EXHIBIT I-1.Amendment

NASDAQ OMX GROUP, INC.

FORM 10-K
(Annual Report)

Filed 02/24/14 for the Period Ending 12/31/13

Address	ONE LIBERTY PLAZA NEW YORK, NY 10006
Telephone	2124018700
CIK	0001120193
Symbol	NDAQ
SIC Code	6200 - Security & Commodity Brokers, Dealers, Exchanges & Services
Industry	Investment Services
Sector	Financial
Fiscal Year	12/31

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, 201 3

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 201 4 Annual Meeting of Stockholders	Part III

TABLE OF CONTENTS

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.

* * * * * *

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.

* * * * * *

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 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.

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.

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 75 8 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.

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. T reasury 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.

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 Equ ity 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.

European Cash Equit y 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 Tradin g

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.

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, 5 2 % 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.

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.

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 7 0 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 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.

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. T he 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

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.

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

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;

- 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 ope rated 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.

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.

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.

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 regulat ions 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, in cluding the processor systems. We have proposed upgrades that are designed to make those systems more robust and resilient, the cost of such upgrades to be borne collectively by all exch anges 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. W e 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.

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 regulat ions 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.

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.

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 w e 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 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.

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.

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

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.

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 i mplemented 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, c onsolidated 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.

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 , 201 4 , we had approximately 586 holders of record of our common stock. As of February 7 , 201 4 , 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.

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

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:

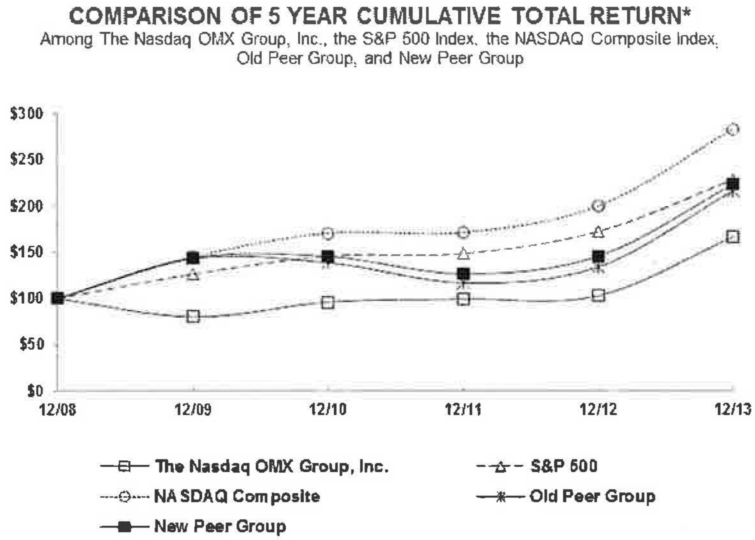
- ASX Limited;
- CBOE Holdings Inc.;
- CME Group Inc.;
- Deutsche Börse AG;
- ICE;
- LSE; and
- TMX Group Limited.

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.



*$100 invested on 12/31/08 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

	12/08	12/09	12/10	12/11	12/12	12/13
The NASDAQ OMX Group, Inc.	$ 100.00	$ 80.21	$ 96.03	$ 99.19	$ 102.85	$ 166.40
NASDAQ Composite	100.00	144.88	170.58	171.30	199.99	283.39
S&P 500	100.00	126.46	145.51	148.59	172.37	228.19
Old Peer Group	100.00	143.14	138.54	116.80	134.02	216.38
New Peer Group	100.00	143.86	145.25	126.50	145.57	223.25

Item 6. Selected Financial Data.

The following table sets forth selected financial data on a historical basis for NASDAQ OMX. The following information should be read in conjunction with the consolidated financial statements and notes thereto of NASDAQ OMX included elsewhere in this Form 10-K.

Selected Financial Data

	Year Ended December 31,				
	2013 (1)	2012 (1)	2011 (1)	2010 (1)	2009
	(in millions, except share and per share amounts)				
Statements of Income Data:					
Total revenues (2)	$ 3,211	$ 3,120	$ 3,438	$ 3,197	$ 3,410
Cost of revenues (2)	(1,316)	(1,446)	(1,748)	(1,675)	(1,957)
Revenues less transaction rebates, brokerage, clearance and exchange fees	1,895	1,674	1,690	1,522	1,453
Total operating expenses	1,207	984	994	891	850
Operating income	688	690	696	631	603
Net income attributable to NASDAQ OMX	385	352	387	395	266
Net income applicable to common stockholders	385	352	387	394	266
Per share information:					
Basic earnings per share	$ 2.30	$ 2.09	$ 2.20	$ 1.94	$ 1.30
Diluted earnings per share	$ 2.25	$ 2.04	$ 2.15	$ 1.91	$ 1.25
Cash dividends declared per common share (3)	$ 0.52	$ 0.39	$ -	$ -	$ -
Weighted-average common shares outstanding for earnings per share:					
Basic	166,932,103	168,254,653	176,331,819	202,975,623	204,698,277
Diluted	171,266,146	172,587,870	180,011,247	206,514,655	214,537,907

	December 31,				
	2013	2012	2011	2010	2009
	(in millions)				
Balance Sheets Data:					
Cash and cash equivalents and financial investments	$ 587	$ 720	$ 785	$ 568	$ 902
Total assets (4)(5)(6)	12,577	9,132	14,091	16,207	10,722
Total long-term liabilities	3,593	2,905	3,067	3,247	2,909
Total equity	6,184	5,209	4,986	4,729	4,944

(1) We completed several acquisitions during the years ended December 31, 2013, 2012, 2011 and 2010 and included the financial results of such acquisitions in our consolidated financial statements from the respective acquisition dates.

(2) We record execution revenues from transactions on a gross basis as revenues and record related expenses as cost of revenues.

(3) The $0.52 cash dividends declared per common share for 2013 reflect a quarterly dividend of $0.13 per share on our outstanding common stock. The $0.39 cash dividends declared per common share for 2012 reflect a quarterly dividend of $0.13 per share on our outstanding common stock in June, September and December of 2012.

(4) Total assets included resale agreements, at contract value of $3.7 billion at December 31, 2011 and $3.4 billion at December 31, 2010. In September 2010, we launched a clearing service for the resale and repurchase agreement market.

(5) Total assets decreased $5.0 billion at December 31, 2012 as compared to December 31, 2011, primarily due to our new clearing structure which significantly changed the nature and extent of the risk of loss to NASDAQ OMX Clearing in the event of a member default. As a result, we no longer record derivative positions or resale and repurchase agreements in the Consolidated Balance Sheet.

(6) Total assets increased $3.4 billion at December 31, 2013 as compared to December 31, 2012, primarily due to an increase in default funds and margin deposits, reflecting the implementation of our collateral management process for our Nordic Clearing business in 2013, and an increase in goodwill and intangible assets associated with the acquisitions of the TR Corporate Solutions businesses and eSpeed in 2013.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the financial condition and results of operations of NASDAQ OMX should be read in conjunction with our consolidated financial statements and related notes included in this Form 10-K, as well as the discussion under "Item 1A. Risk Factors."

Business Overview

The NASDAQ OMX Group, Inc. was formed from the combination of the businesses of Nasdaq and OMX AB on February 27, 2008. Under the purchase method of accounting, Nasdaq was treated as the accounting and legal acquirer in the business combination with OMX AB.

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.

We completed the following acquisitions during 2010, 2011, 2012 and 2013:

- The assets of North American Energy Credit and Clearing Corp., March 2010;
- A derivatives trading market through the purchase of the remaining business of Nord Pool, May 2010;
- SMARTS, August 2010;
- FTEN, December 2010;
- ZVM, December 2010;
- Glide Technologies, October 2011;
- The business of RapiData, December 2011;
- NOS Clearing, July 2012;
- The index business of Mergent, Inc., including Indxis, December 2012;
- The TR Corporate Solutions businesses , May 2013; and
- eSpeed , June 2013.

These acquisitions have been treated as purchases for accounting purposes, with NASDAQ OMX treated as the acquirer. We also purchased a 2 2 % equity interest in t he European Multilateral Clearing Facility N.V., or EMCF , in January 2009 . In December 2013 , EMCF merge d with EuroCCP, creating EuroCCP N.V., a new combined clearinghouse. NASDAQ OMX currently has a 25% equity interest in EuroCCP N.V. Additionally, we purchased a 72% ownership interest in BWise in May 2012 and a 25% equity interest in The Order Machine, or TOM, in April 2013 . I n March 2013, we formed a joint venture with SharesPost creating NPM. The financial results of these transactions are included in the consolidated financial results beginning on the date of each acquisition or strategic initiative.

Business Environment

We serve listed companies, market participants and investors by providing derivative , commodities , cash equity, and fixed income markets, thereby facilitating economic growth and corporate entrepreneurship. We provide market technology to exchanges, clearing organizations and central securities depositories around the world. We also offer companies and other organizations access to innovative products and software solutions and services that increase transparency, mitigate risk, improve board efficiency and facilitate better corporate governance. In broad terms, our business performance is impacted by a number of drivers including macroeconomic events affecting the risk and return of financial assets, investor sentiment, government and private sector demands for capital, the regulatory environment for capital markets, and changing technology particularly in the financial services industry. Our future revenues and net income will continue to be influenced by a number of domestic and international economic trends including:

- Trading volumes, particularly in U.S. and European derivative and c ash equity securities, which are driven primarily by overall macroeconomic conditions;
- The number of companies seeking equity financing, which is affected by factors such as investor demand, the global economy, availability of diverse sources of financing as well as tax and regulatory policies;
- The demand for information about, or access to, our markets, which is dependent on the products we trade, our importance as a liquidity center, and the quality and pricing of our data and access services;
- The demand by companies and other organizations for the products sold by our Corporate Solutions business, which is largely driven by the overall state of the economy and the attractiveness of our offerings;

- The demand for licensed exchange traded products and other financial products based on our indices as well as changes to the underlying assets associated with existing licensed financial products;
- The challenges created by the automation of market data consumption, including competition and the quickly evolving nature of the market data business;
- The outlook of our technology customers for capital market activity;
- Continuing pressure in transaction fee pricing due to intense competition in the U.S. and Europe;
- Competition for listings and trading related to pricing, product features and service offerings;
- Regulatory changes imposed upon certain types of instruments, transactions, or capital market participants; and
- Technological advancements and customers' demand for speed, efficiency, and reliability.

