NASDAQ OMX GROUP, INC.
Form 10-K
February 24, 2014
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 000-32651

The NASDAQ OMX Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	52-1165937 (I.R.S. Employer Identification No.)
One Liberty Plaza, New York, New York (Address of Principal Executive Offices)	10006 (Zip Code)

Registrant’s telephone number, including area code:

+1 212 401 8700

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $.01 par value per share	The NASDAQ Stock Market

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of June 28, 2013, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was approximately $3.8 billion (this amount represents approximately 116.3 million shares of The NASDAQ OMX Group, Inc.'s common stock based on the last reported sales price of $32.79 of the common stock on

The NASDAQ Stock Market on such date).

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 7, 2014
Common Stock, $.01 par value per share	169,427,722 shares

DOCUMENTS INCORPORATED BY REFERENCE

Document	Parts Into Which Incorporated
Certain portions of the Definitive Proxy Statement for the 2014 Annual Meeting of Stockholders	Part III

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About This Form 10-K

The NASDAQ OMX Group, Inc. is a holding company created by the business combination of The Nasdaq Stock Market, Inc. and OMX AB (publ) which was completed on February 27, 2008. Under the purchase method of accounting, Nasdaq was treated as the accounting and legal acquirer in this business combination. As such, Nasdaq is the predecessor reporting entity of NASDAQ OMX and the results of operations of OMX are only included in NASDAQ OMX's consolidated results of operations beginning February 27, 2008.

Throughout this Form 10-K, unless otherwise specified:

•"NASDAQ OMX," "we," "us" and "our" refer to The NASDAQ OMX Group, Inc.

•"The NASDAQ Stock Market" and "NASDAQ" refer to the registered national securities exchange operated by The NASDAQ Stock Market LLC.

•"OMX AB" refers to OMX AB (publ), as that entity operated prior to the business combination with Nasdaq.

•"Nasdaq" refers to The Nasdaq Stock Market, Inc., as that entity operated prior to the business combination with OMX AB.

•"OMX" refers to OMX AB (publ) subsequent to the business combination with Nasdaq.

•"NASDAQ OMX Nordic" refers to collectively, NASDAQ OMX Clearing AB, NASDAQ OMX Stockholm, NASDAQ OMX Copenhagen, NASDAQ OMX Helsinki and NASDAQ OMX Iceland.

•"NASDAQ OMX Nordic Clearing" refers to collectively, the clearing operations conducted through NASDAQ OMX Nordic and NASDAQ OMX Commodities.

•"NASDAQ OMX Baltic" refers to collectively, NASDAQ OMX Tallinn, NASDAQ OMX Riga and NASDAQ OMX Vilnius.

•"PHLX" refers to the Philadelphia Stock Exchange, Inc. and its subsidiaries, as that entity operated prior to its acquisition by NASDAQ OMX.

•"NASDAQ OMX PHLX" refers to NASDAQ OMX PHLX LLC (formerly NASDAQ OMX PHLX, Inc.) subsequent to its acquisition by NASDAQ OMX.

•"SEK" or "Swedish Krona" refers to the lawful currency of Sweden.

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Aces®, Auto Workup®, Autospeed®, AXE®, BX Venture Market®, CCBN®, Directors Desk®, Dream It. Do It®, E and Design®, eSpeed and Design®, eSpeed®, e-Speed®, eSpeed Elite®, eSpeed Filing®, eSpeedoMeter®, EVI®, FINQLOUD®, FTEN®, GlobeNewswire®, INET®, ITCH®, Kleos®, Market Intelligence Desk®, Market Mechanics®, MarketSite®, MYCCBN®, NASDAQ®, NASDAQ Biotechnology®, NASDAQ Capital Market®, NASDAQ Competitive VWAP®, NASDAQ Composite®, NASDAQ Composite Index®, NASDAQ Computer Index®, NASDAQ-Financial®, NASDAQ-Financial Index®, NASDAQ Financial-100 Index®, NASDAQ Global Market®, NASDAQ Global Select Market®, NASDAQ Industrial Index®, NASDAQ Interact®, NASDAQ Internet Index®, NASDAQ Market Analytix®, NASDAQ Market Center®, NASDAQ Market Forces®, NASDAQ Market

Velocity®, NASDAQ MarketSite®, NASDAQ MAX®, NASDAQ National Market®, NASDAQ OMX®, NASDAQ OMX Advantage®, NASDAQ OMX Alpha Indexes®, NASDAQ OMX BX®, NASDAQ OMX Futures Exchange®, NASDAQ OMX Green Economy Index®, NASDAQ OMX Nordic®, NASDAQ Q-50 Index®, NASDAQ Telecommunications Index®, NASDAQ TotalView®, NASDAQ Trade Up®, NASDAQ Trader®, NASDAQ Transportation®, NASDAQ US ALL Market®, NASDAQ Volatility Guard®, NASDAQ Workstation®, NASDAQ Workstation II®, NASDAQ-100®, NASDAQ-100 European®, NASDAQ-100 Index®, NASDAQ-100 Index Tracking Stock®, NDX®, NFX World Currency®, NFX XL®, PHLX®, PORTAL Alliance®, QQQ®, QView®, R3®, RX®, Shareholder.com®, Sidecar®, SX®, The NASDAQ OMX Group®, The NASDAQ Stock Market®, The Stock Market for the Next 100 Years®, Trade Up® and UltraFeed® are significant registered trademarks of The NASDAQ OMX Group, Inc. and its affiliates in the U.S. and other countries.

“FINRA®” and “Trade Reporting Facility®” are registered trademarks of the Financial Industry Regulatory Authority, or FINRA.

All other trademarks and servicemarks used herein are the property of their respective owners.

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This Annual Report on Form 10-K includes market share and industry data that we obtained from industry publications and surveys, reports of governmental agencies and internal company surveys. Industry publications and surveys generally state that the information they contain has been obtained from sources believed to be reliable, but we cannot assure you that this information is accurate or complete. We have not independently verified any of the data from third-party sources nor have we ascertained the

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underlying economic assumptions relied upon therein. Statements as to our market position are based on the most currently available market data. For market comparison purposes, The NASDAQ Stock Market data in this Annual Report on Form 10-K for initial public offerings, or IPOs, is based on data generated internally by us, which includes best efforts underwritings and closed-end funds; therefore, the data may not be comparable to other publicly-available IPO data. Data in this Annual Report on Form 10-K for new listings of equity securities on The NASDAQ Stock Market is based on data generated internally by us, which includes best efforts underwritings, issuers that switched from other listing venues, closed-end funds and exchange traded funds, or ETFs. Data in this Annual Report on Form 10-K for IPOs and new listings of equities securities on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic also is based on data generated internally by us. IPOs and new listings data is presented as of period end. While we are not aware of any misstatements regarding industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in “Item 1A. Risk Factors” in this Annual Report on Form 10-K.

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Forward-Looking Statements

The U.S. Securities and Exchange Commission, or SEC, encourages companies to disclose forward-looking information so that investors can better understand a company's future prospects and make informed investment decisions. This Annual Report on Form 10-K contains these types of statements. Words such as "anticipates," "estimates," "expects," "projects," "intends," "plans," "believes" and words or terms of similar substance used in connection with any discussion of future expectations as to industry and regulatory developments or business initiatives and strategies, future operating results or financial performance identify forward-looking statements. These include, among others, statements relating to:

- our 2014 outlook;

- the scope, nature or impact of acquisitions, divestitures, investments or other transactional activities;

- the integration of acquired businesses, including accounting decisions relating thereto;

- the effective dates for, and expected benefits of, ongoing initiatives, including strategic, technology, de-leveraging and capital return initiatives;

- the impact of pricing changes;

- tax matters;

- the cost and availability of liquidity; and

- the outcome of any litigation and/or government investigation or action to which we are or could become a party and other contingencies.

Forward-looking statements involve risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others, the following:

- our operating results may be lower than expected;

- loss of significant trading and clearing volume, market share or listed companies;

- economic, political and market conditions and fluctuations, including interest rate and foreign currency risk, inherent in U.S. and international operations;

- government and industry regulation;

- our ability to keep up with rapid technological advances;

- our ability to successfully integrate acquired businesses, including the fact that such integration may be more difficult, time consuming or costly than expected, and our ability to realize synergies from business combinations and acquisitions;

- covenants in our credit facilities, indentures and other agreements governing our indebtedness which may restrict the operation of our business; and

•adverse changes that may occur in the securities markets generally.

Most of these factors are difficult to predict accurately and are generally beyond our control. You should consider the uncertainty and any risk related to forward-looking statements that we make. These risk factors are more fully described under the caption "Item 1A. Risk Factors," in this Annual Report on Form 10-K. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. You should carefully read this entire Annual Report on Form 10-K, including "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," and the consolidated financial statements and the related notes. Except as required by the federal securities laws, we undertake no obligation to update any forward-looking statement, release publicly any revisions to any forward-looking statements or report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

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Part I

Item 1. Business

Overview

We are a leading global exchange group that delivers trading, clearing, exchange technology, regulatory, securities listing, and public company services across six continents. Our global offerings are diverse and include trading and clearing across multiple asset classes, market data products, financial indexes, capital formation solutions, financial services, corporate solutions and market technology products and services. Our technology powers markets across the globe, supporting derivatives trading, clearing and settlement, cash equity trading, fixed income trading and many other functions.

In the U.S., we operate The NASDAQ Stock Market, a registered national securities exchange. The NASDAQ Stock Market is the largest single cash equities securities market in the U.S. in terms of listed companies and in the world in terms of share value traded. As of December 31, 2013, The NASDAQ Stock Market was home to 2,637 listed companies with a combined market capitalization of approximately $7.0 trillion. In addition, in the U.S. we operate two additional cash equities trading markets, three options markets and an electronic platform for trading of U.S. Treasuries.

In Europe, we operate exchanges in Stockholm (Sweden), Copenhagen (Denmark), Helsinki (Finland), and Iceland as NASDAQ OMX Nordic, and exchanges in Tallinn (Estonia), Riga (Latvia) and Vilnius (Lithuania) as NASDAQ OMX Baltic. Collectively, the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic offer trading in cash equities, bonds, structured products and ETFs, as well as trading and clearing of derivatives and clearing of resale and repurchase agreements. Through NASDAQ OMX First North, our Nordic and Baltic operations also offer alternative marketplaces for smaller companies. As of December 31, 2013, the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic, together with NASDAQ OMX First North, were home to 758 listed companies with a combined market capitalization of approximately $1.3 trillion. We also operate NASDAQ OMX Armenia.

In addition, NASDAQ OMX Commodities operates the world's largest power derivatives exchange regulated in Norway and one of Europe's largest carbon exchanges. We also operate NOS Clearing ASA, or NOS Clearing, a leading Norway-based clearinghouse primarily for over-the-counter, or OTC, traded derivatives for the freight market and seafood derivatives market. In the U.K., we operate NASDAQ OMX NLX, a new London-based market for trading of listed short-term and long-term European (Euro and Sterling denominated) interest rate derivative products.

In some of the countries where we operate exchanges, we also provide investment firm, clearing, settlement and central depository services.

History and Structure

Nasdaq was founded in 1971 as a wholly-owned subsidiary of FINRA (then known as the National Association of Securities Dealers, Inc.). Beginning in 2000, FINRA restructured and broadened ownership in Nasdaq by selling shares to FINRA members, investment companies and issuers listed on The NASDAQ Stock Market.

In connection with this restructuring, Nasdaq applied to the SEC to register The NASDAQ Stock Market as a national securities exchange. FINRA fully divested its ownership of Nasdaq in 2006, and The NASDAQ Stock Market became fully operational as an independent registered national securities exchange in 2007. In 2006, Nasdaq also reorganized its operations into a holding company structure. As a result, our exchange licenses and exchange and broker-dealer operations are held by our subsidiaries.

On February 27, 2008, Nasdaq and OMX AB combined their businesses pursuant to an agreement with Borse Dubai Limited, a Dubai company, or Borse Dubai, and Nasdaq was renamed The NASDAQ OMX Group, Inc. This transformational combination resulted in the expansion of our business from a U.S.-based exchange operator to a global exchange company offering technology that powers our own exchanges and markets as well as more than 70 marketplaces in 50 countries.

Also in 2008, we expanded our business through the acquisitions of the Philadelphia Stock Exchange, Inc., or PHLX, and the Boston Stock Exchange, Incorporated, or BSX. These acquisitions allowed us to extend our presence in the derivatives markets and we currently operate three separate options markets. In addition, we have used the licenses acquired in these acquisitions to launch two additional U.S. cash equities markets. In 2010, we also grew our Market Services offerings with the acquisition of FTEN, Inc., or FTEN, a leading provider of Real-Time Risk Management, or RTRM, solutions for the financial securities market.

We also have expanded into the business of trading and clearing commodities products in recent years. In 2008, we acquired the clearing, international derivatives and consulting subsidiaries of Nord Pool ASA, or Nord Pool. As a result of this acquisition, we launched NASDAQ OMX Commodities, which offers energy and carbon derivatives products. In 2010, we acquired a derivatives trading market through the purchase of the remaining businesses of Nord Pool. In July 2012, we acquired NOS Clearing, a leading Norway-based clearinghouse primarily for OTC traded derivatives for the freight market and seafood derivatives market.

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In August 2010, we acquired SMARTS Group Holdings Pty Ltd, or SMARTS, a leading technology provider of surveillance solutions to exchanges, regulators and brokers. In May 2012, we acquired a 72% ownership interest in BWise Beheer B.V. and its subsidiaries, or BWise, a Netherlands-based service provider that offers enterprise governance, risk management and compliance software and services to help companies track, measure and manage key organizational risks. These acquisitions have expanded our Market Technology business.

In recent years, we have significantly grown our Corporate Solutions business, which provides customer support services, products and programs to companies including companies listed on our exchanges, through organic growth and numerous acquisitions. Most recently, in 2013, we acquired the Investor Relations, Public Relations and Multimedia Solutions businesses of Thomson Reuters, or the TR Corporate Solutions businesses.

In 2013, we further expanded our Market Services and Information Services businesses by acquiring from BGC Partners, Inc. and certain of its affiliates, or BGC, certain assets and assumed certain liabilities, including 100% of the equity interests in eSpeed Technology Services, L.P., eSpeed Technology Services Holdings, LLC, Kleos Managed Services, L.P. and Kleos Managed Services Holdings, LLC; the eSpeed brand name; various assets comprising the fully electronic portion of BGC's benchmark U.S. Treasury brokerage, market data and co-location service businesses, or eSpeed.

Products and Services

Since January 1, 2013, we manage, operate and provide our products and services in four business segments: Market Services, Listing Services, Information Services and Technology Solutions. All prior period segment disclosures have been recast to reflect our change in reportable segments. Certain other prior year amounts have been reclassified to conform to the current year presentation. Of our total 2013 revenues less transaction rebates, brokerage, clearance and exchange fees of $1,895 million, 41.0% was from our Market Services segment, 12.0% was from our Listing Services segment, 23.3% was from our Information Services segment and 23.7% was from our Technology Solutions segment. Of our total 2012 revenues less transaction rebates, brokerage, clearance and exchange fees of $1,674 million, 45.4% was from our Market Services segment, 13.4% was from our Listing Services segment, 24.2% was from our Information Services segment and 17.0% was from our Technology Solutions segment. Of our total 2011 revenues less transaction rebates, brokerage, clearance and exchange fees of $1,690 million, 47.6% was from our Market Services segment, 14.0% was from our Listing Services segment, 23.1% was from our Information Services segment and 15.3% was from our Technology Solutions segment.

