners of NASDAQ OMX securities as of April 1, 2010. You will need to provide a valid government-issued photo identification, such as a driver's license or passport, to gain entry to the annual meeting. If you are a beneficial owner of NASDAQ OMX securities held by a bank, broker or other nominee, you also will need proof of ownership to be admitted to the meeting. A recent brokerage statement or letter from the bank, broker or other nominee are examples of proof of ownership. If you want to vote in person your NASDAQ OMX securities held by a bank, broker or other nominee, you will have to obtain a proxy, executed in your favor, from the holder of record. You may contact NASDAQ OMX's corporate secretary, Joan C. Conley, c/o The NASDAQ OMX Group, Inc., One Liberty Plaza, New York, New York 10006, in writing or by facsimile (at 301-978-5088), to obtain directions to the annual meeting.

What are the board's recommendations? The NASDAQ OMX board recommends that you vote **FOR** each of the nominees for director named in Proposal 1 and **FOR** Proposals 2 through 7.

What vote is required to elect each director? Our directors are elected by the holders of a majority of votes cast at any meeting for the election of directors at which a quorum is present and there is an uncontested

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election. The fifteen nominees must receive the affirmative vote of the holders of a majority of the votes cast for the election of directors to be duly elected to the board of directors in an uncontested election. Any securities not voted, for example by abstention or, if applicable, broker non-vote, will not impact the vote. Our bylaws and corporate governance guidelines require that in an uncontested election, a director-nominee submit an irrevocable resignation as a condition to his or her nomination for election. If a director fails to receive the requisite number of votes in an uncontested election, the irrevocable resignation becomes effective and such resignation will be considered by the nominating and governance committee, which committee will recommend such resignation to the full board and the full board will act on the resignation promptly following certification of the stockholder vote. The NASDAQ OMX board is required to disclose publicly its decision-making process with respect to the director resignation. See Proposal I: Election of Directors and NASDAQ OMX Corporate Governance Guidelines and Code of Ethics for full details of this policy. The 2010 election of directors is an uncontested election.

If you hold your shares through a broker, it is important that you cast your vote if you want it to count in the election of directors. In the past, if you held your shares in street name through a broker and you did not indicate how you wanted your shares voted in the election of directors, your broker was allowed to vote those shares on your behalf in the broker's discretion. Recent regulatory changes eliminate the ability of your broker to vote your uninstructed shares in the election of directors on a discretionary basis. Thus, if you hold your shares in street name and you do not instruct your broker how to vote in the election of directors, no votes will be cast on your behalf. For more information on this topic, see the SEC Investor Alert issued in February 2010 entitled New Shareholder Voting Rules for the 2010 Proxy Season at <http://www.sec.gov/investor/alerts/votingrules2010.htm>.

What is a broker non-vote? If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a broker non-vote.

What vote is required to approve the other proposals? The following proposals require an affirmative vote of the holders of a majority of the votes present in person or represented by proxy at the meeting and entitled to vote on the matter. For these votes, abstentions have the effect of a vote against these proposals. Broker non-votes, if applicable, have no effect on these proposals.

Ratification of Appointment of Ernst & Young LLP;

Approval of the amended and restated NASDAQ OMX Equity Incentive Plan;

Approval of an amendment to the NASDAQ OMX Equity Incentive Plan to allow for a one-time stock option exchange program;

Approval of the amended and restated NASDAQ OMX Employee Stock Purchase Plan;

Approval of the 2010 NASDAQ OMX Executive Corporate Incentive Plan; and

Approval of the conversion of Series A preferred stock into common stock.

What if other items come up at the annual meeting and I am not there to vote? We are not now aware of any matters to be presented at the annual meeting other than those described in this proxy statement. When you provide your voting instructions by Internet or telephone, or return a signed and dated proxy card, you give the proxy holders the discretionary authority to vote on your behalf on any other matter that is properly brought before the annual meeting. If the meeting is adjourned or postponed, your NASDAQ OMX securities may be voted by the proxy holders on the new meeting date, unless you have revoked your proxy instructions before that date.

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Can I change my vote? You can change your vote by revoking your proxy at any time before it is exercised in one of three ways:

Submit a later dated proxy (including a proxy submitted through the Internet, by telephone or by proxy card);

Notify NASDAQ OMX's corporate secretary, Joan C. Conley, c/o The NASDAQ OMX Group, Inc., One Liberty Plaza, New York, New York 10006, in writing or by facsimile (at 301-978-5088), that you are revoking your proxy; or

Vote in person at the annual meeting.

If you are a beneficial owner of NASDAQ OMX securities held by a bank, broker or other nominee, you will need to contact the bank, broker or other nominee to revoke your proxy.

When will the results of the voting be available? Votes will be tabulated by the independent inspector of elections appointed for the meeting. Preliminary results will be announced at the meeting and, thereafter, final results will be posted on our website at <http://ir.nasdaqomx.com/annuals.cfm>. Voting results also will be reported in a current report on Form 8-K, which is expected to be filed with the U.S. Securities and Exchange Commission (SEC) within four business days after the meeting.

Who is paying the costs of this proxy solicitation? We will pay the cost of soliciting proxies. Proxies may be solicited on our behalf by directors, officers or employees (who will not receive any additional compensation for these solicitations), in person or by telephone, electronic transmission and facsimile transmission. NASDAQ OMX will, upon request, reimburse brokers, banks and other nominees for their reasonable expenses in sending proxy material to their beneficial owners/customers and obtaining their proxies. We have hired BNY Mellon to assist in soliciting proxies at a fee of \$7,500 plus costs and expenses for these services. Your cooperation in promptly submitting your proxy through the Internet or by telephone, or, if proxy materials are requested by mail, by dating and returning the enclosed proxy card will help to avoid additional expense.

Does NASDAQ OMX have a practice of householding? In a further effort to reduce printing and postage fees for the meeting notice, NASDAQ OMX has adopted a practice approved by the SEC known as householding. Under our practice, stockholders who have the same last name and address will receive one notice of Internet availability of proxy materials, unless one or more of these stockholders notifies us that he or she desires to continue to receive a separate copy of the proxy materials. Beneficial owners can request information about householding from their banks, brokers or other holders of record. If you would like to receive a separate copy of the proxy materials, please send an email to investor.relations@nasdaqomx.com, or in the alternative, please call the NASDAQ OMX Investor Relations department at 212-401-8742.

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PROPOSAL I

ELECTION OF DIRECTORS

The business and affairs of NASDAQ OMX are managed under the direction of our board of directors. Pursuant to our certificate of incorporation and by-laws and based on our governance needs, the board may determine the total number of directors. Currently, the board is authorized to have fifteen directors. Our directors have diverse backgrounds and experience and represent a broad spectrum of viewpoints. All of the current members of the board have been nominated by our nominating and governance committee for reelection to one-year terms. All nominees have consented to be named in this proxy statement and to serve on the NASDAQ OMX board, if elected. In the event that any nominee named herein is unable or unwilling to serve as a director, discretionary authority is reserved to the board of directors to vote for a substitute.

In an uncontested election, our directors are elected by a majority of votes cast at any meeting for the election of directors at which a quorum is present. This election is an uncontested election, and therefore, each of the fifteen nominees must receive the affirmative vote of a majority of the votes cast to be duly elected to the board of directors. Any securities not voted by abstention will not impact the vote. Our corporate governance guidelines require that, in an uncontested election, a director-nominee must submit an irrevocable resignation as a condition to his or her nomination for election. If a director fails to receive the requisite number of votes in an uncontested election, the irrevocable resignation becomes effective and such resignation will be considered by the nominating and governance committee. This committee will recommend to the full board whether or not to accept the resignation. The board is required to act on the recommendation and to disclose publicly its decision-making process with respect to the resignation.

Board Responsibilities

In addition to its general oversight of management, the board also performs a number of specific functions, including:

Reviewing, approving and overseeing our corporate strategies and corporate actions including long-term strategic plans and evaluating the results;

Reviewing, approving and overseeing fundamental financial information and reporting;

Assessing major risks and reviewing options for their mitigation;

Overseeing management's efforts to establish and maintain the highest legal, regulatory and ethical conduct of all businesses, including conformity with applicable laws and regulations;

Selecting, evaluating and approving the compensation of the Chief Executive Officer and other senior officers and overseeing succession planning for these executives;

Evaluating the overall structure and effectiveness of the board, board members and committees and overseeing effective corporate governance; and

Providing advice and counsel to senior management.

Separation of Roles of Chairman and Chief Executive Officer

NASDAQ OMX separates the roles of chairman of the board and Chief Executive Officer. NASDAQ OMX believes that this separation of roles promotes more effective communication channels for the board to express its views on management.

Director Classifications

In accordance with SEC requirements to ensure that balanced viewpoints are represented on our board of directors, NASDAQ OMX's by-laws require that all directors be classified as:

Industry Directors;

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Non-Industry Directors, which are further classified as either Public Directors or Issuer Representatives; or

Staff Directors.

The number of Non-Industry Directors, including at least one Public Director and at least one Issuer Representative of a listed company, is required to equal or exceed the number of Industry Directors, unless the NASDAQ OMX board consists of ten or more directors. In that case, at least two directors must be Issuer Representatives. We establish the classification of each director based on a questionnaire with specific questions relating to the classifications. NASDAQ OMX's corporate secretary annually certifies to the board of directors the classification of each director.

The following is a general description of NASDAQ OMX's director classifications:

Industry Director means a director who is not a Staff Director and who (i) is or has served in the prior three years as an officer, director, or employee of a broker or dealer, excluding an outside director or a director not engaged in the day-to-day management of a broker or dealer; (ii) is an officer, director (excluding an outside director) or employee of an entity that owns more than 10% of the equity of a broker or dealer, and the broker or dealer accounts for more than 5% of the gross revenues received by the consolidated entity; (iii) owns more than 5% of the equity securities of any broker or dealer, whose investments in brokers or dealers exceed 10% of his or her net worth, or whose ownership interest otherwise permits him or her to be engaged in the day-to-day management of a broker or dealer; (iv) provides professional services to brokers or dealers, and such services constitute 20% or more of the professional revenues received by the director or 20% or more of the gross revenues received by the director's firm or partnership; (v) provides professional services to a director, officer, or employee of a broker, dealer, or corporation that owns 50% or more of the voting stock of a broker or dealer, and such services relate to the director's, officer's or employee's professional capacity and constitute 20% or more of the professional revenues received by the director or 20% or more of the gross revenues received by the director's firm or partnership; or (vi) has a consulting or employment relationship with, or provides professional services to, NASDAQ OMX or its affiliates or the Financial Industry Regulatory Authority (FINRA), or any predecessor, or has had any such relationship or provided such services at any time within the prior three years;

Non-Industry Director means a director who is not a NASDAQ OMX employee and who is (i) a Public Director; (ii) an Issuer Representative; or (iii) any other individual who would not be an Industry Director;

Public Director means a director who has no material business relationship with a broker or dealer, NASDAQ OMX or its affiliates or FINRA;

Issuer Representative means a director who is a director, officer or employee of an issuer of securities listed on The NASDAQ Stock Market; and

Staff Director means a director who is also an officer of NASDAQ OMX.

Director Independence

NASDAQ OMX is currently listed on The NASDAQ Stock Market and NASDAQ Dubai. The rules of The NASDAQ Stock Market require that a majority of the members of our board of directors be independent. NASDAQ Dubai requires that at least two directors be independent. In order to qualify as independent under NASDAQ OMX's rules, a director must satisfy a two-part test. First, the director must not fall into any of several categories that would automatically disqualify the director from being deemed independent. These categories prohibit the findings of independence for:

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a director who is, or at any time during the past three years was, employed by the company or by any parent or subsidiary of the company;

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a director who accepted, or who has a family member who accepted, certain compensation from the company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence;

a director who is a family member of an individual who is, or at any time during the past three years was, employed by the company as an executive officer;

a director who is, or has a family member who is, a partner in, or a controlling shareholder or an executive officer of, any organization to which the company made, or from which the company received, certain payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more;

a director of the company who is, or has a family member who is, employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the company serve on the compensation committee of such other entity; or

a director who is, or has a family member who is, a current partner of the company's outside auditor, or was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years.

Second, no director qualifies as independent unless the board affirmatively determines that the director has no direct or indirect relationship with the company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In assessing the independence of its members, the board examined the commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships of each member. The board's inquiry extended to both direct and indirect relationships with the company.

NASDAQ OMX also is listed on NASDAQ Dubai and, as a result, is subject to the NASDAQ Dubai listing standards and the requirements of the Dubai Financial Services Authority (DFSA) set forth in the Offered Securities Role Module of the DFSA Rulebook. Under the DFSA rules, a director is considered independent if the board determines the director to be independent in character and judgment and to have no relationship or circumstances that are likely to affect, or could appear to affect, the director's judgment in a manner other than in the best interests of the company.

Based upon detailed written submissions by each director, the board has determined that all of our current directors are independent, other than Messrs. Greifeld and Kazim. Mr. Greifeld is deemed not to be independent because he is the Chief Executive Officer of NASDAQ OMX. Mr. Kazim is deemed not to be independent because of his affiliations with Borse Dubai, our largest stockholder, and NASDAQ Dubai.

Information With Respect to Director Nominees

Listed below are the nominees for directors. The information for each nominee includes the nominee's principal occupation, business experience, directorships of publicly-traded companies in the past five years, age as of the date of this proxy statement, and the year the nominee was first elected a director. Each nominee, if elected, will serve for a one-year term expiring at the 2011 annual meeting and until the election and qualification of his or her successor.

We are obligated by the terms of a securityholders' agreement dated April 22, 2005 among NASDAQ OMX, Silver Lake and other parties to nominate and generally use best efforts to cause the election to the NASDAQ OMX board of one individual designated by Silver Lake, subject to certain conditions. Mr. Hutchins has been designated by Silver Lake as its candidate.

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We also are obligated by the terms of a stockholders' agreement dated February 27, 2008 between NASDAQ OMX and Borse Dubai to nominate and generally use best efforts to cause the election to the NASDAQ OMX board of two individuals designated by Borse Dubai, subject to certain conditions. Mr. Kazim is the only individual designated by Borse Dubai as its candidate.

Name	Age	Classification	Director Since
Urban Bäckström	55	Non-Industry; Public Director	2008
H. Furlong Baldwin	78	Non-Industry; Public Director	2000
Michael Casey	64	Non-Industry; Issuer Representative	2001
Lon Gorman	61	Industry	2003
Robert Greifeld	52	Staff Director	2003
Glenn H. Hutchins	54	Industry	2005
Birgitta Kantola	62	Non-Industry	2008
Essa Kazim	51	Industry	2008
John D. Markese	64	Non-Industry; Public Director	1996
Hans Munk Nielsen	63	Non-Industry	2008
Thomas F. O'Neill	63	Industry	2003
James S. Riepe	66	Non-Industry	2003
Michael R. Splinter	59	Non-Industry; Issuer Representative	2008
Lars Wedenborn	51	Non-Industry	2008
Deborah L. Wince-Smith	59	Non-Industry; Public Director	2004

Nominees

Urban Bäckström was elected non-executive Deputy Chairman of NASDAQ OMX's board of directors effective March 1, 2008. Previously, he was Chairman of OMX's board of directors since April 2007 and a board member since 2005. He is currently, since June 1, 2005, also Managing Director of the Confederation of Swedish Enterprise, a pro-business non-profit organization representing 54,000 Swedish companies. Between 1991 and 1993, Mr. Bäckström was State Secretary in the Ministry of Finance in Sweden. From 1994 to December 31, 2002, Mr. Bäckström was Chairman and Governor of The Swedish Central Bank. During that period he also served on the board of the Bank for International Settlement, as a board member from 1994 to 1999 and as Chairman from 1999 to 2002. He also represented Sweden as Governor of the International Monetary Fund, in the Group-of-ten, in the European Monetary Institute, a forerunner to the European Central Bank (ECB) between 1995 and 1998 and in the General Council of ECB between 1999 and 2002. Mr. Bäckström was, in accordance with the Swedish Central Bank Act, restricted from seeking employment for ten months after leaving the Central Bank. From November 2003 until May 2005, he was Chief Executive Officer of Skandia Liv, one of the largest life insurers in Sweden.

Skills and Qualifications

Mr. Bäckström has extensive experience in the international financial field where he maintains broad contacts, and he brings a global perspective to the NASDAQ OMX board. Mr. Bäckström also has senior leadership and risk management experience as a result of his past roles.

H. Furlong Baldwin was elected non-executive Chairman of NASDAQ OMX's board of directors effective May 12, 2003 and has been a member of NASDAQ OMX's board of directors since July 2000. Mr. Baldwin also served as a member of FINRA's board of governors from 1999 until 2003. Mr. Baldwin served as Chairman and Chief Executive Officer of the Mercantile Bankshares Corporation, a multi-bank holding company, from April 1976 until March 2001. Mr. Baldwin retired as Chairman and member of the Mercantile board of directors in March 2003. Mr. Baldwin joined Mercantile-Safe Deposit & Trust Company in 1956 and was elected President of Mercantile-Safe Deposit & Trust Company and Mercantile Bankshares Corporation in 1970, and Chairman and Chief Executive Officer in 1976. Mr. Baldwin serves on the boards of W.R. Grace & Co., Platinum Underwriters Holdings, Ltd. and Allegheny Energy, Inc.

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Skills and Qualifications

Mr. Baldwin has served in senior leadership roles in his positions as Chairman and Chief Executive Officer of Mercantile Bankshares Corporation. In these roles, Mr. Baldwin was responsible for all aspects of that company's operations and negotiated multiple mergers and acquisitions. Mr. Baldwin also has served on the boards of directors and compensation and governance committees of several public companies, bringing extensive public company experience to the NASDAQ OMX board.

Michael Casey was elected to NASDAQ OMX's board of directors in January 2001. He is an advisor to the Chief Executive Officer and Chief Financial Officer of Starbucks Corporation, a leading roaster and retailer of specialty coffee. Prior to his current position, Mr. Casey served as Executive Vice President, Chief Financial Officer and Chief Administrative Officer of Starbucks from September 1997 to October 2007 and Senior Vice President and CFO from August 1995. Mr. Casey is a member of the lululemon athletica inc. board of directors.

Skills and Qualifications

Due to his extensive background in finance and accounting, Mr. Casey meets the criteria of an audit committee financial expert for the NASDAQ OMX board. Mr. Casey brings ample finance and accounting experience as a direct result of his responsibilities as CFO of Starbucks. While at Starbucks, Mr. Casey also gained experience in executive compensation and human resources issues, which are integral to his role as the chairman of the management compensation committee of NASDAQ OMX's board.

Lon Gorman was elected to NASDAQ OMX's board of directors in May 2003. From September 2006 to December 1, 2009, Mr. Gorman was Chairman of NYFIX, Inc., a financial technology company focusing on electronic trading and straight-through processing solutions for the brokerage community. Mr. Gorman is the retired Vice Chairman of The Charles Schwab Corporation, a holding company whose subsidiaries engage in securities brokerage and financial services. Mr. Gorman served as Vice Chairman of The Charles Schwab Corporation from July 1999 until November 2004 and as President of Charles Schwab Institutional and Asset Management and President of Schwab Capital Markets L.P. Mr. Gorman joined Schwab in June 1996 following 16 years at Credit Suisse First Boston where he was Managing Director and Head of Global Equity Trading. Prior to CSFB, he was a partner at F. Eberstadt & Co. with responsibility for institutional sales and trading.

Skills and Qualifications

Mr. Gorman brings risk management experience to the board from his prior roles in the financial markets industry. He has transactional experience, specifically in the strategic decision-making, business valuation and deal structure components of acquisitions and joint ventures. Finally, Mr. Gorman has a broad knowledge of the securities industry from his forty years of experience in equity trading and knowledge of the fixed income and options markets.

Robert Greifeld was elected to the board of directors and appointed Chief Executive Officer of NASDAQ OMX in May 2003. Prior to joining NASDAQ OMX, Mr. Greifeld was an Executive Vice President at SunGard Data Systems, Inc., a global provider of integrated software and processing solutions for financial services and a provider of information availability services. Mr. Greifeld joined SunGard in 1999 through SunGard's acquisition of Automated Securities Clearance, Inc., where from 1991 through 1999, Mr. Greifeld was the President and Chief Operating Officer. Mr. Greifeld is also a director of NASDAQ Dubai.

Skills and Qualifications

Mr. Greifeld has led NASDAQ OMX through a series of complex, innovative acquisitions that have extended its footprint across the world, spanning all asset classes. Mr. Greifeld also has broad experience in the areas of technology, finance, risk management, human resources and corporate strategy.

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Glenn H. Hutchins was elected to NASDAQ OMX's board of directors in May 2005. Mr. Hutchins is a Co-Founder and Co-Chief Executive of Silver Lake, a technology investment firm that was established in January 1999. Mr. Hutchins is the Chairman of the board of SunGard Capital Corp. and serves as a member of the Nominating and Governance Committee of SunGard Capital Corp. He is also on the Investors Committee of NXP B.V. Mr. Hutchins served as a director of Gartner, Inc. from 2000 through 2005, of Seagate Technology LLC from 2002 through 2006 and of TD Ameritrade Holding Corporation from 2002 through 2006.

Skills and Qualifications

Mr. Hutchins has extensive transactional experience as a private equity investor, particularly in the area of evaluating, negotiating and structuring mergers and acquisitions. Mr. Hutchins also holds a law degree and has extensive experience in the financial and public policy sectors.

Birgitta Kantola was elected to NASDAQ OMX's board of directors effective March 1, 2008. Previously, she was a member of OMX's board since 2007. Since January 2001, she has been the CEO of Birka Consulting Ab, a financial consulting firm. From 2001 through 2008, she was a board member of Fortum Oyj (Vice Chair) and from 2003 through 2008, a board member of Nordea AB and during 2000 through 2008, a board member of Vasakronan and from 2004 through 2009, a board member of Varma Mutual Pension Company. Currently she is a member of the Boards of Stora Enso Oyj and Nobina AB. From 1995 through 2000, she was CFO of International Finance Corporation, Washington, DC and prior to that Executive Vice President of Nordic Investment Bank, Helsinki.

Skills and Qualifications

As the former CFO of a major international financial institution, Ms. Kantola gained experience in the areas of finance, accounting and risk management. Ms. Kantola has a law degree, and she has served as a board member of both listed and unlisted companies for over ten years, gaining in-depth knowledge of corporate strategy and operations. In addition, Ms. Kantola has a deep knowledge of stock exchange products.

Essa Kazim was elected to NASDAQ OMX's board of directors effective March 1, 2008. Since 2006, Mr. Kazim has been the Chairman of Borse Dubai and Dubai Financial Market. Mr. Kazim began his career as a Senior Analyst in the Research and Statistics Department of the UAE Central Bank in 1988 and then moved to the Dubai Department of Economic Development as Director of Planning and Development in 1993. He was then appointed Director General of the DFM from 1999 through 2006. Mr. Kazim is currently a Chairman of the board of the Dubai Statistics Centre, a director of the Dubai International Financial Centre Authority, a member of the Dubai Council for Economic Affairs, a director of NASDAQ Dubai, a director of Noor Islamic Bank, a director of the General Pension and Social Security Authority, a member of the board of the Rochester Institute of Technology, a member of the Financial Advisory Council, and a member of the board of governors of Hamdan Bin Mohammed University.

Skills and Qualifications

Through his roles at Dubai Financial Market and Borse Dubai, Mr. Kazim has experience in all aspects of the operation of stock exchanges, including regulatory compliance. He brings global experience to the board through his experience with financial markets in the Middle East. As a representative of Borse Dubai, Mr. Kazim also brings to the NASDAQ OMX board the perspective of a large stockholder.

John D. Markese was elected to NASDAQ OMX's board of directors in May 1996. Dr. Markese served on FINRA's board of governors from 1998 to 2002. Dr. Markese is the President and Chief Executive Officer of the American Association of Individual Investors, a not-for-profit organization providing investment education to individual investors founded in 1978.