Currently our business drivers are defined by investors' and companies' cautiously optimistic outlook about the pace of global economic recovery. Although some major market indices reached record levels in 2013, European equity markets have not performed as well and remain below their pre-financial crisis highs. As the global economy continues to avoid the intermittent crisis environments of 2010 through 2012, we are experiencing modest growth in many of our non-transactional businesses. Since a number of significant structural issues continue to confront the global economy, instability could return at any time, resulting in an increased level of market volatility, oscillating trading volumes, and a return of market uncertainty. In contrast, many of the largest customers of our transactional businesses continue to adapt their business models as they address the implementation of regulatory changes initiated following the global financial crisis, leading to lower trading volumes. In 2013, the U.S. and European cash equity trading businesses and the European derivative trading and clearing business experienced a decrease in volumes due to lower overall industry trading volumes. Steady performances by major stock market indices and consistently low volatility throughout 2013 helped to boost the U.S. IPO market. Additional impacts on our business drivers included the international enactment and implementation of new legislative and regulatory initiatives, and the continued rapid evolution and deployment of new technology in the financial services industry. The business environment that influenced our financial performance for 2013 may be characterized as follows:

- A strong pace of new equity issuance in the U.S. in 2013 with 126 IPOs on The NASDAQ Stock Market, up from 72 in 2012. IPO activity improved in the Nordics with 14 IPOs in 2013 compared to six IPOs in 2012 on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic ;
- Average daily matched equity options volume for our three U.S. options exchanges increased 3. 3 % in 2013 compared to 2012, while overall average daily U.S. options volume increased 0.7%. The increase in our average daily matched options volume was driven by an increase in our combined matched market share for our three U.S. options exchanges of 0.7 percentage points as well as a slight increase in overall U.S. options volume ;
- Average daily matched share volume for all of our U.S. cash equity markets decreased by 13. 1 %, while average daily U.S. share volume fell by 3.9% relative to 2012. Volatility, often a driver of volume levels, was lower in 2013 than 2012. Losses in matched share volume were due to both lower U.S. consolidated volume and a decrease in matched market share from 20.8% in 2012 (NASDAQ 17.0%; NASDAQ OMX BX 2.7%; NASDAQ OMX PSX 1.1%) to 18.8% in 2013 (NASDAQ 15.6%; NASDAQ OMX BX 2.5%; NASDAQ OMX PSX 0.7%);
- Continuous cost focus in the industry has further increased the growth of our NASDAQ Basic product, which is a low cost alternative to the consolidated tape. The number of NASDAQ Basic subscribers increased 128% in 2013 compared to 2012 ;
- An increase in Information Services revenues of 8.9% in 2013 relative to 2012, primarily due to increases in both U.S. market data products and index licensing and services revenues;
- A 4.4% decrease relative to 2012 in the average daily number of cash equity trades on our Nordic and Baltic exchanges;
- A 6.9% increase relative to 2012 in the SEK value of cash equity transactions on our Nordic and Baltic exchanges ;
- A decline of 1.0% experienced by our Nordic and Baltic exchanges relative to 2012 in the number of traded and cleared options, futures and fixed-income contracts (excluding Finnish option contracts traded on Eurex);
- Intense competition among U.S. exchanges and dealer-owned systems for trading volume and strong competition between multilateral trading facilities and exchanges in Europe for trading volume;
- Globalization of exchanges, customers and competitors extending the competitive horizon beyond national markets; and
- Market trends requiring continued investment in technology to meet customers' demands for speed, capacity, and reliability as markets adapt to a global financial industry, as increasing numbers of new companies are created, and as emerging countries show ongoing interest in developing their financial markets .

Financial Summary

The following table summarizes our financial performance for the year ended December 31, 2013 when compared with the same period in 2012. The comparability of our results of operations between reported periods is impacted by the acquisitions of eSpeed on June 28, 2013 and the TR Corporate Solutions businesses on May 31, 2013. See "Acquisition of eSpeed for Trading of U.S. Treasuries" and "Acquisition of the Investor Relations, Public Relations and Multimedia Solutions Businesses of Thomson Reuters," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion.

	Year Ended December 31,		Percentage
	2013	2012	Change
	(in millions)		
Revenues less transaction rebates, brokerage, clearance and exchange fees	$ 1,895	$ 1,674	13.2%
Operating expenses	1,207	984	22.7%
Operating income	688	690	(0.3)%
Interest expense	(111)	(97)	14.4%
Gain on sale of investment security	30	-	#
Asset impairment charges	(14)	(40)	(65.0)%
Loss on divestiture of business	-	(14)	#
Income before income taxes	600	548	9.5%
Income tax provision	216	199	8.5%
Net income attributable to NASDAQ OMX	$ 385	$ 352	9.4%
Diluted earnings per share	$ 2.25	$ 2.04	10.3%

\# Denotes a variance greater than 100.0%.

In countries with currencies other than the U.S. dollar, revenues and expenses are translated using monthly average exchange rates. The following discussion of results of operations isolates the impact of year-over-year foreign currency fluctuations to better measure the comparability of operating results between periods. Operating results excluding the impact of foreign currency fluctuations are calculated by translating the current period's results by the prior period's exchange rates.

Impacts associated with fluctuations in foreign currency are discussed in more detail under "Item 7A. Quantitative and Qualitative Disclosures about Market Risk." For the year ended December 31, 2013, approximately 34.8% of our revenues less transaction rebates, brokerage, clearance and exchange fees and 29.0% of our operating income were derived in currencies other than the U.S. dollar, primarily the Swedish Krona, Euro, Norwegian Krone, Danish Krone and British Pound .

The following summarizes significant changes in our financial performance for the year ended December 31, 2013 when compared with the same period in 2012:

- Revenues less transaction rebates, brokerage, clearance and exchange fees increased $221 million, or 13.2%, to $1,895 million in 2013, compared with $1,674 million in 2012, reflecting an operational increase of $206 million and a favorable impact from foreign exchange of $15 million. The increase in operational revenues was primarily due to an:
  - increase in Corporate Solutions revenues of $141 million , reflecting higher revenues resulting from the acquisition of the TR Corporate Solutions b usinesses in May 2013;
  - increase in fixed income trading revenues less brokerage, clearance and exchange fees of $35 million , reflecting the acquisition of eSpeed;
  - increase in Market Data Products revenues of $22 million, primarily from U.S. market data products;
  - increase in Market Technology revenues of $20 million, primarily from higher change request and advisory revenues and software as a service revenues ; and
  - increase in Index L icensing and Services revenues of $11 million , partially offset by a;
  - decrease in cash equity trading revenues less transaction rebates, brokerage, clearance and exchange fees of $22 million .
- Operating expenses increased $223 million, or 22.7%, to $1,207 million in 2013, compared with $984 million in 2012, reflecting an operational increase of $214 million and an unfavorable impact from foreign exchange of $9 million. The increase in operational expenses was primarily due to additional overall expense associated with our acquisitions of the TR Corporate Solutions b usinesses in May 2013 and eSpeed in June 2013 , our voluntary accommodation program , higher merger and strategic initiative s expense , and expenses paid with respect to an SEC matter , partially offset by a decrease in restructuring charges .

- Interest expense increased $14 million, or 14.4%, to $111 million in 2013, compared with $97 million in 2012, primarily due to the issuance of our €600 million aggregate principal amount of 3.875% senior unsecured notes due June 2021, or the 2021 Notes , in June 2013. See "3.875% Senior Unsecured Notes," of Note 9 , "Debt Obligations," to the consolidated financial statements for further discussion.
- Gain on sale of investment security of $30 million in 2013 relate d to the sale of our available-for-sale investment securit y in Dubai Financial Market PJSC, or DFM.
- Asset impairment charges in 2013 of $1 4 million relate d to certain acquired intangible assets associate d with customer relationships ($7 million) and a certain trade name ($ 7 million). In 2012, asset impairment charges of $40 million were related to certain acquired intangible assets associated with technology ($19 million), customer relationships ($6 million), and a certain trade name ($3 million), as well as an other-than-temporary impairment charge of $12 million related to our equity interest in EMCF.
- Loss on divestiture of business in 2012 of $14 million relate d to the sale of International Derivatives Clearing Group, LLC, or IDCG. See "2012 Divestiture," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion.
- Income tax provision increased $1 7 million, or 8 .5%, in 2013 compared with 2012, primarily due to the increase in income before income taxes in 2013 compared with 2012.

These current and prior year items are discussed in more detail below.

Excluding our voluntary accommodation program expense , gain on sale of investment security, merger and strategic initiatives expense, expenses paid with respect to an SEC matter, asset impairment charges, restructuring charges, loss on divestiture of business and other items that are not reflective of our core business performance, net of taxes, non-GAAP consolidated net income attributable to NASDAQ OMX for the year ended December 31, 2013 was $445 million, or $2.60 per diluted share, compared with $432 million, or $2.50 per diluted share, for the year ended December 31, 2012. See "Non-GAAP Financial Measures" below for further discussion.

2014 Outlook

For the sixth year in a row, more share value traded on The NASDAQ Stock Market than on any other single cash equities exchange in the world. The economic environment remained stable in 2013, although uncertainty remains throughout the global economy and the debate over future fiscal policy in the U.S. continues. By traditional measures, it was also a difficult year for the exchange business. After reaching an all-time high in 2009, U.S. cash equity trading volume fell for a fourth consecutive year. For the last six years, trading volume in the U.S. and around the world has been driven by volatility associated with the global financial crisis, rather than the prospects for economic growth. While the economic view may be that the worst of the financial crisis has passed, robust economic growth has yet to develop. Consequently, NASDAQ OMX has intentionally structured its organization to account for the highly cyclical nature of our industry. By diversifying our earnings through the sale of Corporate Solutions, Access Services, Market Technology and Market Data products, and by delivering on cost savings, NASDAQ OMX has been able to provide stable revenues and operating income during these tough conditions. Should 2014 present an equally difficult environment, we believe our organization is positively positioned to compete .