Prior to January 1, 2013, we managed, operated and provided our products and services in three business segments: Market Services, Issuer Services and Market Technology.

See Note 19, "Business Segments," to the consolidated financial statements for additional financial information about our segments and geographic data.

Market Services

Our Market Services segment includes our derivative trading and clearing, cash equity trading, fixed income trading, and access and broker services businesses. We offer trading on multiple exchanges and facilities across several asset classes, including derivatives, commodities, cash equity, debt, structured products and ETFs. In addition, in some of the countries where we operate exchanges, we also provide investment firm, clearing, settlement and central depository services. Our transaction-based platforms provide market participants with the ability to access, process, display and integrate orders and quotes for cash equity securities, derivatives and ETFs. The platforms allow the routing and execution of buy and sell orders as well as the reporting of transactions for cash equity securities, derivatives and ETFs, providing fee-based revenues.

In addition, eSpeed’s electronic benchmark U.S. Treasury brokerage and co-location service businesses are part of our Market Services segment.

U.S. Derivative Trading and Clearing. In the U.S., we operate The NASDAQ Options Market, NASDAQ OMX PHLX and NASDAQ OMX BX Options for the trading of equity options, ETF options, index options and foreign currency options. During the year ended December 31, 2013, our options markets had an average combined market share of approximately 27.9% in the U.S. equity options market, consisting of approximately 18.2% at NASDAQ OMX PHLX, 8.7% at The NASDAQ Options Market and 1.0% at NASDAQ OMX BX Options. Together, the combined market share of 27.9% represented the largest share of the U.S. equity options market and ETF options market. Our options trading platforms provide trading opportunities to both retail investors, algorithmic trading firms and market makers, who tend to prefer electronic trading, and institutional investors, who typically pursue more complex trading strategies and often trade on the floor.

European Derivative Trading and Clearing. NASDAQ OMX Stockholm offers trading in derivatives, such as stock options and futures, index options and futures and fixed-income options and futures. NASDAQ OMX Clearing AB offers clearing services for fixed-income options and futures, stock options and futures, index options and futures, and interest rate swaps by serving as the central counterparty, or CCP. NASDAQ OMX Clearing also operates a clearing service for the resale and repurchase agreement market. As a result of an agreement between the Swedish Money Market Council and NASDAQ OMX, a large portion of the Swedish Interbank resale and repurchase agreement market is cleared through NASDAQ OMX Clearing.

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NASDAQ OMX Commodities offers trading and clearing of international power derivatives, carbon and other commodities products. NASDAQ OMX Commodities has over 300 members across a wide range of energy producers and consumers, as well as financial institutions. NASDAQ OMX Commodities offers clearing services for energy derivative and carbon product contracts by serving as the CCP.

We also operate NOS Clearing, a Norway-based clearinghouse primarily for OTC traded derivatives for the freight market and seafood derivatives market.

In 2013, we launched a new London-based trading venue, NASDAQ OMX NLX, offering a range of both short-term interest rate and long-term interest rate euro-and sterling-based listed derivative products.

U.S. Cash Equity Trading. The NASDAQ Stock Market is the largest single pool of liquidity for trading U.S.-listed cash equities, matching an average of approximately 15.6% of all U.S. cash equities volume for 2013.

In the U.S., we also operate two additional cash equities markets, NASDAQ OMX BX and NASDAQ OMX PSX. With these markets, we offer a second and third quote within the U.S. cash equities marketplace, providing our customers enhanced trading choices and price flexibility. All of our cash equities exchanges are run on our INET trading system, providing customers additional cash equity securities markets using familiar technology designed to provide fast and efficient trading. In accessing these markets, our customers can leverage existing infrastructure, reducing incremental costs when connecting. In 2013, NASDAQ OMX BX matched an average of approximately 2.5% and NASDAQ OMX PSX matched an average of approximately 0.7% of all U.S. cash equities volume.

Our fully electronic U.S. transaction-based platforms provide members with the ability to access, process, display and integrate orders and quotes in cash equity securities. Market participants include market makers, broker-dealers, alternative trading systems, or ATSs, and registered securities exchanges. These services are offered for NASDAQ-listed and non-NASDAQ-listed securities. Specifically, our platforms:

•provide a comprehensive display of the interest by market participants at the highest price a participant is willing to buy a security (best bid) and also the lowest price a participant is willing to sell that security (best offer);

•provide subscribers quotes, orders and total anonymous interest at every price level for exchange-listed securities and critical data for the Opening Cross, Closing Cross, Halt Cross and IPO Cross; and

•provide anonymity to market participants (i.e., participants do not know the identity of the firm displaying the order unless that firm chooses to reveal its identity), which can contribute to improved pricing for securities by reducing the potential market impact that transactions by investors whose trading activity, if known, may influence others.

All U.S. registered national securities exchanges and securities associations are required to establish a transaction reporting plan for the central collection of price and volume information concerning trades executed in those markets. Trades executed on our cash equities exchanges are automatically reported under the appropriate transaction reporting plan. Currently, market participants are not charged for the reporting of most of these trades. Our cash equities exchanges, however, earn revenues for all of these trades in the form of shared market information revenues under the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation, and Dissemination of Quotation and Transaction Information for NASDAQ-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis, or the UTP Plan, for NASDAQ-listed securities and under the Consolidated Tape and Consolidated Quotation Plans for securities listed on the New York Stock Exchange, or NYSE, NYSE MKT and other exchanges.

Through The FINRA/NASDAQ Trade Reporting Facility, or FINRA/NASDAQ TRF, we collect reports of trades executed by broker-dealers outside of our exchanges. The FINRA/NASDAQ TRF collects trade reports as a facility of

FINRA. A large percentage of these trades results from orders that broker-dealers have matched internally and is submitted to the FINRA/NASDAQ TRF for reporting purposes only. The FINRA/NASDAQ TRF charges market participants for locked-in reporting of most trades, but it shares back most revenues earned from shared market information with respect to the trades. The FINRA/NASDAQ TRF also generates revenues by providing trade comparison to broker dealers by matching and locking-in the two parties to a trade that they have submitted to the FINRA/NASDAQ TRF for reporting and clearing.

In addition to trade reporting and trade comparison services, we provide clearing firms with risk management services to assist them in monitoring their exposure to their correspondent brokers.

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European Cash Equity Trading. NASDAQ OMX Nordic's operations comprise the exchanges in Stockholm (Sweden), Copenhagen (Denmark), Helsinki (Finland), and Iceland. These exchanges offer trading for cash equities and bonds. Our platform allows the exchanges to share the same trading system, which enables efficient cross-border trading and settlement, cross membership and a single source for Nordic market data. The Nordic exchanges also offer trading in Nordic securities such as cash equities and depository receipts, warrants, convertibles, rights, fund units, ETFs, bonds and other interest-related products. Settlement and registration of cash trading takes place in Sweden, Finland, Denmark and Iceland via the local central securities depositories.

NASDAQ OMX Baltic operations comprise the exchanges in Tallinn (Estonia), Riga (Latvia) and Vilnius (Lithuania). As of December 31, 2013, NASDAQ OMX owns NASDAQ OMX Tallinn and has a majority ownership in NASDAQ OMX Vilnius and NASDAQ OMX Riga. In addition, NASDAQ OMX Tallinn owns the central securities depository in Estonia, NASDAQ OMX Riga owns the central securities depository in Latvia, and NASDAQ OMX Helsinki and NASDAQ OMX Vilnius jointly own the central securities depository in Lithuania.

The exchanges that comprise NASDAQ OMX Baltic offer their members trading, clearing, payment and custody services. Issuers, primarily large local companies, are offered listing and a distribution network for their securities. The securities traded are mainly cash equities, bonds and treasury bills. Clearing, payment and custody services are offered through the central securities depositories in Estonia, Latvia and Lithuania. In addition, in Estonia and Latvia, NASDAQ OMX offers registry maintenance of fund units included in obligatory pension funds, and in Estonia, NASDAQ OMX offers the maintenance of shareholder registers for listed companies. The Baltic central securities depositories offer a complete range of cross-border settlement services.

Fixed Income Trading

In June 2013, we acquired eSpeed, an electronic platform for trading U.S. Treasuries. The electronic trading platform provides real-time institutional trading of benchmark U.S. Treasury securities, one the of largest and most liquid fixed-income cash markets in the world. Through eSpeed, we provide trading access to the U.S. Treasury securities market with an array of trading instruments to meet various investment goals and access to data products and business solutions across the fixed income spectrum.

Access and Broker Services

Access Services. We provide market participants with a wide variety of alternatives for connecting to and accessing our markets for a fee. Shifting connectivity from proprietary networks to third-party networks has significantly reduced technology and network costs and increased our systems' scalability without affecting performance or reliability.

Our U.S. marketplaces may be accessed via a number of different protocols used for quoting, order entry, trade reporting, DROP functionality and connectivity to various market data feeds. We also offer the NASDAQ Workstation, a browser-based, front-end interface that allows market participants to view market data and enter orders, quotes and trade reports. In addition, we offer a variety of add-on compliance tools to help firms comply with regulatory requirements.

We provide co-location services to market participants, whereby firms may lease cabinet space and power to house their own equipment and servers within our data center. These participants are charged monthly fees for cabinet space, connectivity and support. Additionally, we offer a number of wireless connectivity routes between select data centers using millimeter wave and microwave technology. We also earn revenues from annual and monthly exchange membership and registration fees.

The access services business also includes TradeGuard, a leading risk management solution for the financial securities market. As a market leader in risk management, TradeGuard provides broker-dealers and their clients the ability to manage risk more effectively in real-time, which leads to better utilization of capital as well as improved regulatory compliance.

In 2013, we launched FinQloud, a secure cloud computing platform powered by Amazon Web Services that provides a cost-effective and efficient way to manage and store financial and other data.

Broker Services. Our broker services operations offer technology and customized securities administration solutions to financial participants in the Nordic market. Broker services provides services through a registered securities company that is regulated by the Swedish Financial Supervisory Authority, or SFSA. Services primarily consist of flexible back-office systems, which allow customers to entirely or partly outsource their company's back-office functions.

We offer customer and account registration, business registration, clearing and settlement, corporate action handling for reconciliations and reporting to authorities. Available services also include direct settlement with the Nordic central securities depositories, real-time updating and communication via the Society for Worldwide Interbank Financial Telecommunication, or SWIFT, to deposit banks.

Listing Services

Our Listing Services segment includes our U.S. and European listing services businesses. We offer capital raising solutions to over 3,300 companies around the globe representing over $8.0 trillion in total market value as of December 31, 2013.

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We operate a variety of listing platforms around the world to provide multiple global capital raising solutions for private and public companies. Our main listing markets are The NASDAQ Stock Market and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic. We offer a consolidated global listing application to companies to enable them to apply for listing on The NASDAQ Stock Market and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic, as well as NASDAQ Dubai.

U.S. Listings

Companies listed on The NASDAQ Stock Market represent a diverse array of industries including, among others, health care, consumer products, telecommunication services, information technology, financial services, industrials and energy.

Companies seeking to list securities on The NASDAQ Stock Market must meet minimum listing requirements, including specified financial and corporate governance criteria. Once listed, companies must meet continued listing standards. The NASDAQ Stock Market currently has three listing tiers: The NASDAQ Global Select Market, The NASDAQ Global Market and The NASDAQ Capital Market. All three market tiers maintain rigorous listing and corporate governance standards (both initial and ongoing).

As of December 31, 2013, a total of 2,637 companies listed securities on The NASDAQ Stock Market, with 1,482 listings on The NASDAQ Global Select Market, 610 on The NASDAQ Global Market and 545 on The NASDAQ Capital Market.

We aggressively pursue new listings from companies, including those undergoing IPOs as well as companies seeking to switch from alternative exchanges. In 2013, The NASDAQ Stock Market attracted 239 new listings. Included in these listings were 126 IPOs, 52% of U.S. IPOs in 2013. The new listings were comprised of the following:

Total New Listings on The NASDAQ Stock Market................................	239
Switches from NYSE/NYSE MKT..	31
IPOs..	126
Upgrades from OTC..	39
ETFs, Structured Products and Other Listings......................................	43

In 2013, a total of 31 NYSE- or NYSE MKT-listed companies switched to The NASDAQ Stock Market, representing approximately $47 billion in market capitalization, including VimpelCom, Marriott International and Amdocs Limited. In addition, American Airlines Group, a newly formed company from the merger of AMR Corporation and US Airways Group, Inc., listed on NASDAQ.

In March 2013, we formed a joint venture with SharesPost, Inc., or SharesPost, creating, The NASDAQ Private Market, LLC, or NPM, a marketplace for private growth companies. We own a majority interest in NPM, combining NASDAQ OMX's resources, market and operating expertise with SharesPost's web-based platform. Subject to regulatory approvals, NPM is expected to launch in the first quarter of 2014.

European Listings

We also offer listings on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic. For smaller companies and growth companies, we offer access to the financial markets through the NASDAQ OMX First North alternative marketplaces. As of December 31, 2013, a total of 758 companies listed securities on our Nordic and

Baltic exchanges and NASDAQ OMX First North.

Our European listing customers include companies, funds and governments. Customers issue securities in the form of cash equities, depository receipts, warrants, ETFs, convertibles, rights, options, bonds or fixed-income related products. In 2013, a total of 34 new companies were listed on our Nordic and Baltic exchanges and NASDAQ OMX First North.

Information Services

Our Information Services segment includes our Market Data Products and our Index Licensing and Services businesses.

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Market Data Products

Our Market Data Products business includes our U.S. and European market data products and index data products businesses.

U.S. Market Data Products. Our market data products enhance transparency and provide critical information to professional and non-professional investors. We collect, process and create information and earn revenues as a distributor of our own, as well as select, third-party content. We provide varying levels of quote and trade information to market participants and to data distributors, who in turn provide subscriptions for this information. Our systems enable distributors to gain direct access to our market depth, index values, mutual fund valuation, order imbalances, market sentiment and other analytical data. Revenues from U.S. market data products are subscription-based and are generated primarily based on the number of data subscribers and distributors of our data.

We distribute this proprietary market information to both market participants and non-participants through a number of proprietary products. We use our broad distribution network of more than 2,000 market data distributors to deliver data regarding our market depth, index values, mutual fund valuation, order imbalances, market sentiment and other analytical data.

We offer a range of proprietary data products, including NASDAQ TotalView, our flagship market depth quote product. TotalView shows subscribers quotes, orders and total anonymous interest at every price level in The NASDAQ Stock Market for NASDAQ-listed securities and critical data for the Opening, Closing, Halt and IPO Crosses. We also offer TotalView products for our NASDAQ OMX BX and NASDAQ OMX PSX markets. TotalView is offered through distributors to professional subscribers for a monthly fee per terminal and to non-professional subscribers for a lower monthly fee per terminal. We also offer TotalView enterprise licenses to facilitate broad based distribution of this data. In addition, we charge the distributor a monthly distributor fee.

We operate several other proprietary services and data products to provide market information, including NASDAQ Basic, a low cost Level 1 feed, eSpeed that delivers US Treasury data and Ultrafeed, a normalized high speed feed of North American equity, options, futures, indexes and mutual fund market data.