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Skills and Qualifications

As a result of his over forty years of work in finance, Dr. Markese meets the criteria of an audit committee financial expert and serves as the chairman of the audit committee of NASDAQ OMX's board. Dr. Markese has a doctoral degree in Finance and has taught business school classes in the areas of Corporate Finance, Financial Case Analysis, Portfolio Management and Investment Analysis. Dr. Markese also serves as a representative of the individual investor community.

Hans Munk Nielsen was elected to NASDAQ OMX's board of directors effective March 1, 2008. Previously, he was a member of the OMX board since 2005. He was elected deputy Mayor of Rudersdal municipality in Denmark in November 2009. From March 1991 until his retirement in December 2007, Mr. Nielsen served as Senior Executive Vice President and Chief Financial Officer of TDC A/S. Mr. Nielsen is also Chairman of the board of Collateralized Mortgaged Obligations Fonden. In addition, he is Deputy Chairman of the board of Nordea Invest and a member of the boards of Jeudan AS, Alipes Capital Aps and Parken Sport and Entertainment AS. He has also held various positions at the Great Belt Link, Carl Bro Group, Danske Bank and Danish Ministry of Finance.

Skills and Qualifications

As the Chief Financial Officer of TDC, Mr. Nielsen brings significant financial and accounting experience to the NASDAQ OMX board. In his roles at TDC, the Copenhagen Stock Exchange and OMX, Mr. Nielsen gained significant experience with regulatory issues in the securities industry, and also brings significant risk management and information technology experience to the board.

Thomas F. O'Neill was elected to NASDAQ OMX's board of directors in May 2003. Mr. O'Neill is a founding principal of Sandler O'Neill + Partners L.P., an investment bank, which was founded in 1988. Mr. O'Neill is also a director of Misonix, Inc. and Archer-Daniels-Midland Company. Mr. O'Neill serves as Chairman of the audit committee of Archer-Daniels-Midland Corporation and is a member of the audit committee of Misonix.

Skills and Qualifications

Mr. O'Neill has worked on Wall Street since 1972, and as a founding principal of a nationally-recognized investment bank, he has broad experience in the areas of finance, mergers and acquisitions and business development. Mr. O'Neill specializes in working with financial institutions, and his substantial experience in the finance community contributes to his role as chairman of the finance committee of NASDAQ OMX's board.

James S. Riepe was elected to NASDAQ OMX's board of directors in May 2003. Mr. Riepe served as Vice Chairman of the board of directors of T. Rowe Price Group, Inc., an investment management firm, since April 1997. He was also Chairman of the T. Rowe Price Mutual Funds. On January 1, 2006, Mr. Riepe retired from active management at T. Rowe Price and retired from T. Rowe Price Group in April 2006. Mr. Riepe continues to serve as a Senior Advisor at T. Rowe Price. Previously, he served on the firm's management committee and was responsible for overseeing mutual fund activities, including U.S. and global marketing and service operations. Mr. Riepe served as Chairman of the board of governors of the Investment Company Institute and on FINRA's board of governors. Mr. Riepe joined T. Rowe Price in 1982 as Vice President and Director of the firm. He also serves on the board of directors of Genworth Financial and UTI Asset Management Company Limited, an Indian investment management company. Mr. Riepe is a Trustee, and previously served as Chairman of the Board of Trustees, of the University of Pennsylvania.

Skills and Qualifications

Mr. Riepe has experience in risk management as a result of his management oversight of financial, operational and investment activities and through his participation on Audit, Compensation and Investment Committees. He also has a broad knowledge of the securities business as a result of his thirty-seven years in the asset management field.

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Michael R. Splinter was elected to NASDAQ OMX's board of directors effective March 1, 2008. Mr. Splinter has served as President and Chief Executive Officer, as well as a member of the Board of Directors, of Applied Materials, Inc., the global leader in nanomanufacturing technology™ solutions for the electronics industry, since April 2003 and as Chairman since 2009. Mr. Splinter is Vice Chairman of the Council on Competitiveness. An engineer and technologist, Mr. Splinter is a 30-year veteran of the semiconductor industry. Prior to joining Applied Materials, Mr. Splinter was an executive at Intel Corporation. Mr. Splinter is a member of the Technology CEO Council, and he serves on the boards of Semiconductor Equipment and Materials International (SEMI) and the Silicon Valley Leadership Group.

Skills and Qualifications

As the Chairman and Chief Executive Officer of Applied Materials, Inc., Mr. Splinter brings to the NASDAQ OMX board the perspective of a company listed on The NASDAQ Stock Market. Mr. Splinter also has significant experience in technology/information technology, finance, risk management and corporate strategy.

Lars Wedenborn was elected to NASDAQ OMX's board of directors effective March 1, 2008. Mr. Wedenborn was elected Chairman of the NASDAQ OMX Nordic Ltd. Board in October 2009. Previously, he was a member of the OMX board since 2007. Mr. Wedenborn has been CEO of FAM (Foundation Asset Management), which is fully owned by Wallenberg Foundations, since September 2007. Mr. Wedenborn started his career as an auditor followed by an assignment as CFO at Cabanco. During 1991-2000 he was Deputy Managing Director and CFO at Alfred Berg, a Scandinavian investment bank. He served with Investor AB, a Swedish holding company, as Executive Vice President and CFO from 2000-2007. Mr. Wedenborn is a member of the boards of SKF AB and The Grand Hotel.

Skills and Qualifications

Mr. Wedenborn gained senior leadership experience through his work at FAM, Investor AB and Alfred Berg. He also possesses regulatory experience, and adds a global perspective to the NASDAQ OMX board.

Deborah L. Wince-Smith was elected to NASDAQ OMX's board of directors in May 2004. Ms. Wince-Smith has been the President and Chief Executive Officer of the Council on Competitiveness, a non-profit group of CEOs, university presidents and labor leaders committed to driving U.S. competitiveness, since 2001. In 2006, she was nominated by President George W. Bush and confirmed by the U.S. Senate to serve as a member of the Oversight Board of the Internal Revenue Service. She is an appointed member of the Secretary of State's Advisory Committee on International Economic Policy, serves on the Board of Governors for Argonne National Laboratory, and on the boards of several start-up technology companies. In 1989, she became the first Senate Confirmed Assistant Secretary for Technology Policy in the Department of Commerce. Previously, she served in the Reagan Administration as the Assistant Director for International Affairs and Global Competitiveness in the White House Office of Science and Technology Policy.

Skills and Qualifications

Ms. Wince-Smith is a globally recognized expert on science and technology policy and management, technology commercialization, domestic and international economic policy, innovation strategy and global business. Ms. Wince-Smith has been engaged in the valuations of start-up technology companies and in the architecture for developing and executing new strategic partnerships and capital investments. In the area of technology/information technology, she is an internationally known expert in the role of IT productivity and competitive business advantage.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE NOMINEES FOR ELECTION AS DIRECTORS NAMED HEREIN.

Table of Contents**Board and Committee Meetings**

The NASDAQ OMX board held 11 meetings during the year ended December 31, 2009. None of the current directors attended fewer than 75% of the meetings of the board and those committees on which the director served during the 2009 calendar year.

Board Committees

Pursuant to NASDAQ OMX's by-laws, the board of directors has established five standing committees, which are described below. Each committee has adopted a charter, which is available on NASDAQ OMX's website at <http://ir.nasdaqomx.com/governance.cfm>. The board and committees may hire outside experts to assist them when necessary.

The table below shows the standing committee membership.

Committee	Members	Number of Meetings in 2009
Audit	Michael Casey	9
	Lon Gorman	
	John D. Markese (Chair)	
	Hans Munk Nielsen	
	Deborah L. Wince-Smith	
Executive	Urban Bäckström	0
	H. Furlong Baldwin (Chair)	
	Michael Casey	
	Robert Greifeld	
	Glenn H. Hutchins	
	John D. Markese	
	Thomas F. O'Neill	
	Deborah Wince-Smith	
Finance	Robert Greifeld	6
	Essa Kazim	
	Thomas F. O'Neill (Chair)	
	James S. Riepe	
	Lars Wedenborn	
	Deborah L. Wince-Smith	
Management Compensation	Michael Casey (Chair)	6

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Lon Gorman

Glenn H. Hutchins

Birgitta Kantola

Michael R. Splinter

Deborah L. Wince-Smith

Nominating and Governance

Urban Bäckström

5⁽¹⁾

H. Furlong Baldwin (Chair)

Lon Gorman

John D. Markese

James S. Riepe

Included below are descriptions of the standing committees.

- (1) During 2009, the nominating committee was merged with the corporate governance committee. Prior to the merger, the nominating committee met one time and the corporate governance committee met two times during 2009. Following the merger, the combined committee met two times during 2009.

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Audit Committee. The audit committee, which is comprised of independent board members, has the primary responsibility for engaging the independent registered public auditor and overseeing the quality and integrity of accounting, auditing and financial reporting and practices at NASDAQ OMX. In addition, the audit committee oversees the effectiveness of controls over NASDAQ OMX's risk management and regulatory program. Our audit committee charter can be found at Appendix A of this proxy statement.

The audit committee oversees our financial reporting process on behalf of the board of directors and reports to the board the results of these activities. This includes the systems of internal controls that management and the board of directors have established, our audit and compliance process and financial reporting. The audit committee, among other duties, engages the independent registered public accounting firm, pre-approves all audit and non-audit services provided by the independent public accountant, reviews with the independent public accountant the plans and results of the audit engagement, considers the compatibility of any non-audit services provided by the independent public accountant with the independence of such auditor, reviews the independence of the independent public accountant and reviews and approves all related party transactions.

Audit committee members must meet the independence standards applicable to audit committee members of companies listed on The NASDAQ Stock Market, and our board has concluded that each member of the audit committee satisfies these independence standards. Each member of the audit committee meets the standard for financial knowledge for audit committee members of companies listed on The NASDAQ Stock Market. In addition, the board of directors has determined that Mr. Casey and Dr. Markese are each qualified as an audit committee financial expert within the meaning of SEC regulations and that each has accounting and related financial management expertise that meets the standard for financial sophistication set forth in the rules of The NASDAQ Stock Market.

Executive Committee. Subject to the limitations in our by-laws, the executive committee has the general power and authority of the board of directors to act in the management of our business and affairs.

Finance Committee. The finance committee advises the board of directors with respect to the oversight of our financial operations and conditions, including recommendations for our annual operating and capital budgets.

Management Compensation Committee. The management compensation committee, among other duties, reviews and approves base salary and incentive compensation awards for all Section 16 officers of the company and other officers whose compensation exceeds certain thresholds, which currently are set at base compensation in excess of \$300,000 and/or total annual cash compensation (including annual incentive compensation) in excess of \$500,000. The management compensation committee also reviews and recommends to the full board of directors for approval all material changes to compensation and benefit plans for officers and staff of the company; reviews and approves performance goals for Section 16 officers of the company; and reviews and approves equity awards granted to Section 16 officers of the company and all other equity awards valued at \$100,000 or greater. The management compensation committee refers equity awards to the Chief Executive Officer to the full board of directors for approval upon committee review.

Each member of the management compensation committee is independent, as required by the rules of The NASDAQ Stock Market.

Nominating and Governance Committee. Pursuant to the by-laws this committee serves as the nominating committee with additional responsibilities related to corporate governance. The nominating and governance committee has the authority to identify and nominate candidates for vacancies on the NASDAQ OMX board. Additionally, if a director position becomes vacant because of death, disability, disqualification, removal, resignation or increase in the number of directors, the nominating and governance committee will nominate, and the board of directors will elect by majority vote, a person satisfying the classification (Industry, Non-Industry or Public Director) of the directorship, if applicable, to fill such vacancy, except that if the remaining term is not more than six months, no replacement is required.

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The nominating and governance committee considers possible candidates suggested by board and committee members, industry groups, stockholders, senior management, or individuals personally known to the members. In addition to submitting suggested nominees to the nominating and governance committee, a NASDAQ OMX stockholder may nominate a person for election as a director at NASDAQ OMX's annual meeting or at a special meeting, provided the stockholder follows the procedures specified in NASDAQ OMX's by-laws. In evaluating candidates, the nominating and governance committee reviews the skills, qualifications, characteristics and experience desired for the board as a whole and for its individual members, with the objective of having a board that reflects diverse backgrounds and senior level experience in the areas of global business, finance, legal and regulatory, technology and marketing. Characteristics of all directors should include integrity and values, high personal and professional ethics, sound business judgment, the ability and willingness to commit sufficient time to fulfill their board responsibilities and a commitment to representing the long-term interests of our stockholders.

In evaluating the suitability of individual board nominees, the nominating and governance committee takes into account many factors, including general and diverse understanding of the global economy, capital markets, finance, and other disciplines relevant to the success of a large publicly traded financial services company; a general understanding of NASDAQ OMX's business and technology; the individual's educational and professional background and personal accomplishments; and geographic, gender, age, and ethnic diversity. The committee evaluates each individual candidate in the context of the board as a whole, with the objective of maintaining a group of directors that can further the success of NASDAQ OMX's business, while representing the interests of stockholders, employees and the communities in which the company operates. In determining whether to recommend a board member for re-election, the nominating and governance committee also considers the director's past attendance at meetings, participation in and contributions to the activities of the board, and the most recent board self-assessment. The nominating and governance committee reviews all candidates in the same manner, regardless of the source of the recommendation.

The nominating and governance committee annually evaluates and makes recommendations to the board on the overall effectiveness of the board through an annual review and evaluation of the structure, size, composition, development, selection and process of the board and its committees. The committee annually reviews and recommends to the board the assignment of board members to each of the board committee, including rotation, reassignment and removal of any committee member. The nominating and governance committee considers matters of corporate governance and periodically reviews, reassesses and recommends proposed changes for board approval of the following documents: The Duties and Obligations of NASDAQ OMX Board Members and the NASDAQ OMX Corporate Governance Guidelines (including the criteria used in selecting director nominees). The Corporate Governance Guidelines are available on NASDAQ OMX's website at <http://ir.nasdaqomx.com/governance.cfm>.

This committee also monitors NASDAQ OMX compliance in the areas of corporate governance pursuant to The NASDAQ Stock Market LLC listing rules and best practices, in order to report and make recommendations to the board with respect to such requirements and practices. This committee identifies current and emerging corporate governance trends and issues that may affect the business operations, performance and public image of NASDAQ OMX. It prepares, and reports to the board the results of, the annual performance evaluation of the committee, which compares the performance of the committee with the requirements of the committee charter. Finally, the committee reviews, at least annually, its charter and recommends any proposed changes to the board for approval.

The nominating and governance committee is composed of five non-management directors, each of whom is independent, as required by the rules of The NASDAQ Stock Market.

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NASDAQ OMX Board's Risk Oversight Role

NASDAQ OMX's board of directors has ultimate responsibility for risk oversight with a focus on the most significant risks facing the company. The board has delegated responsibility for the oversight of specific risks to its board committees as follows.

Audit Committee. Among other things, the audit committee is responsible for reviewing and discussing with management the risk management practices of NASDAQ OMX. Specifically, the audit committee discusses with management the effectiveness of NASDAQ OMX's internal controls, including systems to monitor and manage business risk, regulatory compliance and risks arising from related party transactions.

Finance Committee. The finance committee monitors the risk associated with financial operations of the company.

Management Compensation Committee. The management compensation committee monitors the risks associated with management resources, structure, succession planning, development and selection processes, including evaluating the effect the compensation structure may have on risk decisions.

Nominating and Governance Committee. The nominating and governance committee oversees risks related to the company's governance structure, policies and processes.

Risk Assessment of Compensation Program

We monitor the risks associated with our compensation programs on an ongoing basis. In March 2010, the management compensation committee and audit committee were presented with the results of a formal assessment of our employee compensation programs in order to evaluate the risks arising from our compensation policies and practices. This risk assessment report reflected a comprehensive review and analysis of the components of our compensation programs, including the performance measures established under the 2010 cash performance-based incentive award program and the sales plans for various business units. The management compensation committee and the audit committee each agreed with the report's findings that the risks associated with our compensation program were manageable and within our ability to effectively monitor and that these risks are not reasonably likely to have a material adverse effect on the company.

NASDAQ OMX Board Attendance at Meetings of Stockholders

NASDAQ OMX's policy is to encourage all directors to attend annual and special meetings of our stockholders. Twelve members of the NASDAQ OMX board attended the annual meeting held on May 20, 2009.

Table of Contents**DIRECTOR COMPENSATION****Overview of Director Compensation**

Annual non-employee director compensation is based upon a compensation year beginning and ending in May. Staff directors do not receive compensation for serving on the board of directors. The following table shows the compensation policy for non-employee directors that is in effect for May 2009 through May 2010. The board compensation policy has remained unchanged since May 2008.

Item	May 2009	May 2010
Annual retainer for board members (other than the chairman and deputy chairman)	\$	75,000
Annual retainer for board chairman	\$	125,000
Annual retainer for board deputy chairman	\$	95,000
Annual equity award for all board members (grant date market value)	\$	75,000
Annual committee chair compensation (other than audit)	\$	15,000
Annual audit committee chair compensation	\$	25,000
Annual audit committee member compensation	\$	5,000
Board meeting attendance fee (per meeting)	\$	1,000
Committee meeting attendance fee (per meeting)	\$	1,000

Each non-employee director may elect to receive the annual retainer in cash (payable in equal quarterly installments), equity or a combination of one-half in cash and one-half in equity. The annual equity award and any equity elected as part of the annual retainer are awarded automatically on the date of the annual meeting of stockholders immediately following election and appointment to the board. Equity vests in full two years from the date of grant. Equity paid to board members consists of restricted stock. The amount of equity to be awarded is calculated based on the closing market price of our common stock on the date of grant. Unvested equity is forfeited in certain circumstances upon termination of the director's service on the board of directors.

The payments to committee chairs and members of the audit committee are made in cash in a lump sum in conjunction with our annual meeting of stockholders. Board and committee meeting fees are paid in arrears on a quarterly basis. Non-employee directors do not receive retirement, health or life insurance benefits. NASDAQ OMX provides each non-employee director with director and officer liability insurance coverage, as well as accidental death and dismemberment and travel insurance for traveling on behalf of NASDAQ OMX.

Stock Ownership Guidelines

Under our corporate governance guidelines, non-employee directors have four years after May 2007, or their initial election to the board, if later, to obtain a minimum ownership level of three times the annual cash retainer in NASDAQ OMX common stock. All shares owned outright and unvested restricted shares and units are taken into consideration in determining compliance with these stock ownership guidelines. Exceptions to this policy may be necessary or appropriate in individual situations and the board of directors may approve such exceptions from time to time.

Table of Contents**Director Compensation Table**

The table below summarizes the compensation paid by NASDAQ OMX to our non-employee directors for services rendered during the fiscal year ended December 31, 2009.

2009 Director Compensation Table

Name(1)	Fees Earned or		Option Awards (\$)(6)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)(7)	Total (\$)
	Paid in Cash (\$)(2)	Stock Awards (\$)(3)(4)(5)					
Soud Ba alawy(8)	\$ 7,000	\$ 149,976					\$ 156,976
Urban Bäckström	\$ 61,500	\$ 74,988					\$ 136,488
H. Furlong Baldwin	\$ 29,000	\$ 199,974					\$ 228,974
Michael Casey	\$ 121,000	\$ 74,988					\$ 195,988
Lon Gorman	\$ 109,000	\$ 74,988					\$ 183,988
Glenn H. Hutchins(9)	\$ 91,000	\$ 74,988					\$ 165,988
Birgitta Kantola	\$ 92,000	\$ 74,988					\$ 166,988
Essa Kazim	\$ 88,000	\$ 74,988					\$ 162,988
John D. Markese	\$ 123,000	\$ 74,988					\$ 197,988
Hans Munk Nielsen	\$ 99,000	\$ 74,988					\$ 173,988
Thomas F. O Neill	\$ 105,000	\$ 74,988					\$ 179,988
James S. Riepe	\$ 94,000	\$ 74,988					\$ 168,988
Michael R. Splinter	\$ 72,250	\$ 112,473					\$ 184,723
Lars Wedenborn	\$ 17,000	\$ 149,976					\$ 166,976
Deborah L. Wince-Smith	\$ 55,750	\$ 112,473					\$ 168,223

- (1) Robert Greifeld, our Chief Executive Officer, is not included in this table as he is an employee of NASDAQ OMX and thus receives no compensation for his service as a director. For information on the compensation received by Mr. Greifeld as an employee of the company, see Compensation Discussion and Analysis and Executive Compensation.
- (2) The differences in fees earned or paid in cash reported in this column largely reflect differences in each individual director's election to receive the annual retainer in cash, restricted stock or a combination of cash and restricted stock. This election is made at the beginning of the board compensation year in May and applies throughout the year. In addition, the difference in fees earned or paid also reflects length of service on the board, committee service and meeting attendance.
- (3) The amounts reported in this column reflect the grant date fair value of the stock awards computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, Stock Compensation (FASB ASC Topic 718). The assumptions used in the calculation of these amounts are included in footnote 11 to the company's audited financial statements for the fiscal year ended December 31, 2009 included in our annual report on Form 10-K filed with the SEC on February 18, 2010 (Form 10-K). The differences in the amounts reported among non-employee directors reflect differences in each individual director's election in 2009 to receive a portion of the annual retainer in cash or restricted stock.
- (4) These stock awards, which were awarded on May 20, 2009, represent the annual equity award and any portion of the annual retainer that the director elected to receive in equity. Each non-employee director received the annual equity award, which consisted of 4,201 units of restricted stock with a grant date fair value of \$74,988. Messrs. Ba alawy and Wedenborn elected to receive all of their annual retainers in

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equity, so they each received an additional 4,201 units of restricted stock with a grant date fair value of \$74,988. Mr. Baldwin elected to receive all of the annual retainer for the board chairman in equity, so he received an additional 7,002 units of restricted stock with a grant date fair value of \$124,986. Mr. Splinter and Ms. Wince-Smith elected to receive one-half of their annual retainers in equity, so they each received an additional 2,100 units of restricted stock with a grant date fair value of \$37,485.

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- (5) The aggregate number of unvested and vested shares and units of restricted stock held by each non-employee director as of December 31, 2009 is summarized in the following table:

Director	Number of Unvested Restricted Shares and Units	Number of Vested Restricted Shares and Units
Soud Ba alawy	0	0
Urban Bäckström	9,351	0
H. Furlong Baldwin	17,262	16,796
Michael Casey	6,473	21,513
Lon Gorman	6,473	3,098
Glenn H. Hutchins	6,473	6,130
Birgitta Kantola	6,473	0
Essa Kazim	6,473	0
John D. Markese	6,473	16,123
Hans Munk Nielsen	6,473	0
Thomas F. O'Neill	6,473	5,410
James S. Riepe	6,473	6,119
Michael R. Splinter	8,573	0
Lars Wedenborn	12,946	0
Deborah L. Wince-Smith	10,845	7,712

For further information on our non-employee directors' security ownership, see Security Ownership of Certain Beneficial Owners and Management.

- (6) No directors received option awards in 2009. As of December 31, 2009, Messrs. Baldwin and Casey and Dr. Markese each held outstanding stock options for 5,000 shares of our common stock.
- (7) No perquisites were paid to non-employee directors in the fiscal year ended December 31, 2009. Directors are reimbursed for business expenses and reasonable travel expenses for attending NASDAQ OMX board and committee meetings.
- (8) Fees earned by Mr. Ba alawy were paid to Dubai Group Limited. Mr. Ba alawy resigned as a director of the company effective November 19, 2009.
- (9) Fees earned by Mr. Hutchins were paid to Silver Lake Management Company, L.L.C.

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The audit committee of the board of directors has selected Ernst & Young LLP as our independent registered public accounting firm to audit our financial statements for fiscal year 2010. We are asking the stockholders to ratify the audit committee's selection of Ernst & Young LLP to serve as our independent registered public accounting firm for fiscal year 2010. In the event the stockholders fail to ratify the selection of Ernst & Young LLP, the audit committee will reconsider this selection. Even if the selection of Ernst & Young LLP is ratified, the audit committee, in its discretion, may direct the selection of a different independent registered public accounting firm at any time during the year if the audit committee determines that such a change would be in the company's and its stockholders' best interests.

Ernst & Young has audited NASDAQ OMX's financial statements since fiscal year 1986. Representatives of Ernst & Young are expected to be present at the annual meeting with the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions.