We launched several important initiatives during 2013 that we expect to benefit us during the challenging and competitive economic environment anticipated for 2014. In May 2013, we completed our acquisition of the TR Corporate Solutions businesses , which provide insight, analytics and communications solutions. These complementary businesses are being integrated into our Corporate Solutions business, which is part of our Technology Solutions segment, to create a differentiated client experience through a comprehensive portfolio of technology-driven solutions to more than 10,000 clients worldwide. We continue to leverage the opportunities in our Corporate Solutions and Market Technology businesses by offering new products to our expanding customer base and by strengthening our direct relationships with those customers .

Additionally, in June 2013 we acquired the eSpeed platform, which operates a fully executable central limit order book for electronic trading in benchmark U.S. Treasuries, one of the largest and most liquid cash markets in the world, enabling us to enter new markets with a low-cost platform available to both existing and new clients, while creating additional sales opportunities for both our Market Services and Market Data Products businesses.

During 2013, the U.S. IPO market experienced its best year since the 2008 financial crisis. In April 2012, President Obama signed into law the Jumpstart Our Business Startups Act, or JOBS Act, which is intended to encourage companies to seek access to public capital through an IPO. While the long-term effects of the bill remain to be seen, the overall increase in IPOs this year compared to 2011 and 2012 may be a positive sign for 2014. We expect the demand for public equity capital from companies experiencing the gradual return of global economic growth and the strong broad market returns during 2013 could support a robust IPO market if these trends continue. Furthermore, an improved outlook for equity investments and the number of private companies seeking capital could positively impact the IPO pipeline in 2014 .

During 2014, we expect to confront changes in both the competitive and regulatory environments. 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.

European regulators are currently considering a number of new policies affecting the operation and infrastructure of the financial markets. The implementation of EMIR is changing the way we structure and operate the Nordic clearinghouse. We expect the requirements of EMIR to be finalized in 2014. Also, the update to MiFID II is expected to be completed in 2014 with final implementation by 2016. Finally, our clients are confronting significant regulatory changes in both the U.S. and Europe as regulations resulting from legislation in the aftermath of the financial crisis are implemented. We expect global markets to continue to be marked by significant change in 2014, driven primarily by regulatory initiatives in the U.S. and Europe. These policy changes could result in the continued fragmentation of cash equity markets into additional venues, and trading could continue to migrate from exchanges to OTC systems, particularly in the U.S. Conversely, trading in OTC derivatives could begin to move onto exchanges and other execution facilities .

Any further expansion of the global economy in the year ahead may be positive for our business drivers and our operations. We believe that our aggressive steps in meeting our cost, revenue, and technology objectives over the last three years will enable us to benefit from any improving economic conditions in 2014. We will continue to look for opportunities to further diversify our business with enhanced product offerings and/or acquisitions that are complementary to our existing businesses.

Business Segments

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.

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.

Our reportable segments are as follows.

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, cash equities, debt, commodities, 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. In addition, eSpeed's electronic benchmark U.S. Treasury brokerage and co-location service businesses are part of our Market Services segment. See " Acquisition of eSpeed for Trading of U.S. Treasuries ," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion.

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.

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.

Information Services

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

Our Market Data Products business delivers historical and real-time market data to 2.5 million financial professionals and individual investors globally. In addition, eSpeed's market data business is part of our Information Services segment. See " Acquisition of eSpeed for Trading of U.S. Treasuries ," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion.

Our Index Licensing and Services business has been creating innovative and transparent indexes since 1971. As of December 31, 2013, there are over 9,000 structured products based on NASDAQ OMX indexes, spanning different geographies and asset classes with almost $ 1.5 trillion of notional value.

Technology Solutions

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

Our Corporate Solutions business provides customer support services, products and programs to customers, including companies listed on our exchanges. Through Corporate Solutions offerings, companies gain access to innovative products and software solutions and services that ease transparency, mitigate risk, improve board efficiency and facilitate better corporate governance. In May 2013, we acquired the TR Corporate Solutions businesses. See "Acquisition of the Investor Relations, Public Relations and Multimedia Solutions Businesses of Thomson Reuters," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion. With the acquisition of the TR Corporate Solutions businesses, Corporate Solutions revenues primarily include subscription and transaction-based income from products in the following key areas: Governance, Investor Relations, Multimedia Solutions and Public Relations businesses.

Our Market Technology business is a leading global technology solutions provider and partner to exchanges, clearing organizations and central securities depositories. Our technology business is also the sales channel for our complete global offering to other marketplaces.

Market Technology provides technology solutions for 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 handle a wide array of assets including cash equities, currencies, various interest-bearing securities, commodities, energy products and derivatives. Market Technology also provides governance, risk and compliance software solutions.

Our management allocates resources, assesses performance and manages these businesses as four separate segments. See Note 19, "Business Segments," to the consolidated financial statements for further discussion.

Sources of Revenues and Cost of Revenues

Market Services Revenues

Derivative Trading and Clearing Revenues

U.S. Derivative Trading and Clearing

U.S. derivative trading and clearing revenues are variable, based on traded and cleared volumes, and recognized when executed or when contacts are cleared. The principal types of derivative contracts traded on our U.S. options exchanges are equity options, ETF options, index options and currency options. In the U.S., we record execution revenues from transactions on a gross basis as revenues and record related expenses as cost of revenues.

For U.S. derivative trading, we credit a portion of the per share execution charge to the market participant that provides the liquidity and record the transaction rebate as a cost of revenues in the Consolidated Statements of Income. These transaction rebates are paid on a monthly basis and the amounts due are included in accounts payable and accrued expenses in the Consolidated Balance Sheets.

Also, we pay Section 31 fees to the SEC for supervision and regulation of securities markets. We pass these costs along to our customers through our derivative trading and clearing fees. We collect the fees as a pass-through charge from organizations executing eligible trades on our options exchanges and we recognize these amounts in U.S. derivative trading and clearing cost of revenues when incurred. Section 31 fees received are included in cash and cash equivalents in the Consolidated Balance Sheets at the time of receipt and, as required by law, the amount due to the SEC is remitted semiannually and recorded as Section 31 fees payable to the SEC in the Consolidated Balance Sheets until paid. Since the amount recorded as revenues is equal to the amount recorded as cost of revenues, there is no impact on our revenues less transaction rebates, brokerage, clearance and exchange fees. As we hold the cash received until payment to the SEC, we earn interest income on the related cash balances.

European Derivative Trading and Clearing

European derivative trading and clearing revenues are variable, based on the volume and value of traded and cleared contracts, and recognized when executed or when contracts are cleared. The principal types of derivative contracts traded and cleared are stock options and futures, index options and futures, international power derivatives, carbon and other commodity products, and fixed-income options and futures. We also generate clearing revenues for OTC traded derivatives for the freight market and seafood derivatives market, interest rate swaps, and resale and repurchase agreements. These clearing revenues are based on the value and length of the contract and are recognized when cleared. In addition, NASDAQ OMX Commodities members are billed an annual fee which is recognized ratably over the following 12-month period.

NASDAQ OMX Commodities and the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic do not have any revenue sharing agreements or cost of revenues, such as transaction rebates and brokerage, clearance and exchange fees.

Cash Equity Trading Revenues

U.S. Cash Equity Trading

U.S. cash equity trading revenues are variable, based on individual customer share volumes, and recognized as transactions occur. We charge transaction fees for executing cash equity trades in NASDAQ-listed and other listed securities on our U.S. cash equity exchanges, as well as on orders that are routed to other market venues for execution. Similar to U.S. derivative trading and clearing, we record cash equity trading revenues from transactions on a gross basis as revenues and record related expenses as cost of revenues, as we have certain risk associated with trade execution. For further discussion see "U.S. Derivative Trading and Clearing" above.

For The NASDAQ Stock Market and NASDAQ OMX PSX, we credit a portion of the per share execution charge to the market participant that provides the liquidity and for NASDAQ OMX BX, we credit a portion of the per share execution charge to the market participant that takes the liquidity. We record these credits as transaction rebates that are included in cost of revenues in the Consolidated Statements of Income. These transaction rebates are paid on a monthly basis and the amounts due are included in accounts payable and accrued expenses in the Consolidated Balance Sheets.

As discussed under U.S. derivative trading and clearing , we also pay Section 31 fees to the SEC for supervision and regulation of securities markets. We pass these costs along to our customers through our cash equity trading fees. We collect the fees as a pass-through charge from organizations executing eligible trades on our cash equity platforms and we recognize these amounts in cost of revenues when incurred.

European Cash Equity Trading

We charge transaction fees for executing trades on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic. These transaction fees are charged per executed order and as per value traded.

The exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic do not have any revenue sharing agreements or cost of revenues, such as transaction rebates and brokerage, clearance and exchange fees.

Fixed Income Trading Revenues

We operate eSpeed, an electronic trading platform for U.S. Treasuries. The electronic trading platform provides real-time institutional trading of benchmark U.S. Treasury s ecurities . Customer contracts may be on a fixed or variable rate basis. Revenues from customers with a fixed rate basis are recognized ratably over the contract period. Revenues from customers with a variable rate basis are based upon individual customer share volume and are recognized as revenues as the transaction occurs.

