

SECURITIES AND EXCHANGE COMMISSION

FORM 3

Filing Date: **2005-05-02** | Period of Report: **2005-04-22**
SEC Accession No. **0001209191-05-023218**

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ISSUER

NASDAQ STOCK MARKET INC

CIK: **1120193** | IRS No.: **521165937** | State of Incorporation: **DE** | Fiscal Year End: **1231**
SIC: **6200** Security & commodity brokers, dealers, exchanges & services

Mailing Address
*ONE LIBERTY PLAZA
NEW YORK NY 10006*

Business Address
*ONE LIBERTY PLAZA
NEW YORK NY 10006
2128584750*

REPORTING OWNER

SILVER LAKE INVESTORS LP

CIK: **1099154**
Type: **3** | Act: **34** | File No.: **000-32651** | Film No.: **05792399**

Business Address
*2725 SAND HILL RD
STE 150
MENLO PARK CA 94025
6502338120*

Silver Lake Partners TSA LP

CIK: **1325820** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **3** | Act: **34** | File No.: **000-32651** | Film No.: **05792400**

Mailing Address
*2725 SAND HILL ROAD
SUITE 150
MENLO PARK CA 94025*

Business Address
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MENLO PARK CA 94025
650-233-8120*

Silver Lake Technology Investors II LLC

CIK: **1325822** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **3** | Act: **34** | File No.: **000-32651** | Film No.: **05792401**

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650-233-8120*

Silver Lake Partners II TSA LP

CIK: **1325821** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **3** | Act: **34** | File No.: **000-32651** | Film No.: **05792402**

Mailing Address
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MENLO PARK CA 94025*

Business Address
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650-233-8120*

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person Silver Lake Partners II TSA LP (Last) (First) (Middle) 2725 SAND HILL ROAD, SUITE 150 (Street) MENLO PARK, CA 94025 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 04/22/2005	3. Issuer Name and Ticker or Trading Symbol NASDAQ STOCK MARKET INC [NDAQ]		
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) ___ Director ___ <input checked="" type="checkbox"/> 10% Owner ___ Officer (give title below) ___ Other (specify below)		5. If Amendment, Date Original Filed (Month/Day/Year)
				6. Individual or Joint/Group Filing (Check applicable line) ___ Form Filed by One Reporting Person ___ <input checked="" type="checkbox"/> Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
3.75% Series A Convertible Notes due 2012	(1)	(2)	Common Stock, par value \$0.01 per share ("Common Stock")	9,749,281	\$14.5	I	See (3)
Series A Warrants (Right to buy Common Stock)	(4)	(5)	Common Stock	1,523,325	\$14.5	I	See (3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Silver Lake Partners II TSA LP 2725 SAND HILL ROAD SUITE 150 MENLO PARK, CA 94025		X		

Silver Lake Technology Investors II LLC 2725 SAND HILL ROAD SUITE 150 MENLO PARK, CA 94025		X		
Silver Lake Partners TSA LP 2725 SAND HILL ROAD SUITE 150 MENLO PARK, CA 94025		X		
SILVER LAKE INVESTORS LP 2725 SAND HILL ROAD SUITE 150 MENLO PARK, CA 94025		X		

Explanation of Responses:

1. See footnote 1 in Exhibit A
2. See footnote 2 in Exhibit A
3. See footnote 3 in Exhibit A
4. See footnote 4 in Exhibit A
5. See footnote 5 in Exhibit A

Signatures

/s/ Alan K. Austin, Managing Director and Chief Operating Officer of Silver Lake Technology Associates II, L.L.C., as general partner of Silver Lake Partners II TSA, L.P.	05/02/2005
/s/ Alan K. Austin, Managing Director and Chief Operating Officer of Silver Lake Technology Management, L.L.C., as managing member of Silver Lake Management Company, L.L.C., as manager of Silver Lake Technology Investors II, L.L.C.	05/02/2005
/s/ Alan K. Austin, Managing Director and Chief Operating Officer of Silver Lake Technology Associates, L.L.C., as general partner of Silver Lake Partners TSA, L.P.	05/02/2005
/s/ Alan K. Austin, Managing Director and Chief Operating Officer of Silver Lake Technology Associates, L.L.C., as general partner of Silver Lake Investors, L.P.	05/02/2005
** Signature of Reporting Person	Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

EXHIBIT A

- Subject to the immediately following sentence, the 3.75% Series A Convertible Notes due 2012 (the “Series A Notes”) are convertible on or after April 22, 2006; provided, that they may be converted earlier in connection with a tender or exchange offer for Common Stock or a transaction or agreement, which, if consummated, would result in a merger or consolidation of The Nasdaq Stock Market, Inc. (the “Company”) or the sale, lease or other transfer of all or substantially all of the consolidated assets of the Company in a transaction
- (1) specified in clause (ii) (a “Specified Transaction”) of the definition of “Fundamental Change” included in the Indenture, dated as of April 22, 2005 (the “Indenture”), between the Company and Law Debenture Trust Company of New York, as trustee. The Series A Notes may not be converted prior to five business days after a meeting of the Company stockholders (the “Stockholders Meeting”) duly called to consider the approval of the issuance of a portion of the shares of Common Stock issuable upon the conversion of the Series A Notes. The Company has agreed to hold the Stockholders Meeting as promptly as reasonably practicable and in any event no later than July 22, 2005.