The table below shows the amount of fees NASDAQ OMX paid to Ernst & Young for fiscal years 2009 and 2008 (including expenses), which totaled \$5,996,924 and \$6,129,426 respectively. Details of the fees are based on the categories provided by the SEC auditor independence rules that became effective in 2003.

	2009	2008
Audit fees(1)	\$ 5,989,762	\$ 5,832,696
Audit-related fees(2)		218,730
Audit and audit-related	5,989,762	6,051,426
Tax Fees	5,000	
All other fees(3)	2,162	78,000
Total(4)	\$ 5,996,924	\$ 6,129,426

- (1) Audit services were provided globally in 2009 and 2008 and the fees related to the audits of international subsidiaries are translated into U.S. dollars at the date of the pre-approval.
- (2) Decrease primarily due to fees incurred in 2008 associated with strategic initiatives including mergers and acquisitions.
- (3) The 2008 fees include consulting work for the initial application with the Financial Services Authority for Carpenter Moore Insurance Services, Ltd., a United Kingdom (U.K.) subsidiary, to act as an insurance intermediary in the U.K.
- (4) Fees exclude services provided to NASDAQ OMX's non-profit entities, services provided in relation to NASDAQ OMX's role as the Securities Information Processor under the Unlisted Trading Privileges Plan and the audits of the NASDAQ-100 Trust, Series 1 and the trust for the NASDAQ-100 Index Tracking Stock.

Audit fees primarily represent the audit of NASDAQ OMX's annual financial statements included in our annual report on Form 10-K, the review of NASDAQ OMX's quarterly reports on Form 10-Q, statutory audits of subsidiaries as required by statutes and regulations, accounting consultations on matters addressed during the audit or interim reviews, comfort letters and consents, and internal control attestation and reporting requirements of Section 404 of the Sarbanes-Oxley Act of 2002. Audit-related fees primarily represent fees for consultations associated with strategic initiatives, including mergers and acquisitions.

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NASDAQ OMX also incurred fees payable to Rogers-Suleski & Associates, LLC totaling approximately \$91,000 in the fiscal year ended 2009 and to Grant Thornton LLP totaling approximately \$137,000 in the fiscal year ended 2008. These fees represent audit fees for the employee benefit plan and 401(k) plan audit for the years ended December 31, 2008 and 2007.

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Under the Sarbanes-Oxley Act, the audit committee is responsible for the appointment, compensation and oversight of the services provided by NASDAQ OMX's independent registered public accounting firm. The audit committee is required to pre-approve both audit and non-audit services performed by the independent registered public accounting firm, and NASDAQ OMX's audit committee pre-approved all such services in 2009 and 2008. See also Audit Committee Report.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS NASDAQ OMX'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDED DECEMBER 31, 2010.

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PROPOSAL III

APPROVE THE AMENDED AND RESTATED NASDAQ OMX EQUITY INCENTIVE PLAN

We believe that our long-term success and the continued growth of stockholder value depend on our ability to attract, retain and motivate qualified employees, officers and directors of the company. As a result, a significant component of our compensation program has consisted of grants of stock options, restricted stock and performance share units under our Equity Incentive Plan (the Equity Plan or the Plan). In the recent past, we have granted annual equity awards to all qualified NASDAQ OMX employees, and we consider those equity grants to be a key part of our overall compensation program. As a further commitment to our focus on long-term, performance-based incentive equity compensation, we have determined that the appropriate mix of equity awards for the named executive officers on an ongoing basis will consist of 80% PSUs and 20% stock options. More than 50% of the shares awarded will be on a performance basis. The Equity Plan is the only equity-based incentive plan used by the company to provide equity-based awards to employees, officers and non-employee directors.

The term of our existing Equity Plan expires in December 2010. As a result, in March 2010, the company's management compensation committee and board of directors approved, and recommend that stockholders approve, certain changes to the Equity Plan. The proposed amended Equity Plan would amend, restate and extend the existing Equity Plan, which was established effective December 5, 2000 with a term of ten years (referred to as the 2000 Plan). Effective upon the date of stockholder approval, the Equity Plan will be amended and restated with a new term of ten (10) years from the approval date.

The company is seeking approval by the stockholders (i) of the provisions of the Equity Plan that increase the number of shares of the common stock available for future awards under the Equity Plan by 6,200,000 shares to 35,700,000 shares since the Equity Plan's inception, and extend its term by an additional ten (10) years, and (ii) of the Equity Plan, as amended, restated and extended, for purposes of Section 162(m) of the Internal Revenue Code (Code).

The Equity Plan also includes amendments that (i) revise the performance criteria that may be considered in determining Performance Compensation Awards under the Plan; (ii) incorporate certain standard separation from service provisions, which had previously been included in the award agreements; (iii) increase the annual share limit on individual awards, and (iv) revise various provisions of the Equity Plan to comply with changes in the law.

As of March 15, 2010, 5,454,594 shares remained available for future awards by the company under the 2000 Plan from the 29,500,000 shares provided for in the 2000 Plan. Because of the limited number of shares available for future awards, and the continuing need for the company to be able to make equity-based awards to motivate and retain employees, officers, consultants, advisors and non-employee directors and to align their interests with the interests of stockholders generally, the company is proposing to increase the number of shares available for awards.

The company also is seeking stockholder approval of the Equity Plan for purposes of complying with Section 162(m) of the Code. Generally, Section 162(m) of the Code does not provide for publicly held companies to have a tax deduction for compensation that is paid to the CEO and the three other most highly compensated executive officers (other than the principal financial officer) to the extent such compensation exceeds one million dollars per officer in any year. However, awards made by a publicly traded company pursuant to a performance-based compensation plan that is approved by its stockholders at least every five years will not be subject to the deduction limit. In order to satisfy this requirement, the company is submitting the Equity Plan for stockholder approval at the 2010 annual meeting of stockholders. An amendment to the 2000 Plan was last approved by the stockholders at the annual meeting held in 2008.

The Equity Plan is set forth in full at Appendix C to this Proxy Statement. A summary of its key provisions is set forth below.

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Description of the Equity Plan

The following is a description of the material terms of the Equity Plan, and as such is qualified by the actual terms of the Equity Plan. The description does not purport to be complete and is qualified in its entirety by reference to the full text of the Equity Plan, which is attached as Appendix C and incorporated herein by reference. Stockholders are encouraged to read the text of the Plan in its entirety.

What are the purposes of the Plan?

The Equity Plan is a broad-based plan intended to provide equity-based incentives to the company's employees. The company believes the Equity Plan is an important vehicle to motivate and retain talented employees, and to align the interests of employees generally with those of stockholders. It is also a vehicle for the provision of equity-based performance-based compensation under Section 162(m) of the Internal Revenue Code to the company's senior executives.

The purposes of the Equity Plan are to reward eligible participants by: (i) awarding appropriate incentives for achieving long-range company goals, (ii) providing incentive compensation opportunities that are competitive with those of similar companies, (iii) match participants' financial interests with those of the company's other stockholders through compensation that is based on the company's common stock and thereby enhance the long-term financial interest of the company and its affiliates through growth in the value of the company's equity and enhancement of long-term stockholder return, and (iv) facilitate recruitment and retention of personnel eligible to participate in the Plan.

Who administers the Plan and how is it administered?

The Equity Plan is administered by the management compensation committee of the company's board. The committee selects participants and, in a manner consistent with the terms of the Equity Plan, has the exclusive power to make awards, to determine when and to whom the awards will be granted, the types of awards and number of shares covered by the awards, to establish the terms, conditions, performance criteria, restrictions and other provisions of such awards, and, subject to the terms of the Equity Plan and applicable law, to cancel, suspend or amend existing awards. Subject to the terms of the Equity Plan, the committee has the authority and discretion to determine the extent to which awards under the Equity Plan will be structured to conform with the requirements applicable to performance-based compensation as described in Section 162(m) of the Code.

Except to the extent prohibited by applicable law, the committee may also allocate all or any portion of its responsibilities and powers to any of its members and may delegate all or any portion of its responsibilities to any person(s) selected by it, but it cannot delegate such authority with respect to any participant that is a covered employee under Section 162(m) of the Code, or who is a company officer or director subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended (Exchange Act). The committee has the power to revoke any allocation or delegation at any time.

The committee is authorized to interpret the Equity Plan, to adopt administrative rules, regulations, procedures and guidelines for the Equity Plan, and may correct any defect, supply any omission or reconcile any inconsistency or conflict in the Equity Plan or any award under it.

Who is eligible for awards under the Equity Plan?

Persons eligible to be a participant under the Equity Plan include employees, officers, consultants, advisors and non-employee directors of the company or any subsidiary or affiliate of the company. Holders of equity-based awards issued by a company acquired by the company or with which the company combines are also eligible to receive awards under the Equity Plan, in substitution for awards granted by that company.

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What is the term of the Equity Plan?

If this Proposal III is approved by the company's stockholders, the Equity Plan will expire on the tenth anniversary of the date the Plan is approved by stockholders. Generally speaking, any award granted prior to the termination date of the Equity Plan may extend beyond such termination date and the committee has the authority to administer the Equity Plan beyond the termination date with respect to previously-granted awards.

How many shares have been allocated to the Equity Plan?

The proposed amended and restated Equity Plan provides for the issuance of an additional 6,200,000 shares, so that the total number of shares authorized for awards under the Equity Plan since its inception is 35,700,000 shares of company common stock. As of March 15, 2010, 5,454,594 shares are available for future awards under the Equity Plan, which number will increase to 11,654,594 under the Equity Plan if this Proposal III is approved by the company's stockholders.

Any shares covered by an award that is forfeited, or an award that is settled for cash or otherwise expires, terminates or is cancelled without the delivery of shares, or otherwise without the participant having received any benefit therefrom shall, to the extent of any such forfeiture, expiration, termination or cancellation, be returned to the pool of shares again be available for issuance under the Equity Plan.

Are there any limitations on the number of shares that may be awarded to any participant under the Equity Plan?

The proposed amended and restated Equity Plan provides that no participant may receive awards in any calendar year that consist of more than 2,000,000 shares. This represents an increase from the 1,000,000 individual share limit that applied to the 2000 Plan.

How is fair market value determined under the Equity Plan?

Fair market value is the value of a share of common stock of the company determined by the closing sale price reported for such common stock on The NASDAQ Stock Market on such date or, if no closing price is reported on such date, the closing sale price reported on the next succeeding date on which a closing sale price is reported.

What types of awards are available under the Equity Plan?

Stock Options. The committee is authorized to grant incentive stock options and non-qualified stock options to participants under the Equity Plan. The terms of any incentive stock option granted under the Equity Plan must comply in all respects with the provisions of Section 422 of the Code, and the regulations thereunder. Options designated as incentive stock options will not be eligible for treatment under the Code as incentive stock options (and will be deemed to be non-qualified stock options) to the extent that the aggregate fair market value of the shares (determined as of the date of grant) associated with such options that are exercisable for the first time by the participant during any calendar year (under all plans of the company and any subsidiary) exceeds \$100,000.

The terms and conditions of each stock option grant will be determined by the committee and set forth in the applicable award agreement or certificate. A stock option may, as determined by the committee, be subject to a performance requirement based on the achievement of individual or corporate performance goals, and may also be subject to a service-based vesting requirement.

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Subject to the terms of the Equity Plan and the related award agreement or certificate, any option may be exercised at any time during the period commencing with either the date that the option is granted or the first date permitted under a vesting schedule established by the committee and ending with the expiration date of the option. A participant may exercise his or her option for all or part of the number of shares or rights which he or she is eligible to exercise under terms of the applicable award agreement. The committee has the discretion to determine the form(s) and method(s) by which payment of the exercise price will be made by the participant, including, without limitation, by use of cash, by exchanging shares owned by the participant for at least six months (which are not the subject of any pledge or other security interest), by net settling the option to have the company retain the number of shares with a fair market value on the date of exercise equal to the exercise price and applicable tax withholdings, through any broker's cashless exercise procedure approved by the committee, or any combination of the foregoing.

Unless the applicable award agreement or certificate provides otherwise, the Equity Plan provides for certain rules with respect to outstanding options at time of separation from service or entitlement to long term disability benefits. The following sets forth the general rules with respect to the treatment of outstanding options upon various separation from service or disability events. The committee has the authority to revise these general rules on a participant-by-participant basis by including such revised provisions in the award agreement or certificate:

In the event of separation from service for cause (as defined in the Equity Plan), then all unvested option awards will immediately be deemed cancelled and forfeited. Vested options, if any, shall remain exercisable for a period of ten days following such separation from service (or until the option's expiration date, if sooner), and shall thereafter be deemed cancelled and forfeited.

In the event of separation from service because of death or retirement (as defined in the Equity Plan), then all option awards that would have become vested on or before the first anniversary of such death or retirement (had the individual remained in employment) shall vest on the date of death or retirement and the remaining unvested options shall be deemed cancelled and forfeited. The participant's vested options will remain exercisable by the participant's estate or beneficiary for a period of one year following the date of death or retirement (or until the option's expiration date, if sooner), and shall thereafter be deemed cancelled and forfeited.

In the event the participant is determined by the insurance carrier under the company's then-current long-term disability (or LTD) plan to be disabled and entitled to LTD benefits, then the latest of (i) the first day of the period for which the participant is paid LTD benefits, or (ii) the date on which the insurance carrier notifies the company of its LTD determination, or (iii) the date the participant is, under the terms of the Equity Plan, deemed to separate from service by reason of the disability shall be the participant's Vesting Acceleration Date. All option awards that would have become vested on or before the first anniversary of the Vesting Acceleration Date (had the participant remained actively employed) shall vest on the Vesting Acceleration Date and any remaining unvested options shall be deemed cancelled and forfeited. The participant's vested options will remain exercisable by the participant (or his or her estate, as applicable) until the first anniversary of the Vesting Acceleration Date (or until the option's expiration date, if sooner), and shall thereafter be deemed cancelled and forfeited. However, if the participant ceases to be eligible for LTD benefits prior to such first anniversary of the Vesting Acceleration Date and returns to active employment, then no options will be deemed cancelled or forfeited on account of the participant's prior absence from employment, and the determination of the date on which such options shall cease to be exercisable shall be made as if the participant had not previously received LTD benefits, and had instead remained continuously employed.

For all other events of separation from service, the participant's unvested option shall be deemed cancelled and forfeited on the date of the participant's separation from service. The participant's vested options, if any, will remain exercisable until the close of the 90-day period following separation from service (or until the option's expiration date, if sooner) and shall thereafter be deemed cancelled and forfeited.

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Restricted Stock and Restricted Stock Unit Awards. The committee may grant restricted stock or restricted stock units (or RSUs) to participants under the Equity Plan. Each RSU shall have a value equal to the fair market value of a share of company common stock, and may be paid in cash, shares, other securities or other property, in the sole discretion of the committee. The terms and conditions of each such award are established by the committee and set forth in an associated award agreement. The committee has the authority and discretion to determine the number of shares of restricted stock, and/or the number of RSUs, to be granted to each participant, the performance criteria, if any, and level of achievement in relation to the criteria that shall determine the number of shares of restricted stock or RSUs granted, issued or vested, the terms and conditions with respect to the vesting and/or forfeiture of the restricted stock or RSUs (which vesting and/or forfeiture provisions may be in addition to any performance criteria and may extend beyond the performance period), and such other terms and conditions and restrictions (including restrictions on transfer) not inconsistent with the terms of the Equity Plan.

Dividends or other distributions paid on or in respect of restricted stock or RSUs may be paid directly to the participant, or may be reinvested in additional shares of restricted stock or in additional RSUs, as determined by the Committee in its discretion at the time the award is made.

Restricted stock and RSU awards (subject to satisfaction of any purchase price requirement) will be transferred or paid to the participant as soon as practicable following the award date or the termination of the vesting or lapse of restrictions set forth in the Equity Plan or the award agreement, and the satisfaction of any and all other conditions of the award applicable to such restricted stock or RSU award, but in no event later than two and one-half (2 1/2) months following the end of the calendar year that includes the later of the award date or the restriction end date, as the case may be.

Unless the applicable award agreement provides otherwise, the Equity Plan provides for certain rules with respect to the vesting of restricted stock and RSU awards at the time of separation from services or entitlement to long term disability benefits. The following sets forth the general rules with respect to the vesting of restricted stock and RSU awards at various separation from service events. The committee has authority to revise these general rules on a participant-by-participant basis by including such revised provisions in the applicable award agreement:

In the event of separation from service for cause (as defined in the Equity Plan), then all unvested restricted stock or RSU awards will immediately be deemed cancelled and forfeited.

In the event of separation from service due to death or retirement (as defined in the Equity Plan), then all restricted stock or RSU awards that would have become vested on or before the first anniversary of such death or retirement (had the individual remained in employment) shall vest on the date of death or retirement and the remaining unvested restricted stock or RSU awards shall be deemed cancelled and forfeited.

In the event the participant is determined by the insurance carrier under the Company's then-current long-term disability (LTD) plan to be disabled and entitled to LTD benefits, then the latest of (i) the first day of the period for which the participant is paid LTD benefits, (ii) the date on which the insurance carrier notifies the Company of its LTD determination or (iii) the date the participant is, under the terms of the Equity Plan, deemed to separate from service by reason of disability shall be the participant's Vesting Acceleration Date. All restricted stock or RSU awards that would have vested on or before the first anniversary of the Vesting Acceleration Date (had the participant remained actively employed) shall vest on the Vesting Acceleration Date and any remaining unvested options shall be deemed cancelled and forfeited. However, if the participant ceases to be eligible for LTD benefits prior to such first anniversary of the Vesting Acceleration Date and returns to active employment, then no restricted stock or RSUs will be deemed cancelled or forfeited on account of the participant's prior absence from employment, and the determination of the vesting of such restricted stock or RSUs shall be determined as if the participant had not previously received LTD benefits, and had instead remained continuously employed.

In all other events of separation from service, the participant's unvested restricted stock and RSU awards shall be deemed cancelled and forfeited on the date of the participant's separation from service.

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Other Stock-Based Awards. Subject to the terms of the Equity Plan, the committee may grant participants other awards (which may include rights to dividends and dividend equivalents) that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to shares of the company's common stock. The committee will determine the terms and conditions of such awards and set forth such terms and conditions in an award agreement. Any such other stock-based award which is valued in whole or in part by reference to shares shall be valued based on the fair market value of a share, on a non-discounted basis.

Historically, the company has used the Equity Plan's provision to grant other stock-based awards to issue grants of Performance Share Units (PSUs) providing for the payment of shares based on the achievement of certain corporate performance goals, subject to the grantee's satisfaction of a service-based vesting requirement.

Performance-Based Compensation Awards. The committee may provide in the terms and conditions of any award that receipt of the award is contingent on satisfaction of an individual or corporate performance requirement and/or a vesting requirement. In addition, the committee may designate any awards under the Equity Plan as performance compensation awards in order to qualify those awards as performance based compensation under Section 162(m) of the Code.

For awards intended to qualify as performance-based compensation under Section 162(m) of the Code, performance awards will be conditioned upon the achievement of pre-established goals relating to one or more of the following performance measures as established by the committee:

earnings before interest and taxes;

earnings before interest, taxes, depreciation and amortization;

earnings per share;

non-GAAP earnings per share;

revenue growth;

share price;

market share;

net income or net revenue or net profit (before or after taxes);

income from operations (before or after taxes);

return measures (including without limitation return on assets or net assets, capital or sales);

cash flow (including without limitation, operating cash flow and/or free cash flow);

expense or budget targets;

planning accuracy (as measured by comparing planned results to actual results);

objectively determinable effectiveness, efficiency or business retention/expansion goals; and/or

business effectiveness survey results.

Performance measures may be determined either individually, alternatively, or in any combination, applied to either the company as a whole or to a business unit, division, department or function of the company or any subsidiary of the company, and measured over a period of time including any portion of a year, annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to a previous year's or previous period's results or to a designated comparison group or company or stock market index, in each case as specified by the committee.

For performance awards intended to qualify as performance-based compensation under Section 162(m) of the Code, the Code requires that performance goal(s) relating to performance measures set forth above: (1) must be pre-established in writing by the committee (within 90 days after the beginning of the performance period (or,

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with respect to a performance period shorter or longer than one year, before the first 25 percent of the performance period has lapsed)) and (2) the achievement of performance goals must be certified in writing prior to payment of the award. In addition to establishing minimum performance goals below which no compensation will be payable pursuant to a performance award, the committee, in its discretion, may create a performance schedule under which an amount less than or more than the target award may be paid so long as the performance goals have been achieved.

To the extent consistent with Section 162(m) of the Code, the committee may, in determining whether pre-established performance goals have been achieved, in its discretion, include or exclude the effect of any of the following events that occur during a performance period:

asset write-downs;

significant litigation or claim judgments or settlements;

the effect of changes in tax laws, accounting standards or principles or other laws or regulatory rules affecting reported results;

any reorganization and restructuring programs;

extraordinary non-recurring items as described in Accounting Principles Board opinion pg. 30 (or any successor thereto) and/or in management's discussion and analysis of financial conditions and results of operations appearing in the company's annual report to stockholders for an applicable year;

acquisition or divestiture;

foreign exchange gains and losses;

any change in the company's fiscal year; and

any other specific unusual or nonrecurring event, or objectively determinable category thereof.

The committee may, in its discretion, also establish additional restrictions or conditions that must be satisfied as a condition precedent to the payment of all or a portion of any performance compensation award. Such additional restrictions and conditions may include, among other matters, the receipt by a participant of a specified annual performance rating, a vesting requirement of continued employment by the participant until a date that may be beyond the end of a performance period, and/or the achievement of specified performance goals by the company, business unit or participant. The committee may also reduce the amount of any performance compensation award if it concludes that such reduction is necessary or appropriate in its sole discretion; provided that the committee will not have the discretion to increase any award that is intended to be performance-based compensation under Section 162(m) of the Code.

What are the methods a participant can use to pay any purchase or exercise price associated with a vested award?

A participant can pay the applicable purchase or exercise price for shares or other securities delivered pursuant to an award under the Equity Plan, or the tax liability associated with such vesting or exercised award, in one of the following methods or forms: cash, shares, other securities, other awards, or other property, or any combination of the foregoing, as the committee may determine. The value of such consideration, if shares of the company's common stock are used, will be based on the fair market value of the shares as of the date of payment.

How can the number of shares available for issuance under the Equity Plan be adjusted?

In the event that the committee determines that any dividend or other distribution (whether in the form of cash, shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares or other securities of the company, or other similar corporate transaction or event constitutes an equity restructuring transaction, as that

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term is defined in Accounting Standards Codification Topic 718 (formerly known as Statement of Financial Accounting Standards No. 123), or otherwise affects the common stock of the company, then the committee will adjust awards as specified in the Plan in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Equity Plan.

The committee's adjustment shall be effective and binding for all purposes of the Equity Plan, subject to the restrictions specified under the Plan.

Are the awards transferable?

Except as otherwise determined by the committee, no award and no right under any award may be assigned, sold or transferred by a participant other than by will or by the laws of descent and distribution. Notwithstanding the foregoing, a participant may transfer any vested award, other than an incentive stock option, to any person who is a family member of the participant as such term is used in the instructions to Form S-8 or to one or more trusts for the exclusive benefit of such immediate family members or partnerships in which such immediate family members are the only partners if the award agreement so provides, the transfer is approved by the committee and the participant does not receive any consideration for the transfer. Any transferred award shall continue to be subject to the same terms and conditions that were applicable to the award immediately prior to its transfer (except that the transferred award shall not be further transferable by the transferee).

How can the Equity Plan be amended, modified or terminated?

The board of directors may amend, alter, suspend, discontinue or terminate the Equity Plan or any portion thereof at any time; however no such change will be made without: (i) stockholder approval if such approval is necessary to comply with tax, legal or regulatory requirements or (ii) the consent of the affected participant, if such action would adversely affect any material rights of the participant under any outstanding award. In addition, the committee may amend the Equity Plan or any portion thereof at any time to cure any ambiguities, correct defective or inconsistent provisions or make other immaterial changes. Finally, the committee may at any time (without the consent of participants) modify, amend or terminate any or all of the provisions of the Equity Plan to the extent necessary to conform the provisions of the Equity Plan with respect to Section 409A of the Code.

The committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any awards granted under the Equity Plan. Any such action that would adversely affect the right of any participant shall not be made without the consent of the affected participant. In addition, the committee shall not have the power to amend the terms of previously granted awards to reduce, or cancel such awards and grant substitute awards which would have the effect of reducing the exercise price except as permitted by the Plan. Without stockholder approval, (i) no amendment or modification may reduce the exercise price of any outstanding stock option or cancel outstanding stock options for cash, other awards or stock options with an exercise price that is less than the exercise price of the original stock options, and (ii) the committee may not take any other action which is considered a repricing for purposes of the stockholder approval rules of The NASDAQ Stock Market.

Notwithstanding the foregoing, the committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, awards in recognition of unusual or nonrecurring events affecting the company, any affiliate, or the financial statements of the company or any affiliate, or of changes in applicable laws, regulations, or accounting principles, whenever the committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Equity Plan. Unless otherwise determined by the committee, no adjustment shall be authorized to the extent that such authority would be inconsistent with the Equity Plan's meeting the requirements of Section 162(m) of the Code to the extent Section 162(m) applies to an award.

Finally, the committee has the right, in its discretion, to cancel awards in connection with the sale or merger of the company, the company's reorganization or liquidation, or the sale of substantially all of the company's

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assets. In such event, the committee may, in its sole discretion and upon at least 10 days advance notice to the affected persons, cancel any outstanding awards and cause the holders thereof to be paid, in cash or in stock, or any combination thereof, the value of such awards based upon the price per share received or to be received by other stockholders of the company in such event.

What happens to an award in the event of a change in control of the company?

In the event the employment of a participant following a change in control (as defined in the Equity Plan) is involuntarily terminated by the company (or its successor) other than for cause (as defined in the Equity Plan) within the one-year period following a change in control, or in such other circumstances as may be provided in the award, all unvested awards shall vest immediately upon such a termination. In the case of vested awards that are stock options, the awards shall become immediately exercisable in accordance with their terms and shall remain exercisable for the remainder of their stated terms.

How many stock options has NASDAQ OMX awarded to date?

The following table shows the number of stock options, including any awards that were subsequently cancelled or surrendered for taxes, which NASDAQ OMX has awarded, to date, to the following individuals or groups:

our principal executive officer, principal financial officer and former principal financial officer and, in alphabetical order, each of our three most highly compensated executive officers, other than the principal executive officer and principal financial officers, for the year ended December 31, 2009 (the named executive officers);

one other individual, Mr. Hardwick Simmons, who has received over five percent of the total number of stock options, including any options that were subsequently cancelled or surrendered for taxes, awarded under the Equity Plan;

all nine of the current executive officers as a group (for information about the current executive officers, see Executive Officers of NASDAQ OMX);

all fourteen of the current non-employee directors as a group (for information about the current non-employee directors, see Proposal I: Election of Directors); and

all employees, excluding the current executive officers, as a group.

Name and Position	Number of Stock Options Awarded
Robert Greifeld	3,860,000
Chief Executive Officer	
Adena T. Friedman	523,347
Executive Vice President, Corporate Strategy and Chief Financial Officer	
David P. Warren	426,814
Former Executive Vice President and Chief Financial Officer	
Bruce E. Aust	457,650

Executive Vice President, Global Corporate Client Group

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Anna M. Ewing	288,250
Executive Vice President and Chief Information Officer	
Edward S. Knight	382,514
Executive Vice President, General Counsel and Chief Regulatory Officer	
Hardwick Simmons	2,000,000
Former Chairman and Chief Executive Officer	
All Current Executive Officers	6,322,926
All Current Non-Employee Directors	15,000
All Non-Executive Employees	24,230,038

Table of Contents***How many shares are available for issuance under all equity plans?***

The following table sets forth information regarding outstanding options and shares reserved for future issuance under all of NASDAQ OMX's compensation plans as of December 31, 2009.

Plan Category	Number of shares to be issued upon exercise of outstanding options, warrants and rights (a)(1)	Weighted-average exercise price of outstanding options, warrants and rights (b)(2)	Number of shares remaining available for future issuance under equity compensation plans (excluding shares reflected in column (a))(c)
Equity compensation plans approved by stockholders	9,506,871	\$ 19.13	7,096,143(3)
Equity compensation plans not approved by stockholders	700,000(4)(5)	\$ 5.28	
Total	10,206,871	\$ 18.18	7,096,143(3)

- (1) The amounts in this column include only the number of shares to be issued upon exercise of outstanding options, warrants and rights. At December 31, 2009, we also had 2,761,430 shares to be issued upon vesting of outstanding restricted stock and PSUs (including 100,000 shares of restricted stock granted to Mr. Greifeld as an inducement award on June 11, 2003).
- (2) As of December 31, 2009, the weighted-average remaining contractual life of all outstanding options was 6.0 years.
- (3) This amount includes 6,482,238 shares of common stock that may be awarded pursuant to the Equity Plan and 613,905 shares of common stock that may be issued pursuant to the NASDAQ OMX Employee Share Purchase Plan (ESPP).
- (4) Mr. Greifeld received an inducement award of non-qualified stock options exercisable for 1,000,000 shares of common stock pursuant to the terms of his 2003 employment agreement, of which he has exercised 300,000 shares. The award was granted on April 15, 2003 at an exercise price of \$5.28 per share and expires on April 15, 2013. The option became exercisable with respect to 250,000 shares on July 10, 2003 and became exercisable with respect to 250,000 shares on each of April 15, 2004, 2005 and 2006. In the event Mr. Greifeld's employment is terminated by NASDAQ OMX for cause or by Mr. Greifeld without good reason (each as defined in the employment agreement he entered into with us in 2003), the vested options will remain exercisable for a period ending on the earlier of ten days after termination or the expiration date. In the event Mr. Greifeld's employment is terminated by NASDAQ OMX without cause, by Mr. Greifeld for good reason or in the event of death or disability, Mr. Greifeld would have the earlier of 24 months after the termination date or the expiration date to exercise the vested options. If Mr. Greifeld's employment terminates as a result of retirement (as defined in the employment agreement he entered into with us in 2003), he would have the earlier of 370 days or the expiration date to exercise the vested options. In the event Mr. Greifeld's employment terminates as a result of a non-renewal by NASDAQ OMX, any vested options will be exercisable until the earlier of 24 months from termination or the expiration date. This inducement award is transferable by Mr. Greifeld only to certain immediate family members or to a trust or other entity for the exclusive benefit of such immediate family members.
- (5) Does not include 100,000 shares of restricted stock granted to Mr. Greifeld as an inducement award on June 11, 2003. The shares of restricted stock vested in equal amounts on each of the first three anniversaries of May 12, 2003, Mr. Greifeld's date of commencement of employment. This inducement award is transferable only by the laws of descent and distribution.

Table of Contents***What are the federal income tax consequences of awards granted under the Equity Plan?***

The following brief description, which is based on existing law, sets forth certain of the federal income tax consequences of the grant of awards under the Equity Plan. This description may differ from the actual tax consequences incurred by any individual recipient of an award. Moreover, existing law is subject to change by new legislation, by new regulations, by administrative pronouncements and by court decisions or by new or clarified interpretations or applications of existing laws, regulations, administrative pronouncements and court decisions. Any such change may affect the federal income tax consequences described below. The following summary of the federal income tax consequences in respect of the Equity Plan is for general information only. Interested parties should consult their own tax advisors as to specific tax consequences, including the application and effect of foreign, state and local laws.

Non-Qualified Stock Options. A non-qualified stock option results in no taxable income to the optionee or deduction to the company at the time it is granted. An optionee exercising an option will generally realize taxable compensation at that time in the amount of the difference between the option price and the then market value of the shares, and income tax withholding requirements apply upon exercise. A deduction for federal income tax purposes will generally be allowable to the company in the year of exercise in an amount equal to the taxable compensation realized by the optionee. The optionee's tax basis in the option shares is equal to the option price paid for such shares plus the amount includable in income upon exercise. At sale, appreciation (or depreciation) after the date of exercise is treated as either short-term or long-term capital gain (or loss) depending upon how long the shares have been held.

Incentive Stock Options. An optionee is not taxed at the time an incentive stock option is granted. The tax consequences upon exercise and later disposition of the underlying shares generally depend upon whether the optionee was an employee of the company or a subsidiary at all times from the date of grant until three months preceding exercise (one year in the case of disability) and on whether the optionee holds the shares for more than one year after exercise and two years after the date of grant of the stock option.

If the optionee satisfies both the employment rule and the holding rule for income tax purposes, the optionee will not recognize income upon exercise of the stock option and the company will not be allowed an income tax deduction at any time. The difference between the option exercise price and the amount realized upon disposition of the shares by the optionee will constitute a long-term capital gain or a long-term capital loss, as the case may be.

If the optionee meets the employment rule but fails to observe the holding rule (a disqualifying disposition), the optionee generally recognizes as ordinary income, in the year of the disqualifying disposition, the excess of the fair market value of the shares at the date of exercise over the option exercise price. Any excess of the sales price over the fair market value at the date of exercise will be recognized by the optionee as capital gain (long-term or short-term depending on the length of time the shares were held after the stock option was exercised). If the sale price is less than the fair market value on the date of exercise, then the ordinary income recognized by the optionee is generally limited to the excess of the sales price over the option exercise price. In both situations, the tax deduction allowable to the company is limited to the ordinary income recognized by the optionee. Under current Internal Revenue Service guidelines, the company is not required to withhold any federal income tax in the event of a disqualifying disposition.

Different consequences may apply for an optionee subject to the alternative minimum tax.

Restricted Stock. Upon the grant of restricted stock, a participant will not recognize taxable income and the company will not be allowed a tax deduction. Rather, on the date when the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of the shares on that date (less the price paid, if any, for such shares). Alternatively, a participant may file with the IRS a section 83(b) election no later than 30 days after the date of grant of restricted stock, as a result of which he will recognize taxable ordinary income at the time of the grant, generally in an amount equal to the fair market value of the shares on the date of grant, less any amount paid for the grant. The amount recognized by the participant is subject to income tax withholding.

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requirements. At the time the participant recognizes income with respect to the restricted stock, the company is generally entitled to a deduction in an equal amount. Upon the sale of any shares that are delivered to the participant pursuant to an award, the participant will realize capital gain (or loss) measured by the difference between the amount realized and the fair market value of the shares on the date the shares were vested/delivered to the participant pursuant to the award.

Performance Share Awards, Restricted Stock Unit Awards. A participant who receives a performance share award or RSU award or other stock-based award which includes a performance and/or vesting requirement or other restriction that must be satisfied prior to payment will not be required to recognize any income for federal income tax purposes at the time of the grant of such award, nor is the company entitled to any deduction at such time. However, if a participant files an 83(b) election with the IRS within 30 days after the grant of a performance share award, he or she will recognize ordinary income at the time of the grant in an amount equal to the fair market value of the shares on the date of grant.

When any part of a performance share award (for which no 83(b) election was made) or award of RSUs is paid (in the case of cash) or becomes vested or delivered (in the case of shares) to the participant, the participant will realize compensation taxable as ordinary income in an amount equal to the cash paid or the fair market value of shares vested or delivered.

Income tax withholding requirements generally apply to amounts that are recognized as ordinary income and the company will generally be entitled to a deduction in the same amount and at the same time that the participant recognizes ordinary income. Upon the sale of any shares that are delivered to the participant pursuant to an award, the participant will realize either long-term or short-term capital gain (or loss), depending on how long the shares were held, equal to the difference between the amount realized and the fair market value of the shares on the date the shares were vested or delivered to the participant pursuant to the award.

Impact of Section 409A. Section 409A of the Internal Revenue Code applies to deferred compensation, unless the compensation was both deferred and vested prior to January 1, 2005. Generally speaking, deferred compensation is compensation earned currently, the payment of which is deferred to a later taxable year, and an amount is vested on the date that the participant's right to receive the amount is no longer conditioned on the participant's performance of services or upon the occurrence of an event (such as a change in control) or the achievement of performance goals that are substantially related to the purpose of the compensation.

Options, restricted stock, performance share awards, RSU awards, and other stock-based awards available under the Equity Plan are designed to be exempt from the requirements of Section 409A or to satisfy its requirements. An award that is subject to Section 409A and fails to satisfy its requirements will subject the holder of the award to immediate taxation, an interest penalty and an additional 20% tax on the amount underlying the award.

Are there any limitations on the company's deduction?

With certain exceptions, Section 162(m) of the Code limits the company's deduction for compensation in excess of \$1,000,000 paid to the company's CEO and its three other highest-paid executive officers (other than the principal financial officer). Compensation paid to covered employees is not subject to the deduction limitation if it is considered qualified performance-based compensation within the meaning of Section 162(m) of the Code.

By approving the Equity Plan, stockholders also will be approving the eligibility of executive officers and others to participate in the Equity Plan, the per-person limitations, and the general business criteria on which performance objectives for performance-based awards under the Equity Plan may be based. The Equity Plan imposes per-person limitations as described above.

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If the company's stockholders approve the Equity Plan, the company intends that performance awards (intended to be treated as qualified performance-based compensation as defined in Section 162(m) of the Code) granted to covered employees under the Equity Plan will satisfy the requirements of qualified performance-based compensation and therefore the company will be entitled to a deduction with respect to the payment of these awards. However, with respect to awards that are not intended to be treated as qualified performance-based compensation as defined in the Code, the deduction that the company might otherwise receive with respect to awards to covered employees may be disallowed.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDED AND RESTATED NASDAQ OMX EQUITY INCENTIVE PLAN.

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PROPOSAL IV

**APPROVE AN AMENDMENT TO THE NASDAQ OMX EQUITY INCENTIVE PLAN TO ALLOW
FOR A ONE-TIME STOCK OPTION EXCHANGE PROGRAM**

The company's management compensation committee and board of directors approved, and recommend that stockholders approve, an amendment to the company's Equity Plan to allow for a one-time stock option exchange program (the Exchange Program). If implemented, the Exchange Program would allow the company to cancel certain stock options previously granted under the Equity Plan and currently held by some of our employees in exchange for the grant of a lesser amount of stock options with lower exercise prices.

The ratio at which eligible options will be surrendered for replacement options, or exchange ratio, is designed to result in an exchange such that the aggregate economic value of the replacement options to be granted in the exchange will not be greater than the aggregate economic value of the options to be cancelled in the exchange. Members of the company's board, named executive officers and other employees at the rank of executive vice president or above are not eligible to participate in the Exchange Program. Eligibility for the Exchange Program is limited further to employees holding stock options granted in 2006, 2007 and 2008 at least two years prior to the start date of the Exchange Program, with an exercise price above a threshold exercise price to be determined by the management compensation committee. This threshold exercise price will be set so that it is both (i) above the 52-week high trading price of the company's common stock on the determination date preceding the date the Exchange Program begins and (ii) at least 50 percent above the current trading price of the company's common stock on the determination date preceding the date the Exchange Program begins. Limiting eligibility for the Exchange Program to employees holding stock options above the threshold exercise price is intended to ensure that only outstanding options that are substantially underwater (meaning the exercise price of the options is greater than the company's current stock price) are eligible for the Exchange Program.

Stockholder approval of the proposal is required both under the terms of the Equity Plan and The NASDAQ Stock Market listing rules. If the company's stockholders do not approve the proposal, the Exchange Program will not take place.

Why is the Exchange Program being proposed?

Although the company's common stock has outperformed the broader market over a five year period, it has experienced a significant decline since reaching its peak at the end of 2007. The company believes this decline is due in large part to the 2008 financial crisis and the continued weak economy. Macroeconomic events largely outside the company's control continue to create an overhang with respect to the company's stock and, together with the competitive environment within the financial services industry, have contributed to the company's stock price decline, despite aggressive efforts in fiscal years 2008 and 2009 to reinvigorate the company's business and improve its performance. For example:

Trading volumes, particularly in U.S. and Nordic equity and derivative securities, are driven primarily by overall macroeconomic conditions;

The number of companies seeking equity financing is affected by factors such as investor demand, the global economy, availability of diverse sources of financing, and tax and regulatory policies;

Macroeconomic conditions have constrained the ability of the credit markets to provide liquidity and credit to the company's technology customers, suppliers, trading participants and listed companies and have generally affected the financial well-being of market participants. Such events have also slowed the emergence of new market participants seeing opportunities in the recovering global economy;

Within the financial services industry, there is intense competition among U.S. exchanges for both equity and trading volume and listings, competition between U.S. exchanges' alternative trading systems for trading volume, and strong competition between Multilateral Trading Facilities and exchanges in Europe for equity trading volume; and

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Market trends require continued investment in technology to meet customers' demands for speed, capacity, and reliability as markets adapt to a global financial industry.

Company management took significant actions in 2008 and 2009 intended to reinvigorate the company's business and improve its performance, including:

The making of several acquisitions and strategic initiatives during 2009 and 2008, including the company's combination with OMX AB and acquisitions of the Philadelphia Stock Exchange, Boston Stock Exchange, certain subsidiaries of Nord Pool and a majority interest in the International Derivatives Clearing Group. These acquisitions were intended in part to expand the company's business, achieve certain synergies and diversify its sources of revenues.

The launch of NASDAQ OMX BX in early 2009 to provide an additional quote for market participants who want to use the company's high performance systems to post multiple protected quotes under Regulation NMS. Using the company's high performance systems, NASDAQ OMX BX became the fastest growing U.S. stock exchange in 2009 and is currently the fifth largest U.S. equity exchange.

Expansion of the use of the company's U.S. INET trading system. For the first time, in 2008, the company expanded the application of its U.S. INET trading system beyond U.S. cash equities with the launch of The NASDAQ Options Market and NASDAQ OMX Europe. During 2009, the company continued to expand the application of our U.S. INET trading system with the successful launch of NASDAQ OMX BX and the re-platforming of NASDAQ OMX PHLX. As evidenced with the company's February 2010 rollout of INET in the Nordics, the extension of the company's world technology systems such as INET across its global exchanges are expected to further enhance the company's competitive position and to open new opportunities for technology sales.

Continued leverage of opportunities in market data brought about by the breadth of the company's data distribution capabilities by offering new data products to the company's customer base and by strengthening our direct relationships with those customers.

The taking of aggressive steps in meeting the company's cost, revenue, and technology synergies in 2008 and 2009 which will enable the company to benefit from improving economic conditions in 2010. The company expects to continue to realize additional sources of revenue from enhanced product offerings and/or acquisitions which are complementary to the company's existing businesses.

Actions taken by company management to improve and reinvigorate the company's performance have, due to industry dynamics and other macroeconomic factors, not yet had a significant impact on the company's stock price. As a result, the current situation provides a considerable challenge to maintaining employee motivation, as well as creating a serious threat to retention until the economic recovery solidifies. In keeping with the company's philosophy of performance-based compensation, the company's Equity Plan has provided for the granting of stock options to a broad spectrum of company employees. Many of the company's employees hold a significant number of stock options with exercise prices that greatly exceed the company's current common stock price and the 52-week high trading price of the company's common stock.

As a result, the board and the management compensation committee believe these underwater options no longer provide the long-term incentive and retention objectives they were intended to provide, and propose the Exchange Program at this time for the following reasons:

The Exchange Program will re-align the equity incentives previously granted to company employees with management's compensation philosophy to reward employees on the basis of performance and to align employees' interests with that of stockholders. As the result of the decline in the company's stock price over the past two years, a substantial number of the company's employees hold options with exercise prices significantly higher than the current market price of the company's common stock and the 52-week high price. The company believes that underwater options have lost their effectiveness as performance and retention incentives. By exchanging the underwater options for the grant of a lesser

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amount of stock options with a lower exercise price, there will be restored the efficacy of a compensation incentive where employee value is contingent upon share price growth.

The Exchange Program is intended to enhance long-term stockholder value by providing greater assurance that the company will be able to retain experienced and productive employees. In addition to restoring the efficacy of the performance-based compensation incentive, the Exchange Program also includes a retention incentive, because each new stock option exchanged for old underwater options under the Exchange Program will be subject to a three-year graduated vesting requirement. The Exchange Program is also intended to improve the morale of the company's employees generally, by addressing employees' concerns regarding their compensation when the business outlook makes it uncertain that the company's stock price will recover over the near to mid-term, even as these employees are challenged to work aggressively to improve the company's business.

The Exchange Program would also enable the company to recapture value from compensation costs that the company has already incurred and will continue to incur with respect to outstanding underwater stock options. These options were granted at the then-fair market value of the company's common stock. When stock options are granted to employee, the company bears a compensation expense that reduces the company's net income. This expense is based upon the fair market value of stock options determined on their grant date using the Black-Scholes option valuation model. Under applicable accounting rules, the company will continue to be obligated to recognize compensation expense with respect to underwater options, even if these options are never exercised because the majority remain underwater. Rather than continuing to recognize the expense for underwater options that are of limited to no value in motivating and retaining the company's employees, the Exchange Program will enable the company, and ultimately, the company's stockholders, to realize the intended benefit of the original awards without an increase in compensation expense.

The Exchange Program will meaningfully reduce the total number of outstanding stock options, or overhang, represented by outstanding options that have high exercise prices and may no longer provide adequate compensation and retention incentives to the company's employees. Because participating employees will receive fewer stock options than the number of shares subject to the options they surrender and because shares represented by the surrendered options will be removed from the equity pool under the Plan available for future grants, there will be an immediate reduction in the number of shares subject to all outstanding equity awards, thereby decreasing this overhang.

If the company's stockholders do not approve the Equity Plan amendment authorizing the Exchange Program, eligible options will remain outstanding and in effect in accordance with their existing terms. The company will continue to recognize compensation expense for these eligible options even though the options may have little or no incentive or retention value.

What alternatives were considered?

When considering how best to continue to incentivize and reward the company's employees who have underwater options, the company considered the following alternatives:

Implement a One-time Cash Retention Incentive Program. To offset the lost retention value of underwater stock options, the company considered implementing a one-time cash retention incentive for key talent. However, any increase in cash compensation would reduce the company's cash flow, which could adversely affect the company's business and operating results. Further, a retention award paid in cash would not necessarily align the interests of the company's employees with those of its stockholders, since payment of a cash retention award would not be contingent upon share price appreciation.

Grant Additional Equity Awards. The company considered special grants of additional stock options or RSUs at current market prices. However, these additional grants would increase the company's overhang and further dilute the interests of the company's stockholders without addressing the problem

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of significant underwater option overhang. Further, this approach would have incurred an additional accounting expense, as opposed to re-using the accounting expense already incurred.

Exchange Options for RSUs. Finally, the company considered implementing a program to exchange significantly underwater options for RSUs. Although this approach would require fewer shares to deliver comparable value, it was felt that the employees should continue to have direct alignment with future share price appreciation. Further, granting stock options to higher grade levels of employees is consistent with the company's ongoing equity grant guidelines.

Why was the Exchange Program the most attractive alternative?

The company has determined that a program under which the company's employees could exchange underwater stock options with higher exercise prices for a lesser number of stock options with a lower exercise price was the most attractive alternative for a number of reasons including the following:

The Exchange Program offers a reasonable, balanced and meaningful incentive for our eligible employees. Under the Exchange Program, participating employees will surrender eligible underwater options for replacement options covering fewer shares with a lower exercise price and that will vest in three equal annual installments beginning 12 months after the replacement option grant date.

The Exchange Program will provide a retention incentive. Every replacement option will be subject to a vesting requirement—one third of the replacement options vest on the first, second and third anniversaries of the replacement option grant date, provided the option holder remains in the company's active employ. This will provide a retention incentive for employees to remain with the company as it works to address the difficult business conditions that have depressed the company's stock price.

The exchange ratio will be calculated to avoid significant additional compensation expense. The company will calculate the exchange ratio to result in a fair value, for accounting purposes, of the replacement options that will not be greater, in the aggregate, than the fair value of the eligible options that are exchanged. As a result, the company believes the exchange will have no significant adverse impact on the company's reported earnings. The company believes this combination of fewer shares subject to options with lower exercise prices, granted with no expected significant adverse impact on the company's reported earnings, together with a new three-year graduated vesting requirement to exercise the replacement options, represents a reasonable and balanced exchange program with the potential for a significant positive impact on employee retention, motivation and performance. Additionally, the replacement stock options will provide value to employees only if the company's share price increases over time, thereby aligning employee and stockholder interests.