Our U.S. market data products business also includes revenues from U.S. tape plans. The NASDAQ Stock Market operates as the exclusive Securities Information Processor, or SIP, for the UTP Plan for the collection and dissemination of best bid and offer information and last transaction information from markets that quote and trade in NASDAQ-listed securities. The NASDAQ Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX are participants in the UTP Plan and share in the net distribution of revenue according to the plan on the same terms as the other plan participants. In the role as the Securities Information Processor, The NASDAQ Stock Market collects and disseminates quotation and last sale information for all transactions in NASDAQ-listed securities whether traded on The NASDAQ Stock Market or other exchanges. We sell this information to market participants and to data distributors, who then provide the information to subscribers. After deducting costs associated with our role as an exclusive Securities Information Processor, as permitted under the revenue sharing provision of the UTP Plan, we distribute the tape revenues to the respective UTP Plan participants, including The NASDAQ Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX, based on a formula required by Regulation NMS that takes into account both trading and quoting activity. In addition, all quotes and trades in NYSE- and NYSE MKT-listed securities are reported and disseminated in real time, and as such, we share in the tape revenues for information on NYSE- and NYSE MKT-listed securities.

European Market Data Products. The exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic, as well as NASDAQ OMX Commodities, offer European market data products and services. These data products and services provide critical market transparency to professional and non-professional investors who participate in

European marketplaces and, at the same time, give investors greater insight into these markets.

European market data products and services are based on the trading information from the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic, as well as NASDAQ OMX Commodities, for the following classes of assets: cash equities, bonds, derivatives and commodities. We provide varying levels of quote and trade information to market participants and to data distributors, who in turn provide subscriptions for this information. Revenues from European market data products are subscription-based and are generated primarily based on the number of data subscribers and distributors of our data.

We provide a wide range of data products including products in real-time, some with a time delay or in batch delivery. These products and services are packaged for market professionals as well as for private individuals, and include real-time information on market depth, specific transactions and share-price trends, the compilation and calculation of reference information such as indexes and the presentation of statistics.

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Significant European market data products include Nordic Equity TotalView, Nordic Derivative TotalView ITCH, and Nordic Fixed Income Level 2.

Index Data Products

Index data products are based on NASDAQ OMX indexes and consist of our Global Index Data Service, which delivers real time index values throughout the trading day, and Global Index Watch, which delivers weightings and components data, corporate actions and a breadth of additional data.

Index Licensing and Services

We are a leading index provider and develop and license NASDAQ OMX branded indexes, associated derivatives and financial products as part of our Index Licensing and Services business. License fees for our trademark licenses vary by product based on a percentage of underlying assets, dollar value of a product issuance, number of products or number of contracts traded. We also license cash-settled options, futures and options on futures on our indexes.

At the end of 2013, NASDAQ OMX indexes were the basis for over 9,000 structured products with almost $1.5 trillion of notional value. NASDAQ OMX indexes are now the basis for 148 exchange traded products with over $92.0 billion in assets under management. Our flagship index, the NASDAQ-100 Index, includes the top 100 non-financial securities listed on The NASDAQ Stock Market.

During 2013, the Global Index Group launched the second phase of the NASDAQ Global Index Family, which includes approximately 21,000 indexes. The NASDAQ Global Index Family represents more than 98% of the global equity investable marketplace. The family consists of global securities broken down by market segment, region, country, size and sector. The NASDAQ Global Index Family covers 45 countries and 9,000 securities.

Technology Solutions

Our Technology Solutions segment includes our Corporate Solutions and Market Technology businesses.

Corporate Solutions

Our Corporate Solutions business serves corporate clients, including companies listed on our exchanges. We help organizations manage the two-way flow of information with their audiences through our suite of advanced technology, analytics and consultative services. Our products and services allow clients to attract, inform and influence shareholders, customers, employees, regulators and the media.

In 2013, we acquired the Thomson Reuters Corporate Solutions businesses which were integrated into our Corporate Solutions business.

We provide Corporate Solutions products and services in the following key areas:

•Investor Relations. We offer investor relations content, analytics, advisory services and communications tools. Our solutions make it easier for companies to interact and communicate with analysts and investors while meeting corporate governance and disclosure requirements.

•Corporate Communications. We offer solutions to help clients identify, reach, monitor and measure their public relations program. We provide traditional and social media contacts data, backed by over 100 research analysts. Our press release distribution, webcasting and media players allow clients to reach global audiences cost-effectively. Our suite of technology solutions and expert analysts help clients monitor key news media for their brand, reputation, products, as well as industry competitors, and measure the success of their communications programs.

•Digital Media. We offer a range of services to reach internal and external audiences, including webcasting, webinars, media player, and investor relations websites. Our global scale provides regional expertise and local language support as well as proprietary distribution channels and access to our network of publishing partners.

• Secure Collaboration. We offer a secure collaboration platform for board of directors or any team collaborating on confidential initiatives.

• Governance, Risk and Compliance. We provide enterprise governance, risk and compliance software solutions that harness disparate business processes and content to promote efficiency, transparency and control.

Market Technology

Powering more than 70 marketplaces in 50 countries, we are a leading global technology solutions provider and partner to exchanges, clearing organizations and central securities depositories.

Our systems solutions offer support trading, clearing, settlement, surveillance and information dissemination to markets with wide-ranging requirements, from the leading markets in the U.S., Europe and Asia to smaller African markets. Our solutions can

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handle a wide array of assets, including cash equities, currencies, various interest-bearing securities, commodities, energy products and derivatives.

NASDAQ OMX's market technology is utilized by, among others, the Australian Securities Exchange, ICAP, Bolsa de Valores de Colombia, The Egyptian Exchange, Hong Kong Exchanges and Clearing, SIX Swiss Exchange, Singapore Exchanges, Tokyo Commodity Exchange, Osaka Securities Exchange, Bursa Malaysia and SBI Japannext.

Our trading and market data solutions are utilized by exchanges, alternative-trading venues, banks and securities brokers with marketplace offerings of their own. In the post-trade stage, we offer integrated systems solutions for clearing (risk management) and settlement (settlement and delivery) of both cash equities and derivatives to clearing organizations around the world.

A central part of many projects is facility management and systems integration. Through our integration services, we can assume responsibility for projects involving migration to a new system and the establishment of entirely new marketplaces. We also offer operation and support for the applications, systems platforms, networks and other components included in a turn-key information technology solution and advisory services.

We also offer broker services through SMARTS. SMARTS Broker is a managed service designed for brokers and other market participants to assist them in complying with market rules, regulations and internal market surveillance policies.

Finally, through BWise, we offer enterprise governance, risk management and compliance software and services to help companies track, measure and manage key organizational risks.

Technology

Technology plays a key role in ensuring the growth, reliability and regulation of financial markets. In 2012, NASDAQ OMX established an enterprise-wide operational excellence program. This program continued into 2013 with the development and implementation of several technology policies and programs which continue to strengthen the way we develop, deploy and maintain technology products in the marketplace.

The foundation for NASDAQ OMX's core technology is INET. The INET technology is used across NASDAQ OMX's U.S. and European markets. INET is also a key building block of our Market Technology offerings, Genium INET and X-stream INET. Genium INET and X-stream INET both combine innovative functionality with a modular approach to manage change and create new advantages for existing and new customers

We continuously improve our core technology with a focus on improving capacity, reliability, resiliency and market integrity.

Intellectual Property

We own or have licensed rights to trade names, trademarks, domain names and service marks that we use in conjunction with our operations and services. We have registered many of our most important trademarks in the United States and in foreign countries. For example, our primary "NASDAQ" mark is a registered trademark in the United States and in over 50 other countries worldwide and the OMX trademark also has been registered worldwide. We also have trademark registrations for the most important trade names of NASDAQ OMX Nordic and our operations in Europe. Many of these trademarks are registered in a number of countries. Examples of registered trademarks used in our European operations include: OMX, GENIUM, Genium INET, SECUR, CLICK XT and EXIGO.

To support our business objectives and benefit from our investments in research and development, we actively seek protection for our innovations by filing patent applications to protect inventions arising from investments in products, systems, software and services. We believe that our patents and patent applications are important for maintaining the competitive differentiation of our products, systems, software and services, enhancing our ability to access technology of third parties and maximizing our return on research and development investments.

Over time, we have accumulated a robust portfolio of issued patents in the U.S., Europe and in other parts of the world. We currently hold rights to patents relating to certain aspects of products, systems, software and services, but we primarily rely on the innovative skills, technical competence and marketing abilities of our personnel. Hence, no single patent is in itself essential to us as a whole or any of our principal business areas.

We also maintain copyright protection in our NASDAQ-branded materials.

Competition

Market Services

Derivative Trading and Clearing. In derivatives trading and clearing, competition comes in the form of trading and clearing that takes place OTC, usually through banks and brokerage firms, or through trading and clearing competition with other exchanges.

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Our principal competitors for trading options in the U.S. include the Chicago Board Options Exchange, Inc., or CBOE, the International Securities Exchange Holdings, Inc., or ISE, NYSE ARCA, NYSE Amex, BATs Options, C2 Options Exchange and the BOX Options Exchange Group, LLC and MIAX Options. Competition is focused on providing market participants with greater functionality, trading system stability, customer service, efficient pricing, and speed of execution. The intense competition for exchange traded options results in the need to continuously review our technology offerings and pricing.

Exchange based competition for trading in European derivatives continues to occur mainly where there is competition in trading for the underlying equities and our competition for options on European equities is primarily with EUREX Group, or EUREX, NYSE Liffe, Turquoise and, to a limited extent, the U.S. options exchanges. Such competition is limited to options on a small number of equity securities although these securities tend to be among the most active. In addition to exchange based competition in derivatives, we continue to face competition from OTC derivative markets.

The competitive significance in Europe of varied alternative trading venues is likely to increase in the future, with the regulatory environment in Europe becoming more favorable to alternative trading venues as a result of the reforms required by the update to Markets in Financial Instruments Directive, or MiFID II and a broader effort to increase competition in financial services. To this end we have launched NASDAQ OMX NLX, offering an alternative to current incumbent markets in short-term and long-term European interest rate derivative products. As trading in Europe evolves, competition for trading volumes in derivatives will likely increase. Both current and potential competition require us to constantly reassess our pricing and product offerings in order to remain competitive.

Regulations such as MiFID II and the European Infrastructure Regulation, or EMIR, are altering competition in the clearing business in Europe. The EMIR requirements are changing the way we structure and operate our clearing business.

Cash Equity Trading. The cash equity securities markets are intensely competitive. As a result of the conditions in the U.S. and Europe, we experience competition in our core trading activities such as execution services, quoting and trading capabilities, and reporting services. In late 2013, IntercontinentalExchange, or ICE, acquired NYSE Euronext. In addition, BATS and Direct Edge recently completed a merger. These transactions have the potential to affect the competitive environment we face in both the U.S. and Europe.

We compete in the U.S. against ICE, BATS Global Markets, Inc., Direct Edge, regional exchanges and ATSs. Competition also comes from broker-dealers and from OTC trading in the U.S. and elsewhere. The U.S. marketplace continues to evolve as less heavily regulated broker-owned trading systems and ATSs, known collectively as dark pools, expand in number and activity. While many of the new entrants may have limited liquidity, some may attract significant levels of cash equity order volume through aggressive pricing, interconnections with other systems, and from volume originating with broker-dealer owners and investors. In Europe, our major competitors include BATS Chi-X Europe, ICE, Deutsche Börse, the London Stock Exchange Group plc, or LSE, and multilateral trading facilities, or MTFs, such as Turquoise. The European landscape is continuing to adapt to the competitive forces released by MiFID. Throughout Europe, new MTFs have been created with the most prominent MTFs based in the United Kingdom and attracting a significant share of electronically matched volume. MTFs continue to grow their business in shares listed on our Nordic exchanges. Electronic trading systems interested in pursuing block business also remain active in Europe. While the state of competition in Europe remains evolutionary, the level of competition faced by incumbent national exchanges remains intense.

Fixed Income Trading. Today, many U.S. fixed-income instruments enjoy some form of electronic trading, but the move to ‘electronify’ the fixed income space is still developing with some products still trading almost exclusively among voice brokers. Expanding the products further in the fixed income space could be faced with competitive forces from the voice broker community or other new electronic platform operators. Currently, other competitors in

U.S. Treasury benchmark trading are ICAP’s BrokerTec platform and Dealerweb. While building a U.S. Treasury benchmark trading business is complex, time-consuming and expensive, the risk of competition and declining market share in the space is significant.

Listing Services

Our primary competitor for larger company listings in the U.S. is NYSE. The NASDAQ Stock Market also competes with NYSE MKT for listing of smaller companies. In addition, now that the BATS/Direct Edge merger has been completed, new competition may arise in listings. The NASDAQ Stock Market also competes with local and overseas markets for listings by companies that choose to list outside of their home country.

The listings business in Europe is characterized by the large number of exchanges competing for new or secondary listings. Each country has one or more national exchanges which are often the first choice of companies in the respective countries. For those considering an alternative, the European exchanges that attract the most overseas listings are LSE, NYSE Euronext, Deutsche Börse and the exchanges that comprise NASDAQ OMX Nordic.

In addition to the larger exchanges, companies are able to consider smaller markets and quoting facilities, such as LSE’s Alternative Investment Market, Euronext’s Alternext, Deutsche Börse’s Entry Standard, Borsa Italiana’s Expandi Market, PLUS

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Markets plc, the Pink Sheets LLC and the Over-the-Counter Bulletin Board, or OTCBB. Other exchanges in Sweden include the Nordic Growth Market and Aktietorget, which primarily serve companies with small market capitalizations.

Information Services

Market Data Products. The market data business in the U.S. includes both proprietary and consolidated data products. Proprietary data products are made up exclusively of data derived from each exchange's systems. Consolidated data products are distributed by SEC-mandated consolidators (one for NASDAQ-listed stocks and another for NYSE and other-listed stocks) that share the revenue among the exchanges that contribute data. In Europe, all market data products are proprietary as there is no official data consolidator. Competition in the market data business is intensely competitive and is influenced by rapidly changing technology and the creation of new product and service offerings.

The sale of our proprietary data products in both the U.S. and Europe is under competitive threat from alternative exchanges and trading venues that offer similar products. Our market data business competes with other exchanges and third party vendors in providing information to market participants. Some of our major competitors for proprietary data products are ICE, ICAP and S&P Dow Jones.

The consolidated market data business is under competitive pressure from other securities exchanges that trade NASDAQ-listed securities. Current SEC regulations permit these regional exchanges and FINRA's Alternative Display Facility to quote and trade NASDAQ-listed securities. The UTP Plan entitles these exchanges, FINRA's Alternative Display Facility, and the trade reporting facilities to a share of UTP Plan tape fees, based on the formula required by Regulation NMS that takes into account both trading and quoting activity. In addition, The NASDAQ Stock Market similarly competes for the tape fees from the sale of information on NYSE and NYSE MKT-listed securities for those respective tape plans. Participants in the tape plans have used tape fee revenues to establish payment for order flow arrangements with their members and customers.

Index Licensing and Services. The NASDAQ Stock Market is subject to intense competition for the listing of financial products from other exchanges. The indexes on which these products are based face competition from indexes created by a large number of index providers. For example, there are a number of indexes that aim to track the technology sector and thereby compete with the NASDAQ-100 Index and the NASDAQ Composite Index. We face competition from investment banks, dedicated index providers, markets and other product developers in designing products that meet investor needs.

Technology Solutions

Corporate Solutions. The landscape of corporate solutions competitors is varied and highly fragmented. In the investor relations space, there are many regional competitors with few global providers. However, other exchanges have recently begun to partner or buy assets in order to provide investor relations services to customers alongside their core listing services. The competitive landscape for public relations services includes large providers of traditional wire services, full-service providers that span distribution and targeting, monitoring and analytics, and a large number of regional or niche providers. In multimedia and webcasting, competition is highly fragmented and served by a number of firms who address various needs for enterprise buyers and typically offer managed or self-service capabilities. In governance and secure collaboration, the competitive landscape is bifurcated with few competitors who serve corporate boards and deal teams. We believe customers are increasingly looking for single source providers who can address a broad range of needs within a single platform. Some of the competitors to the corporate solutions business include Ipreo, Cision, PR Newswire, Business Wire, ON24, BoardVantage, Diligent, Intralinks and Merrill Datasite.