Access and Broker Services Revenues

Access Services

We generate revenues by providing market participants with several alternatives for accessing our markets for a fee. The type of connectivity is determined by the level of functionality a customer needs. As a result, Access Services revenues vary depending on the type of connection provided to customers. We provide co-location services to market participants whereby firms may lease space for equipment within our data center. These participants are charged monthly fees for cabinet space, connectivity and support. We also earn revenues from annual and monthly exchange membership and registration fees. Revenues for providing access to our markets, co-location services and revenues for monthly exchange membership and registration fees are recognized on a monthly basis as the service is provided. Revenues from annual fees for exchange membership and registration fees are recognized ratably over the following 12-month period.

Access Services revenues also include revenues from the RTRM solutions we provide to the financial securities market. As a market leader in RTRM, we provide 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. Revenues for these services are primarily based on subscription agreements with customers. Most contracts include professional services, implementation fees, monthly subscription fees from customers accessing on-demand services, and customer support. Implementation fees are recognized upon completion of the implementation. Monthly professional services, subscription, and usage fees are recognized in the month the service is provided.

Broker Services

Our Broker Services operations offer technology and customized securities administration solutions to financial participants in the Nordic markets. The primary services offered are flexible back-office systems which allow customers to entirely or partly outsource their company's back-office functions. Revenues from broker services are based on a fixed basic fee for administration or licensing, maintenance and operations, and a variable portion that depends on the number of transactions completed. Broker Services revenues are recognized on a continuous basis as services are rendered.

Listing Services Revenues

U.S. Listing Services Revenues

Listing Services revenues in the U.S. include annual renewal fees, listing of additional shares fees and initial listing fees. Annual renewal fees are recognized ratably over the following 12-month period. Listing of additional shares fees and initial listing fees are recognized on a straight-line basis over estimated service periods, which are four and six years, respectively, based on our historical listing experience and projected future listing duration.

European Listing Services Revenues

European listing fees, which are comprised of revenues derived from annual fees received from companies listed on our Nordic and Baltic exchanges and NASDAQ OMX First North, are directly related to the listed companies' market capitalization on a trailing 12-month basis. These revenues are recognized ratably over the following 12-month period.

Information Services Revenues

Market Data Products Revenues

Market Data Products revenues are earned from U.S. and European proprietary market data products and index data products. In the U.S., we also earn revenues from U.S. tape plans.

U.S. Market Data Products

We collect and process information and earn revenues as a distributor of our own data and select third-party content. We provide varying levels of quote and trade information to market participants and to data distributors, who in turn sell subscriptions for this information to the public. We earn revenues primarily based on the number of data subscribers and distributors of our data. U.S. Market Data revenues are recognized on a monthly basis. These revenues, which are subscription based, are recorded net of amounts due under revenue sharing arrangements with market participants.

Revenues from U.S. tape plans include eligible UTP Plan revenues that are shared among UTP Plan participants and are presented on a net basis. Under the revenue sharing provision of the UTP Plan, we are permitted to deduct costs associated with acting as the exclusive Securities Information Processor from the total amount of tape revenues collected. After these costs are deducted from the tape revenues, we distribute to the respective UTP Plan participants, including The NASDAQ Stock Market, NASDAQ OMX BX and NASDAQ OMX PSX, their share of tape revenues 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. Revenues from net U.S. tape plans are recognized on a monthly basis.

European Market Data Products

European Market Data Products revenues 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 securities: 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 are subscription-based, are generated primarily based on the number of data subscribers and distributors of our data and are recognized on a monthly basis.

Market Data Products Revenue Sharing

The most significant component of Market Data Products revenues presented on a net basis is the UTP Plan revenue sharing in the U.S. All indicators of gross vs. net reporting under U.S. GAAP have been considered in analyzing the appropriate presentation of UTP Plan revenue sharing. However, the following are the primary indicators of net reporting:

- Primary Obligor: We are the Securities Information Processor for the UTP Plan, in addition to being a participant in the UTP Plan. In our unique role as Securities Information Processor, we facilitate the collection and dissemination of revenues on behalf of the UTP Plan participants. As a participant, we share in the net distribution of revenues according to the plan on the same terms as all other plan participants.
- Risk of Loss/Credit Risk: Risk of loss on the revenue is shared equally among plan participants according to the UTP Plan.

- Price Latitude: The operating committee of the UTP Plan, which is comprised of representatives from each of the participants, including us solely in our capacity as a UTP Plan participant, is responsible for setting the level of fees to be paid by distributors and subscribers and taking action in accordance with the provisions of the UTP Plan, subject to SEC approval.

The exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic do not have any market data revenue sharing agreements.

Index Data Products

Index Data Products revenues are generated from our NASDAQ OMX indexes and consist of Global Index Data Services, which deliver 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. We earn revenues primarily based on the number of data subscribers and distributors of our data. These revenues, which are subscription based, are recognized on a monthly basis.

Index Licensing and Services Revenues

We develop and license NASDAQ OMX branded indexes, associated derivatives and financial products as part of our Global Index Group business. Revenues primarily include license fees from these branded indexes, associated derivatives and financial products in the U.S. and abroad. We also generate revenues by licensing and listing third-party structured products and third-party sponsored ETFs. We primarily have two types of license agreements: transaction-based licenses and asset-based licenses. Transaction-based licenses are generally renewable long-term agreements. Customers are charged based on transaction volume or a minimum contract amount, or both. If a customer is charged based on transaction volume, we recognize revenue when the transaction occurs. If a customer is charged based on a minimum contract amount, we recognize revenue on a pro-rata basis over the licensing term. Asset-based licenses are also generally long-term agreements. Customers are charged based on a percentage of assets under management for licensed products, per the agreement, on a monthly or quarterly basis. These revenues are recorded on a monthly or quarterly basis over the term of the license agreement.

Technology Solutions Revenues

Corporate Solutions Revenues

Corporate Solutions revenues primarily include subscription and transaction-based income from our Governance, Investor Relations, Multimedia Solutions and Public Relations businesses. Subscription-based revenues earned by these businesses are recognized ratably over the contract period, generally one to two years in length. As part of the subscription agreements, customers can also be charged usage fees based upon actual usage of the services provided. Revenues from usage fees and other services are recognized when earned. Revenues from transaction-based services, such as webcasting and wire distribution, are recorded as the services are provided and delivered.

Market Technology Revenues

Market Technology provides technology solutions for trading, clearing, settlement surveillance and information dissemination, as well as governance, risk and compliance solutions. Revenues primarily consist of software, license and support revenues, change request and advisory revenues, and software as a service revenues.

For most solutions, we enter into multiple-element sales arrangements to provide technology solutions and services to our customers. In order to recognize revenues associated with each individual element of a multiple-element sales arrangement separately, we are required to establish the existence of vendor specific objective evidence, or VSOE , of fair value for each element. When VSOE for individual elements of an arrangement cannot be established, revenue is generally deferred and recognized over either the final element of the arrangement or the entire term of the arrangement for which the services will be delivered.

We also enter into revolving subscription agreements which allow customers to connect to our servers to access certain services. These revenues are recognized ratably over the subscription term.

Software, License and Support

Software, license and support revenues are derived from the system solutions developed and sold by NASDAQ OMX and are generally entered into in multiple-element sales arrangements. After we have developed and sold a system solution, the customer licenses the right to use the software and may require post contract support and other services, such as facility management. Facility management revenues are derived when NASDAQ OMX assumes responsibility for the continuous operation of a system platform for a customer and receives facility management revenues which can be both fixed and volume-based. Revenues for license, support and facility management services are generally deferred and recognized over either the final element of the arrangement or the entire term of the arrangement for which the services will be delivered, unless VSOE can be established for each element of the contract. We record the deferral of revenue associated with multiple-element sales arrangements in deferred revenue and non-current deferred revenue and the deferral of costs in other current assets and other non-current assets in the Consolidated Balance Sheets.

Software, license and support revenues also include delivery project revenues which are derived from the installation phase of the system solutions developed and sold by NASDAQ OMX. The majority of our delivery projects involve individual adaptations to the specific requirements of the customer, such as those relating to functionality and capacity. We may customize our software technology and make significant modifications to the software to meet the needs of our customers, and as such, we account for these arrangements under contract accounting. Under contract accounting, when VSOE for valuing certain elements of an arrangement cannot be established, total revenues, as well as costs incurred, are deferred until the customization and significant modifications are complete and are then recognized over the post contract support period. We record the deferral of this revenue in deferred revenue and non-current deferred revenue and the deferral of costs in other current assets and other non-current assets in the Consolidated Balance Sheets.

Change Request and Advisory

Change request and advisory revenues include configuration, customer specific adaptations and modifications of the system solutions sold by NASDAQ OMX after delivery has occurred. Change request and advisory revenues are recognized as revenues when earned.

Software As a Service

Software as a service revenues are derived from subscription based arrangements, where customers pay a fee to access our servers to access certain services. These services include broker compliance solutions targeting brokers throughout the world, as well as governance, risk and compliance services.

NASDAQ OMX's Operating Results

Key Drivers

The following table includes key drivers for our Market Services, Listing Services, and Technology Solutions segments. In evaluating the performance of our business, our senior management closely watches these key drivers.