The Exchange Program will reduce the company's equity award overhang. Not only do the underwater options have little or no retention value, they cannot be removed from the company's equity award overhang until they are exercised, expire or the employee who holds them leaves employment with the company. An exchange, such as the one proposed under the Exchange Program, will reduce this overhang while eliminating the ineffective options that are currently outstanding. Because employees who participate in the Exchange Program will receive a lesser number of replacement options in exchange for their surrendered eligible options, the number of shares of stock subject to all outstanding equity awards will be reduced, thereby reducing the company's overhang. Based on the anticipated exchange ratio of 1.4 to 1 and the other assumptions outlined herein, if all eligible options are exchanged, options to purchase approximately 1.0 million shares will be surrendered and cancelled, while replacement options covering approximately 0.7 million shares will be granted, resulting in a net reduction in the equity award overhang by approximately 0.3 million shares. Options surrendered for exchange will be cancelled and all shares of common stock that were subject to the surrendered options will not become available for future awards under the Equity Plan. All eligible options that are not exchanged will remain outstanding and in effect in accordance with their existing terms.

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Members of the company's board and its senior leadership will not be eligible to participate in the Exchange Program. Although the company's directors and officers of the rank of executive vice president or above also hold options that are significantly underwater, these individuals are not eligible to participate in the Exchange Program because the company believes that their compensation should remain at greater risk based on the company's stock price.

What are the benefits relating to the Exchange Program?

Participation in the Exchange Program is voluntary, and no eligible employee will be required to surrender his or her eligible options. For those who choose to participate in the Exchange Program, the Exchange Program is intended to satisfy the requirement of a value for value exchange so that, as determined under a Black-Scholes option pricing model, the aggregate economic value of the replacement options to be granted in the exchange will not be greater than the aggregate economic value of the options to be cancelled in the exchange. Because the same exchange ratio will be used for all eligible options, some participants will receive total replacement options of greater or lesser value, in relation to the options they will surrender, as compared to the replacement options received by other eligible employees surrendering options with different grant dates and exercise prices. While the aggregate value of the replacement options will not exceed the aggregate value of the options to be cancelled in the exchange, it is possible that certain participants may receive options with a slightly greater value than those they surrender.

What is the effect of the Exchange Program on stockholders?

The Exchange Program is designed to constitute a value for value exchange with respect to the holders of eligible options and in the aggregate to be expense-neutral to the company's stockholders while reducing the overhang. The threshold exercise price for eligible option will be set so that it is both (i) above the 52-week high trading price of the company's common stock on the determination date preceding the date the Exchange Program begins and (ii) at least 50 percent above the current trading price of the company's common stock on the determination date preceding the date the Exchange Program begins. By way of example, assuming an exchange ratio of 1.4 to 1 and a threshold exercise price above \$30.00 per share for eligible options, if all eligible options are exchanged, options to purchase approximately 1.0 million shares will be surrendered and cancelled, while replacement options covering approximately 0.7 million shares will be granted resulting in a net reduction in the equity award overhang by approximately 0.3 million shares.

The following discussion and chart shows the effect of the exchange program based on the number of options outstanding and remaining shares available as of December 31, 2009. As more fully described in Proposal III to this Proxy Statement, it is proposed to amend, restate and extend the term of the Equity Plan, and in connection therewith to authorize an additional 6.2 million shares of common stock for future awards under the Equity Plan. The description that follows does not include the additional proposed 6.2 million new shares.

As of December 31, 2009, there were approximately 10,206,871 stock options and 2,761,430 shares underlying full value awards outstanding under the Equity Plan. 6,482,238 shares remained available for grant as of that date. Of the outstanding options, and assuming the eligibility criteria as outlined above, approximately 1,000,000 (or approximately 9.8%) would be eligible for exchange under the proposed Exchange Program. If all of the eligible stock options were exchanged for replacement options at the estimated 1.4 to 1 exchange ratio described above, the number of replacement options granted would be approximately 700,000.

Shares underlying eligible options that are surrendered under the Exchange Program will be cancelled, and will not be returned to the Equity Plan and be available for future awards.

For example purposes, after the exchange (assuming all eligible options are surrendered and without including any grant made after December 31, 2009 and without including the 6.2 million additional shares of common stock proposed to be authorized for use under the Equity Plan as described in Proposal III), there will be approximately 5,782,238 shares available for grant following the implementation of the Exchange Program (6,482,238 shares available for grant as of December 31, 2009, less approximately 700,000 shares underlying the

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replacement options; shares underlying the surrendered options will be cancelled and unavailable for future awards.)

The outstanding options would, following the Exchange Program, have a weighted exercise price of \$16.06 and a weighted average remaining term of 5.9 years. Please see the table below for a side-by-side comparison of before and after the exchange.

	As of December 31, 2009	After the Exchange
Shares Available for Grant	6,482,238	5,782,238
Stock Options Outstanding	10,206,871	9,906,871
Weighted Average Exercise Price	\$ 18.18	\$ 16.06
Weighted Average Remaining Term	6.0	5.9
Full Value Awards Outstanding	2,761,430	2,761,430
Total Outstanding	12,968,301	12,668,301

If the stockholders approve Proposal III, to the foregoing estimated 5,782,238 shares of common stock available for grant, there would be added an additional 6.2 million shares for a total of approximately 11,982,238 shares available for future awards.

Material Terms of the Exchange Program

If stockholders approve the amendment of the company's Equity Plan to include the Exchange Program, the material terms of the Exchange Program will include eligibility for participation, the exchange ratio to be applied to eligible options and the vesting schedule to apply to the replacement options granted pursuant to the Exchange Program. These material terms are anticipated to be as set forth below.

Implementing the Exchange Program. The company has not commenced the Exchange Program and will not do so unless our stockholders approve this proposal. If the company receives stockholder approval of the amendment to the Equity Plan permitting the Exchange Program, the Exchange Program may commence at a time determined by the management compensation committee, with terms expected to be substantially similar to those described in this proposal. If the company receives the required stockholder approval for the Equity Plan amendment, the approval will be for a one-time exchange program. Even if the stockholders approve this proposal, the management compensation committee may still later determine not to implement the Exchange Program or may implement it with modified terms which may include a different exchange ratio and/or threshold price for eligible options, provided that such different terms satisfy the requirements of an exchange where the aggregate economic value of new options issued does not exceed the aggregate economic value of existing options surrendered. It is currently anticipated that the Exchange Program will commence within a few months following approval of this proposal by our stockholders. However, if the Exchange Program does not commence within twelve (12) months after the date of stockholder approval, the company will not commence an exchange or similar program without again seeking and receiving stockholder approval.

Upon commencement of the Exchange Program, employees holding eligible options would receive written materials (the offer to exchange) explaining the precise terms and timing of the Exchange Program. Employees would be given a reasonable period (as the management compensation committee shall determine, but not less than 20 business days from the commencement of the Exchange Program) to elect to exchange, on a grant-by-grant basis, all or none of their eligible options with respect to each eligible option grant, for replacement options. After the offer to exchange is closed, the eligible options surrendered for exchange would be cancelled, and the management compensation committee would approve grants of replacement options to participating employees in accordance with the applicable exchange ratio. All such replacement options would be granted under the company's Equity Plan (as such Plan is proposed to be amended and restated subject to approval of the company's stockholders, in accordance with Proposal III described in this Proxy Statement) and would be subject to the terms of the Equity Plan.

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At or before commencement of the Exchange Program, the company will file the offer to exchange and other related documents with the SEC as part of a tender offer statement on Schedule TO. Employees, as well as stockholders and members of the public, will be able to access the offer to exchange and other documents the company files with the SEC free of charge from the SEC's web site at www.sec.gov or on our Investor Relations web site at <http://ir.nasdaqomx.com/>.

If you are both a stockholder and an employee holding eligible options, please note that voting to approve the Equity Plan amendment authorizing the Exchange Program does not constitute an election to participate in the Exchange Program.

Eligible Options. To be eligible for exchange under the Exchange Program, an underwater option, as of a determination date specified by the terms of the offer to exchange (which determination date will be not more than 20 business days prior to the date that the Exchange Program commences), must (1) have been granted in 2006, 2007, or 2008 at least two (2) years prior to the start date of the Exchange Program and (2) must have a per share exercise price above a threshold level. The threshold exercise price will be set so that it is both (i) above the 52-week high trading price of the company's common stock on the determination date and (ii) at least 50 percent above the company's common stock price on the determination date.

For reference purposes, the following table summarizes information regarding outstanding eligible stock options under the company's Equity Plan as of March 15, 2010, based on the anticipated requirements for eligible options as described above.

Shares represented by eligible stock options under the Exchange Program	1,024,766
Weighted average exercise price of all outstanding eligible stock options	\$ 38.36
Weighted average remaining terms of all outstanding eligible stock options	7.08

Eligible Participants. The Exchange Program will be open to all U.S. and international employees who hold eligible options, except as described below. Although the company intends to include all employees located outside the U.S., the company may exclude such employees if, for any reason, the management compensation committee believes that their participation would be illegal, inadvisable or impractical. To be eligible, an individual must be employed on the date the offer to exchange commences and must remain employed through the date that replacement options are granted. The Exchange Program will not be open to current and former members of the company's board, or the company's senior executives with a rank of executive vice president or above. As of March 15, 2010, there were approximately 429 employees holding eligible options who would be eligible to participate in the Exchange Program (based on assumptions described herein regarding the anticipated requirements for eligible options).

Exchange Ratios. One objective in determining the exchange ratios applicable under the Exchange Program will be to provide for the grant of replacement stock options that will have a value in the aggregate no greater than the value of the stock options surrendered, determined as of the date of commencement of the Exchange Program so that the grant of replacement options will be accounting expense neutral. This is intended to eliminate any additional compensation cost that the company must recognize on the replacement options, other than immaterial compensation expense that might result from fluctuation in the company's stock price after the exchange ratio has been set but before the exchange actually occurs. We will estimate the fair value of the eligible options by using the Black-Scholes option valuation model. The Black-Scholes model is a common method used for estimating the fair value of stock options, and we use this model for calculating the share-based compensation expense reported in our financial statements.

For illustration, as of April 2010, it is anticipated that the eligible options will be exchanged for replacement options using an exchange ratio of 1.4 to 1. For example, a participant who tenders 300 eligible underwater options would receive 214 replacement options, each with an exercise price equal to the company's common stock price on the date of the replacement grant.

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It is anticipated that the same exchange ratio will be used for all eligible options, regardless of the eligible options' date of grant and the exercise price of the option on that date. The exchange ratio will be set so that all replacement options satisfy, as compared to the eligible options being surrendered therefor, the aggregate value for value criteria. Some replacement options may have a lesser economic value as compared to the surrendered eligible options, depending on the term and exercise price of the surrendered options, but the replacement options will not have an economic value in the aggregate greater than those of the surrendered options for which they are exchanged.

The actual exchange ratio will be determined by the management compensation committee shortly before the start of the Exchange Program, based on the then-current value of the company's common stock. In no event will the exchange ratio be set so that more aggregate economic value is issued via new options than is tendered via surrendered options.

Election to Participate. Participation in the Exchange Program will be voluntary. Eligible employees will be permitted to exchange, on a grant-by-grant basis, all or none of the eligible options with respect to an eligible option grant for replacement options.

Exercise Price of Replacement Options. All replacement options will be granted with an exercise price equal to the closing price of the company's common stock on the replacement option grant date as reported by The NASDAQ Stock Market.

Vesting of Replacement Options. The replacement options will vest in three equal annual installments, on the first, second and third anniversaries of the replacement option grant date.

Term of the Replacement Options. The replacement options will have a seven-year term.

Other Terms and Conditions of the Replacement Options. The other terms and conditions of the replacement options will be set forth in an option agreement to be entered into as of the replacement option grant date. Any additional terms and conditions will be comparable to the other terms and conditions of the eligible options. All replacement options will be non-statutory stock options granted under the company's Equity Plan.

Return of Eligible Options Surrendered. The eligible options surrendered for exchange will be cancelled and all shares of common stock that were subject to such surrendered options will not become available for future awards under the Equity Plan.

Accounting Treatment. The intent of the Exchange Program is that it will not result in the company incurring any significant additional expense. The unamortized compensation cost of the surrendered options, and incremental expense, if any, of the replacement options granted in the Exchange Program, will be recognized ratably over the vesting period of the replacement options. The incremental compensation cost will be measured as the excess, if any, of the fair value of each replacement option granted to employees in exchange for surrendered eligible options, measured as of the date the replacement options are granted, over the fair value of the surrendered eligible options in exchange for the replacement options, measured immediately prior to the cancellation. Because the exchange ratio will be calculated to result in the aggregate fair value of the replacement options being not greater than the aggregate fair value of the surrendered options, the company does not expect to recognize any significant incremental compensation expense for financial reporting purposes as a result of the Exchange Program. In the event that any of the replacement options are forfeited prior to their vesting due to termination of service, the incremental compensation cost for the forfeited replacement options will not be recognized; however, the company would recognize any unamortized compensation expense from the surrendered options which would have been recognized under the original vesting schedule.

U.S. Federal Income Tax Consequences. The following is a summary of the anticipated material U.S. federal income tax consequences of participating in the Exchange Program. A more detailed summary of the applicable tax considerations to participating employees will be provided in the offer to exchange. The company believes the exchange of eligible options for replacement options pursuant to the Exchange Program should be

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treated as a non-taxable exchange and neither the company nor any of our employees should recognize any income for U.S. federal income tax purposes upon the surrender of eligible options and the grant of replacement options. However, the tax consequences of the Exchange Program are not entirely certain, and the Internal Revenue Service is not precluded from adopting a contrary position. The law and regulations themselves are also subject to change. All holders of eligible options are urged to consult their own tax advisors regarding the tax treatment of participating in the Exchange Program under all applicable laws prior to participating in the Exchange Program. The tax consequences for non-U.S. employees may differ from the U.S. federal income tax consequences described in the preceding sentence.

Potential Modification to Terms to Comply with Governmental Requirements. The terms of the Exchange Program will be described in an offer to exchange that will be filed with the SEC. Although the company does not anticipate that the SEC will require it to materially modify the Exchange Program's terms, it is possible that the company will need to alter the terms of the Exchange Program to comply with comments from the SEC. Changes in the terms of the Exchange Program may also be required for tax purposes for participants in the U.S. as the tax treatment of the Exchange Program is not entirely certain. In addition, the company intends to make the Exchange Program available to company employees who are located outside the United States, where permitted by local law and where the company determines it is feasible and practical to do so. It is possible that the company may need to make modifications to the terms offered to employees in countries outside the United States to comply with local requirements, or for tax or accounting reasons. The management compensation committee will retain the discretion to make any such necessary or desirable changes to the terms of the Exchange Program for purposes of complying with comments from the SEC or optimizing the U.S. federal or foreign tax consequences.

What is the text of the proposed amendment to the Equity Plan?

In order to permit the company to implement the one-time stock option Exchange Program in compliance with its Equity Plan and applicable NASDAQ listing rules, the management compensation committee recommended and the board approved an amendment to the company's Equity Plan, subject to approval of the amendment by the company's stockholders. The company is seeking stockholder approval to amend the Equity Plan to allow for the one-time-only Exchange Program. The amendment would add a new Section to the Equity Plan which will read essentially as follows:

Notwithstanding any other provision of the Plan to the contrary, upon approval of the company's stockholders, the Committee may provide for, and the company may implement, a one-time-only option exchange offer, pursuant to which certain outstanding Options could, at the election of the person holding such Option, be tendered to the company on a grant-by-grant basis for cancellation in exchange for the issuance of a lesser amount of Options with a lower exercise price, provided that such one-time-only option exchange offer is commenced within twelve months of the date of such stockholder approval.

What are the material terms of the Equity Plan?

A summary of the material terms of the company's Equity Plan is included as part of Proposal III in this Proxy Statement. As described in that proposal, the board recommends that the stockholders approve the amended and restated Equity Plan.

This proposal to amend the Equity Plan to permit a one-time option Exchange Program is separate from Proposal III. In the event that the stockholders should fail to approve Proposal III but approve this proposal regarding the Exchange Program, the company may implement the Exchange Program as an amendment to the current Equity Plan.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE AMENDMENT TO THE NASDAQ OMX EQUITY INCENTIVE PLAN TO PERMIT A ONE-TIME STOCK OPTION EXCHANGE PROGRAM.

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PROPOSAL V

APPROVE THE AMENDED AND RESTATED NASDAQ OMX

EMPLOYEE STOCK PURCHASE PLAN

The company believes that maintaining a competitive employee stock purchase plan is an important element in recruiting, motivating and retaining our employees. Our employee stock purchase plan is designed to more closely align the interests of the company's employees with those of our stockholders by encouraging employees to invest in the company's common stock, and to help our employees share in the company's success through the appreciation in value of purchased stock. For more information regarding the remaining shares available for future issuance under all NASDAQ OMX equity compensation plans, see Proposal III, *Approve the Amended and Restated NASDAQ OMX Equity Incentive Plan*.

The 2000 NASDAQ OMX Employee Stock Purchase Plan expires in December 2010. As a result, in March 2010, the company's management compensation committee and board of directors approved, and recommend that stockholders approve, the amendment and restatement of the ESPP.

The amended and restated ESPP, if approved by the company's stockholders, would be effective as of the date of stockholder approval (the restatement effective date) for a term of ten years from the restatement effective date. The amended and restated ESPP is intended to accomplish the following:

increase by 3,500,000 the number of shares of the company's common stock authorized for issuance under the ESPP;

extend the ESPP's term by approximately ten years;

conform the ESPP to the requirements of the final regulations that were issued in November 2009 under section 423 of the Code;

extend participation in the ESPP to eligible employees of the company's non-U.S. participating affiliates, by revising the plan so that it consists of two component plans, a Section 423 ESPP for employees of the company and its U.S. participating affiliates, which is intended to qualify as an employee stock purchase plan within the meaning of Section 423 and eligible for the special tax treatment afforded under Section 423, and a Non-423 Plan which may be extended as a vehicle for the purchase of company shares by eligible employees of the company's non-U.S. participating affiliates, who are not subject to U.S. tax laws;

revise the ESPP to permit flexibility to approve offerings to purchase shares with varying terms, subject to the maximum limitations of Section 423; and

to provide for other clarifying changes to the ESPP consistent with Section 423.

The board has approved the amendment and restatement of the ESPP subject to stockholder approval to the extent such approval is necessary under applicable laws and regulations. The board is asking you to approve the ESPP in order to increase the number of shares available for purchase under the ESPP and to make effective those other material changes to the ESPP which require stockholder approval.

The ESPP is set forth in full in Appendix E to this proxy statement. A summary of the ESPP is set forth below.

What is the background and purpose of the ESPP?

The ESPP is designed to provide the company's eligible employees and employees of the company's participating subsidiaries and affiliates (including non-U.S. affiliates) with the opportunity to purchase shares of the company's common stock on periodic purchase dates through

accumulated payroll deductions. The ESPP is designed to allow U.S. based employees to make purchases in a manner that receives favorable tax treatment

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under Section 423. The management compensation committee of the board, or its delegate, may approve offerings under the ESPP that are not intended to qualify for favorable tax treatment under Section 423, in which eligible employees who are not subject to U.S. tax laws may participate.

Purchase opportunities will be extended to employees of non-U.S. affiliates as the management compensation committee, or its delegate, may permit, consistent with applicable local tax and securities rules. It is anticipated that employees of participating non-U.S. affiliates will be permitted to purchase shares on similar but not necessarily identical terms as eligible U.S. employees. Differences may be required by local law. The favorable tax treatment afforded to participating employees of the company and its U.S. affiliates under Section 423 will not be available to employees of participating non-U.S. affiliates.

In the current January through June offering period under the ESPP, there are 359 employees enrolled to participate in the ESPP, representing approximately 38% of the company's eligible U.S. employees.

Who administers the ESPP and how is it administered?

The ESPP is administered by the management compensation committee. The duties of the committee include, without limitation, the following:

to determine when each offering to purchase shares will occur, and the terms and conditions of each offering (which need not be identical);

to determine the length of each offering period (during which a participant may accumulate funds through payroll deductions in order to purchase shares), and the enrollment period;

to designate from time to time which U.S. and non-U.S. affiliates of the company are eligible to participate in the ESPP (under the Section 423 and Non-423 components of the Plan respectively), and to determine the terms and conditions of participation by the employees participating affiliates; and

to construe and interpret the ESPP and to establish, amend and revoke rules, regulations and procedures for the administration of the ESPP, and to correct any defects and inconsistencies in the ESPP or the purchase of shares under the ESPP.

The committee may, consistent with the terms of the ESPP and its charter, delegate some of its duties and responsibilities to others.

How many shares are available for purchase under the ESPP?

The total number of shares of common stock originally reserved for issuance under the terms of the ESPP was 2,000,000. As of March 15, 2010, an aggregate of 1,386,095 shares of common stock have been issued to employees under the ESPP, and 613,905 shares of common stock remained available for future issuance. Assuming that this Proposal VI is approved by the stockholders, the total number of shares of common stock reserved for issuance under the ESPP will be increased by 3,500,000 shares. The shares of common stock issuable under the ESPP may be made available from the company's treasury, from authorized but unissued shares of common stock or from shares of common stock we repurchase, including shares of common stock repurchased on the open market. The company estimates that, with an increase of 3,500,000 shares, the company will have a sufficient number of shares of common stock to cover purchases under the ESPP for approximately ten years.

In the event that the board or the committee determines that any dividend or other distribution (whether in the form of cash, shares, other securities, or other property) recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of shares or other securities of the company, issuance of warrants or other rights to purchase shares or other securities of the company, or other similar corporate transaction or event that affects the shares such that an adjustment is

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determined to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the ESPP, then the board or committee shall, in such manner as it deems appropriate, make such equitable adjustments in the ESPP and the then outstanding offerings as it deems necessary and appropriate. Adjustments may include, without limitation, changing the number of shares reserved for purchase under the ESPP.

Who is eligible to participate in the ESPP?

Only employees of the company (including employees who are directors) and employees of our participating affiliates are eligible to participate in the ESPP. The committee, or its delegate, will determine the particular eligibility requirements for participation in an offering. For offerings that are intended to qualify under Section 423, the committee is not permitted to exclude employees who customarily work twenty (20) or more hours per week or five (5) or more months in calendar year. For offerings that are not intended to qualify under Section 423, the committee has the ability to determine that it is necessary or desirable to exclude certain employees by location or position from participation in the Non-423 component of the ESPP in order to reflect or comply with local laws or conditions.

How does the ESPP operate?

Offering Period. Shares of common stock are offered under the ESPP through a series of offerings of such duration as determined by the committee. These are known as offering periods. Historically, the committee has approved offering periods of approximately six (6) months, but may permit shorter or longer offering periods. In no event, however, may an offering period exceed 12 months.

Each offering consists of (i) an enrollment period, during which eligible employees can elect to participate with respect to an offering period by accumulating funds for the purchase of shares through payroll deductions during the immediately following offering period, (ii) the offering period during which such funds are accumulated, and (iii) a purchase date, which is usually the last day of the offering period, as of which the ESPP administrator will acquire shares of company common stock with the funds accumulated by each participant during the offering period.

When an eligible employee elects to participate in an offering, he or she is electing to accumulate funds through payroll deduction during the offering period which will be used to acquire shares of common stock on the purchase date as of the close of the offering period. Except as may be permitted by the committee, all contributions must be made by means of payroll deductions. On the purchase date, all payroll deductions (and any other permitted contributions) collected from the participant are automatically applied to the purchase of common stock, subject to certain limitations. All payroll deductions are taken on an after-tax basis.

As described under the subheading *Purchase Price*, below, a major benefit of the ESPP is that participants are able to purchase shares at a discount from the then-current market price.