Market Technology. The traditional model, where each exchange or exchange-related business developed its own technology internally sometimes aided by consultants, is evolving as many operators recognize the cost savings made possible by buying technology already developed. Two types of competitors are emerging: other exchanges providing solutions, including ICE and LSE, and pure technology providers focused on the exchange industry. These organizations offer a range of off-the-shelf technology including trading, clearing, settlement, depository and information dissemination. They also offer customization and operation expertise.

Regulation

We are subject to extensive regulation in the United States and Europe.

U.S. Regulation

U.S. federal securities laws establish a system of cooperative regulation of securities markets, market participants and listed companies. Self-regulatory organizations, or SROs, conduct the day-to-day administration and regulation of the nation's securities markets under the close supervision of, and subject to extensive regulation, oversight and enforcement by, the SEC. SROs, such as national securities exchanges, are registered with the SEC.

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This regulatory framework applies to our U.S. business in the following ways:

•regulation of our registered national securities exchanges; and

•regulation of our U.S. broker-dealer subsidiaries.

The rules and regulations that apply to our business are focused primarily on safeguarding the integrity of the securities markets and of market participants and investors generally. Accordingly, our Board of Directors, officers, and employees must give due regard to the preservation of the independence of the self-regulatory function of each of our SROs and to their obligations to investors and the general public, and may not take any actions that would interfere with the effectuation of decisions by the boards of directors of any of our SROs relating to their regulatory functions, or that would interfere with the ability of any of our SROs to carry out their responsibilities under the Securities Exchange Act of 1934, or Exchange Act. Although the rules and regulations that apply to our business are not focused on the protection of our stockholders, we believe that regulation improves the quality of exchanges and, therefore, our company. U.S. federal securities laws and the rules that govern our operations are subject to frequent change.

National Securities Exchanges. SROs in the securities industry are an essential component of the regulatory scheme of the Exchange Act for providing fair and orderly markets and protecting investors. The Exchange Act and the rules thereunder, as well as each SRO's own rules, impose on the SROs many regulatory and operational responsibilities, including the day-to-day responsibilities for market and broker-dealer oversight. Before it may permit the registration of a national securities exchange as an SRO, the SEC must determine, among other things, that the exchange has a set of rules that is consistent with the requirements of the Exchange Act. Moreover, an SRO is responsible for enforcing compliance by its members, and persons associated with its members, with the provisions of the Exchange Act, the rules and regulations thereunder, and the rules of the SRO, including rules and regulations governing the business conduct of its members.

NASDAQ OMX currently operates three cash equities and three options markets in the United States. We operate The NASDAQ Stock Market and The NASDAQ Options Market pursuant to The NASDAQ Stock Market's SRO license; NASDAQ OMX BX and NASDAQ OMX BX Options pursuant to NASDAQ OMX BX's SRO license; and NASDAQ OMX PSX and the NASDAQ OMX PHLX options market pursuant to NASDAQ OMX PHLX's SRO license. As SROs, each entity has separate rules pertaining to its broker-dealer members and listed companies. Broker-dealers that choose to become members of The NASDAQ Stock Market, NASDAQ OMX PHLX, and/or NASDAQ OMX BX are subject to the rules of those exchanges.

All of our U.S. national securities exchanges are subject to SEC oversight, as prescribed by the Exchange Act, including periodic and special examinations by the SEC. Our exchanges also are potentially subject to regulatory or legal action by the SEC or other interested parties at any time in connection with alleged regulatory violations. We also are subject to Section 17 of the Exchange Act, which imposes record-keeping requirements, including the requirement to make records available to the SEC for examination. We have been subject to a number of routine reviews and inspections by the SEC or external auditors in the ordinary course and we have been and may in the future be subject to SEC enforcement proceedings. To the extent such actions or reviews and inspections result in regulatory or other changes, we may be required to modify the manner in which we conduct our business which may adversely affect our business.

Section 19 of the Exchange Act provides that our exchanges must submit to the SEC proposed changes to any of the SROs' rules, practices and procedures, including revisions to provisions of our certificate of incorporation and by-laws that constitute SRO rules. The SEC will typically publish such proposed changes for public comment, following which the SEC may approve or disapprove the proposal, as it deems appropriate. SEC approval requires a finding by the SEC that the proposal is consistent with the requirements of the Exchange Act and the rules and regulations thereunder. Pursuant to the requirements of the Exchange Act, our exchanges must file with the SEC, among other things, all proposals to change their pricing structure.

Pursuant to regulatory services agreements between FINRA and our SROs, FINRA provides certain regulatory services to the markets operated or regulated by The NASDAQ Stock Market, NASDAQ OMX PHLX and NASDAQ OMX BX, including the regulation of trading activity and surveillance and investigative functions. Nevertheless, we have a direct regulatory role in conducting certain real-time market monitoring, certain equity surveillance not involving cross-market activity and most options surveillance, rulemaking and some membership functions through our MarketWatch department. We refer suspicious trading behavior discovered by our regulatory staff to FINRA for further investigation. Our SROs retain ultimate regulatory responsibility for all regulatory activities performed under regulatory agreements by FINRA, and for fulfilling all regulatory obligations for which FINRA does not have responsibility under the regulatory services agreements.

In addition to its other SRO responsibilities, The NASDAQ Stock Market, as a listing market, also is responsible for overseeing each listed company's compliance with NASDAQ's financial and corporate governance standards. Our Listing Qualifications department evaluates applications submitted by issuers interested in listing their securities on NASDAQ to determine whether the quantitative and qualitative listing standards have been satisfied. Once securities are listed, the Listing Qualifications department monitors each issuer's on-going compliance with NASDAQ's continued listing standards.

Broker-dealer regulation. NASDAQ OMX's broker-dealer subsidiaries are subject to regulation by the SEC, the SROs and the various state securities regulators. Nasdaq Execution Services, LLC currently operates as our routing broker for sending orders from

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The Nasdaq Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX to other venues for execution. NASDAQ Options Services, LLC performs a comparable function with respect to routing of orders from The NASDAQ Options Market, NASDAQ OMX BX Options and NASDAQ OMX PHLX. In the first half of 2014, subject to regulatory approvals, NASDAQ Options Services, LLC will cease acting as the routing broker for our options exchanges and Nasdaq Execution Services, LLC will operate as the routing broker for both our U.S. cash equity and options exchanges, In June 2013, Execution Access LLC, a previously inactive broker-dealer and indirect subsidiary of NASDAQ OMX, was repurposed and approved by FINRA to operate as the broker-dealer for our fixed income business, including eSpeed's electronic trading platform for U.S. Treasuries.

Nasdaq Execution Services is registered as a broker-dealer with the SEC and in all 50 states, the District of Columbia and Puerto Rico. It is also a member of The NASDAQ Stock Market, NASDAQ OMX BX, NASDAQ OMX PHLX, BATS-Y Exchange, BATS-Z Exchange, CBOE, Chicago Stock Exchange, EDGA Exchange, EDGX Exchange, FINRA, National Stock Exchange, NYSE, NYSE MKT and NYSE Arca.

NASDAQ Options Services is registered as a broker-dealer with the SEC and in all 50 states, the District of Columbia and Puerto Rico. It is also a member of The NASDAQ Stock Market, NASDAQ OMX PHLX, NASDAQ OMX BX Options, BATS-Z Exchange, BOX, CBOE, C2 Options Exchange, FINRA, ISE, NFA, Miami International Stock Exchange, NYSE MKT and NYSE Arca.

Execution Access LLC is registered as a broker-dealer with the SEC, FINRA and 22 states based on business requirements. Execution Access LLC operates a transparent central limit order book known as eSpeed to trade in U.S. Treasury securities. Execution Access LLC is an introducing broker for trades matched on the eSpeed trading platform. The trades, once matched, are submitted to our fully disclosed clearing broker for clearance and settlement.

The SEC, FINRA and the exchanges adopt rules and examine broker-dealers and require strict compliance with their rules and regulations. The SEC, SROs and state securities commissions may conduct administrative proceedings which can result in censures, fines, the issuance of cease-and-desist orders or the suspension or expulsion of a broker-dealer, its officers or employees. The SEC and state regulators may also institute proceedings against broker-dealers seeking an injunction or other sanction. The SEC and SRO rules cover many aspects of a broker-dealer's business, including capital structure and withdrawals, sales methods, trade practices among broker-dealers, use and safekeeping of customers' funds and securities, record-keeping, the financing of customers' purchases, broker-dealer and employee registration and the conduct of directors, officers and employees. All broker-dealers have an SRO that is assigned by the SEC as the broker-dealer's designated examining authority, or DEA. The DEA is responsible for examining a broker-dealer for compliance with the SEC's financial responsibility rules. FINRA is the current DEA for Nasdaq Execution Services, NASDAQ Options Services and Execution Access LLC.

As registered broker-dealer subsidiaries, Nasdaq Execution Services, NASDAQ Options Services and Execution Access LLC are subject to regulatory requirements intended to ensure their general financial soundness and liquidity, which require that they comply with certain minimum capital requirements. The SEC and FINRA impose rules that require notification when net capital falls below certain predefined criteria, dictate the ratio of debt to equity in the regulatory capital composition of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. Additionally, the Uniform Net Capital Rule and FINRA rules impose certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to the SEC and FINRA for certain withdrawals of capital.

As of December 31, 2013, NASDAQ Execution Services, NASDAQ Options Services and Execution Access LLC were in compliance with all of the applicable capital requirements.

Regulatory contractual relationships with FINRA. The NASDAQ Stock Market, NASDAQ OMX PHLX, NASDAQ OMX PSX and NASDAQ OMX BX have signed a series of regulatory service agreements covering the services FINRA provides to the respective SROs. Under these agreements, FINRA personnel act as our agents in performing the regulatory functions outlined above, and FINRA bills us a fee for these services. These agreements have enabled us to reduce our headcount while ensuring that the markets for which we are responsible are properly regulated. However, our SROs retain ultimate regulatory responsibility for all regulatory activities performed under these agreements by FINRA. In addition, our options markets have entered into a joint agreement with the other options exchanges for conducting insider trading surveillance. Our SROs continue to monitor the activities conducted under the agreement and continue to have regulatory responsibility in this area.

Exchange Act Rule 17d-2 permits SROs to enter into agreements, commonly called Rule 17d-2 agreements, approved by the SEC with respect to enforcement of common rules relating to common members. Our SROs have entered into several such agreements under which FINRA assumes regulatory responsibility for specifics covered by the agreement:

•agreements with FINRA covering the enforcement of common rules, the majority of which relate to the regulation of The NASDAQ Stock Market, NASDAQ OMX BX and the members of these exchanges;

•joint industry agreements with FINRA covering responsibility for enforcement of insider trading rules;

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•joint industry agreement with FINRA covering enforcement of rules related to cash equity sales practices and certain other non-market related rules; and

•joint industry agreement covering enforcement of rules related to options sales practices.

Regulation NMS and Options Intermarket Linkage Plan. We are subject to Regulation NMS for our cash equities markets, and our options markets have joined the Options Intermarket Linkage Plan. These are designed to facilitate the routing of orders among exchanges to create a national market system as mandated by the Exchange Act. One of the principal purposes of a national market system is to assure that brokers may execute investors' orders at the best market price. Both Regulation NMS and the Options Intermarket Linkage Plan require that exchanges avoid trade-throughs, locking or crossing of markets and provide market participants with electronic access to the best prices among the markets for the applicable cash equity or options order.

In addition, Regulation NMS requires that every national securities exchange on which an NMS stock is traded and every national securities association act jointly pursuant to one or more national market system plans to disseminate consolidated information, including a national best bid and national best offer, on quotations for transactions in NMS stocks, and that such plan or plans provide for the dissemination of all consolidated information for an individual NMS stock through a single plan processor. The UTP Plan was filed with and approved by the SEC as a national market system plan in accordance with the Exchange Act and Regulation NMS to provide for the collection, consolidation and dissemination of such information for NASDAQ-listed securities. NASDAQ serves as the SIP for the UTP Plan. As the SIP, NASDAQ performs and discharges regulatory functions and responsibilities that are necessary for the members of the UTP Plan to discharge the regulatory functions related to the operation of a national market system that have been delegated to them under the Exchange Act and Regulation NMS. To fulfill its obligations as the SIP, NASDAQ has designed, implemented, maintained, and operated a data processing and communications system, hardware, and software and communications infrastructure to provide processing for the UTP Plan.

CFTC Regulation. Prior to 2014, we also operated NASDAQ Futures Exchange, or NQF (formerly NASDAQ OMX Futures Exchange), a designated contract market under the Commodity Exchange Act and subject to regulatory oversight by the U.S. Commodity Futures Trading Commission, or CFTC, an independent agency with the mandate to regulate commodity futures and option markets in the U.S. On January 1, 2014, NQF became a dormant designated contract market under CFTC rules and ceased listing futures contracts for trading. NQF has applied to reinstate its designation and, subject to regulatory approval, is anticipated to resume operations in 2014.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, or Dodd-Frank Act, also has resulted in increased CFTC regulation of some of our subsidiaries outside the United States and their customers.

European Regulation

Regulation of our markets in the European Union and European Economic Area focuses on issues relating to financial services, listing and trading of securities and market abuse. At the end of 2012, new regulations relating to CCP services and OTC derivatives transactions were adopted that will affect our clearinghouses in Europe. As the regulatory environment continues to change and related opportunities arise, we intend to continue product development, and ensure that the exchanges and clearinghouses that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic maintain favorable liquidity and offer efficient trading.

Confidence in capital markets is paramount for trading to function properly. NASDAQ OMX Nordic carries out market surveillance through an independent unit that is separate from the business operations. The surveillance work is organized into two functions: one for the listing of instruments and surveillance of companies (issuer surveillance) and one for surveillance of trading (trading surveillance). The real-time trading surveillance for the Finnish, Icelandic, Danish and Swedish markets has been centralized to Stockholm. In Iceland, the surveillance activities are carried out by specially appointed persons. In addition, there are special personnel who carry out surveillance activities at each of the three Baltic exchanges and at NASDAQ OMX Oslo ASA with respect to the trading of commodities derivatives. There are three surveillance committees at NASDAQ OMX Nordic, one at each NASDAQ OMX Nordic exchange in Sweden, Finland and Denmark. These committees have an advisory role in relation to surveillance matters. In Sweden and Finland, decisions to list new companies are made by the listing committees of the exchanges. In Denmark and Iceland, listing decisions are made by the President of the exchange, a duty delegated by the board of NASDAQ OMX Copenhagen and NASDAQ OMX Iceland, respectively.

If there is suspicion that a listed company or member has acted in breach of exchange regulations, the matter is dealt with by the market regulation division. Serious breaches are considered by the respective disciplinary committee in Sweden and Finland. In Denmark, all matters are dealt with by the surveillance department. In Iceland, enforcement committees handle all breaches of exchange regulations, while disciplinary committees handle the determination of fines. Suspected insider trading is reported to the appropriate authorities in the respective country or countries.

The entities that operate trading venues in the Nordic and Baltic countries are each subject to local regulation. In Sweden, general supervision of the exchange market operated by NASDAQ OMX Stockholm is carried out by the SFSA, while NASDAQ OMX Clearing’s role as CCP in the clearing of derivatives is overseen by the SFSA and the Swedish central bank, Riksbanken.