	Year Ended December 31,		
	2013	2012	2011
Market Services			
Derivative Trading and Clearing			
U.S. Equity Options			
Total industry average daily volume (in millions)	14.8	14.7	16.8
NASDAQ OMX PHLX matched market share	18.2%	21.3%	23.1%
The NASDAQ Options Market matched market share	8.7%	5.5%	4.6%
NASDAQ OMX BX Options Market matched market share	1.0%	0.4%	-
Total market share	27.9%	27.2%	27.7%
NASDAQ OMX Nordic and NASDAQ OMX Baltic			
Average Daily Volume:			
Options, futures and fixed-income contracts	408,820	412,841	458,547
Finnish option contracts traded on Eurex	110,286	85,022	99,394
NASDAQ OMX Commodities			
Power contracts cleared (TWh) (1)	1,680	1,703	1,747
Cash Equity Trading			
NASDAQ securities			
Total average daily share volume (in billions)	1.76	1.75	2.02
Matched market share executed on NASDAQ	24.5%	25.6%	27.7%
Matched market share executed on NASDAQ OMX BX	2.5%	2.7%	2.0%
Matched market share executed on NASDAQ OMX PSX	0.7%	1.4%	1.1%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility	36.3%	32.3%	30.9%
Total market share (2)	64.0%	62.0%	61.7%
New York Stock Exchange, or NYSE, securities			
Total average daily share volume (in billions)	3.37	3.64	4.34
Matched market share executed on NASDAQ	11.7%	12.9%	13.4%
Matched market share executed on NASDAQ OMX BX	2.3%	2.6%	2.2%
Matched market share executed on NASDAQ OMX PSX	0.5%	0.7%	0.7%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility	32.6%	29.8%	27.7%
Total market share (2)	47.1%	46.0%	44.0%
NYSE MKT and regional securities			
Total average daily share volume (in billions)	1.06	1.05	1.47
Matched market share executed on NASDAQ	13.4%	17.0%	18.7%
Matched market share executed on NASDAQ OMX BX	2.9%	2.8%	1.9%
Matched market share executed on NASDAQ OMX PSX	1.4%	1.9%	1.8%
Market share reported to the FINRA/NASDAQ Trade Reporting Facility	31.7%	29.3%	25.9%
Total market share (2)	49.4%	51.0%	48.3%
Total U.S.-listed securities			
Total average daily share volume (in billions)	6.19	6.44	7.84
Matched share volume (in billions)	292.9	334.1	419.6
Matched market share executed on NASDAQ	15.6%	17.0%	18.1%
Matched market share executed on NASDAQ OMX BX	2.5%	2.7%	2.1%
Matched market share executed on NASDAQ OMX PSX	0.7%	1.1%	1.0%
Total market share	18.8%	20.8%	21.2%
NASDAQ OMX Nordic and NASDAQ OMX Baltic securities			
Average daily number of equity trades	309,967	324,322	370,295
Total average daily value of shares traded (in billions)	$ 4.3	$ 3.9	$ 5.1
Total market share	68.6%	68.7%	73.1%
Listing Services			

Initial public offerings			
NASDAQ	126	72	78
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic	14	6	9
New listings			
NASDAQ [3]	239	158	151
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic [4]	34	18	34
Number of listed companies			
NASDAQ [5]	2,637	2,577	2,680
Exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic [6]	758	754	776
Technology Solutions			
Market Technology			
Order intake (in millions) [7]	$ 322	$ 259	$ 134
Total order value (in millions) [8]	$ 655	$ 546	$ 458

(1) Primarily transactions executed on Nord Pool and reported for clearing to NASDAQ OMX Commodities measured by TWh and one thousand metric tons of carbon dioxide (1000 tCO_2).

(2) Includes transactions executed on NASDAQ's, NASDAQ OMX BX's and NASDAQ OMX PSX's systems plus trades reported through the FINRA/NASDAQ TRF.

(3) New listings include IPOs, including those completed on a best efforts basis, issuers that switched from other listing venues, closed-end funds and separately listed ETFs.

(4) New listings include IPOs and represent companies listed on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic and companies on the alternative markets of NASDAQ OMX First North.

(5) Number of listed companies for NASDAQ at period end, including separately listed ETFs.

(6) Represents companies listed on the exchanges that comprise NASDAQ OMX Nordic and NASDAQ OMX Baltic and companies on the alternative markets of NASDAQ OMX First North at period end.

(7) Total contract value of orders signed during the period.

(8) Represents total contract value of signed orders that are yet to be recognized as revenue. Market Technology deferred revenue as discussed in Note 8, "Deferred Revenue," to the consolidated financial statements, represents cash payments received that are yet to be recognized as revenue for these signed orders.

Segment Operating Results

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.

The following table shows our revenues by segment, cost of revenues for our Market Services segment and total revenues less transaction rebates, brokerage, clearance and exchange fees:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
Market Services	$ 2,092	$ 2,206	$ 2,553	(5.2)%	(13.6)%
Cost of revenues	(1,316)	(1,446)	(1,748)	(9.0)%	(17.3)%
Market Services revenues less transaction rebates, brokerage, clearance and exchange fees	776	760	805	2.1%	(5.6)%
Listing Services	228	224	236	1.8%	(5.1)%
Information Services	442	406	391	8.9%	3.8%
Technology Solutions	449	284	258	58.1%	10.1%
Total revenues less transaction rebates, brokerage, clearance and exchange fees	$ 1,895	$ 1,674	$ 1,690	13.2%	(0.9)%

MARKET SERVICES

The following table shows total revenues less transaction rebates, brokerage, clearance and exchange fees from our Market Services segment:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(in millions)				
Market Services Revenues:					
Derivative Trading and Clearing Revenues:					
U.S. derivative trading and clearing [1]	$ 467	$ 458	$ 471	2.0%	(2.8)%
Cost of revenues:					
Transaction rebates	(259)	(250)	(257)	3.6%	(2.7)%
Brokerage, clearance and exchange fees [1]	(33)	(34)	(29)	(2.9)%	17.2%
Total U.S. derivative trading and clearing cost of revenues	(292)	(284)	(286)	2.8%	(0.7)%
U.S. derivative trading and clearing revenues less transaction rebates, brokerage, clearance and exchange fees	175	174	185	0.6%	(5.9)%
European derivative trading and clearing	118	117	128	0.9%	(8.6)%
Total derivative trading and clearing revenues less transaction rebates, brokerage, clearance and exchange fees	293	291	313	0.7%	(7.0)%
Cash Equity Trading Revenues:					
U.S. cash equity trading [1]	1,129	1,294	1,617	(12.8)%	(20.0)%
Cost of revenues:					
Transaction rebates	(743)	(854)	(1,087)	(13.0)%	(21.4)%
Brokerage, clearance and exchange fees [1]	(279)	(308)	(375)	(9.4)%	(17.9)%
Total U.S. cash equity cost of revenues	(1,022)	(1,162)	(1,462)	(12.0)%	(20.5)%
U.S. cash equity trading revenues less transaction rebates, brokerage, clearance and exchange fees	107	132	155	(18.9)%	(14.8)%
European cash equity trading	86	80	95	7.5%	(15.8)%
Total cash equity trading revenues less transaction rebates, brokerage, clearance and exchange fees	193	212	250	(9.0)%	(15.2)%
Fixed Income Trading Revenues:					
Fixed income trading	37	-	-	#	-
Cost of revenues:					
Brokerage, clearance and exchange fees	(2)	-	-	#	-
Total fixed income trading revenues less brokerage, clearance and exchange fees	35	-	-	#	-
Access and Broker Services Revenues	255	257	242	(0.8)%	6.2%
Total Market Services revenues less transaction rebates, brokerage, clearance and exchange fees	$ 776	$ 760	$ 805	2.1%	(5.6)%

\# Denotes a variance greater than 100.0%.

(1) Includes Section 31 fees of $27 million in 2013, $32 million in 2012 and $26 million in 2011. Section 31 fees are recorded as U.S. derivative trading and clearing revenues with a corresponding amount recorded in cost of revenues.

(1) Includes Section 31 fees of $243 million in 2013, $277 million in 2012 and $304 million in 2011. Section 31 fees are recorded as U.S. cash equity trading revenues with a corresponding amount recorded in cost of revenues.

Market Services

Market Services revenues less transaction rebates, brokerage, clearance and exchange fees increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to additional revenues less brokerage, clearance and exchange fees from our fixed income trading business which we acquired in June 2013 and a favorable impact from foreign exchange of $6 million, partially offset by a decline in cash equity trading revenues less brokerage, clearance and exchange fees. The decrease in 2012 was primarily due to a decline in cash equity trading revenues less transaction rebates, brokerage, clearance, and exchange fees, a decline in derivative trading and clearing revenues less transaction rebates, brokerage, clearance and exchange fees, and an unfavorable impact from foreign exchange of $12 million. Partially offsetting the decrease was an increase in Access Services revenues.

U.S. Derivative Trading and Clearing Revenues

Both the U.S. derivative trading and clearing revenues and revenues less transaction rebates, brokerage, clearance and exchange fees increased in 2013 compared to 2012 and decreased in 2012 compared to 2011. The increases in 2013 were primarily due to an overall increase in our market share due to the mix of our market share between our three U.S. options exchanges and slightly higher industry trading volumes. The increase in U.S. derivative trading revenues was partially offset by a decrease in Section 31 pass-through fee revenue. The decreases in 2012 were primarily due to declines in industry trading volumes and declines in market share on the NASDAQ OMX PHLX market, partially offset by increases in revenue capture per traded contract, increases in market share on the NASDAQ Options Market and the inclusion of the NASDAQ OMX BX Options market, launched in June 2012.

Section 31 fees are recorded as derivative trading and clearing revenues with a corresponding amount recorded as cost of revenues. We are assessed these fees from the SEC and pass them through to our customers in the form of incremental fees. Since the amount recorded as revenues is equal to the amount recorded as cost of revenues, there is no impact on our revenues less transaction rebates, brokerage, clearance and exchange fees. Section 31 fees were $27 million in 2013, $32 million in 2012 and $26 million in 2011. The decrease in 2013 compared to 2012 was primarily due to lower pass-through fee rates. The increase in 2012 compared to 2011 was primarily due to higher pass-through fee rates, partially offset by a decrease in industry trading volumes.

Transaction rebates, in which we credit a portion of the per share execution charge to the market participant, increased in 2013 compared to 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to an overall increase in our combined market share and slightly higher industry trading volumes. The decrease in 2012 was primarily due to a decrease in industry trading volumes and a decrease in market share, partially offset by an increase in overall rebate capture rates.

Brokerage, clearance and exchange fees decreased in 2013 compared with 2012 and increased in 2012 compared with 2011. The decrease in 2013 was primarily due to lower Section 31 pass-through fees partially offset by an increase in routing costs. The increase in 2012 was primarily due to an increase in Section 31 pass-through fees.