A participant with respect to an offering period may, by written notice at any time during the offering period, direct the company to reduce or increase payroll deductions, subject to a maximum of one change per offering period. The committee may prescribe rules regarding the time and manner for providing such notice.

Amounts contributed by means of payroll deductions during an offering period are accounted for through a bookkeeping account established by the company (or participating affiliate). This is a recordkeeping account only, and is not credited with interest. A participant may elect to withdraw all or any portion of his or her account prior to the end of the offering period to which it relates. Such withdrawal will terminate the participant's participation with respect to that offering period, although he or she can elect to enroll and participate again with respect to a future offering period, provided he or she remains an eligible employee. The committee may require that a notice of withdrawal be on file with the company's designated office for a reasonable period prior to the

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purchase date with respect to the offering period. Following receipt of a timely notice of withdrawal, the participant's accumulated account which has not been applied to the purchase of shares shall be refunded to the participant as soon as administratively feasible in accordance with the company's administrative procedures.

Purchase Price. The purchase price of the shares of common stock purchased on behalf of each participant on each purchase date is the lower of 85% of (1) the fair market value per share on the start date of the offering period in which the participant is enrolled or (2) the fair market value on the applicable purchase date of the offering period (usually the last day of the offering period).

The fair market value per share on any particular date under the ESPP is the closing price per share on such date reported on The NASDAQ Stock Market. As of March 15, 2010, the fair market value of the company's common stock determined on such basis was \$20.28 per share.

With respect to the Non-423(b) Plan, in circumstances where payroll deductions have been taken from a participant's base salary or base pay in a currency other than U.S. dollars, shares will be purchased by converting the participant's account to U.S. dollars at the exchange rate in effect at the end of the fifth (5th) business day preceding the purchase date, as published by Bloomberg.com if available or otherwise as determined with respect to a particular jurisdiction by the committee or its delegate for this purpose, and such dollar amount shall be used to purchase shares as of the purchase date. It is intended that the committee, or its delegate for such purpose with respect to a particular jurisdiction, will communicate the exchange rate to be used to each affected participant in advance of the purchase date so that he or she may decide whether to purchase the shares or to withdraw all or part of his or her account prior to the end of the offering period.

Payroll Deductions and Stock Purchases. By enrolling in the ESPP with respect to an offering period, each participant authorizes periodic after-tax payroll deductions of a percentage of his or her base salary or base pay each payroll period during the offering period. Payroll deductions will be accumulated and applied to the acquisition of shares of common stock on the purchase date for that offering period at the purchase price in effect for that purchase date. Payroll deductions may be made in 1% increments of base salary or base pay, subject to a minimum of 1% and a maximum of 10% of base salary or base pay each payroll period. Contributions other than by means of payroll deduction are generally not permitted. In no event may contributions exceed 10% of the participant's base salary or base pay for the offering period.

Other Limitations. The ESPP imposes certain limitations upon a participant's rights to acquire shares of common stock for offerings that are intended to qualify under Section 423, including the following:

Purchase rights granted to a participant may not permit such individual to purchase more than \$25,000 worth of shares of common stock (valued as of the first day of each offering period) for each calendar year.

Purchase rights may not be granted to any individual if such individual would, immediately after the grant, own or hold outstanding options or other rights to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the company or any of our affiliates.

The maximum number of shares that may be purchased by any participant in any calendar year is 4,000 shares. Unless otherwise determined by the committee, these limitations will also be imposed with respect to purchases under the Non-423 component of the Plan made available to employees of participating non-U.S. affiliates.

Termination of Employment. Purchase rights granted pursuant to any offering under the ESPP terminate immediately upon cessation of employment for any reason, including death, and the company will refund all accumulated payroll deductions which have not been applied to the purchase of shares to the terminated employee or his or her beneficiary, as applicable, without interest.

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Stockholder Rights. No participant has any stockholder rights with respect to the shares of common stock covered by a purchase right until the shares of common stock are actually purchased on the participant's behalf. Other than stock splits and other recapitalizations described above, no adjustment will be made for dividends, distributions or other rights for which the record date is prior to the date of such purchase.

Change in Ownership

In the event of the change in control of the company (as defined in the ESPP), if the committee determines that the continued operation or administration of the ESPP could prevent participants from obtaining the benefits intended under the ESPP, the ESPP may be terminated in any manner deemed by the committee to provide equitable treatment to participants.

Share Pro Ration. Should the total number of shares of common stock to be purchased pursuant to outstanding purchase rights on any particular date exceed either (1) the maximum number of shares of common stock purchasable in total by all participants on any one purchase date as in effect with respect to an offering period, or (2) the number of shares of common stock then available for purchase under the ESPP, then the committee will make a pro rata allocation of the available shares of common stock in as nearly a uniform manner as shall be practicable and as it shall deem equitable. In the event that any shares reserved for any offering period are not purchased, such un-purchased shares may again be made available for purchase under the Plan.

Special Rules for Non-U.S. Affiliates. With respect to employees of the company's non-U.S. affiliates participating in the ESPP, the committee may adopt rules or procedures relating to the operation and administration of the ESPP to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the committee is specifically authorized to adopt rules and procedures regarding handling of payroll deductions, payment of interest, conversion of local currency, payroll tax, withholding procedures and handling of stock certificates which vary with local requirements.

The committee may also adopt rules, procedures or sub-plans applicable to particular non-U.S. participating affiliates and the jurisdiction(s) to which they are subject, which sub-plans may be designed to be outside the scope of Section 423 and which are intended to comply with the tax, employment and/or securities laws of such jurisdiction(s). The rules of such sub-plans may take precedence over other provisions of this Plan, with the exception of the maximum number of shares available for purchase, but unless otherwise superseded by the terms of such sub-plan, the provisions of the ESPP shall govern the operation of such sub-plan. To the extent inconsistent with the requirements of Section 423, such sub-plan shall be considered part of the Non-423 Plan, and rights granted thereunder shall not be considered to comply with Section 423.

Can the ESPP be amended or terminated?

The company's board may alter, suspend or terminate the ESPP at any time. However, the board must seek stockholder approval of any ESPP amendment to the extent necessary to satisfy applicable laws or listing requirements. For example, under currently applicable laws and listing requirements the board may not, without stockholder approval, amend the ESPP to (1) increase the number of shares of common stock issuable under the ESPP, or (2) alter the purchase price formula so as to reduce the purchase price. Subject to the foregoing, the committee may, from time to time, amend the ESPP to cure any ambiguity or correct or supplement any provision of the Plan which may be defective or inconsistent with another provision of the Plan, or to make other necessary or desirable changes that the committee deems to be not material.

U.S. Federal Tax Consequences

The following is a summary of the principal U.S. Federal income taxation consequences to the company and our employees with respect to participation in the ESPP. This summary is not intended to be exhaustive and does not discuss the income tax laws of any foreign jurisdictions where a participant may reside.

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General. For employees of the company and its participating U.S. affiliates that are subject to U.S. tax laws, the ESPP is intended to qualify as an employee stock purchase plan within the meaning of Section 423, so that purchase rights exercised under the ESPP may qualify as qualified purchases under Section 423. Under such an arrangement, no taxable income will be recognized by a participant, and no deductions will be allowable to the company, upon either the grant or the exercise of the purchase rights. Taxable income will not be recognized until there is a sale or other disposition of the shares of common stock acquired under the ESPP or in the event the participant should die while still owning the purchased shares of common stock.

Disqualifying Disposition. If the participant sells or otherwise disposes of the purchased shares of common stock within two years after the start date of the offering period in which such shares were acquired or within one year after the actual purchase date of those shares, then the participant will recognize ordinary income equal to the amount by which the fair market value of the shares of common stock on the purchase date exceeded the purchase price paid for those shares, and the company will be entitled to an income tax deduction, for the taxable year in which such disposition occurs, equal in amount to such excess. The participant will also recognize capital gains to the extent the amount realized upon the sale or disposition of the shares of common stock exceeds the sum of the aggregate purchase price paid for those shares of common stock and the ordinary income recognized upon their disposition.

Qualifying Disposition. If the participant sells or disposes of the purchased shares of common stock more than two years after the start date of the offering period in which the shares of common stock were acquired and more than one year after the actual purchase date of those shares, then the participant will recognize ordinary income in the year of sale or disposition equal to the lesser of (1) the amount by which the fair market value of the shares of common stock on the sale or disposition date exceeded the purchase price paid for those shares of common stock or (2) fifteen percent (15%) of the fair market value of the shares of common stock on the start date of that offering period. Any additional gain or loss upon the disposition will be taxed as a long-term capital gain or loss. The company will not be entitled to an income tax deduction with respect to such disposition.

Death. If the participant still owns the purchased shares at the time of death, the lesser of (1) the amount by which the fair market value of the shares on the date of death exceeds the purchase price or (2) fifteen percent (15%) of the fair market value of the shares on the start date of the offering period in which those shares of common stock were acquired will constitute ordinary income in the year of death.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE APPROVAL OF THE AMENDED AND RESTATED NASDAQ OMX EMPLOYEE STOCK PURCHASE PLAN.

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PROPOSAL VI

APPROVE THE NASDAQ OMX 2010 EXECUTIVE CORPORATE INCENTIVE PLAN

Performance-based incentives are a foundation of our compensation program. Accordingly, we offer annual performance-based cash incentive awards to our key employees with significant responsibility for the success and growth of NASDAQ OMX under an executive corporate incentive plan. The executive corporate incentive plan is designed to: (1) promote attainment of the company's significant business objectives, (2) encourage and reward management teamwork across the entire company and (3) assist in the attraction and retention of employees vital to the company's long-term success. For a description of the awards made under the current executive corporate incentive plan for 2009, see Compensation Discussion & Analysis Analysis of 2009 Executive Compensation Elements Annual Performance-Based Cash Incentive Awards.

In March 2010, the company's management compensation committee and board of directors approved, and recommend that stockholders approve, the NASDAQ OMX 2010 Executive Corporate Incentive Plan (the ECIP). The ECIP is intended to replace our existing executive corporate incentive plan, and it is anticipated that no future awards will be made under that plan if our stockholders approve the ECIP.

The company is seeking stockholder approval of the ECIP (i) as it includes a revised list of performance measures that may be used when granting awards under the plan and (ii) for purposes of complying with Section 162(m) of the Code. Generally, Section 162(m) of the Code does not allow publicly-held companies like NASDAQ OMX to take a tax deduction for compensation that is paid to the CEO and the three other most highly compensated executive officers (other than the principal financial officer) to the extent such compensation exceeds one million dollars per officer in any year. However, awards made by a publicly-traded company pursuant to a performance-based compensation plan that is approved by its stockholders at least every five years will not be subject to the deduction limit.

The ECIP is set forth in full in Appendix D to this proxy statement. A summary of the ECIP is set forth below.

How is the ECIP administered?

The ECIP is administered by the management compensation committee of our board. The committee has full authority and discretion to: (i) determine eligibility for participation in the ECIP, (ii) make awards under the ECIP, (iii) establish the terms and conditions of such awards (including, without limitation, the length of the performance period, the performance goals and the performance measures) and (iv) determine and certify whether the performance goals have been achieved.

The committee is authorized to interpret the ECIP, adopt administrative rules, regulations, procedures and guidelines for the plan, and correct any defects and other inconsistencies in the plan.

Who is eligible to participate in the ECIP?

Participation in the ECIP is limited to active employees of the company or participating affiliates who are employed in an executive capacity. The CEO, or his or her designee, may recommend employees for selection as participants in the ECIP, and the committee, in its sole discretion, has the authority to select employees to participate.

What type of awards are made under the ECIP?

The committee may, in its discretion, grant performance-based cash awards to eligible participants under the ECIP. The amount of a participant's award may be based on a percentage of the participant's salary or on another

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method established by the committee. Each participant will be notified of his or her potential eligibility for an award. No award paid to a participant for a performance period of one year or more may exceed the greater of 3% of the company's before-tax net income or \$3,000,000. A performance period generally is a calendar year but can be another period, which may be longer or shorter than a year, as selected by the committee. For a performance period of less than one year, the maximum award limit will be pro-rated.

What performance measures are used?

Cash awards under the ECIP will be conditioned upon the achievement of pre-established goals relating to one or more of the following performance measures as established by the committee:

earnings before interest and taxes;

earnings before interest, taxes, depreciation and amortization;

earnings per share;

non-GAAP earnings per share;

revenue growth; share price;

market share;

net income or net revenue or net profit (before or after taxes);

income from operations (before or after taxes);

return measures (including without limitation return on assets or net assets, capital or sales);

cash flow (including without limitation, operating cash flow and/or free cash flow);

expense targets;

planning accuracy (as measured by comparing planned results to actual results);

objectively determinable effectiveness, efficiency or business retention/expansion goals; and

business effectiveness survey results.

Performance measures may be determined either individually, alternatively or in any combination and applied to either the company as a whole or to a business unit, division, department or function of the company or any subsidiary or affiliate of the company, as specified by the committee. Performance may be measured on an absolute basis or relative to a pre-established target, to a previous year's or period's results or to a designated comparison group or company or stock market index, in each case as specified by the committee.

No later than ninety (90) days after the beginning of an applicable performance period, the committee will establish in writing the performance goals, performance measures and the methods for computing the amount of compensation that will be payable under the ECIP to each participant if the performance goals are attained. For a performance period of less than one year, the committee will take any action prior to the lapse of 25% of the performance period. In addition to establishing minimum performance goals, the committee, in its discretion, may create a performance schedule under which an amount less than or more than the target award may be paid so long as the performance goals have been achieved.

To the extent consistent with Section 162(m) of the Code, the committee may, in determining whether pre-established performance goals have been achieved, exercise discretion to include or exclude the effect of certain extraordinary or non-recurring events specified in the ECIP that occur during a performance period.

The committee, in its discretion, also may establish additional restrictions or conditions that must be satisfied as a condition to payment of all or a portion of an award. These restrictions and conditions may include, among others, the receipt by a participant of a specified annual performance rating, a vesting requirement and/or

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the achievement of specified performance goals by the company, business unit or participant. The committee also may reduce the amount of any award if it concludes that such reduction is necessary or appropriate in its discretion, but may not increase any award that is intended to be performance-based compensation under Section 162(m) of the Code.

When are awards paid?

Payment of awards will be made as promptly as practicable after the committee has certified in writing the extent to which the applicable performance goals and other material terms have been achieved. If an award is subject to a vesting requirement or satisfaction of other conditions, payment will be made as soon as practicable following the participant's satisfaction of the applicable other requirement or condition. In no event, however, may an award be paid no later than two and one-half (2 1/2) months following the end of the calendar year that includes the end of the performance period or, if later, the date the other requirement or condition is satisfied.

In the event a participant's employment is terminated by reason of death, disability or retirement (as defined in the ECIP), the award shall be reduced on a pro-rated basis to reflect partial participation during the performance period through the date of such termination, subject to the committee's certification that, with respect to termination of employment due to retirement, the applicable performance goal(s) for the performance period have been met.

In the event a participant's employment is terminated for any reason other than death, disability or retirement, all of the participant's rights to an award for the performance period then in progress shall be forfeited. However, the committee may, in its sole discretion, pay a pro-rated award for the portion of the performance period, subject to the committee's certification that the applicable performance goals for the performance period have been met. Pro-rated awards shall be paid on the normal payment date with regard to the performance period to which the award relates.

Are awards transferable?

No. A participant's rights under the ECIP may not be assigned, pledged or otherwise transferred except, in the event of the participant's death, to the participant's designated beneficiary or, in the absence of such designation, by will or by the laws of descent and distribution.

Can the ECIP be amended or terminated?

Yes. The committee may amend, suspend or terminate the ECIP at any time. No amendment, however, may be made without the consent of the company's stockholders if the effect of such amendment would be to cause outstanding or pending awards to cease to qualify for the performance-based compensation exception to Section 162(m) of the Code. The committee may at any time (without the consent of participants) modify, amend or terminate any or all of the provisions of the ECIP to the extent necessary to conform such provisions to Section 409A of the Code.

What are the federal income tax consequences to participants?

When any part of an award is paid in cash to a participant, the participant will realize compensation taxable as ordinary income in an amount equal to the cash paid. The company will generally be entitled to a deduction in the same amount and at the same time that the participant recognizes ordinary income.

Are there any limitations on the company's deductions?

With certain exceptions, Section 162(m) of the Code limits the company's deduction for compensation in excess of one million dollars paid to the company's CEO and its three other highest-paid executive officers (other than the principal financial officer). Compensation paid to such covered employees is not subject to the

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deduction limitation if it is considered qualified performance-based compensation within the meaning of Section 162(m) of the Code. If the company's stockholders approve the ECIP, the company intends that performance awards (intended to be treated as qualified performance-based compensation as defined in the Code) granted to covered employees under the ECIP will satisfy the requirements of qualified performance-based compensation, and therefore, the company will be entitled to a deduction with respect to the payment of such awards. However, with respect to awards that are not intended to be treated as qualified performance-based compensation as defined in the Code, the deduction that the company might otherwise receive with respect to such awards to covered employees may be disallowed.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE NASDAQ OMX 2010 EXECUTIVE CORPORATE INCENTIVE PLAN.

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PROPOSAL VII

APPROVE THE CONVERSION OF

SERIES A PREFERRED STOCK INTO COMMON STOCK

On September 25, 2009, we entered into a conversion agreement with Silver Lake Partners TSA, L.P., Silver Lake Investors, L.P., Silver Lake Partners II TSA, L.P., Silver Lake Technology Investors II, L.P. and Edward J. Nicoll, as certain holders of 3.75% Series A convertible notes due 2012, which originally were issued by The Nasdaq Stock Market, Inc. and later assumed by our wholly owned subsidiary The NASDAQ Stock Market LLC. Under the conversion agreement, these holders agreed to convert their notes into shares of our common stock. As an inducement for conversion of the notes, we made an aggregate cash payment of \$9 million to the converting holders and certain of their affiliates and issued 1.6 million shares of our Series A convertible preferred stock, par value \$0.01 per share (which we refer to as the Series A preferred stock) to the converting holders. The Series A preferred stock was issued with a liquidation preference per share equal to \$10 plus any accrued and unpaid dividends. As of the date of this proxy statement, there are no accrued or unpaid dividends on the Series A preferred stock.

Under the certificate of designation governing the terms of our Series A preferred stock, we are required to seek stockholder approval to permit the conversion of the Series A preferred stock into shares of common stock. Upon stockholder approval, the Series A preferred stock will convert automatically into the number of common shares determined by dividing the liquidation preference amount by the average daily volume weighted average price, or VWAP, of our common stock during the 10 trading day period immediately preceding the date on which the results of the stockholder vote are calculated, subject to a floor price of 80% of the price of our common stock as of the initial issuance date, or \$17.54, and a ceiling price of 120% of the price of our common stock as of the initial issuance date, or \$26.31. Based on the floor and ceiling prices, the Series A preferred stock could convert in aggregate into a minimum of 608,245 shares of our common stock and a maximum of 912,367 shares of our common stock.

Upon conversion, holders of the Series A preferred stock would no longer be entitled to the dividends described below or a preference on liquidation. In addition, such holders would no longer be entitled to vote separately as a class in connection with certain amendments, modifications or waivers to our certificate of incorporation, by-laws or the certificate of designation governing the Series A preferred stock. Finally, upon conversion, the holders of Series A preferred stock will no longer have the right to require us to redeem their shares of Series A preferred stock, including the rights to redemption described below and the right to redemption upon the occurrence of a fundamental change.

If the Series A preferred stock does not convert into common stock, we will be obligated to pay cumulative dividends to the holders of the Series A preferred stock which will accrue on a daily basis at a rate of 12% per year based on the liquidation preference, compounded quarterly and accreting to and increasing the outstanding liquidation preference in arrears.

In addition, if the Series A preferred stock does not convert into common stock, we will have the option to redeem all outstanding shares of Series A preferred stock at a redemption price per share equal to (i) 110% of the liquidation preference prior to the first anniversary of the 2010 annual meeting; (ii) 105% of the liquidation preference on or after the first anniversary but prior to the second anniversary of 2010 annual meeting; or (iii) 100% of the liquidation preference on or after the second anniversary of the 2010 annual meeting. If the Series A preferred stock is not converted or otherwise redeemed prior to October 1, 2013, we are obligated to redeem all outstanding shares of the Series A preferred stock at a redemption price per share equal to the liquidation preference, subject to the legal availability of funds for redemption.

Glenn H. Hutchins, one of our directors, is also a Co-Founder and Co-Chief Executive Officer of Silver Lake. As a result of the 2009 conversion transaction, Silver Lake owns 1,586,620 shares of our Series A preferred stock. Silver Lake also is the beneficial owner of certain shares of our common stock. See Certain

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Relationships and Related Transactions Silver Lake. As a result, stockholder approval for the conversion of the Series A preferred stock into common stock is required under NASDAQ Listing Rule 5635(c).

This proxy statement contains a summary of the material terms and provisions of the Series A preferred stock. The certificate of designations with respect to the Series A preferred stock is attached to this proxy statement as Appendix E. Stockholders are urged to read the certificate of designations relating to the Series A preferred stock in its entirety.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE CONVERSION OF THE SERIES A PREFERRED STOCK INTO COMMON STOCK.

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OTHER BUSINESS

The NASDAQ OMX board knows of no business other than the matters described in this proxy statement that will be presented at the annual meeting. To the extent that matters not known at this time may properly come before the annual meeting, absent instructions thereon to the contrary, the enclosed proxy will confer discretionary authority with respect to such other matters as may properly come before the meeting, and it is the intention of the persons named in the proxy to vote in accordance with their judgment on such other matters.

Table of Contents**EXECUTIVE OFFICERS OF NASDAQ OMX**

The executive officers of NASDAQ OMX are as follows:

Name	Age	Position
Robert Greifeld	52	Chief Executive Officer
Bruce E. Aust	46	Executive Vice President, Global Corporate Client Group
Anna M. Ewing	49	Executive Vice President and Chief Information Officer
Adena T. Friedman	40	Executive Vice President, Corporate Strategy and Chief Financial Officer
Ronald Hassen	58	Senior Vice President, Controller and Principal Accounting Officer
John L. Jacobs	51	Executive Vice President, Chief Marketing Officer, Global Index Products and Global Marketing Group
Hans-Ole Jochumsen	52	Executive Vice President, Transaction Services Nordic
Eric W. Noll	48	Executive Vice President, Transaction Services U.S and U.K.
Edward S. Knight	59	Executive Vice President, General Counsel and Chief Regulatory Officer

Robert Greifeld, a member of our board of directors, is our Chief Executive Officer. He was appointed our Chief Executive Officer in May 2003 and previously served as President from May 2003 to February 2008. Prior to joining NASDAQ OMX, Mr. Greifeld was an Executive Vice President at SunGard Data Systems, Inc., a global provider of integrated software and processing solutions for financial services and a provider of information availability services. Mr. Greifeld joined SunGard in 1999 through SunGard's acquisition of Automated Securities Clearance, Inc., where from 1991 to 1999, Mr. Greifeld was the President and Chief Operating Officer. Mr. Greifeld is a member of the board of directors of NASDAQ Dubai.

Bruce E. Aust has served as Executive Vice President of the Global Corporate Client Group since July 2003. Mr. Aust also has responsibility for NASDAQ OMX's Corporate Services unit. Previously, Mr. Aust served as Executive Director and Vice President of the Corporate Client Group. Prior to joining NASDAQ OMX in 1998, Mr. Aust spent 12 years at Fidelity Investments in a variety of sales, trading, and management positions in Dallas, Boston, Los Angeles, and San Francisco.

Anna M. Ewing has served as Executive Vice President and Chief Information Officer since December 2005. Ms. Ewing is head of Global Software Development, Global IT Services and Market Technology. Previously, she served as Senior Vice President of Technology Services in our Operations & Technology Group since October 2000. Before joining NASDAQ OMX, Ms. Ewing was Managing Director, Electronic Commerce at CIBC World Markets in New York and Toronto, where she served as Managing Director of Global Applications Services and as a founding member of CIBC.com. Before that, Ms. Ewing served as Vice President at Merrill Lynch, where she held various leadership positions within the Corporate and Institutional Client Group Technology Division, including Global Head of Institutional Client Technology, Global Head of Financial Futures and Options Technology, Global Head of Prime Brokerage Technology and Regional Head of Technology at Merrill Lynch Canada.