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Additionally, as a function of the Swedish two-tier supervisory model, certain surveillance in relation to the exchange market is carried out by us, acting through our surveillance division.

NASDAQ OMX Stockholm's exchange activities are regulated primarily by the Swedish Securities Markets Act 2007:528, or SSMA, which sets up basic requirements regarding the board of the exchange and its share capital, and which also outlines the conditions on which exchange licenses are issued. The SSMA also provides that any changes to the exchange's articles of association following initial registration must be approved by the SFSA. NASDAQ OMX Clearing AB holds the license as a CCP.

In December 2012, the European Commission adopted nine implementing technical standards to complement the obligations defined under EMIR which became effective in August 2012. As a consequence of EMIR, NASDAQ OMX Clearing and like other European CCPs is currently applying to reauthorize their CCP operations.

With respect to ongoing operations, the SSMA requires exchanges to conduct their activities in an honest, fair and professional manner, and in such a way as to maintain public confidence in the securities markets. When operating a regulated market, an exchange must apply the principles of free access (i.e., that each person which meets the requirements established by law and by the exchange may participate in trading), neutrality (i.e., that the exchange's rules for the regulated market are applied in a consistent manner to all those who participate in trading) and transparency (i.e., that the participants must be given speedy, simultaneous and correct information concerning trading and that the general public must be given the opportunity to access this information). Additionally, the exchange operator must identify and manage the risks that may arise in its operations, use secure technical systems and identify and handle the conflicts of interest that may arise between the exchange or its owners' interests and the interest in safeguarding effective risk management and secure technical systems. Similar requirements are set up by the SSMA and EMIR in relation to clearing operations.

The SSMA also contains the framework for both the SFSA's supervisory work in relation to exchanges and clearinghouses and the surveillance to be carried out by the exchanges themselves. The latter includes the requirement that an exchange should have "an independent surveillance function with sufficient resources and powers to meet the exchange's obligations." That requires the exchange to, among other things, supervise trading and price information, compliance with laws, regulations and good market practice, participant compliance with trading participation rules, financial instrument compliance with relevant listing rules and the extent to which issuers meet their obligation to submit regular financial information to relevant authorities.

The regulatory environment in the other Nordic and Baltic countries in which a NASDAQ OMX entity has a trading venue is broadly similar to the regulatory environment in Sweden. Since 2005, there has been a Memorandum of Understanding between the SFSA and the main supervisory authorities in Norway, Denmark and Finland, which looks to safeguard effective and comprehensive supervision of the exchanges comprising NASDAQ OMX Nordic and the systems operated by it, and to ensure a common supervisory approach.

Employees

As of December 31, 2013, NASDAQ OMX had 3,365 employees, including staff employed at consolidated entities where we have a controlling financial interest. Of the total employees, 1,535 were based in the U.S. and 1,830 were based outside of the U.S. None of our U.S. employees are subject to collective bargaining agreements or is represented by a union. Approximately 88 employees based in Denmark and Finland are covered by local union agreements.

NASDAQ OMX Website and Availability of SEC Filings

We file periodic reports, proxy statements and other information with the SEC. The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC (such as us). The address of that site is http://www.sec.gov.

Our website is www.nasdaqomx.com. Information on our website is not a part of this Form 10-K. We will make available free of charge on our website, or provide a link to, our Forms 10-K, Forms 10-Q and Forms 8-K and any amendments to these documents, that are filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. To access these filings, go to NASDAQ OMX's website and click on "Investor Relations," then under "Financial Information" click on "SEC Filings."

We use our website, www.nasdaqomx.com, as a means of disclosing material non-public information and for complying with disclosure obligations under Regulation FD.

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Item 1A. Risk Factors.

The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business. If any of the following risks actually occur, our business, financial condition, or operating results could be adversely affected.

Risks Relating to our Business

Our industry is highly competitive.

We face intense competition from other exchanges and markets for market share of trading activity and listings. In addition, our market data, index licensing, corporate solutions and market technology businesses face significant competition from other market participants. This competition includes both product and price competition and has continued to increase as a result of the creation of new execution and listing venues in the United States and Europe. Increased competition may result in a decline in our share of trading activity, listings and demand for the products we offer, thereby adversely affecting our operating results.

The liberalization and globalization of world markets has resulted in greater mobility of capital, greater international participation in local markets and more competition. As a result, both in the U.S. and in other countries, the competition among exchanges and other execution venues has become more intense. In the last several years, many marketplaces in both Europe and the U.S. have demutualized to provide greater flexibility for future growth. The securities industry also has experienced consolidation, creating a more intense competitive environment. Regulatory changes, such as MiFID, also have facilitated the entry of new participants in the EU that compete with our European markets. The regulatory environment, both in the U.S. and in Europe, is structured to maintain this environment of intense competition. In addition, a high proportion of business in the securities markets is becoming concentrated in a smaller number of institutions and our revenue may therefore become concentrated in a smaller number of customers.

We also compete globally with other regulated exchanges and markets, ATSs, MTFs and other traditional and non-traditional execution venues. Some of these competitors also are our customers. Our exchange competitors include ICE, LSE, Deutsche Börse and a number of other exchanges in the U.S. and around the world. These exchanges offer a range of services comparable to those offered by our exchanges and generally compete with us in providing trade executions, trade reporting, market data, listings, regulation, index, and technology services. Public ATSs in the U.S. and MTFs in Europe are broker-dealer operated systems that offer trade execution services, typically at very low cost. Other competing execution venues include broker-dealer owned systems such as dark-pools and internalization engines that may or may not be registered as ATSs or MTFs. Like ATSs and MTFs, these venues also compete with us by offering low cost executions and differ from public ATSs and MTFs in the degree of transparency they offer and in restrictions on who may access these systems.

Competitors may develop market trading platforms that are more competitive than ours. Competitors may enter into strategic partnerships, mergers or acquisitions that could make their trading, listings, clearing or data businesses more competitive than ours. In November 2013, ICE completed its acquisition of NYSE Euronext. ICE has also indicated its intent to spin off Euronext via an IPO. In early 2014, BATS merged with Direct Edge, creating a holding company with four equity platforms that currently execute roughly the same amount of volume as NASDAQ OMX's three U.S. equity platforms. These transactions have the potential to affect the competitive environment we face in both the U.S. and Europe. If we are unable to compete successfully in this environment, our business, financial condition and operating results will be adversely affected.

Price competition has affected and could continue to affect our business.

We face intense price competition in all areas of our business. In particular, the trading industry is characterized by intense price competition. We have in the past lowered prices, and in the U.S., increased rebates for trade executions to attempt to gain or maintain market share. These strategies have not always been successful and have at times hurt operating performance. Additionally, we have also been, and may once again be, required to adjust pricing to respond to actions by competitors, which could adversely impact operating results. We are also subject to potential price competition from new competitors and from new and existing regulated markets and MTFs. We also compete with respect to the pricing of market data and with respect to products for pre-trade book data and for post-trade last sale data. In the future, our competitors may offer rebates for quotes and trades on their systems. In addition, our listing, index licensing and technology solutions pricing is subject to competitive pressures. If we are unable to compete successfully in respect to the pricing of our services and products, our business, financial condition and operating results may be adversely affected.

Economic conditions and market factors, which are beyond our control, may adversely affect our business and financial condition.

Our business performance is impacted by a number of factors, including general economic conditions in both the U.S. and Europe, market volatility, and other factors that are generally beyond our control. To the extent that global or national economic conditions weaken, our business is likely to be negatively impacted. Adverse market conditions could reduce customer demand for our services and the ability of our customers, lenders and other counterparties to meet their obligations to us. Poor economic conditions may result in a decline in trading volume, deterioration of the economic welfare of our listed companies and a reduction in the demand for our products, including our market data, indexes, corporate solutions and market technology. Trading volume is driven primarily by general market conditions and declines in trading volume may affect our market share and impact our pricing. In addition, our Market Services businesses receive revenues from a relatively small amount of customers concentrated in the financial industry, so any event that impacts one or more customers or the financial industry in general could impact our revenues.

The number of listings on our markets is primarily influenced by factors such as investor demand, the global economy, available sources of financing, and tax and regulatory policies. Adverse conditions may jeopardize the ability of our listed companies to comply with the continued listing requirements of our exchanges.

Market data revenues also may be significantly affected by global economic conditions. Professional subscriptions to our market data are at risk if staff reductions occur in financial services companies, which could result in significant reductions in our market data professional user revenue. In addition, adverse market conditions may cause reductions in the number of non-professional investors with investments in the market.

A reduction in trading volumes, market share of trading, the number of our listed companies, or demand for market data or technology products due to economic conditions or other market factors could adversely affect our business, financial condition and operating results.

A decline in trading and clearing volume will decrease our trading and clearing revenues.

Trading and clearing volumes are directly affected by economic, political and market conditions, broad trends in business and finance, unforeseen market closures or other disruptions in trading, the level and volatility of interest rates, inflation, changes in price levels of securities and the overall level of investor confidence. In recent years, trading and clearing volumes across our markets have fluctuated significantly depending on market conditions and other factors beyond our control. Current initiatives being considered by regulators and governments, such as restrictions on algorithmic (high-frequency) trading, could have a material adverse effect on overall trading and clearing volumes. Because a significant percentage of our revenues is tied directly to the volume of securities traded and cleared on our markets, it is likely that a general decline in trading and clearing volumes would lower revenues and may adversely affect our operating results if we are unable to offset falling volumes through pricing changes. Declines in trading and clearing volumes may also impact our market share or pricing structures and adversely affect our business and financial condition.

Our market share of trading has declined and may continue to decline.

Our matched market share in NASDAQ-listed securities executed on NASDAQ declined from 46.1% in 2007 to 24.5% in 2013, and our combined matched market share in all U.S.-listed securities executed on all of our platforms declined from 29.1% in 2007 to 18.8% in 2013. In addition, as a result of the adoption of MiFID, a number of MTFs have launched, thereby significantly increasing competition in Europe. As a result, our matched market share in securities listed on our exchanges comprising NASDAQ OMX Nordic and NASDAQ OMX Baltic has declined from 100% in 2007 to 68.6% in 2013.

If our total market share in these securities continues to decrease relative to our competitors, our venues may be viewed as less attractive sources of liquidity. If growth in overall trading volume of these securities does not offset continued declines in our market share, or if our exchanges are perceived to be less liquid, then our business, financial condition and operating results could be adversely affected.

Since some of our exchanges offer clearing services in addition to trading services, a decline in market share of trading could lead to a decline in clearing revenues. Declines in market share also could result in issuers viewing the value of a listing on our exchanges as less attractive, thereby adversely affecting our listing business. Finally, declines in market share of NASDAQ-listed securities could lower NASDAQ's share of tape pool revenues under the consolidated data plans, thereby reducing the revenues of our market data business.

System limitations or failures could harm our business.

Our businesses depend on the integrity and performance of the technology, computer and communications systems supporting them. If our systems cannot expand to cope with increased demand or otherwise fail to perform, we could experience unanticipated disruptions in service, slower response times and delays in the introduction of new products and services. These consequences could result in trading outages, lower trading volumes, financial losses, decreased customer service and satisfaction and regulatory sanctions. Our markets have experienced systems failures and delays in the past and could experience future systems failures and delays.

Although we currently maintain and expect to maintain multiple computer facilities that are designed to provide redundancy and back-up to reduce the risk of system disruptions and have facilities in place that are expected to maintain service during a system disruption, such systems and facilities may prove inadequate. If trading volumes increase unexpectedly or other unanticipated events occur, we may need to expand and upgrade our technology, transaction processing systems and network infrastructure. We do not know whether we will be able to accurately project the rate, timing or cost of any increases, or expand and upgrade our systems and infrastructure to accommodate any increases in a timely manner.

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While we have programs in place to identify and minimize our exposure to vulnerabilities and work in collaboration with the technology industry to share corrective measures with our business partners, we cannot guarantee that such events will not occur in the future. Any system issue that causes an interruption in services, decreases the responsiveness of our services or otherwise affects our services could impair our reputation, damage our brand name and negatively impact our business, financial condition and operating results.

Our role in the global marketplace may place us at greater risk for a cyber attack or other security incidents.

Our systems and operations are vulnerable to damage or interruption from security breaches, hacking, data theft, denial of service attacks, human error, natural disasters, power loss, fire, sabotage, terrorism, computer viruses, intentional acts of vandalism and similar events. Given our position in the global securities industry, we may be more likely than other companies to be a direct target, or an indirect casualty, of such events. In February 2011, we announced that, through our normal security monitoring systems, we detected suspicious files on our U.S. servers. The files were immediately removed and we believe there has been no evidence that any customer information was accessed or acquired by third parties.

While we continue to employ resources to monitor our systems and protect our infrastructure, these measures may prove insufficient depending upon the attack or threat posed. Any system issue, whether as a result of an intentional breach or a natural disaster, could damage our reputation and cause us to lose customers, experience lower trading volume, incur significant liabilities or otherwise have a negative impact on our business, financial condition and operating results. We also could incur significant expense in addressing any of these problems and in addressing related data security and privacy concerns.

The success of our business depends on our ability to keep up with rapid technological and other competitive changes affecting our industry. Specifically, we must complete development of, successfully implement and maintain electronic trading platforms that have the functionality, performance, capacity, reliability and speed required by our business and our regulators, as well as by our customers.

The markets in which we compete are characterized by rapidly changing technology, evolving industry and regulatory standards, frequent enhancements to existing products and services, the adoption of new services and products and changing customer demands. We may not be able to keep up with rapid technological and other competitive changes affecting our industry. For example, we must continue to enhance our electronic trading platforms to remain competitive as well as to address our regulatory responsibilities, and our business will be negatively affected if our electronic trading platforms fail to function as expected. If we are unable to develop our electronic trading platforms to include other products and markets, or if our electronic trading platforms do not have the required functionality, performance, capacity, reliability and speed required by our business and our regulators, as well as by our customers, we may not be able to compete successfully. Further, our failure to anticipate or respond adequately to changes in technology and customer preferences, especially in our technology solution businesses, or any significant delays in product development efforts, could have a material adverse effect on our business, financial condition and operating results.

We may experience losses and liabilities as a result of systems issues that arose during the Facebook, Inc. IPO.

In connection with the IPO by Facebook on May 18, 2012, systems issues were experienced at the opening of trading of Facebook shares. Certain of our members may have been disadvantaged by such systems issues, which have subsequently been remedied. We announced a program for voluntary accommodations to qualifying members, which was approved by the SEC in March 2013, and we paid all valid claims submitted through the program in December 2013. As a result of the systems issues, we have been sued by retail investors and trading firms in certain putative class actions, many of which have been consolidated into a single action, as well as in five other lawsuits by individual investors. The plaintiffs have asserted claims for negligence, gross negligence, fraud, and violations of Section 20(a) of the Act and Rule 10b-5, promulgated under the Act. In addition, a member organization filed a demand for arbitration seeking indemnification for alleged losses associated with the Facebook IPO. We believe that these lawsuits and arbitration demand are without merit and intend to defend them vigorously.

In addition, as previously disclosed, the SEC completed an investigation into the Facebook matter. Pursuant to our offer of settlement, which the Commission accepted, our subsidiaries, The NASDAQ Stock Market LLC and NASDAQ Execution Services LLC, agreed to implement several measures aimed at preventing future violations of the Act and the rules and regulations promulgated thereunder. We fully implemented and provided the SEC with a certification of our compliance with these undertakings by December 31, 2013 as agreed. In addition, The NASDAQ Stock Market LLC paid a $10 million penalty to the United States Treasury.