European Derivative Trading and Clearing Revenues

The following table shows revenues from European derivative trading and clearing:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
European Derivative Trading and Clearing Revenues:					
Options and futures contracts	$ 45	$ 44	$ 55	2.3%	(20.0)%
Energy, carbon and other commodity products	51	46	45	10.9%	2.2%
Fixed-income products	15	22	22	(31.8)%	-
Other revenues and fees	7	5	6	40.0%	(16.7)%
Total European Derivative Trading and Clearing revenues	$ 118	$ 117	$ 128	0.9%	(8.6)%

European derivative t rading and clearing revenues increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to higher revenues in our energy, carbon and other commodity products primarily due to the acquisition of NOS Clearing in July 2012 and a favorable impact from foreign exchange of $2 million, partially offset by lower revenues on our fixed-income products primarily due to the impact of NLX trading incentives . The decrea se in 2012 was primarily due to lower trading activity for index options and futures contracts and an unfavorable impact from foreign exchange of $5 million.

U.S. Cash Equity Trading Revenues

U.S. cash equity trading revenues less transaction rebates, brokerage, clearance and exchange fees decreased in both 2013 compared to 2012 and 2012 compared with 2011. The decreases were primarily due to declines in industry trading volumes and declines in our matched market share. The 2012 period also includes income of $11 million from open positions relating to the operations of the exchange.

U.S. cash equity trading revenues decreased in both 2013 compared to 2012 and 2012 compared to 2011. The decreases were primarily due to declines in industry trading volumes and our matched market share, and a decrease in Section 31 pass-through fee revenues.

Similar to U.S. derivative trading and clearing, we record Section 31 fees as U.S. cash equity trading revenues with a corresponding amount recorded as cost of revenues. We are assessed these fees from the SEC and pass them through to our customers in the form of incremental fees. Since the amount recorded as revenues is equal to the amount recorded as cost of revenues, there is no impact on our revenues less transaction rebates, brokerage, clearance and exchange fees. Section 31 fees were $243 million in 2013, $277 million in 2012 and $304 million in 2011. The decrease in 2013 compared with 2012 was primarily due to lower dollar volume traded on the NASDAQ and NASDAQ OMX BX trading systems and lower pass-through fee rates. The decrease in 2012 compared with 2011 was primarily due to lower dollar value traded on the NASDAQ and NASDAQ OMX BX trading systems, partially offset by higher pass-through fee rates.

For NASDAQ and NASDAQ OMX PSX, we credit a portion of the per share execution charge to the market participant that provides the liquidity and for NASDAQ OMX BX, we credit a portion of the per share execution charge to the market participant that takes the liquidity. These transaction rebates decreased in both 2013 compared with 2012 and 2012 compared with 2011 primarily due to a decline in industry trading volumes and our matched market share.

Brokerage, clearance and exchange fees decreased in both 2013 compared to 2012 and 2012 compared with 2011 primarily due to a decrease in Section 31 pass-through fees and a decrease in the amount of volume routed by NASDAQ due to declines in industry trading volumes and our matched market share. Brokerage, clearance and exchange fees in 2012 also include income of $11 million from open positions relating to the operations of the exchange.

European Cash Equity Trading Revenues

European cash equity trading revenues include trading revenues from equity products traded on the NASDAQ OMX Nordic and NASDAQ OMX Baltic exchanges. European cash equity trading revenues increased in 2013 compared to 2012 and decreased in 2012 compared to 2011. The increase in 2013 was primarily due to higher average value of shares traded, higher average pricing and a favorable impact from foreign exchange of $3 million. The decrease in 2012 was primarily due to a decline in trading activity and an unfavorable impact from foreign exchange of $5 million.

Fixed Income Trading Revenues

Fixed income trading revenues less b rokerage, clearance and exchange fees includes transaction fees generated from our eSpeed electronic benchmark U.S. Treasury trading platform that was acquired on June 28, 2013. See " Acquisition of eSpeed for Trading of U.S. Treasuries ," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion.

Access and Broker Services Revenues

Access and Broker Services revenues decreased in 2013 compared with 2012 and increased in 2012 compared with 2011. The decrease in 2013 was primarily due to declines in customer demand for network connectivity services, partially offset by increased revenues from the addition of eSpeed hosting revenues and new products. The increase in 2012 was primarily due to increased demand for services and revenues from new products.

LISTING SERVICES

The following table shows revenues from our Listing Services segment:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
Listing Services Revenues:					
U.S. listing services	$ 173	$ 174	$ 181	(0.6)%	(3.9)%
European listing services	55	50	55	10.0%	(9.1)%
Total Listing Services revenues	$ 228	$ 224	$ 236	1.8%	(5.1)%

Listing Services

Listing Services revenues increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was due to an increase in European listing services revenues resulting from higher market capitalization and a favorable impact from foreign exchange of $2 million. The decrease in 2012 was due to decreases in both U.S. listing services and European listing services revenues. The decrease in U.S. listing services revenues was primarily due to a decrease in annual renewal revenues resulting from a decline in the number of listed companies from 2,680 as of December 31, 2011 to 2,577 as of December 31, 2012 . The decrease in European listing services revenues was primarily due to an unfavorable impact from foreign exchange of $3 million, as well as a decrease in the number of listed companies from 776 as of December 31, 2011 to 754 as of December 31, 2012.

INFORMATION SERVICES

The following table shows revenues from our Information Services segment:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
Information Services Revenues:					
Market Data Product Revenues:					
U.S. market data products	$ 264	$ 244	$ 229	8.2%	6.6%
European market data products	77	74	80	4.1%	(7.5)%
Index data products	27	25	24	8.0%	4.2%
Total Market Data Products revenues	368	343	333	7.3%	3.0%
Index Licensing and Services revenues	74	63	58	17.5%	8.6%
Total Information Services revenues	$ 442	$ 406	$ 391	8.9%	3.8%

Information Services

Information Services revenues increased in both 2013 compared with 2012 and 2012 compared with 2011 primarily due to increases in U.S. market data products and Index Licensing and Services revenues.

U.S. Market Data Products Revenues

U.S. market data products revenues increased in both 2013 compared to 2012 and 2012 compared to 2011. The increase in 2013 was primarily due to an increase in audit collections, higher demand for proprietary data products, pricing changes, and an increase in revenues due to the acquisition of eSpeed which was completed on June 28, 2013. See "Acquisition of eSpeed for Trading of U.S. Treasuries," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion. The increase in 2012 was primarily due to higher customer demand for proprietary data products and pricing changes.

European Market Data Products Revenues

European market data products revenues increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to a favorable impact from foreign exchange of $3 million. The decrease in 2012 was primarily due to an unfavorable impact from foreign exchange of $4 million and a decline in user populations.

Index Data Products Revenues

Index data products revenues increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to higher audit collections .

Index Licensing and Services Revenues

Index Licensing and Services revenues increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to our acquisition of the index business of Mergent, Inc., including Indxis, in December 2012 and an increase in the value of underlying assets associated with NASDAQ OMX-licensed ETFs and other financial products due to product growth and newly executed product licenses. The increase in 2012 was primarily due to an increase in the value of underlying assets associated with NASDAQ OMX-licensed ETFs and other financial products due to product growth and newly executed product licenses, partially offset by lower futures and options volumes.

TECHNOLOGY SOLUTIONS

The following table shows revenues from our Technology Solutions segment:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
Technology Solutions Revenues:					
Corporate Solutions Revenues:					
Governance	$ 15	$ 10	$ 7	50.0%	42.9%
Investor relations	130	40	35	#	14.3%
Multimedia solutions	43	14	13	#	7.7%
Public relations	42	25	20	68.0%	25.0%
Total Corporate Solutions revenues	230	89	75	#	18.7%
Market Technology Revenues:					
Software, license and support	152	143	139	6.3%	2.9%
Change request and advisory	38	29	29	31.0%	-
Software as a service	29	23	15	26.1%	53.3%
Total Market Technology revenues	219	195	183	12.3%	6.6%
Total Technology Solutions revenues	$ 449	$ 284	$ 258	58.1%	10.1%

\# Denotes a variance greater than 100.0%.

Technology Solutions

Technology Solutions revenues increased in both 2013 compared with 2012 and 2012 compared with 2011 due to increases in both Corporate Solutions revenues and Market Technology revenues. Market Technology revenues included a favorable impact from foreign exchange of $4 million in 2013 and an unfavorable impact from foreign exchange of $6 million in 2012.

Corporate Solutions Revenues

Corporate Solutions revenues increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to the acquisition of the TR Corporate Solutions businesses completed on May 31, 2013 and expanding customer utilization of our public relations products. See "Acquisition of the Investor Relations, Public Relations and Multimedia Solutions Businesses of Thomson Reuters," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements for further discussion of our acquisition of the TR Corporate Solutions businesses. The increase in 2012 was primarily due to revenues from expanded customer utilization of our public relations products.

Market Technology Revenues

Software, License and Support Revenues

Software, license and support revenues increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to an operational increase of $4 million , primarily due to BWise, which was acquired in May 2012, and a favorable impact from foreign exchange of $5 million . The increase in 2012 was primarily due to an increase in the recognition of previously deferred delivery project revenues. Delivery project revenues are derived from the system solutions developed and sold by

NASDAQ OMX. Total revenues, as well as costs incurred, are typically deferred until the customization and any significant modifications are completed and are then recognized over the post contract support period.

Change Request and Advisory Revenues

Change request and advisory revenues increased in 2013 compared to 2012 and were flat in 2012 compared with 2011. The increase in 2013 was primarily due to an increase in advisory revenue s from BWise , which was acquired in May 2012, and an increase in change requests.

Software A s a S ervice Revenues

Software as a service revenues increased in both 2013 compared to 2012 and 2012 compared with 2011. The increase s w ere primarily due to an increase in broker compliance revenues reflecting increased customer demand. The increase in 2013 was partially offset by an unfavorable impact from foreign exchange of $2 million.