Adena T. Friedman has served as Executive Vice President of Corporate Strategy since October 2003 and as Chief Financial Officer since August 2009. Ms. Friedman served as Executive Vice President of Global Data Products from January 2002 to August 2009. Previously, Ms. Friedman served as Senior Vice President of Nasdaq Data Products from January 2001 to January 2002, Vice President of OTC Bulletin Board, Mutual Fund Quotation Service and NasdaqTrader.com from January 2000 to January 2001, Director of OTC Bulletin Board and Mutual Fund Quotation Service from August 1997 to January 2000 and Marketing Manager overseeing our marketing efforts to broker-dealers from April 1995 to August 1997. Ms. Friedman joined NASDAQ OMX in 1993. Ms. Friedman is a member of the board of directors of NASDAQ Dubai.

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Ronald Hassen has served as Senior Vice President and Controller since March 2002 and Principal Accounting Officer since May 2002. Previously, Mr. Hassen served as Treasurer from November 2002 through January 2007. Prior to joining NASDAQ OMX, Mr. Hassen served as Controller of Deutsche Bank North America from June 1999, after its acquisition of Bankers Trust Company. Mr. Hassen joined Bankers Trust in 1989, serving most recently as Principal Accounting Officer from 1997 until the company's acquisition by Deutsche Bank.

John L. Jacobs has served as Executive Vice President of Worldwide Marketing and Financial Products since July 2002. Previously, Mr. Jacobs served as Senior Vice President of Worldwide Marketing and Financial Products from January 2000 until July 2002 and as Vice President of Investor Services and Worldwide Marketing from January 1997 until January 2000. Mr. Jacobs joined NASDAQ OMX in 1983.

Hans-Ole Jochumsen has served as Executive Vice President of Transaction Services Nordic since February 2008. Mr. Jochumsen also has responsibility for NASDAQ OMX's Global Data Products unit. Previously, Mr. Jochumsen was the President of Information Services & New Markets for OMX. Prior to that, he served as President and CEO of the Copenhagen Stock Exchange (now called the OMX Nordic Exchange Copenhagen A/S) and FUTOP Clearingcentralen Ltd. Prior to joining OMX in 1998, Mr. Jochumsen served as President and member of the Executive Management of BG Bank from 1996 to 1998 and as President and member of the Executive Management of Girobank from 1994 to 1996. From 1990 to 1994, he was a President and member of the Executive Management of BRFkredit (mortgage bank).

Eric W. Noll has served as Executive Vice President of Transaction Services U.S. and U.K. since July 2009. From March 1994 to July 2009, Mr. Noll served as the Managing Director of Susquehanna Financial Group, LLLP and Associate Director of Susquehanna International Group, LLP. Prior to this, Mr. Noll worked at the Philadelphia Stock Exchange from March 1993 to March 1994 as the Assistant Vice President, New Market Development, Strategic Planning and Marketing. Mr. Noll also worked at the Chicago Board Options Exchange from 1990 to 1993 in various roles as an Associate and Manager of Strategic Planning.

Edward S. Knight has served as Executive Vice President and General Counsel since October 2000 and Chief Regulatory Officer since January 2006. Previously, Mr. Knight served as Executive Vice President and Chief Legal Officer of FINRA from July 1999 to October 2000. Prior to joining FINRA, Mr. Knight served as General Counsel of the U.S. Department of the Treasury from September 1994 to June 1999.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table and accompanying footnotes show information regarding the beneficial ownership of our voting securities as of April 1, 2010 by:

each person who is known by us to own beneficially more than 5% of our voting securities;

each director;

each named executive officer; and

all directors and executive officers as a group.

Except as otherwise indicated, we believe that the beneficial owners listed below, based on information furnished by such owners, will have sole investment and voting power with respect to such shares, subject to community property laws where applicable. Shares of common stock underlying convertible notes, options or warrants that are currently exercisable or exercisable within 60 days are considered outstanding and beneficially owned by the person holding the convertible notes, options or warrants for the purposes of computing the percentage ownership of that person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Holders of restricted stock granted under the Equity Plan have the right to direct the voting of both vested and unvested restricted shares. As of April 1, 2010, 209,554,448 shares of common stock were outstanding (including shares of restricted common stock entitled to vote at the annual meeting).

Name of Beneficial Owner	Common Stock Beneficially Owned	Percent of Class
Borse Dubai Limited(1)		
Level 7, Precinct Building 5, Gate District DIFC		
Dubai UAE	42,901,148	20.5%
Borse Dubai Nasdaq Share Trust(1)		
c/o Wells Fargo Delaware Trust Company		
919 North Market Street, Suite 1600		
Wilmington, DE 19801	17,660,367	8.4%
Urban Bäckström(2)	5,150	*
H. Furlong Baldwin(3)	27,855	*
Michael Casey(4)	48,785	*
Lon Gorman(5)	5,370	*
Glenn H. Hutchins(6)	8,402	*
Birgitta Kantola(7)	2,272	*
Essa Kazim(8)	2,272	*
John D. Markese(9)	38,395	*
Hans Munk Nielsen(10)	10,772	*
Thomas F. O'Neill(11)	7,682	*
James S. Riepe(12)	8,391	*
Michael R. Splinter(13)	2,272	*
Lars Wedenborn(14)	20,034	*

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Deborah L. Wince-Smith(15)	12,256	*
Robert Greifeld(16)	2,753,763	1.3%
Bruce E. Aust(17)	324,807	*
Anna M. Ewing(18)	140,677	*
Adena T. Friedman(19)	347,941	*
Edward S. Knight(20)	278,787	*
David P. Warren(21)	290,207	*
All directors and executive officers of NASDAQ OMX as a group (23 persons)(22)	4,590,095	2.2%

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- * Represents less than 1%.
- (1) Based solely on information included in a Schedule 13D, filed March 7, 2008. Borse Dubai Limited (Borse Dubai) holds 42,901,148 shares directly and is the sole beneficial owner of the Borse Dubai Nasdaq Share Trust (the Trust) which holds 17,660,367 shares. Borse Dubai is a subsidiary of Investment Corporation of Dubai, which is deemed the beneficial owner of the shares held by Borse Dubai and the Trust. As of the record date, because Borse Dubai beneficially owns the shares held by the Trust, the shares held by Borse Dubai and the Trust collectively are subject to the 5% voting limitation contained in our certificate of incorporation. Until such voting limitation is no longer applicable to the shares beneficially owned by Borse Dubai, Borse Dubai shall vote all shares beneficially owned by Borse Dubai (subject to the voting limitation), and the Trust shall have no separate voting rights. If any shares held by the Trust are deemed to have the right to vote on any matter submitted to the stockholders, or any action by written consent to be taken by the stockholders, the Trust is required to execute a proxy to vote such shares pro rata with the other stockholders (excluding Borse Dubai) at the time of any such vote or consent. While Borse Dubai may direct the Trust to dispose of its shares, Borse Dubai has no control over the voting of the shares held by the Trust. All of the shares held by Borse Dubai and the Trust are pledged as security for outstanding indebtedness.
 - (2) Represents 5,150 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010.
 - (3) Represents (i) 5,000 vested options to purchase NASDAQ OMX common stock granted under the Equity Plan and (ii) 22,855 shares of restricted stock granted under the Equity Plan, of which 16,796 shares are vested and 6,059 shares vest on May 21, 2010.
 - (4) Represents (i) 5,000 vested options to purchase NASDAQ OMX common stock granted under the Equity Plan, (ii) 23,785 shares of restricted stock granted under the Equity Plan, of which 21,513 shares are vested and 2,272 shares vest on May 21, 2010 and (iii) 20,000 shares acquired through open-market purchases that Mr. Casey holds jointly with his spouse. Excludes shares of NASDAQ OMX common stock owned by Starbucks Corporation, of which Mr. Casey is an advisor to the Chief Executive Officer and Chief Financial Officer. Mr. Casey disclaims beneficial ownership of such shares.
 - (5) Represents 3,098 shares of restricted stock granted under the Equity Plan, of which 3,098 shares are vested and 2,272 shares vest on May 21, 2010.
 - (6) Represents 8,402 shares of restricted stock granted under the Equity Plan, of which 6,130 shares are vested and 2,272 shares vest on May 21, 2010. Mr. Hutchins holds these restricted shares for the benefit of Silver Lake Technology Management, L.L.C.
 - (7) Represents 2,272 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010.
 - (8) Represents 2,272 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010.
 - (9) Represents (i) 5,000 vested options to purchase NASDAQ OMX common stock granted under the Equity Plan, (ii) 18,395 shares of restricted stock granted under the Equity Plan, of which 16,123 shares are vested and 2,272 shares vest on May 21, 2010 and (iii) 15,000 shares of common stock held by the John D. Markese Trust September 2, 1999, of which Mr. Markese is a trustee and beneficiary.
 - (10) Represents (i) 2,272 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010 and (ii) 8,500 shares acquired through open-market purchases.

- (11) Represents 7,682 shares of restricted stock granted under the Equity Plan, of which 5,410 shares are vested and 2,272 shares vest on May 21, 2010. Excludes shares of NASDAQ OMX common stock owned by Sandler O Neill + Partners L.P., of which Mr. O Neill is a founding principal. Mr. O Neill disclaims beneficial ownership of such shares.

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- (12) Represents 8,391 shares of restricted stock granted under the Equity Plan, of which 6,119 shares are vested and 2,272 shares vest on May 21, 2010. Excludes shares of common stock owned by T. Rowe Price Group, Inc. and its affiliates, of which Mr. Riepe is Senior Advisor. Mr. Riepe disclaims beneficial ownership of such shares.
- (13) Represents 2,272 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010.
- (14) Represents (i) 4,544 shares of restricted stock granted under the Equity Plan, of which all shares vest on May 21, 2010 and (ii) 15,490 shares acquired through open-market purchases by a pension insurance fund in the name of Foundation Asset Management, which is Mr. Wedenborn's employer.
- (15) Represents 12,256 shares of restricted stock granted under the Equity Plan, of which 7,712 shares are vested and 4,544 shares vest on May 21, 2010.
- (16) Represents (i) 300,000 shares of stock acquired upon exercise of vested stock options, (ii) 2,180,000 vested options, (iii) 209,383 shares of vested restricted stock and (iv) 64,380 shares of vested stock underlying PSUs. Mr. Greifeld maintains margin securities accounts at brokerage firms, and as a standard feature of these accounts, shares held in these accounts are pledged as collateral security for the repayment of debit balances, if any, in the accounts. At April 1, 2010, Mr. Greifeld held approximately 573,763 NASDAQ OMX shares in such accounts.
- (17) Represents (i) 7,000 shares of stock acquired upon exercise of vested stock options, (ii) 306,279 vested options to purchase stock granted under the Equity Plan, (iii) 8,615 shares of restricted stock granted under the Equity Plan, of which 3,180 shares are vested and (iv) 2,913 shares of stock purchased pursuant to the ESPP. At April 1, 2010, Mr. Aust held 7,000 NASDAQ OMX shares in a margin account.
- (18) Represents (i) 7,000 shares of stock acquired upon exercise of vested stock options, (ii) 66,279 vested options to purchase stock granted under the Equity Plan, (iii) 53,717 shares of restricted stock granted under the Equity Plan, of which 48,282 shares are vested and (iv) 13,681 shares of stock purchased pursuant to the ESPP.
- (19) Represents (i) 19,000 shares of stock acquired upon exercise of vested stock options, (ii) 311,279 vested options to purchase stock granted under the Equity Plan, (iii) 17,661 shares of restricted stock granted under the Equity Plan, of which 12,226 shares are vested and (iv) one share of stock purchased pursuant to the ESPP.
- (20) Represents (i) 10,555 shares of stock acquired upon exercise of vested stock options, (ii) 246,600 vested options to purchase stock granted under the Equity Plan, (iii) 7,606 shares of restricted stock granted under the Equity Plan, of which 2,798 shares are vested and (iv) 14,026 shares of stock purchased pursuant to the ESPP.
- (21) Represents (i) 285,400 vested options to purchase stock granted under the Equity Plan and (ii) 4,807 shares of vested restricted stock granted under the Equity Plan.
- (22) Of these shares, approximately 580,763 shares are held in margin accounts.

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COMPENSATION DISCUSSION AND ANALYSIS

Overview

This compensation discussion and analysis describes the compensation program for the year ended December 31, 2009 for our named executive officers:

Robert Greifeld, Chief Executive Officer;

Adena T. Friedman, Executive Vice President and Chief Financial Officer;

David P. Warren, Former Executive Vice President and Chief Financial Officer;

Bruce E. Aust, Executive Vice President, Global Corporate Client Group;

Anna M. Ewing, Executive Vice President and Chief Information Officer; and

Edward S. Knight, Executive Vice President, General Counsel and Chief Regulatory Officer.

The independent members of NASDAQ OMX's board of directors are responsible for overseeing our executive compensation program, and the board has delegated to its management compensation committee the primary responsibility for administering the program. Among other things, the management compensation committee is responsible for establishing the principles that underlie our executive compensation program, approving compensation for executive and senior officers and, in conjunction with the board, evaluating the performance and determining the compensation of our CEO. For additional information on the committee and its members, see Proposal I: Election of Directors Board Committees. The committee's charter can be found on NASDAQ OMX's website at <http://ir.nasdaqomx.com/governance.cfm>. The committee welcomes input from our stockholders on NASDAQ OMX's compensation program through the communication process discussed in Stockholder Communication With Directors.

General Philosophy

The management compensation committee recognizes its important responsibilities to our stockholders. The committee has endeavored to create a performance-based compensation program that meets the needs of our global company and its stockholders. The following core principles reflect the committee's current compensation philosophy:

performance-based incentives motivate employees to achieve short- and long-range goals and therefore are the foundation of our compensation program;

performance-based compensation enables employees to participate in the short- and long-term growth and financial success of the company;

compensation plans and arrangements are designed to attract and retain key employees;

equity incentives and stock ownership guidelines are used as tools to align the long-term interests of officers and employees with those of stockholders;

compensation plans and arrangements should not encourage excessive risk-taking by management;

management is rewarded for maintaining a premier regulatory program; and

executive perquisites are limited.

Setting Executive Compensation

2009 Compensation Program in Review

Due to the global economic conditions that began in late 2008 and continued into 2009, the committee and senior management expected to face a very challenging business environment in 2009. With this in mind, the

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management compensation committee did not increase base salaries for the named executive officers at the beginning of 2009, as had been the practice in recent years. Although the committee set the performance goals for annual cash incentive awards under our Executive Corporate Incentive Plan (ECIP) in alignment with the 2009 budget drivers as had been done in prior years, the committee approved certain changes to the incentive award program to motivate executives to overachieve on their performance measures. Under the incentive award structure approved by the committee, if the target performance goals were achieved for calendar year 2009, ECIP payments would equal only 80% of the target incentive award amount. In prior years, achievement of target goals would have resulted in 100% payment of target amounts. Performance goals that were eligible for overachievement were still eligible for payment up to 200%.

As the year unfolded, three of our eleven executive officers announced their departures from NASDAQ OMX to pursue other opportunities. As a result, the committee reviewed and revisited the compensation tools available to retain and motivate the executive officers. In June 2009, the committee increased the base salaries and target incentive compensation awards for those executive officers who had taken on increased responsibilities. The committee also granted out-of-cycle equity awards to all of the named executive officers (other than Mr. Warren).

For additional information on the economic and market considerations that influenced the management compensation committee's decisions relating to 2009 executive compensation, please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Form 10-K.

2010 The Year Ahead

We believe that the most challenging economic conditions in this cycle are behind us and we expect that the year ahead will prove more positive for our business drivers and our operations. For 2010, management recommended, and the committee agreed, that there should be an increased focus on product profitability and revenue generation in the executive compensation program, while at the same time continuing to promote regulatory integrity. As a result, many of the performance goals set under the 2010 ECIP relate to these three objectives. In addition, the committee determined that the appropriate mix of equity awards for the named executive officers in connection with the 2010 annual companywide equity grant and on an ongoing basis will consist of 80% PSUs and 20% stock options in order to further enhance the performance-based focus of the executive compensation program. More than 50% of the shares awarded will be on a performance basis. As the year progresses, the committee will continue to monitor our financial performance in connection with the 2010 compensation program.

Elements of Our Executive Compensation Program

The primary elements of our executive compensation program are:

annual base salaries;

annual performance-based cash incentive awards;

long-term stock-based compensation (i.e., equity awards);

retirement savings plans;

a severance plan; and

health and welfare benefits and limited perquisites.

Determining Executive Compensation

Compensation of Our CEO

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Consistent with his amended and restated employment agreement, which was effective January 1, 2007, our CEO's compensation is determined on an annual basis by the board of directors and the management

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compensation committee. On a bi-annual basis, the board and committee review Mr. Greifeld's performance in executive session as part of the deliberative process to evaluate CEO performance and determine appropriate CEO compensation. The factors considered by the board and the committee include Mr. Greifeld's performance against his annual performance objectives, the performance of the company, the quality of the management team and the management of the CEO and executive development and succession plan. The annual review process is led by the chair of the board of directors and the chair of the management compensation committee.

Compensation of Our Other Named Executive Officers

Our CEO and NASDAQ OMX's human resources department develop compensation recommendations for each of the other named executive officers. As part of this process, our CEO meets individually with each executive to discuss his or her performance against pre-established objectives determined during the previous year, as well as performance objectives for the coming year. This meeting gives each executive an opportunity to present his or her perspective of his or her performance and potential objectives and challenges for the upcoming year. Our CEO presents the results of the meetings with each executive to the management compensation committee for their review and consideration as part of the committee's deliberation process.

Tally Sheets

In making compensation decisions for the CEO and other named executive officers, the committee also reviews a peer group analysis, which is discussed further below, and tally sheets that detail the various elements of compensation, including equity compensation and retirement benefits, for each executive. The committee uses these tally sheets to evaluate the appropriateness of the total compensation package, to compare each executive's total compensation opportunity with his or her actual payout and to ensure that the compensation appropriately reflects the compensation program's focus on pay for performance.

General Principles of the Committee When Determining Executive Compensation

To determine the amounts and mix of compensation elements, the management compensation committee considers the following general principles.

Pay for Performance Our primary focus is on pay for performance. Therefore, the committee considers the executive's contribution to our short- and long-term financial performance, as well as his or her performance on other critical aspects of management that are qualitative in nature and may not be easily quantified into dollars (such as building our brand, employee development and regulatory excellence).

Competitive Market Analysis We identify compensation amounts that peers/competitors within the industry are paying to executives with similar positions and levels of experience, skills, education and responsibilities. The committee also considers industry and general economic conditions in assessing market competitiveness.

Internal Equity Our executives' compensation generally increases with position and responsibility. We believe that compensation amounts should reflect the different levels of responsibilities and performance among our executives and between our CEO, who is responsible for the entire organization, and our other executives, who are responsible for a functional area or a line of business.

Collateral Implications We design our total compensation mix to encourage our executives to take appropriate risks aimed at improving the company's performance and building long-term shareholder value. In addition, to mitigate any incentive to take inappropriate risks, each of our named executive officers is subject to the stock ownership requirements and clawback policy discussed further below. The committee also considers the tax and accounting impact of its compensation program, as well as any regulatory compliance issues. Furthermore, the compensation program is subject to a comprehensive risk assessment process that is intended to identify any areas of the compensation structure that may unintentionally encourage inappropriate risk-taking.

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The committee considers all of these principles in structuring compensation packages to reward the individual executive. Each individual component of compensation is considered independently and is not based on a formula; however, each component is intended to be complementary to the overall compensation package awarded to the executive.

Pay for Performance

The management compensation committee believes the compensation for NASDAQ OMX's executives should be performance-based. Therefore, there were no guaranteed cash incentive awards for any named executive officer in 2009.

Instead, the management compensation committee set target compensation levels for the performance-based elements of the compensation program. With respect to cash compensation, the allocation between base salary and annual cash incentives is determined based on the amount of cash compensation that the committee wishes to place at risk. At risk means that the executive will not realize any economic benefit unless the applicable objectives, most of which are tied to our company's financial performance, are met or exceeded.

Competitive Market Analysis

To evaluate the external competitiveness of our executive compensation program, the management compensation committee compares certain elements of the program to similar elements used by peer companies. The committee reviews the list of peer companies on an annual basis. Due to the global expansion of NASDAQ OMX in 2008, the committee reconstituted the peer group that it had used previously to better reflect the characteristics of our current organization. The committee believed that the prior peer group did not adequately capture the full range of competition for NASDAQ OMX executive talent, especially in the technology and financial services industries, or appropriately reflect the size and global scope of NASDAQ OMX.

At the committee's request, NASDAQ OMX's human resources department engaged Hewitt Associates (Hewitt) to assist in the review and revision of the peer group in mid-2008. To begin its analysis, Hewitt identified a broad group of potential peer companies, including companies with similar Standard Industry Classification codes, analyst-identified competitors, companies that identify NASDAQ OMX as a peer and other global, diversified technology and financial services companies. Hewitt then reduced this group to a smaller group of companies with median revenues comparable to those of NASDAQ OMX.

After review and discussion, the committee decided to establish two distinct peer groups for competitive market analysis of the compensation program for our named executive officers. The committee believed that a single peer group is insufficient to capture the labor markets that are sources of executive talent for our business.

In 2009, the committee made slight adjustments to both the primary and secondary peer groups to reflect industry changes over the past year. The primary peer group is an industry-specific group that includes our direct business competitors. The primary peer group consists of the following 14 companies.

- | | |
|---------------------------------|------------------------------------|
| BGC Partners | CME Group, Inc. |
| Deutsche Börse AG | E*TRADE Financial Corporation |
| GFI Group, Inc. | Interactive Brokers Group, Inc. |
| InterContinental Exchange, Inc. | Investment Technology Group, Inc. |
| London Stock Exchange Group plc | MF Global LTD |
| NYSE Euronext | TD AMERITRADE Holdings Corporation |
| The Charles Schwab Corporation | TMX Group |

Since the primary peer group consists of a small group of companies for which information may not always be available, the committee believed it would be useful to establish a secondary peer group consisting of a

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broader group of companies. The committee also believed that a secondary peer group would be useful because our competitors for executive talent include companies in more sectors than just those represented by the primary peer group. A secondary peer group therefore provides additional data points and improves the robustness of our competitive market analysis. Multiple reference points enhance decision making by providing a more realistic set of market-competitive pay boundaries than is represented by merely one focused peer group. The secondary peer group includes all of the companies in the primary peer group, as well as the following additional global, diversified technology and financial services companies.

Adobe Systems Incorporated	Affiliated Computer Services, Inc.
Ameriprise Financial, Inc.	Automatic Data Processing, Inc.
BlackRock, Inc.	CA, Inc.
Cognizant Tech Solutions Corporation	DST Systems, Inc.
Fiserv, Inc.	Franklin Resources
IAC Interactive	Intuit, Inc.
Invesco	Knight Capital Group, Inc.
Legg Mason	MasterCard Incorporated
Moody's Corporation	Raymond James Financial, Inc.
Semantec Corporation	Sybase
T. Rowe Price Group, Inc.	Visa

In addition, the committee takes into account that NASDAQ OMX faces competition for talent from private firms, such as high frequency and other small trading firms and private equity funds, for which public compensation data is not available.

Peer group data serves as only one reference point that the committee considers in evaluating our executive compensation program. The committee uses this data to see how various elements of our executive compensation program compare to other companies. However, the committee does not set the compensation of our executives based on this data or target NASDAQ OMX's executive compensation to a specific percentile of the compensation set by our competitors. Instead, the comparison is conducted solely to ensure that the compensation is competitive to the market, as represented by the peer groups. Therefore, each executive is evaluated individually based on skills, knowledge, performance and, in the committee's business judgment, the value he or she brings to the organization and NASDAQ OMX's retention risk.

Analysis of 2009 Executive Compensation Elements***Annual Base Salaries***

The management compensation committee normally reviews base salaries on an annual basis before the beginning of each year so that any changes will be effective on January 1. Occasionally, the committee may adjust base salaries during the year in response to significant changes in an executive's responsibilities or events that would impact the long-term retention of a key executive.