While we are unable to predict the outcome of the pending litigation or arbitration, an unfavorable outcome in one or more of these matters could have a material adverse effect on us. Pending the resolution of these matters, we expect to incur significant additional expenses in defending the arbitration and lawsuits.

Our role as exclusive processor for NASDAQ-listed stocks is under review.

On August 22, 2013, we experienced an outage in the exclusive processor system we maintain and operate on behalf of all exchanges that trade NASDAQ stocks which resulted in a market-wide trading halt lasting approximately three hours. Following this system outage, the Commission and others are evaluating all infrastructure that is critical to the national market system, including the processor systems. We have proposed upgrades that are designed to make those systems more robust and resilient, the cost of such

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upgrades to be borne collectively by all exchanges that trade NASDAQ stocks. The failure of other exchanges to adopt these upgrades could impact the proper function of the processor and impose further risk on us and the industry. If future outages occur or the processor systems fail to function properly while we are operating the systems, it could have an adverse effect on our business, reputation, financial condition or operating results.

Additionally, the contract for future maintenance and operation of the processor systems will shortly be subject to a competitive bidding process. We may choose not to bid for the contract or may fail to obtain that contract if we do bid. Although we do not expect any material adverse effect on our business if we no longer act as the SIP in the future, we could be impacted in ways that we have not foreseen.

We may not be able to successfully integrate acquired businesses, which may result in an inability to realize the anticipated benefits of our acquisitions.

In May 2013, we acquired the TR Corporate Solutions businesses, and in June 2013, we acquired eSpeed. In 2013, we also formed NPM. We must rationalize, coordinate and integrate the operations of these and other acquired businesses. This process involves complex technological, operational and personnel-related challenges, which are time-consuming and expensive and may disrupt our business. The difficulties, costs and delays that could be encountered may include:

•difficulties, costs or complications in combining the companies' operations, including technology platforms, which could lead to us not achieving the synergies we anticipate;

•incompatibility of systems and operating methods;

· reliance on a deal partner for transition services, including billing services;
•inability to use capital assets efficiently to develop the business of the combined company;

•the difficulty of complying with government-imposed regulations in the U.S. and abroad, which may be conflicting;

•resolving possible inconsistencies in standards, controls, procedures and policies, business cultures and compensation structures;

•the diversion of management's attention from ongoing business concerns and other strategic opportunities;

•difficulties in operating acquired businesses in parallel with similar businesses that we operated previously;

•difficulties in operating businesses we have not operated before;

•difficulty of integrating multiple acquired businesses simultaneously;

•the retention of key employees and management;

•the implementation of disclosure controls, internal controls and financial reporting systems at non-U.S. subsidiaries to enable us to comply with U.S. generally accepted accounting principles, or U.S. GAAP, and U.S. securities laws and regulations, including the Sarbanes Oxley Act of 2002, required as a result of our status as a reporting company under the Exchange Act;

•the coordination of geographically separate organizations;

•the coordination and consolidation of ongoing and future research and development efforts;

•possible tax costs or inefficiencies associated with integrating the operations of a combined company;

•pre-tax restructuring and revenue investment costs;

•the retention of strategic partners and attracting new strategic partners; and

•negative impacts on employee morale and performance as a result of job changes and reassignments.

For these reasons, we may not achieve the anticipated financial and strategic benefits from our acquisitions and initiatives. Any actual cost savings and synergies may be lower than we expect and may take a longer time to achieve than we anticipate, and we may fail to realize the anticipated benefits of acquisitions.

We will need to invest in our operations to maintain and grow our business and to integrate acquisitions, and we may need additional funds, which may not be readily available.

We depend on the availability of adequate capital to maintain and develop our business. Although we believe that we can meet our current capital requirements from internally generated funds, cash on hand and available borrowings under our existing credit facilities, if the capital and credit markets experience volatility, access to capital or credit may not be available on terms acceptable to us or at all. Limited access to capital or credit in the future could have an impact on our ability to refinance debt, maintain our credit rating, meet our regulatory capital requirements, engage in strategic initiatives, make acquisitions or strategic investments in other companies or react to changing economic and business conditions. If we are unable to fund our capital or credit requirements, it could have an adverse effect on our business, financial condition and operating results.

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In addition to our debt obligations, we will need to continue to invest in our operations for the foreseeable future to integrate acquired businesses and to fund new initiatives. If we do not achieve the expected operating results, we will need to reallocate our cash resources. This may include borrowing additional funds to service debt payments, which may impair our ability to make investments in our business or to integrate acquired businesses.

Should we need to raise funds through issuing additional equity, our equity holders will suffer dilution. Should we need to raise funds through incurring additional debt, we may become subject to covenants even more restrictive than those contained in our existing credit facilities, the indentures governing our notes and our other debt instruments. Furthermore, if adverse economic conditions occur, we could experience decreased revenues from our operations which could affect our ability to satisfy financial and other restrictive covenants to which we are subject under our existing indebtedness.

We operate in a highly regulated industry and may be subject to censures, fines and enforcement proceedings if we fail to comply with regulatory obligations.

We operate in a highly regulated industry and are subject to extensive regulation in the U.S. and Europe. The securities trading industry is subject to significant regulatory oversight and could be subject to increased governmental and public scrutiny in the future in response to global conditions and events. In the U.S., our markets and broker-dealer subsidiaries are regulated by the SEC, FINRA or CFTC and, in the Nordics, Baltics and UK, our markets are subject to local and/or European Union regulation. As a result, our regulated markets are subject to audits, investigations, administrative proceedings and enforcement actions relating to compliance with applicable rules and regulations. Regulators have broad powers to impose fines, penalties or censure, issue cease-and-desist orders, prohibit operations, revoke licenses or registrations and impose other sanctions on our exchanges, broker-dealers and markets for violations of applicable requirements.

In 2013, the SEC completed an investigation into the Facebook matter and accepted our offer of settlement which included a monetary penalty and an agreement to implement certain measures aimed at preventing future violations of the Act and the rules and regulations promulgated thereunder. See Item 3, “Legal Proceedings.” In the future, we could be subject to SEC or other regulatory investigations or enforcement proceedings that could result in substantial sanctions, including revocation of our operating licenses. Any such investigations or proceedings, whether successful or unsuccessful, could result in substantial costs, the diversion of resources, including management time, and potential harm to our reputation, which could have a material adverse effect on our business, results of operations or financial condition. In addition, our exchanges could be required to modify or restructure their regulatory functions in response to any changes in the regulatory environment, or they may be required to rely on third parties to perform regulatory and oversight functions, each of which may require us to incur substantial expenses and may harm our reputation if our regulatory services are deemed inadequate.

The regulatory framework under which we operate and new regulatory requirements or new interpretations of existing regulatory requirements could require substantial time and resources for compliance, which could make it difficult and costly for us to operate our business.

Under current U.S. federal securities laws, changes in the rules and operations of our markets, including our pricing structure, must be reviewed and in many cases explicitly approved by the SEC. The SEC may approve, disapprove, or recommend changes to proposals that we submit. In addition, the SEC may delay either the approval process or the initiation of the public comment process. Any delay in approving changes, or the altering of any proposed change, could have an adverse effect on our business, financial condition and operating results. We must compete not only with ATSs that are not subject to the same SEC approval process but also with other exchanges that may have lower regulation and surveillance costs than us. There is a risk that trading will shift to exchanges that charge lower fees because, among other reasons, they spend significantly less on regulation.

In addition, our registered broker-dealer subsidiaries are subject to regulation by the SEC, FINRA and other self-regulatory organizations. These subsidiaries are subject to regulatory requirements intended to ensure their general financial soundness and liquidity, which require that they comply with certain minimum capital requirements. The SEC and FINRA impose rules that require notification when a broker-dealer's net capital falls below certain predefined criteria, dictate the ratio of debt to equity in the regulatory capital composition of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. Additionally, the Uniform Net Capital Rule and FINRA rules impose certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to the SEC and FINRA for certain withdrawals of capital. Any failure to comply with these broker-dealer regulations could have a material adverse effect on the operation of our business, financial condition and operating results.

Our non-U.S. business is subject to regulatory oversight in all the countries in which we operate regulated businesses, such as exchanges or central securities depositories. The countries in which we currently operate or share ownership in regulated businesses include Sweden, Finland, Denmark, Iceland, Estonia, Lithuania, Latvia, Norway, Armenia, Switzerland, the Netherlands and the United Kingdom. In all the aforementioned countries, we have received authorization from the relevant authorities to conduct our regulated business activities. The authorities may revoke this authorization if we do not suitably carry out our regulated business activities. The authorities are also entitled to request that we adopt measures in order to ensure that we continue to fulfill the authorities' requirements.

Furthermore, we hold interests in other regulated entities, and certain of our customers operate in a highly regulated industry. Regulatory authorities could impose regulatory changes that could impact the ability of our customers to use our exchanges. The loss of a significant number of customers or a reduction in trading activity on any of our exchanges as a result of such changes could have a material adverse effect on our business, financial condition and operating results.

Regulatory changes and changes in market structure could have a material adverse effect on our business.

Regulatory changes adopted by the SEC or other regulators of our markets, and regulatory changes that our markets may adopt in fulfillment of their regulatory obligations, could materially affect our business operations. In recent years, there has been increased regulatory and governmental focus on issues affecting the securities markets, including market structure and technological oversight. The SEC, FINRA and the national securities exchanges have introduced several initiatives to ensure the oversight, integrity and resilience of markets.

In 2013, the SEC proposed Regulation Systems, Compliance and Integrity (Regulation SCI) which, if adopted as proposed, would update and extend the SEC's oversight of technology and establish new requirements on U.S. exchanges, ATSs, plan processors and clearing agencies concerning the design, development, testing, maintenance and surveillance of technology systems that are integral to their operations. Also in 2013, the SEC implemented a plan for FINRA and the national securities exchanges to institute a limit up-limit down system designed to reduce short-term volatility in equity trading by preventing trades in individual exchange-listed stocks from occurring outside of a specified price band. In 2012, the SEC required national securities exchanges and FINRA to establish a market-wide consolidated audit trail (CAT) to improve regulators' ability to monitor trading activity. We are currently working with FINRA and the other national securities exchanges in developing a plan to create a consolidated audit trail. At the end of 2012, new regulations relating to CCP services and OTC derivatives transactions were adopted that are affecting our clearinghouses in Europe.

In addition, the SEC has taken regulatory actions in connection with issues described in its 2010 concept release on market structure, as well as the events of the May 6, 2010 "flash crash." In 2011, the SEC implemented a new short sale restriction that triggers when a security declines 10% from its previous close and expanded its existing single stock trading pause to include all Regulation NMS securities. Any potential rules concerning trading halts during volatile markets, market access, algorithmic (high-frequency) trading, alternative trading systems (such as dark pools), trading increments and other market structure issues could change the competitive landscape and have a material impact on our business.

During the coming year, it is likely that there will be additional changes in the regulatory environment in which we operate our businesses, including further measures taken by government regulators and the SROs to address recent incidents involving exchanges, plan processors or market participants that have resulted in disrupted trading or operations, although we cannot predict the nature of these changes or their impact on our business at this time. The European Parliament continues its review of MiFID that could affect our operations in Europe. In addition, actions on any of the specific regulatory issues currently under review in the U.S. and Europe such as SRO status, short selling, co-location, algorithmic (high-frequency) trading, market halts, the market data business, derivatives clearing, market transparency, taxes on stock transactions, restrictions on proprietary trading by certain of our customers and other related proposals could have a material impact on our business. In the U.S., the CFTC and SEC also will continue to take actions to fully implement the Dodd-Frank Act, a comprehensive banking and financial services reform package.

While we support regulatory efforts to review and improve market structure, resilience and integrity, the adoption of these proposed regulatory changes and future reforms could impose significant costs and obligations on the operation of our U.S. exchanges and processor systems and have other impacts on our business.

Regulatory changes or future court rulings may have an adverse impact on our revenue from proprietary market data products.

Regulatory and legal developments could reduce the amount of revenue that we earn from our proprietary market data products. In the U.S., we generally are required to file with the SEC to establish or modify the fees that we charge for our market data products. In recent years, certain industry groups have objected to the ability of exchanges to charge for certain market data products. We have defeated two challenges in federal appeals court but an additional challenge is currently pending at the SEC. If the results of that challenge are detrimental to our U.S. exchanges' ability to charge for market data, there could be a negative impact on our revenues. We cannot predict whether, or in what form, any regulatory changes will be implemented, or their potential impact on our business. A determination by the SEC, for example, to link market data fees to marginal costs, to take a more active role in the market data rate-setting process, or to reduce the current levels of market data fees could have an adverse effect on our market data revenues.

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Our European exchanges currently offer market data to customers on a non-discriminatory and reasonable commercial basis. It is expected that the future MiFID II directive will result in a definition of the term “reasonable commercial basis”. There is a risk that the final wording of this definition may influence the fees for European market data adversely. In addition any future actions by the European Commission or European court decisions could affect our ability to offer market data products in the same manner that we do today thereby causing an adverse effect on our European market data revenues.

Stagnation or decline in the initial public offering market could have an adverse effect on our revenues.

The market for initial public offerings is dependent on the prosperity of companies and the availability of risk capital. Stagnation or decline in the initial public offering market will impact the number of new listings on The NASDAQ Stock Market and the exchanges comprising NASDAQ OMX Nordic and NASDAQ OMX Baltic, and thus our related revenues. We recognize revenue from new listings on The NASDAQ Stock Market on a straight-line basis over an estimated six-year service period. As a result, a stagnant market for initial public offerings could cause a decrease in deferred revenues for future years. Furthermore, as initial public offerings are typically actively traded following their offering date, a prolonged decrease in the number of initial public offerings could negatively impact the growth of our transactions revenues.

Any reduction in our credit rating could increase the cost of our funding from the capital markets.

Our long-term debt is currently rated investment grade by two of the major rating agencies. These rating agencies regularly evaluate us and their ratings of our long-term debt are based on a number of factors, including our financial strength as well as factors not entirely within our control, including conditions affecting the financial services industry generally. There can be no assurance that we will maintain our current ratings. Our failure to maintain those ratings could adversely affect the cost and other terms upon which we are able to obtain funding and increase our cost of capital. A reduction in credit ratings would also result in increases in the cost of our outstanding debt as the interest rate on the outstanding amounts under our credit facilities, our 5.25% senior notes due 2018, and our 3.875% senior notes due 2021 fluctuates based on our credit ratings.

Damage to our reputation or brand name could have a material adverse effect on our businesses.

One of our competitive strengths is our strong reputation and brand name. Various issues may give rise to reputational risk, including issues relating to:

- our ability to maintain the security of our data and systems;
- the quality and reliability of our technology platforms and systems;
- the ability to fulfill our regulatory obligations;
- the ability to execute our business plan, key initiatives or new business ventures and the ability to keep up with changing customer demand;
- the representation of our business in the media;
- the accuracy of our financial statements and other financial and statistical information;
- the accuracy of our financial guidance or other information provided to our investors;

•the quality of our corporate governance structure;

•the quality of our products, including the reliability of our transaction-based business, the accuracy of the quote and trade information provided by our market data business and the accuracy of calculations used by our Global Index Group for indexes and unit investment trusts;

•the quality of our disclosure controls or internal controls over financial reporting, including any failures in supervision;

•extreme price volatility on our markets, such as that seen with the "flash crash" on May 6, 2010;

•any negative publicity surrounding our listed companies; and

•any misconduct, fraudulent activity or theft by our employees or other persons formerly or currently associated with us.