Total Order Value

As of December 31, 2013, total order value, which represents the total contract value of orders signed that are yet to be recognized as revenues, was $655 million. Market Technology deferred revenue, included in the total Technology Solutions deferred revenue of $ 152 million , represents cash payments received that are yet to be recognized as revenue for these signed orders. See Note 8, "Deferred Revenue," to the consolidated financial statements for further discussion. The recognition and timing of these revenues depends on many factors, including those that are not within our control. As such, the following table of Market Technology revenues to be recognized in the future represents our best estimate:

	Total Order Value (in millions)
Fiscal year ended:	
2014	$ 174
2015	162
2016	117
2017	98
2018	56
2019 and thereafter	48
Total	$ 655

Expenses

Operating Expenses

The following table shows our operating expenses:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
	(in millions)				
Compensation and benefits	$ 539	$ 454	$ 458	18.7%	(0.9)%
Marketing and advertising	30	26	24	15.4%	8.3%
Depreciation and amortization	122	104	109	17.3%	(4.6)%
Professional and contract services	151	107	91	41.1%	17.6%
Computer operations and data communications	82	60	65	36.7%	(7.7)%
Occupancy	98	93	91	5.4%	2.2%
Regulatory	30	34	35	(11.8)%	(2.9)%
Merger and strategic initiatives	22	4	38	#	(89.5)%
Restructuring charges	9	44	-	(79.5)%	#
General, administrative and other	80	58	83	37.9%	(30.1)%
Voluntary accommodation program	44	-	-	#	-
Total operating expenses	$ 1,207	$ 984	$ 994	22.7%	(1.0)%

\# Denotes a variance greater than 100.0%.

Total operating expenses increased $223 million in 2013 compared with 2012 and decreased $10 million in 2012 compared with 2011. The increase in 2013 reflects an operational increase of $214 million and unfavorable impact from foreign exchange of $9 million. The operational increase in 2013 was primarily due to additional overall expense associated with our acquisitions of the TR Corporate Solutions businesses in May 2013 and eSpeed in June 2013, the voluntary accommodation program expense, higher merger and strategic initiatives expense, and expenses paid with respect to an SEC matter, partially offset by a decrease in restructuring charges. The decrease in 2012 reflects a favorable impact from foreign exchange of $17 million, partially offset by an increase in operating expenses of $ 7 million. The operational increase of $7 million in 2012 was primarily due to restructuring actions taken during 2012 and an increase in professional and contract services expense, partially offset by decreases in merger and strategic initiatives expense and general, administrative and other expense.

Compensation and benefits expense increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to an operational increase of $81 million and an unfavorable impact from foreign exchange of $4 million. The operational increase primarily reflects additional salary expense due to our acquisitions of the TR Corporate Solutions businesses in May 2013, eSpeed in June 2013, BWise in May 2012 and NOS Clearing in July 2012, as well as higher compensation expense reflecting increased financial performance. Partially offsetting these increases were lower salary costs due to workforce reductions of 257 positions across our organization related to restructuring actions beginning in the first quarter of 2012 through the first quarter of 2013. The decrease in 2012 was primarily due to a favorable impact from foreign exchange of $8 million and lower compensation expense reflecting reduced financial performance and restructuring activities, partially offset by an increase in salary expense, primarily due to our acquisitions of Glide Technologies in October 2011, BWise in May 2012 and NOS Clearing in July 2012. Headcount, including staff employed at consolidated entities where we have a controlling financial interest, increased to 3,365 employees at December 31, 2013 from 2,506 at December 31, 2012 and increased to 2,506 employees at December 31, 2012 from 2,433 employees at December 31, 2011. The increased headcount in 2013 compared to 2012 was primarily due to our acquisitions of the TR Corporate Solutions businesses and eSpeed. The increase in headcount in 2012 compared to 2011 was primarily due to our acquisitions of BWise and NOS Clearing, partially offset by workforce reductions of 226 positions across our organization related to restructuring actions in 2012. See Note 3, "Restructuring Charges," to the consolidated financial statements for a discussion of our restructuring charges incurred in 2012.

Marketing and advertising expense increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to increased advertising on behalf of new issuers and the increase in 2012 was primarily due to increased advertising primarily featuring listed issuers.

Depreciation and amortization expense increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to additional amortization expense associated with acquired intangible assets, primarily relating to our acquisitions of the TR Corporate Solutions businesses in May 2013 and eSpeed in June 2013, as well as increased depreciation expense associated with technology assets placed in service in 2013. The decrease in 2012 was primarily due to the write-off of certain acquired intangible assets associated with technology ($19 million), customer relationships ($6 million), and a certain trade name ($3 million), the write-off and disposal of leasehold improvements, asset impairments related to restructuring activities, primarily consisting of fixed assets and capitalized software which have been retired, and a favorable impact from foreign exchange of $2 million, partially offset by additional depreciation and amortization expense as a result of our acquisitions, primarily BWise in May 2012.

Professional and contract services expense increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to revenue-related costs incurred as a result of our acquisition of the TR Corporate Solutions businesses, costs incurred for special legal expenses, and the launch of new initiatives . The revenue-related costs are primarily due to the production and delivery of webcast events as well as other events and services. The increase in 2012 was primarily due to costs incurred for special legal expenses, as well as incremental spending for professional and contract services, partially offset by a favorable impact from foreign exchange of $2 million.

Computer operations and data communications expense increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to additional expense as a result of our acquisitions of the TR Corporate Solutions businesses in May 2013 and eSpeed in June 2013, as wel l as higher communication line costs. The de crease in 2012 was primarily due to a value added tax, or VAT, refund relating to prior periods and a favorable impact from foreign exchange of $1 million, partially offset by additional computer operations and data communications expense as a result of our acquisitions, primarily Glide Technologies in October 2011 and BWise in May 2012.

Occupancy expense increased in both 2013 compared with 2012 and 2012 compared with 2011. The increase in 2013 was primarily due to additional costs related to our acquisition of the TR Corporate Solutions businesses. The increase in 2012 was primarily due to additional occupancy expense as a result of our acquisitions, primarily BWise in May 2012, as well as a $3 million sublease loss reserve charge on space we currently occupy due to an increase in net rental costs, partially offset by a favorable impact from foreign exchange of $1 million.

Merger and strategic initiatives expense was $22 million in 2013 compared with $4 million in 2012 and $38 million in 2011. Merger and strategic initiatives expense for 2013 primarily related to our acquisitions of the TR Corporate Solutions businesses and eSpeed, partially offset by a credit of $23 million associated with a receivable under a tax sharing agreement with an unrelated party and the remeasurement of a contingent purchase price liability related to the BWise acquisition due to changes in the anticipated performance of BWise. Merger and strategic initiatives expense for 2012 primarily related to our agreement with Thomson Reuters to acquire its Investor Relations, Public Relations and Multimedia Solutions businesses and costs related to other acquisitions and strategic initiatives, partially offset by a gain on our acquisition of NOS Clearing in July 2012. Merger and strategic initiatives expense for 2011 primarily related to costs incurred for advisors, bank commitment fees, legal and other professional services related to our joint proposal to acquire NYSE Euronext, as well as costs related to our acquisition of Glide Technologies in October 2011.

Restructuring charges were $9 million in 2013 and $44 million in 2012. Our restructuring program was completed in the first quarter of 2013. See Note 3, "Restructuring Charges," to the consolidated financial statements for a discussion of our restructuring charges recorded during 2013 and 2012.

General, administrative and other expense increased in 2013 compared with 2012 and decreased in 2012 compared with 2011. The increase in 2013 was primarily due to expenses paid with respect to an SEC matter of $10 million, additional expenses related to the acquisitions of the TR Corporate Solutions businesses in May 2013 and eSpeed in June 2013, the launch of new initiatives, and an unfavorable impact from foreign exchange of $3 million . For further discussion of the SEC matter, see "Litigation," of Note 18, "Commitments, Contingencies and Guarantees," to the consolidated financial statements. The decrease in 2012 was primarily due to a pre-tax charge recorded in 2011 of $25 million related to the write-off of a portion of the unamortized balance of debt issuance costs and debt discount related to the repayment of $335 million of the aggregate principal amount outstanding of our 2.50% convertible senior notes due August 15, 2013, or the 2013 Convertible Notes , that was completed in October 2011, and a pre-tax charge of $6 million recorded in 2011 related to the write-off of the remaining unamortized balance of debt issuance costs related to our $700 million senior unsecured term loan facility that was repaid in September 2011. General, administrative and other expense included a favorable impact from foreign exchange of $3 million in 2012.

Voluntary accommodation program expense of $44 million in 2013 relates to the one-time program for voluntary accommodation s to qualifying members of up to $62 million, for which a liability was recorded as the program was approved by the SEC in March 2013. This program expanded the pool available to compensate members of The NASDAQ Stock Market for qualified losses arising directly from the system issues experienced with the Facebook IPO that occurred on May 18, 2012. In October 2013, NASDAQ OMX announced the completion of initial review by The Market Regulation Department of FINRA of all claims submitted by qualifying members. Thereafter, NASDAQ OMX informed claimants that FINRA would be conducting additional analysis with regard to one category of claims. Upon the completion of this additional analysis, t he total value of valid submitted claims was determined to be $44 million. NASDAQ OMX submitted to the SEC a filing that provided a report on the administration of the voluntary accommodation program . After the filing became effective, our liability was reduced to $44 million and payment of valid claims totaling $44 million was made in the fourth quarter of 2013.

Non-operating Income and Expenses

The following table shows our non-operating income and expenses:

	Year Ended December 31,			Percentage Change	
	2013	2012	2011	2013 vs. 2012	2012 vs. 2011
		(in millions)			
Interest income	$ 9	$ 10	$ 11	(10.0)%	(9.1)%
Interest expense	(111)	(97)	(119)	14.4%	(18.5)%
Net interest expense	(102)	(87)	(108)	17.2%	(19.4)%
Gain on sale of investment security	30	-	-	#	-
Asset impairment charges	(14)	(40)	(18)	(65.0)%	#
Dividend and investment income	-	-	1	-	#
Loss on divestiture of business	-	(14)	-	#	#
Net income (loss) from unconsolidated investees	(2)	(1)	2	#	#
Total non-operating expenses	$ (88)	$ (142)	$ (123)	(38.0)%	15.4%

\# Denotes a variance equal to or greater than 100.0%.