Under the terms of Mr. Greifeld's 2007 employment agreement, his base salary for 2009 was \$1 million, which has remained unchanged since 2006. The management compensation committee decided that leaving his salary unchanged for 2009 was consistent with the terms of his employment agreement, the economic environment and the provisions of Section 162(m) of the Code that limit to \$1 million the amount of non-performance-based compensation paid to the CEO that the company may deduct for federal income tax purposes.

Following its compensation review at the end of 2008 and in light of economic conditions at that time, the management compensation committee decided not to adjust the base salaries of any of the named executive officers for the beginning of 2009. In June 2009, the committee increased the base salaries for two of the named

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executive officers as a result of each taking on additional responsibilities relating to the departure of Magnus Böcker from the company. Ms. Ewing assumed responsibility for the market technology business and received a base salary increase of 25%. Mr. Aust assumed additional responsibilities relating to the corporate client and corporate services businesses and received a base salary increase of 15%.

The following table shows each named executive officer's base salary at December 31, 2009.

Named Executive Officer and Title	Base Salary at December 31, 2009
Robert Greifeld Chief Executive Officer	\$ 1,000,000
Adena T. Friedman Executive Vice President, Corporate Strategy and Chief Financial Officer	\$ 500,000
David P. Warren Former Executive Vice President and Chief Financial Officer	\$ 475,000
Bruce E. Aust(1) Executive Vice President, Global Corporate Client Group	\$ 450,000
Anna M. Ewing(2) Executive Vice President and Chief Information Officer	\$ 500,000
Edward S. Knight Executive Vice President, General Counsel and Chief Regulatory Officer	\$ 475,000

(1) Reflects increase in base salary from \$390,000 to \$450,000 in June 2009.

(2) Reflects increase in base salary from \$400,000 to \$500,000 in June 2009.

Following its compensation review at the end of 2009, the committee did not adjust the base salaries of any of the named executive officers for the beginning of 2010. Given the ongoing difficulties in the economy and the committee's pay-for-performance philosophy, the committee preferred to drive the 2010 executive compensation program through modifications to other elements of the overall compensation package.

Annual Performance-Based Cash Incentive Awards

Annual performance-based cash incentives are an integral part of our executive compensation program. Consistent with our compensation philosophy, our ECIP is structured to ensure that a significant portion of each executive's total cash compensation is contingent on performance and continued employment and, therefore, at risk.

The ECIP has been structured to comply with the performance-based compensation exception of Section 162(m) of the Code and ensure that the amounts paid to our executives who are subject to Section 162(m) are deductible for federal income tax purposes. However, to retain flexibility in linking award payouts to actual performance, the committee may exercise its discretion to reduce (but not to increase) the size of individual awards for any executive to ensure both compliance with all applicable laws and high standards of regulatory and market integrity.

Plan-Based Target Award Opportunities

At the beginning of each year, the management compensation committee establishes the target annual cash incentive award opportunity for our named executive officers. As provided under his 2007 employment agreement, Mr. Greifeld's target annual cash incentive award opportunity for 2009 (and during the agreement's remaining term) was 200% of base salary. For 2009, the committee set the target annual cash incentive award

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opportunity for each of the other named executive officers at amounts ranging from 110% to 163% of base salary, based on its assessment of each officer's position and responsibilities, the competitive market as reflected in the primary and secondary peer groups and the company's retention objectives.

Performance Goals

The annual cash incentive award payments for our executives are based on the achievement of pre-established corporate and individual performance goals. The CEO selects and recommends goals for each executive vice president based on their areas of responsibility and on input from each executive. The management compensation committee and the board of directors review and consider our CEO's recommendations and approve the goals for the coming year after identifying the objectives most critical to our future growth and most likely to hold executives accountable for the operations for which they are responsible.

For 2009, the goals for each executive vice president were chosen from among 12 general financial, corporate and business unit performance objectives established in the ECIP. These possible objectives included:

earnings per share;

revenue growth;

net income or net profits (before or after taxes);

return measures (including, but not limited to, return on assets or net assets, capital, equity or sales);

cash flow (including, but not limited to, operating cash flow and free cash flow);

expense targets;

planning accuracy (as measured by comparing planned results to actual results);

market share;

corporate reputation;

business effectiveness survey results;

any of the first 10 performance measures as compared to various stock market indices; and

any of the first 10 performance measures as compared to the performance of other companies.

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For 2009, the target annual cash incentive award opportunities for our CEO and our former CFO were tied primarily to two corporate performance measures: operating income and corporate expense reduction. For these purposes, operating income is based on the company's pre-tax run rate, and excludes certain non-recurring expense items.

For 2009, the target annual cash incentive award opportunities for the other named executive officers involved both corporate and individual performance measures and were tied largely to the business units and operations for which they are responsible. The corporate operating income goal described above constituted 20% of the total award opportunity for each other named executive officer.

The individual measures, which were strategic in nature, are described below.

Ms. Friedman's ECIP goals were established in March 2009 when she served in the role of Executive Vice President, Corporate Strategy and Global Data Products. When Ms. Friedman assumed the role of Chief Financial Officer in August 2009, she was given an additional award opportunity outside of the ECIP, which is discussed further below. Under the ECIP, Ms. Friedman's business unit strategic measures related to the profits and losses of the Global Data Products Group, targeted proprietary data revenue and the success of several strategic initiatives.

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Mr. Warren's ECIP goals were established in March 2009 when he served in the role of Executive Vice President and Chief Financial Officer. When Mr. Warren resigned this position and assumed a transitional role in August 2009, he was given an additional award opportunity outside of the ECIP, which is discussed further below. Under the ECIP, Mr. Warren's business unit strategic measures related to run rate expenses for the Finance group and the reduction of restricted cash.

Mr. Aust's business unit strategic measures related to the profits and losses of the corporate client group, sales for the corporate services group and listings growth and retention.

Ms. Ewing's business unit strategic measures related to run rate expenses for the global software development group, systems reliability, the revenues of the market technology group and the launches of Genium, the INET platform in the Nordics and Baltics and the replatforming of NASDAQ OMX PHLX.

Mr. Knight's business unit strategic measures related to regulatory integrity (including results of assessment by the regulatory oversight committee of The NASDAQ Stock Market, disposition of regulatory reviews and degree of innovation and recognition), innovation and leadership in market regulation, rule filing efficiency, public policy effectiveness and expense management for the office of general counsel.

In addition, for 2009, 10% of each named executive officer's target annual cash incentive award opportunity was based on the results of a business effectiveness survey conducted near the end of the year. This survey compiled feedback and other data from employees on a wide range of issues that impact the company's effectiveness as an organization. Management uses the business effectiveness survey on an annual basis to assess past decisions and provide an opportunity for employees to voice their views on how management is doing and how improvements to the organization can be made. This goal was measured on a sliding scale of 1 to 100 based on survey goals. A score of 50 or lower resulted in 0% payout, a score of 67 to 72 resulted in a 100% payout, with scores 90 or higher resulting in a 200% payout. We retain Watson Wyatt, a national human resources consulting firm, to collect, tabulate and analyze the survey.

The following table shows each named executive officer's ECIP performance objectives for 2009 and the relative weighting of these objectives.

Named Executive Officer	Target ECIP Incentive Compensation Opportunity	Corporate Performance Goals		Business Effectiveness Survey	Business Unit Strategic Measures
		Operating Income (Pre-Tax Run Rate)	Corporate Expense Reduction		
Robert Greifeld	\$ 2,000,000	70%	20%	10%	
Adena T. Friedman	\$ 750,000	20%		10%	70%
David P. Warren	\$ 525,000	40%	20%	10%	30%
Bruce E. Aust	\$ 525,000	20%		10%	70%
Anna M. Ewing	\$ 650,000	20%		10%	70%
Edward S. Knight	\$ 525,000	20%		10%	70%

Non-Plan Based Performance Awards

The management compensation committee has the authority to grant discretionary or performance-based awards outside of the ECIP to reward executives, including named executive officers, for completion of specific projects, exceptional performance or when additional duties are assumed during the course of the year. In August 2009, Ms. Friedman assumed the role of Chief Financial Officer after Mr. Warren stepped down from the position. Mr. Warren remained with NASDAQ OMX through December 31, 2009 to assist with the transition process. To facilitate a successful transition, in July 2009, the committee established target incentive awards,

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outside of the ECIP, for Ms. Friedman and Mr. Warren for the remainder of the calendar year. Ms. Friedman's transition goal related to the corporate expense budget, and Mr. Warren's goal related to promoting a successful transition of the CFO responsibilities to Ms. Friedman. These new goals were eligible for overachievement.

As described above, due to Mr. Böcker's departure from the company this year, Mr. Aust and Ms. Ewing assumed additional business unit responsibilities mid-year. Mr. Aust became the head of the corporate client group and corporate services and Ms. Ewing became the head of the market technology group. In connection with these changes in duties, in June 2009, the committee approved an increase in the target amount of each executive's annual cash incentive compensation. In addition, the committee approved an increase in the target amount of Mr. Knight's annual cash incentive compensation due to his assuming responsibility for the economic research group and increased focus on public policy initiatives. The incentive awards were payable upon the achievement of the original ECIP goals approved for each of these executives. The amounts above the approved ECIP target incentive compensation awards were payable outside of ECIP.

The following table shows each named executive officer's target non-ECIP award opportunity.

Named Executive Officer	Target Non-ECIP Incentive Compensation Opportunity	Additional Performance Goals
Adena T. Friedman	\$ 150,000	Corporate Expense Reduction
David P. Warren	\$ 141,750	Successful Transition of CFO Duties
Bruce E. Aust(1)	\$ 75,000	
Anna M. Ewing(1)	\$ 100,000	
Edward S. Knight(1)	\$ 75,000	

- (1) The performance measures applicable to the additional incentive compensation opportunities were the same goals that were established under the ECIP.

Award Payouts

The actual annual cash incentive award payouts to the named executive officers for 2009 are set forth in the following table.

Named Executive Officer	ECIP Award Payout	Non-ECIP Performance-Based Award Payout		Total
Robert Greifeld	\$ 3,324,000	\$	0	\$ 3,324,000
Adena T. Friedman	\$ 826,500	\$	300,000	\$ 1,126,500
David P. Warren	\$ 677,985	\$	212,625	\$ 890,610
Bruce E. Aust	\$ 879,900	\$	125,400	\$ 1,005,300
Anna M. Ewing	\$ 1,067,950	\$	164,300	\$ 1,232,250
Edward S. Knight	\$ 957,600	\$	137,100	\$ 1,094,700

Payouts under the ECIP are determined by the management compensation committee after the end of the year and are based on the sum of (i) actual performance under each corporate performance metric, (ii) the results of the business effectiveness survey and (iii) where applicable, actual performance against an executive's business unit strategic measures. Each goal applicable to the named executive officers for 2009 had a minimum, target and maximum performance level.

As previously described, the committee approved certain changes to the incentive award program in 2009 to motivate executives to overachieve on their performance measures. Under the incentive award structure approved by the committee, if the target performance goals were achieved for calendar year 2009, ECIP payments would equal only 80% of the target incentive award amount. In prior years, achievement of target goals would have

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resulted in 100% payment of target amounts. Performance goals that were eligible for overachievement were still eligible for payment up to 200%, consistent with the practice in prior years. The program was structured as follows:

Performance below the threshold level resulted in no payout.

Performance at the target level resulted in a payout equal to 80% of the target award opportunity.

Performance at the maximum level resulted in a payout equal to 200% of the target award opportunity.

Performance between the threshold and target levels and between the target and maximum levels resulted in incremental increases in payouts determined on a straight-line basis.

The management compensation committee approved the performance goals in March 2009 and received periodic progress updates during the course of the year. In February 2010, the committee received a final report on the level of achievement on each goal before it approved payouts under the ECIP for 2009. With respect to the corporate performance goals, the minimum, target and maximum performance levels and NASDAQ OMX's actual performance for 2009 were as follows:

Corporate Performance Goal	Minimum	Target	Maximum (for 200% payout)	NASDAQ OMX's Results for 2009 as measured for ECIP purposes
Operating Income (Pre-Tax Run Rate)(1)	\$585.0 million	\$ 623.5 million	\$648.5 million	\$647.7 million
Corporate Expense Budget	\$833.4 million	\$825.1 million	\$792.1 million	\$772.5 million

(1) Operating income for purposes of the ECIP calculation excludes certain non-recurring expenses. As a result, this calculation differs from the GAAP calculation of operating income and the amounts reported in the Form 10-K.

As a result of NASDAQ OMX's performance against the operating income metric, the named executive officers received a payout of 166% of the target incentive award amount allocated to this goal. Although each executive was eligible for a 196% payout based on the company's actual performance, the committee applied negative discretion to lower the amount payable under this measure in light of performance below expectations with respect to the company's budgeted revenue growth. As a result of NASDAQ OMX's performance against the corporate expense metric, the named executive officers with this goal were eligible for a 200% payout.

With respect to the business unit strategic measures for certain of the named executive officers, the management compensation committee set the targets for these goals at levels where the maximum payout would be difficult to achieve and beyond budget assumptions. For the 2009 business unit strategic measures and additional performance goals applied to the applicable named executive officers, 0 measures were scored at 0% payout, 15 were scored at 200% payout and 8 were scored at percentages in between. In addition, negative discretion was applied to 5 of the business unit strategic goals to reduce the amount paid out under those measures, including with respect to 3 of the goals that were scored as eligible for 200% payout. To the extent that payouts were made at the 200% level, the awards were intended to reward superior performance with respect to the relevant measures and with respect to the company's performance in the relevant areas. With respect to the business effectiveness survey goal, each named executive officer received a payout of 100% of the target incentive award amount allocated to this goal.

Long-Term Stock-Based Compensation

Long-term incentive compensation consists entirely of equity awards. The management compensation committee believes that equity awards align the interests of our employees with those of our stockholders by rewarding outstanding performance and providing incentives to increase the value of our stockholders' investments.

Table of Contents*Equity Awards to Our CEO in 2009 and 2010*

As described further below, the committee granted options to Mr. Greifeld in June 2009. By increasing the proportion of long-term stock-based compensation in his compensation package, the committee intended to encourage the retention of Mr. Greifeld, further align his interests with the company's stockholders and motivate outstanding performance to increase stockholder value. Consistent with his 2007 employment agreement, the committee also granted PSUs to Mr. Greifeld in March 2009 and March 2010. In February 2010, the committee approved the settlement of a PSU grant made to Mr. Greifeld in March 2007.

June 2009 Option Grant. In June 2009, the committee undertook a competitive analysis of Mr. Greifeld's total compensation. The company's human resources department asked Hewitt to prepare a compensation analysis to assist in this analysis and the committee asked Frederic W. Cook & Co., Inc. (Cook & Co.) to provide further input and recommendations based on this initial report. Mr. Greifeld's compensation was analyzed and compared to the total compensation of the chief executive officers of companies in both our primary and secondary peer groups. The committee reviewed the reports, analyzed the results and discussed compensation alternatives consistent with the analysis. Following this analysis, the committee approved a grant of 900,000 stock options to Mr. Greifeld, of which 50% will vest on December 31, 2011 and 50% will vest on December 31, 2012. The committee intended to provide additional weight to long-term stock-based compensation as part of Mr. Greifeld's overall compensation package, motivate him in light of the fact that a significant portion of his existing equity awards were underwater and provide Mr. Greifeld with significant incentives tied directly to stock price recovery efforts. The committee also intended the grant to encourage retention of Mr. Greifeld following the departures of three other executive officers in 2009. Furthermore, the committee considered that the term of Mr. Greifeld's employment agreement expires at the end of 2010 and that the agreement does not provide for any equity grants beyond 2010.

March 2009 and 2010 PSU Grants. Under his employment agreement, Mr. Greifeld is entitled to receive an annual grant of 80,000 PSUs for four years beginning in 2007. Each annual award is subject to a three-year performance period and will be payable only if Mr. Greifeld is still employed by the company at the end of each respective performance period. At the end of a performance period, Mr. Greifeld may earn from 0% to 150% of the 80,000 units granted, depending upon the attainment of performance goals established by the management compensation committee. The committee regularly monitors Mr. Greifeld's performance and progress toward achieving the goals that have been established for the annual PSU grants.

In March 2009 and March 2010, the committee approved and established the goals for Mr. Greifeld's third and fourth annual grants of PSUs. Similar to the goals for his other PSU awards, the committee set the performance target for these PSU grants as fully diluted earnings per share (EPS) growth compounded annually over the three-year performance period. EPS growth was selected as the performance target because the committee believed it was the primary overall driver of stockholder value.

For the March 2009 grant, EPS growth will be determined based upon the amount by which the company's fully diluted EPS, as adjusted, in the discretion of the committee, for stock or asset acquisitions that are accretive to GAAP EPS and certain other events that are specified under the Equity Plan, for the fiscal year ending December 31, 2011, exceeds the company's GAAP EPS for the fiscal year ending December 31, 2008. The target growth rate was set lower than in prior years in recognition of the uncertain economic environment at the time of grant.

The following table sets forth the number of shares that Mr. Greifeld will receive at settlement of the March 2009 PSU grant at varying EPS growth performance levels.

	Threshold Performance	Target Performance	Maximum Performance
EPS Growth (compounded annual increase over the Performance Period)	5% growth	10% growth	15% growth
Number of Shares Deliverable	40,000	80,000	120,000

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For the March 2010 grant, EPS growth will be determined based upon the amount by which our non-GAAP EPS, as reported by the company, for the fiscal year ending December 31, 2012, exceeds our reported non-GAAP EPS for the fiscal year ending December 31, 2009. The target growth rate was set higher than in 2009 in recognition of an improved economic outlook for 2010.

The following table sets forth the number of shares that Mr. Greifeld will receive at settlement of the March 2010 PSU grant at varying EPS growth performance levels.

	Threshold Performance	Target Performance	Maximum Performance
EPS Growth (compounded annual increase over the Performance Period)	6% growth	12% growth	18% growth
Number of Shares Deliverable	40,000	80,000	120,000

For the PSU grants described above, for EPS growth below the threshold performance level, Mr. Greifeld will receive no shares. For EPS growth between the threshold and target performance levels or between the target and maximum performance levels, the number of shares deliverable will be interpolated by the committee to three decimal places.

Settlement of March 2007 PSU Grant. In February 2010, the management compensation committee determined the number of shares that Mr. Greifeld was entitled to receive upon vesting in connection with his March 2007 PSU grant. These PSUs had a performance period from January 1, 2007 through December 31, 2009 and a performance target of EPS growth compounded annually over the three-year performance period. EPS growth was determined based upon the amount by which our EPS for the fiscal year ending December 31, 2009 exceeded our EPS for the fiscal year ending December 31, 2006. The committee determined that Mr. Greifeld had exceeded the maximum performance threshold and was entitled to receive 120,000 PSUs.

Equity Awards to the Other Named Executive Officers in 2009 and 2010

As described further below, the committee granted RSUs to the other named executive officers (except Mr. Warren) in June 2009. As part of the annual all-employee equity grant, the committee also granted stock options and PSUs to these named executive officers in March 2010. In February 2010, the committee approved the settlement of PSU grants made to these named executive officers in December 2008.

June 2009 RSU Grant. In June 2009, the committee approved equity grants of RSUs to each of the executive officers (other than Mr. Greifeld and Mr. Warren) and select non-executive employees. The purposes of the grant were to (i) encourage retention, (ii) provide a competitive long-term incentive award as part of each executive's overall compensation package, (iii) motivate executives in light of the fact that a portion of their existing equity awards are underwater and (iv) allow for vesting of outstanding equity to occur at several points in the year. For this grant, 70% of each grantee's award will vest on the second anniversary of the grant date, and 30% of each grantee's award will vest on the third anniversary of the grant date.

March 2010 Option and PSU Grant. As in recent years, the committee approved an annual equity grant to all NASDAQ OMX employees (other than the CEO) in March 2010. The awards made to the named executive officers as part of the annual grant reflect the committee's intent to motivate performance and recognize performance-based achievement. The committee determined that, on an ongoing basis, the equity awards to the named executive officers will consist of 80% PSUs and 20% stock options. More than 50% of the shares awarded will be on a performance basis. The committee determined that this mix, which favors performance-based achievement:

reflects our pay for performance philosophy;

more closely aligns the executives' long-term incentive awards with our CEO, who also receives PSUs and stock options;

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clearly articulates long-term performance expectations through minimum, target and maximum goals; and

is less dilutive than solely granting stock options (as PSUs require fewer shares than stock options to convey the same economic value).

Mr. Greifeld recommended the specific awards for each of the other named executive officers (other than Mr. Warren who was no longer with the company), which varied among executives depending upon responsibilities and retention considerations. The executives responsible for our business units and technology, which are most critical to our future growth, generally received larger awards than other executives in support functions. The management compensation committee evaluated these recommendations and determined that the amount of each award reflected the individual's contributions and was appropriate for retention purposes.

The management compensation committee set a target value for the PSU portion of each equity award. The actual number of shares the executive will receive can vary based on NASDAQ OMX's achievement of a specified corporate goal during a one-year performance period running from January 1 through December 31, 2010. The three corporate performance measures include: earnings per share (non-GAPP) (applicable to Ms. Friedman), operating income (pre-tax run rate) (applicable to Mr. Knight) and corporate net revenue (applicable to Ms. Ewing and Mr. Aust). Following the performance period, the shares will vest one-third per year over a three-year period as long as the executive remains employed by NASDAQ OMX. Consequently, executives will be eligible for payout on one-third of the award in December 2011, one-third of the award in December 2012 and one-third of the award in December 2013. The ultimate value of the PSU award depends on how NASDAQ OMX's performance in 2010 compares to the thresholds:

if NASDAQ OMX does not meet the minimum performance threshold, the executive will receive none of the PSU grant's target share amount;

if NASDAQ OMX meets the minimum performance threshold, the executive will receive 50% of the PSU grant's target share amount;

if NASDAQ OMX meets the target performance threshold, the executive will receive 100% of the PSU grant's target share amount; and

if NASDAQ OMX exceeds the maximum performance threshold, the executive will receive 150% of the PSU grant's target share amount.

Performance between the minimum and the target and between the target and the maximum thresholds results in incremental changes in payout on a straight-line basis.

The target amounts of the March 2010 PSU grants to the named executive officers are set forth below.

Named Executive Officer	PSU Target Share Amounts
Adena T. Friedman	44,557
Bruce E. Aust	32,405
Anna M. Ewing	44,557
Edward S. Knight	28,354

The stock options included in each equity award will vest within three to five years of the date of grant, depending on the achievement of the specified corporate goal in 2010. The two specified corporate goals are operating income (pre-tax run rate) (applicable to Ms. Friedman and Mr. Knight) and corporate net revenue (applicable to Ms. Ewing and Mr. Aust).

Settlement of December 2008 PSU Grant. In February 2010, the management compensation committee determined the number of shares that our executives are entitled to receive upon vesting in connection with the

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December 2008 PSU grant. These PSUs had a performance period from January 1 through December 31, 2009. Because NASDAQ OMX exceeded the target performance threshold for the corporate operating income (pre-tax run rate) goal during this period, each executive received 148% of the PSU grant's target award value.

Extension of Option Exercise Period for Mr. Warren. In October 2009, the committee approved a modification to Mr. Warren's existing option award agreements to provide an extension of time from 90 days to one year to exercise his vested stock options after the date of his departure from the company. Mr. Warren's last day of employment was December 31, 2009 and, under the amended terms of his option agreements, his vested options will forfeit and cancel if not exercised by December 31, 2010.

General Equity Award Grant Practices

The exercise price for stock options and the reference price for calculating the value of RSUs and PSUs is the closing market price of NASDAQ OMX's common stock on the date of grant. For several years prior to 2009, the management compensation committee granted equity awards at its regularly scheduled December meeting. In the fall of 2009, however, the committee, upon the advice of human resources, decided to move the annual equity grant scheduled for December 2009 to March 2010 in order to better align the equity grant process with the practices of our peer groups and the annual employee evaluation program. It is expected that this change in timing for the all-employee grant will apply in future years. Awards to new hires at the executive level are made at the n