Damage to our reputation could cause some issuers not to list their securities on our exchanges, as well as reduce the trading volume on our exchanges or cause us to lose customers in our market data, index or market technology businesses. This, in turn, may have a material adverse effect on our business, financial condition and operating results.

We may incur goodwill, intangible asset or other long-lived asset impairment charges in the future.

Our business acquisitions typically result in the recording of goodwill and intangible assets, and the recorded values of those assets may become impaired in the future. As of December 31, 2013, goodwill totaled approximately $6.2 billion and intangible assets, net of accumulated amortization, totaled approximately $2.4 billion. The determination of the value of such goodwill and intangible assets requires management to make estimates and assumptions that affect our consolidated financial statements.

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We assess goodwill and intangible assets as well as other long-lived assets, including equity method investments, property and equipment and other assets for impairment by applying a fair value based test by analyzing historical performance, capital requirements and projected cash flows on an annual basis or more frequently if indicators of impairment arise. Considerable management judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate cash flows. Although there are inherent uncertainties in this assessment process, the estimates and assumptions we use are consistent with our internal planning. There was no impairment of goodwill for the years ended December 31, 2013, 2012 and 2011. However, disruptions to our business, such as economic weakness and unexpected significant declines in operating results, may result in an impairment charge related to our goodwill, intangible assets or other long-lived assets in the future. A significant impairment charge in the future could have a material adverse effect on our operating results.

We may experience fluctuations in our operating results, which may adversely affect the market price of our common stock.

The financial services industry is risky and unpredictable and is directly affected by many national and international factors beyond our control, including:

•economic, political and geopolitical market conditions;

•natural disasters, terrorism, war or other catastrophes;

•broad trends in industry and finance;

•changes in price levels and volatility in the stock markets;

•the level and volatility of interest rates;

•changes in government monetary or tax policy;

•other legislative and regulatory changes;

•the perceived attractiveness of the U.S. or European capital markets; and

•inflation.

Any one of these factors could have a material adverse effect on our business, financial condition and operating results by causing a substantial decline in the financial services markets and reducing trading volumes. In particular, our U.S. business operations are heavily concentrated on the East Coast, and our European business operations are heavily concentrated in Stockholm. Any event that affects either of those geographic areas could potentially affect our ability to operate our businesses.

Additionally, since borrowings under our credit facilities bear interest at variable rates, any increase in interest rates on debt that we have not fixed using interest rate hedges will increase our interest expense and reduce our cash flow. Other than variable rate debt, we believe our business has relatively large fixed costs and low variable costs, which magnifies the impact of revenue fluctuations on our operating results. As a result, a decline in our revenue may lead to a relatively larger impact on operating results. A substantial portion of our operating expenses will be related to personnel costs, regulation and corporate overhead, none of which can be adjusted quickly and some of which cannot be adjusted at all. Our operating expense levels will be based on our expectations for future revenue. If actual revenue is below management’s expectations, or if our expenses increase before revenues do, both revenues less transaction rebates, brokerage, clearance and exchange fees and operating results would be materially and adversely affected. Because of these factors, it is possible that our operating results or other operating metrics may fail to meet the expectations of stock market analysts and investors. If this happens, the market price of our common stock may be adversely affected.

We are exposed to credit risk from third parties, including customers, counterparties and clearing agents.

We are exposed to credit risk from third parties, including customers, counterparties and clearing agents. These parties may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons.

We clear or stand as riskless principal to a range of equity-related and fixed-income-related derivative products, commodities and resale and repurchase agreements. We assume the counterparty risk for all transactions that are cleared through our markets and guarantee that our cleared contracts will be honored. We enforce minimum financial and operational criteria for membership eligibility, require members and investors to provide collateral, and maintain established risk policies and procedures to ensure that the counterparty risks are properly monitored and pro-actively managed; however, none of these measures provides absolute assurance against experiencing financial losses from defaults by our counterparties on their obligations. No guarantee can be given that the collateral provided will at all times be sufficient. Although we maintain clearing capital resources to serve as an additional layer of protection to help ensure that we are able to meet our obligations, these resources may not be sufficient.

In addition, one of our broker-dealer subsidiaries, Execution Access, has a clearing arrangement with Cantor Fitzgerald & Co., or Cantor Fitzgerald. As of December 31, 2013, we have contributed $19 million of clearing deposits to Cantor Fitzgerald in connection with this clearing arrangement. Some of the trading activity in Execution Access is cleared by Cantor Fitzgerald through the Fixed Income Clearing Corporation, or FICC, and the balance is cleared non-FICC. Execution Access assumes the counterparty risk of clients that do not clear through FICC. Counterparty risk of clients exists for Execution Access between the trade date and settlement date of the individual transactions, which is one business day. All of Execution Access' obligations under the clearing arrangement with Cantor Fitzgerald are guaranteed by NASDAQ OMX. Some of the non-FICC counterparties are required to post collateral, provide principal letters, or provide other forms of credit enhancement to Execution Access for the purpose of mitigating counterparty risk. Although we believe that the potential for us to be required to make payments under these arrangements is mitigated through the pledged collateral and our risk management policies, no guarantee can be provided that these arrangements will at all times be sufficient.

We also have credit risk related to transaction and subscription-based revenues that are billed to customers on a monthly or quarterly basis, in arrears. Credit losses such as those described above could adversely affect our consolidated financial position and results of operations.

Our leverage limits our financial flexibility, increases our exposure to weakening economic conditions and may adversely affect our ability to obtain additional financing.

In connection with acquisitions and share repurchases, we incurred a significant amount of indebtedness. Our indebtedness as of December 31, 2013 was approximately $2.6 billion. We also may borrow up to an additional $655 million under a revolver that is part of our credit facilities.

Our leverage could:

•reduce funds available to us for operations and general corporate purposes or for capital expenditures as a result of the dedication of a substantial portion of our consolidated cash flow from operations to the payment of principal and interest on our indebtedness;

•increase our exposure to a continued downturn in general economic conditions;

•place us at a competitive disadvantage compared with our competitors with less debt; and

•affect our ability to obtain additional financing in the future for refinancing indebtedness, acquisitions, working capital, capital expenditures or other purposes.

In addition, we must comply with the covenants in our credit facilities. Among other things, these covenants restrict our ability to grant liens, incur additional indebtedness, pay dividends and conduct transactions with affiliates. Failure to meet any of the covenant terms of our credit facilities could result in an event of default. If an event of default occurs, and we are unable to receive a waiver of default, our lenders may increase our borrowing costs, restrict our ability to obtain additional borrowings and accelerate all amounts outstanding. Our credit facilities allow us to pay cash dividends on our common stock as long as certain leverage ratios are maintained.

We are subject to litigation risks and other liabilities.

Many aspects of our business potentially involve substantial liability risks. Although under current law we are immune from private suits arising from conduct within our regulatory authority and from acts and forbearances incident to the exercise of our regulatory authority, this immunity only covers certain of our activities in the U.S., and we could be exposed to liability under national and local laws, court decisions and rules and regulations promulgated by regulatory agencies.

Some of our other liability risks arise under the laws and regulations relating to the insurance, tax, intellectual property, anti-money laundering, technology export, foreign asset controls and foreign corrupt practices areas. Liability could also result from disputes over the terms of a trade, claims that a system failure or delay cost a customer money, claims we entered into an unauthorized transaction or claims that we provided materially false or misleading statements in connection with a securities transaction. As we intend to defend any such litigation actively, significant legal expenses could be incurred. Although we carry insurance that may limit our risk of damages in some cases, we still may sustain uncovered losses or losses in excess of available insurance that would affect our financial condition and results of operations.

We have self-regulatory obligations and also operate for-profit businesses, and these two roles may create conflicts of interest.

We have obligations to regulate and monitor activities on our markets and ensure compliance with applicable law and the rules of our markets by market participants and listed companies. In the U.S., the SEC staff has expressed concern about potential conflicts of interest of “for-profit” markets performing the regulatory functions of a self-regulatory organization. Although our U.S. cash equities and options exchanges outsource a substantial portion of their market regulation functions to FINRA, we do perform regulatory functions and bear regulatory responsibility related to our listed companies and our markets. Any failure by us to diligently and fairly regulate our markets or to otherwise fulfill our regulatory obligations could significantly harm our reputation, prompt SEC scrutiny and adversely affect our business and reputation.

Our Nordic and Baltic exchanges also monitor trading and compliance with listing standards. They monitor the listing of cash equities and other financial instruments. The prime objective of such monitoring activities is to promote confidence in the exchanges among the general public and to ensure fair and orderly functioning markets. The monitoring functions within the exchanges

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comprising NASDAQ OMX Nordic and NASDAQ OMX Baltic are the responsibility of the surveillance departments or other surveillance personnel. The surveillance departments or personnel are intended to strengthen the integrity of and confidence in these exchanges and to avoid conflicts of interest. Any failure to diligently and fairly regulate the Nordic and Baltic exchanges could significantly harm our reputation, prompt scrutiny from regulators and adversely affect our business and reputation.

Failure to attract and retain key personnel may adversely affect our ability to conduct our business.

Our future success depends, in large part, upon our ability to attract and retain highly qualified professional personnel. Competition for key personnel in the various localities and business segments in which we operate is intense. Our ability to attract and retain key personnel, in particular senior officers, will be dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent. There is no guarantee that we will have the continued service of key employees who we rely upon to execute our business strategy and identify and pursue strategic opportunities and initiatives. In particular, we may have to incur costs to replace senior officers or other key employees who leave, and our ability to execute our business strategy could be impaired if we are unable to replace such persons in a timely manner.

We are highly dependent on the continued services of Robert Greifeld, our Chief Executive Officer, and other senior officers and key employees who possess extensive financial markets knowledge and technology skills. We do not have employment agreements with some of these key senior officers. We do not maintain “key person” life insurance policies on any of our senior officers, managers, key employees or technical personnel. The loss of the services of these persons for any reason, as well as any negative market or industry perception arising from those losses, could have a material adverse effect on our business, financial condition and operating results.

Failure to protect our intellectual property rights, or allegations that we have infringed on the intellectual property rights of others, could harm our brand-building efforts and ability to compete effectively.

To protect our intellectual property rights, we rely on a combination of trademark laws, copyright laws, patent laws, trade secret protection, confidentiality agreements and other contractual arrangements with our affiliates, clients, strategic partners and others. The protective steps that we take may be inadequate to deter misappropriation of our proprietary information. We may be unable to detect the unauthorized use of, or take appropriate steps to enforce, our intellectual property rights.

We have registered, or applied to register, our trademarks in the United States and in over 50 foreign jurisdictions and have pending U.S. and foreign applications for other trademarks. We also maintain copyright protection on our branded materials and pursue patent protection for software products, inventions and other processes developed by us. We also hold a number of patents, patent applications and licenses in the United States and other foreign jurisdictions. Effective trademark, copyright, patent and trade secret protection may not be available in every country in which we offer our services. Failure to protect our intellectual property adequately could harm our brand and affect our ability to compete effectively. Further, defending our intellectual property rights could result in the expenditure of significant financial and managerial resources.

Third parties may assert intellectual property rights claims against us, which may be costly to defend, could require the payment of damages and could limit our ability to use certain technologies, trademarks or other intellectual property. Any intellectual property claims, with or without merit, could be expensive to litigate or settle and could divert management resources and attention. Successful challenges against us could require us to modify or discontinue our use of technology or business processes where such use is found to infringe or violate the rights of others, or require us to purchase licenses from third parties, any of which could adversely affect our business, financial condition and operating results.

We rely on third parties to perform certain functions, and our business could be adversely affected if these third parties fail to perform as expected.

We rely on third parties for regulatory, data center and other services. For example, we have a contractual arrangement with FINRA pursuant to which FINRA performs certain regulatory functions on our behalf. We also are highly reliant on third-party data centers provided by Verizon. To the extent that FINRA, Verizon or any other vendor or third-party service provider experiences difficulties, materially changes their business relationship with us or is unable for any reason to perform their obligations, our business or our reputation may be materially adversely affected.

We also rely on members of our trading community to maintain markets and add liquidity. To the extent that any of our largest members experiences difficulties, materially changes its business relationship with us or is unable for any reason to perform market making activities, our business or our reputation may be materially adversely affected.

We are a holding company that depends on cash flow from our subsidiaries to meet our obligations, and any restrictions on our subsidiaries' ability to pay dividends or make other payments to us may have a material adverse effect on our results of operations and financial condition.

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We are a holding company with no direct operating businesses other than the equity interests of our subsidiaries. We require dividends and other payments from our subsidiaries to meet cash requirements. Minimum capital requirements mandated by regulatory authorities having jurisdiction over some of our regulated subsidiaries indirectly restrict the amount of dividends paid upstream. If our subsidiaries are unable to pay dividends and make other payments to us when needed, we may be unable to satisfy our obligations, which would have a material adverse effect on our business, financial condition and operating results.

Future acquisitions, investments, partnerships and joint ventures may require significant resources and/or result in significant unanticipated losses, costs or liabilities.

Over the past several years, acquisitions have been significant factors in our growth. Although we cannot predict our rate of growth as the result of acquisitions with complete accuracy, we believe that additional acquisitions and investments or entering into partnerships and joint ventures will be important to our growth strategy. Many of the other potential purchasers of assets in our industry have greater financial resources than we have. Therefore, we cannot be sure that we will be able to complete future acquisitions on terms favorable to us.

We may finance future acquisitions by issuing additional equity and/or debt. The issuance of additional equity in connection with any such transaction could be substantially dilutive to existing shareholders. The issuance of additional debt could increase our leverage substantially. In addition, announcement or implementation of future transactions by us or others could have a material effect on the price of our common stock. We could face financial risks associated with incurring additional debt, particularly if the debt results in significant incremental leverage. Additional debt may reduce our liquidity, curtail our access to financing markets, impact our standing with credit agencies and increase the cash flow required for debt service. Any incremental debt incurred to finance an acquisition could also place significant constraints on the operation of our business.

Furthermore, any future acquisitions of businesses or facilities could entail a number of additional risks, including:

- problems with effective integration of operations;
- the inability to maintain key pre-acquisition business relationships;
- increased operating costs;
- the diversion of our management team from its other operations;
- problems with regulatory bodies;
- exposure to unanticipated liabilities;
- difficulties in realizing projected efficiencies, synergies and cost savings; and
- changes in our credit rating and financing costs.

Changes in tax laws, regulations or policies could have a material adverse effect on our financial results.

Like other corporations, we are subject to taxes at the federal, state and local levels, as well as in non-U.S. jurisdictions. Changes in tax laws, regulations or policies could result in us having to pay higher taxes, which would in turn reduce our net income.

In addition, some of our subsidiaries are subject to tax in the jurisdictions in which they are organized or operate. In computing our tax obligation in these jurisdictions, we take various tax positions on matters that are not entirely free from doubt. We cannot assure you that upon review of these positions the applicable authorities will agree with our positions. A successful challenge by a tax authority could result in additional tax imposed on our subsidiaries.

Our non-U.S. business operates in various international markets, particularly emerging markets, that are subject to greater political, economic and social uncertainties than developed countries.

The operations of our non-U.S. business are subject to the risk inherent in international operations, including but not limited to, risks with respect to operating in Iceland, the Baltics, Central and Eastern Europe, the Middle East, Australia and Asia. Some of these economies may be subject to greater political, economic and social uncertainties than countries with more developed institutional structures. Political, economic or social events or developments in one or more of these countries could adversely affect our operations and financial results.

We have invested substantial capital in system platforms, and a failure to successfully implement such systems could adversely affect our business.