- The Series A Notes have a maturity date of October 22, 2012. If any of the following events occur, the Series A Notes will be redeemed by the Company for a price equal to the Adjusted Issue Price (as defined in the Indenture) of the Series A Notes to be redeemed plus any accrued and unpaid interest to, but not including, such redemption date: (x) (a) the Agreement and Plan of Merger among the Company, Norway Acquisition Corp. and Instinet Group Incorporated (the “Merger Agreement”) is terminated on or prior to October 24, 2005 and (b) (i) the Company has not entered into a transaction or agreement that is still in effect on October 24, 2005 which, if consummated, would result in a Specified Transaction involving consideration equal to or greater than \$26 per share of Common Stock or (ii) if the Company has entered into a transaction or agreement that is still in effect on October 24, 2005 which, if consummated, would result in a Specified Transaction involving consideration less than \$26 per share of Common Stock and no third party has commenced and has
- (2) outstanding on October 24, 2005 a tender or exchange offer for all of the Company’s outstanding Common Stock for consideration equal to or greater than \$26 per share of Common Stock or (y) if the Merger Agreement has not terminated on or prior to October 24, 2005, the date (if any) which is the earlier to occur of (a) the date that the Merger Agreement is terminated and (b) April 22, 2006 if the Merger (as defined in the Merger Agreement) has not been completed prior to such time. In addition, if the majority of the votes cast at the Stockholders Meeting are voted against the issuance of a portion of the shares of Common Stock issuable upon the conversion of the Series A Notes, the Company will repurchase \$3,869,502.05 in aggregate principal amount of the Series A Notes beneficially owned by Silver Lake Partners II TSA, L.P., Silver Lake Technology Investors II, L.L.C., Silver Lake Partners TSA, L.P. and Silver Lake Investors, L.P. (collectively, the “SLP Partnerships”) for a repurchase price equal to 105% of such aggregate principal amount, plus any accrued and unpaid principal interest thereon.

- The Series A Notes and the Series A Warrants to acquire Common Stock (the “Series A Warrants”) are directly owned by Norway Acquisition SPV, LLC, which is a wholly owned subsidiary of Norway Holdings SPV, LLC (“Norway Holdings”). Pursuant to the limited liability company agreement of Norway Holdings, the SLP Partnerships have sole voting and dispositive power with respect to,
- (3) and the sole pecuniary interest in, the reported securities.

- Subject to the immediately following sentence, the Series A Warrants are exercisable on or after April 22, 2006; provided, that they may be exercised earlier in connection with a tender or exchange offer or a Specified Transaction that does not result in the redemption of the Series A Notes. The Series A Warrants may not be exercised prior to five business days after the Stockholders Meeting. The Company has agreed to hold the Stockholders Meeting as promptly as reasonably practicable and in any event no later than July 22, 2005.
- (4)

- Unless earlier redeemed as provided in the immediately following sentence, the Series A Warrants terminate upon the third anniversary of the closing date of the Merger. If any of the following events occur, the Series A Warrants will be redeemed by the Company for a price equal to the dollar amount representing the product of (a) the fraction (i) the numerator of which shall be the amount of shares subject to the Series A Warrants and (ii) the denominator of which shall be the aggregate amount of shares subject to all Series A Warrants multiplied by (b) the sum of (i) \$205,000,000 minus (ii) the aggregate Adjusted Issue Price of the Series A Notes: (x) (a) the Merger Agreement is terminated on or prior to October 24, 2005 and (b) (i) the Company has not entered into a transaction or agreement that is still in effect on October 24, 2005 which, if consummated, would result in a Specified Transaction involving consideration equal to or greater than \$26 per share of Common Stock or (ii) if the Company has entered into a transaction or agreement that is still in effect on October 24, 2005 which, if consummated, would result in a Specified Transaction involving consideration less than \$26 per share of Common Stock and no third party has commenced and has outstanding on October 24, 2005 a tender or exchange offer for all of the Company’s outstanding Common Stock for consideration equal to or greater than \$26 per share of Common Stock or (y) if the Merger Agreement has not terminated on or prior to October 24, 2005, the date (if any) which is the earlier to occur of (a) the date that the Merger Agreement is terminated and (b) April 22, 2006 if the Merger (as defined in the Merger Agreement) has not been completed prior to such time.
- (5)