In our technology operations, we have invested substantial amounts in the development of system platforms and in the rollout of our platforms. Although investments are carefully planned, there can be no assurance that the demand for such platforms will justify the related investments and that the future levels of transactions executed on these platforms will be sufficient to generate an acceptable return on such investments. If we fail to generate adequate revenue from planned system platforms, or if we fail to do so within the envisioned timeframe, it could have an adverse effect on our results of operations and financial condition.

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Because we have operations in several countries, we are exposed to currency risk.

We have operations in the U.S., the Nordic and Baltic countries, Australia and many other foreign countries. We therefore have significant exposure to exchange rate movements between the Euro, Swedish Krona, Danish Krone, Norwegian Krone, British Pound Sterling, Australian Dollar and other foreign currencies towards the U.S. dollar. Significant inflation or disproportionate changes in foreign exchange rates with respect to one or more of these currencies could occur as a result of general economic conditions, acts of war or terrorism, changes in governmental monetary or tax policy or changes in local interest rates. These exchange rate differences will affect the translation of our non-U.S. results of operations and financial condition into U.S. dollars as part of the preparation of our consolidated financial statements.

If our risk management methods are not effective, our business, reputation and financial results may be adversely affected.

We have methods to identify, monitor and manage our risks, including oversight of risk management by NASDAQ OMX's Risk Committee, which is comprised of employees of NASDAQ OMX. However, these methods may not be fully effective. Some of our risk management methods may depend upon evaluation of information regarding markets, customers or other matters. That information may not in all cases be accurate, complete, up-to-date or properly evaluated. If our methods are not effective or we are not successful in monitoring or evaluating the risks to which we are or may be exposed, our business, reputation, financial condition and operating results could be materially adversely affected.

Charges to earnings resulting from acquisition, restructuring and integration costs may materially adversely affect the market value of our common stock.

In accordance with U.S. GAAP, we are accounting for the completion of our acquisitions using the purchase method of accounting. We are allocating the total estimated purchase prices to net tangible assets, amortizable intangible assets and indefinite-lived intangibles, and based on their fair values as of the date of completion of the acquisitions, recording the excess of the purchase price over those fair values as goodwill. Our financial results, including earnings per share, or EPS, could be adversely affected by a number of financial adjustments required by U.S. GAAP including the following:

- we may incur additional amortization expense over the estimated useful lives of certain of the intangible assets acquired in connection with acquisitions during such estimated useful lives;

- we may have additional depreciation expense as a result of recording purchased tangible assets at fair value, in accordance with U.S. GAAP, as compared to book value as recorded;

- to the extent the value of goodwill or intangible assets becomes impaired, we may be required to incur material charges relating to the impairment of those assets; and

- we may incur certain adjustments to reflect the financial condition and operating results under U.S. GAAP and U.S. dollars.

Risks Relating to an Investment in Our Common Stock

Volatility in our stock price could adversely affect our stockholders.

The market price of our common stock is volatile. Broad market and industry factors may adversely affect the market price of our common stock, regardless of our actual operating performance. Factors that could cause fluctuations in our stock price may include, among other things:

•actual or anticipated variations in our quarterly operating results;

•changes in financial estimates by us or by any securities analysts who might cover our common stock;

•conditions or trends in our industry, including trading volumes, regulatory changes or changes in the securities marketplace;

•conditions or trends in the credit markets;

•announcements by us or our competitors of significant acquisitions, strategic partnerships or divestitures;

•announcements of investigations or regulatory scrutiny of our operations or lawsuits filed against us;

•additions or departures of key personnel; and

•purchases or sales of our common stock, including purchases or sales of our common stock by our directors, officers, significant stockholders or strategic investors.

Decisions to declare future dividends on our common stock will be at the discretion of our board of directors based upon a review of relevant considerations. Accordingly, there can be no guarantee that we will pay future dividends to our stockholders.

In 2013, our board of directors declared quarterly cash dividend payments of $0.13 per share of outstanding common stock. Future declarations of quarterly dividends and the establishment of future record and payment dates are subject to approval by

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NASDAQ OMX's board of directors. The board's determination to declare dividends will depend upon our profitability and financial condition, contractual restrictions, restrictions imposed by applicable law and other factors that the board deems relevant. Based on an evaluation of these factors, the board of directors may determine not to declare future dividends at all or to declare future dividends at a reduced amount. Accordingly, there can be no guarantee that we will pay future dividends to our stockholders.

The market price of our common stock could be negatively affected by sales of substantial amounts of our common stock in the public markets.

Sales of a substantial number of shares of our common stock in the public markets, or the perception that these sales might occur, could cause the market price of our common stock to decline or could impair our ability to raise capital through a future sale of, or pay for acquisitions using, our equity securities. As of December 31, 2013, there were 169,357,084 shares of our common stock outstanding. All of our common stock is freely transferable, except shares held by our "affiliates," as defined in Rule 144 under the Securities Act.

The number of freely transferable shares of our common stock will increase upon any exercise of outstanding options pursuant to NASDAQ OMX's Equity Incentive Plan, or Equity Plan. There were 3,153,801 options exercisable as of December 31, 2013 at a weighted average exercise price of $26.59.

Provisions of our certificate of incorporation, by-laws, exchange rules (including provisions included to address SEC concerns) and Delaware law could delay or prevent a change in control of us and entrench current management.

Our organizational documents place restrictions on the voting rights of certain stockholders. The holders of our common stock are entitled to one vote per share on all matters to be voted upon by the stockholders except that no person may exercise voting rights in respect of any shares in excess of 5% of the then outstanding shares of our common stock. Any change to the 5% voting limitation would require SEC approval.

In response to the SEC's concern about a concentration of our ownership, the rules of our U.S. exchanges include a rule prohibiting any member or any person associated with a member of the exchange from beneficially owning more than 20% of our outstanding voting interests. SEC consent would be required before any investor could obtain more than a 20% voting interest in us. The rules of our U.S. exchanges also require the SEC's approval of any business ventures with one of our members, subject to exceptions.

Our organizational documents contain provisions that may be deemed to have an anti-takeover effect and may delay, deter or prevent a change of control of us, such as a tender offer or takeover proposal that might result in a premium over the market price for our common stock. Additionally, certain of these provisions make it more difficult to bring about a change in the composition of our board of directors, which could result in entrenchment of current management.

Our certificate of incorporation and by-laws:

- require supermajority stockholder approval to remove directors;

- do not permit stockholders to act by written consent or to call special meetings;

- require certain advance notice for director nominations and actions to be taken at annual meetings;

- require supermajority stockholder approval with respect to certain amendments to our certificate of incorporation and by-laws (including in respect of the provisions set forth above); and

•authorize the issuance of undesignated preferred stock, or “blank check” preferred stock, which could be issued by our board of directors without stockholder approval.

Section 203 of the Delaware General Corporation Law imposes restrictions on mergers and other business combinations between us and any holder of 15% or more (or, in some cases, a holder who previously held 15% or more) of our common stock. In general, Delaware law prohibits a publicly held corporation from engaging in a “business combination” with an “interested stockholder” for three years after the stockholder becomes an interested stockholder, unless the corporation’s board of directors and stockholders approve the business combination in a prescribed manner.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

The following is a description of our principal properties.

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Location	Use	Size (approximate, in square feet)	Type of possession
New York, New York...	Location of MarketSite	25,000	Lease
New York, New York...	U.S. headquarters	115,000	Subleased from FINRA with 17,931 square feet leased back to FINRA
New York, New York...	General office space	53,000	Subleased to third parties
New York, New York...	General office space	48,000	Lease
Philadelphia, Pennsylvania.......................................	Location of NASDAQ OMX PHLX	94,000	Lease
Rockville, Maryland...	General office space	48,000	Lease
Shelton, Connecticut...	General office space	29,000	Lease
Stockholm, Sweden...	European headquarters	296,000	Lease
London, England...	General office space	71,000	Lease
Helsinki, Finland...	General office space	19,800	Lease
Copenhagen, Denmark...	General office space	23,900	Lease

We also maintain local headquarters in each of the other European countries where we operate an exchange and office space in countries in which we conduct sales and operations, including Armenia, Australia, Belgium, Canada, China, Estonia, France, Germany, Hong Kong, Iceland, India, Italy, Japan, Latvia, Lithuania, Netherlands, Norway, Philippines, Singapore, South Korea and Spain.

In addition to the above, we currently lease administrative, sales and disaster preparedness facilities in California, Colorado, Illinois, Massachusetts, Missouri, Oregon, Texas and Washington, DC.

Generally, our properties are not earmarked for use by a particular segment. Instead, most of our properties are used by two or more segments. We believe the facilities we occupy are adequate for the purposes for which they are currently used and are well-maintained. As of December 31, 2013, approximately 260,864 square feet of space was available for sublease.

Item 3. Legal Proceedings.

As previously disclosed, we became a party to several legal and regulatory proceedings in 2012 and 2013 relating to the Facebook IPO that occurred on May 18, 2012. We believe that the legal actions filed against NASDAQ OMX are without merit and intend to defend them vigorously.

As described in our Annual Report on Form 10-K for the year ended December 31, 2012, we are named as a defendant in a consolidated matter captioned In re Facebook, Inc., IPO Securities and Derivative Litigation, MDL No. 2389 (S.D.N.Y.). On April 30, 2013, lead plaintiffs in the consolidated matter filed a consolidated amended complaint, naming our Chief Executive Officer and our prior Chief Information Officer as new defendants in connection with their roles in the Facebook IPO. The amended complaint alleges that each violated Section 20(a) of the Act and Rule 10b-5, promulgated under the Act. By opinion and order entered December 16, 2013, the District Court for the Southern District of New York granted in part and denied in part our motion to dismiss the consolidated amended complaint. The court held that the doctrine of self-regulatory organization immunity bars plaintiffs' negligence and securities laws claims to the extent they arise from our decisions not to halt trading or cancel trades on the day of the Facebook IPO, but not to the extent they arise from the design, promotion, and testing of our technology systems in advance of the IPO. The court also held that the economic loss doctrine does not bar plaintiffs' negligence claims, and that the consolidated amended complaint pleads plaintiffs' securities laws claims sufficiently to withstand a motion to dismiss. We are appealing the ruling on the motion to dismiss to the Second Circuit Court of Appeals.

In our Quarterly Report on Form 10-Q for the period ended March 31, 2013, we identified a demand for arbitration from a member organization seeking indemnification for alleged losses associated with the Facebook IPO. On June 18, 2013, the District Court for the Southern District of New York granted a preliminary injunction enjoining the arbitration, and the member organization has appealed the order granting the injunction to the Second Circuit Court of Appeals.

Also as previously disclosed, the staff of the SEC's Division of Enforcement conducted an investigation relating to the systems issues experienced with the Facebook IPO. On May 29, 2013, the Commission accepted our offer of settlement, resolving this matter. As part of the settlement, our subsidiaries, The NASDAQ Stock Market LLC and NASDAQ Execution Services LLC, agreed to implement several measures aimed at preventing future violations of the Act and the rules and regulations promulgated thereunder. We fully implemented and provided the SEC with a certification of our compliance with these undertakings by December 31, 2013 as agreed. In addition, The NASDAQ Stock Market LLC paid a $10 million penalty to the United States Treasury.

Except as disclosed above and in prior reports filed under the Act, we are not currently a party to any litigation or proceeding that we believe could have a material adverse effect on our business, consolidated financial condition, or operating results. However, from time to time, we have been threatened with, or named as a defendant in, lawsuits or involved in regulatory proceedings.

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Item 4. Mine Safety Disclosures.

Not applicable.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock has been listed on The NASDAQ Stock Market (formerly The Nasdaq National Market) since February 10, 2005, under the ticker symbol "NDAQ." From July 1, 2002 through February 9, 2005, our common stock traded on the OTCBB under the symbol "NDAQ."

The following chart lists the quarterly high and low sales prices for shares of our common stock for fiscal years 2013 and 2012. These prices are between dealers and do not include retail markups, markdowns or other fees and commissions and may not represent actual transactions.

	High	Low
Fiscal 2013		
Fourth quarter	$ 40.64	$ 31.76
Third quarter	34.41	29.51
Second quarter	33.43	27.47
First quarter	32.89	25.27
Fiscal 2012		
Fourth quarter	$ 26.80	$ 22.63
Third quarter	24.50	21.58
Second quarter	26.12	21.03
First quarter	27.34	24.14

As of February 7, 2014, we had approximately 586 holders of record of our common stock. As of February 7, 2014, the closing price of our common stock was $37.54.

Dividends

For each quarter in 2013 and for the second, third and fourth quarters of 2012, the Company paid a quarterly cash dividend of $0.13 per share and expects to pay quarterly cash dividends in the future, subject to approval by the board of directors. There were no dividends declared or paid during the first quarter of 2012. Our credit facilities allow us to pay cash dividends on our common stock as long as certain leverage ratios are maintained.

Issuer Purchases of Equity Securities

Share Repurchase Programs

In the third quarter of 2012, our board of directors authorized the repurchase of up to $300 million of our outstanding common stock. These purchases may be made from time to time at prevailing market prices in open market purchases, privately-negotiated transactions, block purchase techniques or otherwise, as determined by our management. The purchases will be funded from existing cash balances. The share repurchase program may be suspended, modified or discontinued at any time.

During 2013, we repurchased 321,000 shares of our common stock at an average price of $31.12, for an aggregate purchase price of $10 million. The shares repurchased under the share repurchase program are available for general corporate purposes. In April 2013, we announced that the share repurchase program is temporarily suspended. As of December 31, 2013, the remaining amount for share repurchases under the program authorized in the third quarter of 2012 was $215 million.

Employee Transactions

During the fiscal quarter ended December 31, 2013, we purchased shares from employees in connection with the settlement of income tax and related benefit withholding obligations arising from the vesting of restricted stock grants.

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The table below represents repurchases made by or on behalf of us or any “affiliated purchaser” of our common stock during the fiscal quarter ended December 31, 2013:

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)
October 2013				
Share repurchase program	-	$ -	-	$ 215
Employee transactions	3,138	$ 33.06	N/A	N/A
November 2013				
Share repurchase program	-	$ -	-	$ 215
Employee transactions	2,367	$ 35.35	N/A	N/A
December 2013				
Share repurchase program	-	$ -	-	$ 215
Employee transactions	191,128	$ 39.80	N/A	N/A
Total Fiscal Quarter Ended December 31, 2013				
Share repurchase program	-	$ -	-	$ 215
Employee transactions	196,633	$ 39.64	N/A	N/A

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PERFORMANCE GRAPH

The following graph compares the total return of our common stock to the NASDAQ Composite Stock Index and the Standard & Poor's, or S&P, 500 Stock Index and a selected peer group for the past five years.

In 2013, we changed our peer group, which is comprised of the following companies, collectively, referred to as the new peer group:

•ASX Limited;

•CBOE Holdings Inc.;

•CME Group Inc.;

•Deutsche Börse AG;

•ICE;

•LSE; and

•TMX Group Limited.

ASX Limited, CBOE Holdings Inc. and TMX Group Limited were added to the new peer group because we believe the changes result in a peer group that is more comparable to our business. NYSE Euronext was omitted from the new peer group since it was acquired by ICE in 2013.

For the year ended December 31, 2012, the peer group was comprised of the following companies, collectively referred to as the old peer group:

•CME Group Inc.;

•Deutsche Börse AG;

•ICE;

•LSE; and

•NYSE Euronext.

The figures represented below assume an initial investment of $100 in the common stock or index at the closing price on December 31, 2008 and the reinvestment of all dividends.