Total non-operating expenses were $88 million in 2013 compared with $142 million in 2012 and $123 million in 2011. Total non-operating expenses for 2013 primarily include net interest expense of $102 million and asset impairment charges of $14 million, partially offset by a gain on the sale of our available-for-sale investment security in DFM of $30 million. Total non-operating expenses for 2012 primarily include net interest expense of $87 million, asset impairment charges of $40 million and a loss on divestiture of business of $14 million. Total non-operating expenses for 2011 primarily include net interest expense of $108 million and an impairment charge of $18 million on our available-for-sale investment security in DFM .

Interest Income

Interest income decreased in both 2013 compared with 2012 and 2012 compared with 2011. The decreases were primarily due decreases in cash and cash equivalents.

Interest Expense

Interest expense for 2013 was $111 million, and was comprised of $101 million of interest expense, $3 million of non-cash expense associated with accretion of debt discounts, $3 million of non-cash debt issuance amortization expense, and $4 million of other bank and investment-related fees. Interest expense increased in 2013 compared with 2012 primarily due to the issuance of the 2021 Notes in June 2013.

Interest expense for 2012 was $97 million, and was comprised of $86 million of interest expense, $4 million of non-cash expense associated with accretion of debt discounts, $3 million of non-cash debt issuance amortization expense, and $4 million of other bank and investment-related fees. Interest expense decreased in 2012 compared with 2011 due to lower average outstanding debt obligations in 2012 primarily resulting from the extinguishment of $335 million of our 2013 Convertible Notes in the fourth quarter of 2011, as well as lower average interest rates.

See Note 9, "Debt Obligations," to the consolidated financial statements for further discussion of our debt obligations.

Gain on Sale of Investment Security

In the fourth quarter of 2013, we sold an available-for-sale investment security for $48 million and recorded a gain on the sale of $30 million, which is net of costs directly related to the sale, primarily broker fees.

Asset Impairment Charges

Asset impairment charges of $14 million in 2013 relate to non-cash intangible asset impairment charges related to certain acquired intangible assets associated with customer relationships ($7 million) and a certain trade name ($7 million). See "Intangible Asset Impairment Charges," of Note 5, "Goodwill and Purchased Intangible Assets," to the consolidated financial statements for further discussion.

In the second quarter of 2012, we recorded non-cash intangible asset impairment charges totaling $28 million related to certain acquired intangible assets associated with technology ($19 million), customer relationships ($6 million) and a certain trade name ($3 million). See "Intangible Asset Impairment Charges," of Note 5, "Goodwill and Purchased Intangible Assets," to the consolidated financial statements for further discussion. In the first quarter of 2012, we also recorded a non-cash other-than-temporary impairment charge of $12 million related to our equity interest in EMCF. See "Equity Method Investments," of Note 6, "Investments," to the consolidated financial statements for further discussion.

In the fourth quarter of 2011, we recorded a non-cash, other-than-temporary impairment charge of $18 million related to our available-for-sale investment security in DFM .

Loss on Divestiture of Businesses

In August 2012, we sold IDCG and recorded a loss of $14 million. See "2012 Divestiture," of Note 4, "Acquisitions and Divestiture," for further discussion.

Net Income (Loss) from Unconsolidated Investees

Net loss from unconsolidated investees of $2 million in 2013 and $1 million in 2012 and net income from consolidated investees of $2 million in 2011 was related to our share in the earnings and losses of our equity method investments.

Tax Matters

NASDAQ OMX's income tax provision was $216 million in 2013 compared with $199 million in 2012 and $190 million in 2011. The overall effective tax rate was 36.0% in 2013, 36.3% in 2012 and 33.2% in 2011 . The lower effective tax rate in 2013 when compared to 2012 was primarily due to a reversal of a valuation allowance associated with our available-for-sale investment security in DFM, a shift in the geographic mix of earnings and losses, and a reduction in the tax rate in Sweden. I n 2013 , we also recorded a lower increase in tax expense associated with deferred tax assets and liabilities due to the impact of changes in tax rates in various jurisdictions within the U.S. and outside the U.S., compared to the impact recorded in 2012. Partially offsetting the decrease in tax expense is the derecognition of a previously recognized tax benefit as a result of new information received in 2013, as well as expenses associated with investments in certain jurisdictions for which we are not able to recognize a tax benefit. The higher effective tax rate i n 2012 when compared to 2011 was primarily due to the impact to deferred tax assets and deferred tax liabilities resulting from changes in tax rates in various jurisdictions within the U.S. and outside the U.S., adjustments related to our 2005 – 2011 tax return liabilities which resulted in an increase to the tax provision and a shift in the geographic mix of earnings and losses. These increases are partially offset by a permanent tax benefit associated with certain taxable foreign exchange revaluation losses which are not reflected in pre-tax earnings.

The effective tax rate may vary from period to period depending on, among other factors, the geographic and business mix of earnings and losses. These same and other factors, including history of pre-tax earnings and losses, are taken into account in assessing the ability to realize deferred tax assets.

In order to recognize and measure our unrecognized tax benefits, management determines whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets the recognition thresholds, the position is measured to determine the amount of benefit to be recognized in the consolidated financial statements. Interest and/or penalties related to income tax matters are recognized in income tax expense.

NASDAQ OMX and its eligible subsidiaries file a consolidated U.S. federal income tax return and applicable state and local income tax returns and non-U.S. income tax returns. Federal income tax returns for the years 2007 through 2010 are currently under audit by the Internal Revenue Service and w e are subject to examination for 2011 and 2012. Several state tax returns are currently under examination by the respective tax authorities for the years 2005 through 2010 and we are subject to examination for 2011 and 2012. Non-U.S. tax returns are subject to examination by the respective tax authorities for the years 2006 through 2012. We anticipate that the amount of unrecognized tax benefits at December 31, 2013 will significantly decrease in the next twelve months as we expect to settle certain tax audits. The final outcome of such audits cannot yet be determined. We anticipate that such adjustments will not have a material impact on our consolidated financial position or results of operations.

In the fourth quarter of 2010, we received an appeal from the Finnish Tax Authority challenging certain interest expense deductions claimed by NASDAQ OMX in Finland for the year 2008. The appeal also demanded certain penalties be paid with regard to the company's tax return filing position. In October 2012, the Finnish Appeals Board disagreed with the company's tax return filing position for years 2009 through 2011, even though the tax return position with respect to this deduction was previously reviewed and approved by the Finnish Tax Authority. NASDAQ OMX has appealed the ruling by the Finnish Appeals Board to the Finnish Administrative Court. Through December 31, 2013, we have recorded tax benefits of $18 million associated with this filing position. Of this amount we have paid $12 million to the Finnish tax authorities. We have also paid $11 million in interest and penalties. In 2014 we will pay $6 million which represents the benefit taken in 2013. We expect the Finnish Administrative Court to agree with our position and, if so, NASDAQ OMX will receive a refund of $29 million.

From 2009 through 2012, we recorded tax benefits associated with certain interest expense incurred in Sweden. Our position is supported by a 2011 ruling we received from the Swedish Supreme Administrative Court. However, under new legislation effective January 1, 2013, limitations are imposed on certain forms of interest expense. Since the new legislation is unclear with regards to our ability to continue to claim such interest deductions, NASDAQ OMX has filed an application for an advance tax ruling with the Swedish Tax Council for Advance Tax Rulings. We expect to receive a favorable response from the Swedish Tax Council for Advance Tax Rulings. Since January 1, 2013, we have recorded tax benefits of $16 million, or $0.09 per diluted share, related to this matter. We expect to record recurring quarterly tax benefits of $4 million to $5 million with respect to this issue for the foreseeable future.

In December 2012, the Swedish Tax Agency approved our 2010 amended value added tax, or VAT, tax return and we received a cash refund for the amount claimed. In 2013, we filed VAT tax returns for 2011 and 2012 and utilized the same approach which was approved for the 2010 filing. However, even though the VAT return position was previously reviewed and approved by the Swedish Tax Agency, we were informed by the Swedish Tax Agency that our VAT refund claims for 2011 and 2012 are not valid. However, they will not seek reimbursement of the 2010 refund. We will appeal the finding by the Swedish Tax Agency. Through December 31, 2013, we have recorded benefits of $14 million associated with this position.

Net Loss Attributable to Noncontrolling Interests

Net loss attributable to noncontrolling interests was $1 million in 2013, $3 million in 2012 and $4 million in 2011. The losses in 2012 and 2011 were primarily attributable to noncontrolling interests in IDCG.

Non-GAAP Financial Measures

In addition to disclosing results determined in accordance with U.S. GAAP, we also have provided non-GAAP net income attributable to NASDAQ OMX and non-GAAP diluted earnings per share. Management uses this non-GAAP information internally, along with U.S. GAAP information, in evaluating our performance and in making financial and operational decisions.

We believe our presentation of these measures provides investors with greater transparency and supplemental data relating to our financial condition and results of operations. In addition, we believe the presentation of these measures is useful to investors for period-to-period comparison of results as the items described below do not reflect operating performance. These measures are not in accordance with, or an alternative to, U.S. GAAP, and may be different from non-GAAP measures used by other companies. Investors should not rely on any single financial measure when evaluating our business. We recommend investors review the U.S. GAAP financial measures included in this Annual Report on Form 10-K, including our consolidated financial statements and the notes thereto. When viewed in conjunction with our U.S. GAAP results and the accompanying reconciliation, we believe these non-GAAP measures provide greater transparency and a more complete understanding of factors affecting our business than U.S. GAAP measures alone. Our management uses these measures to evaluate operating performance, and management decisions during the reporting period are made by excluding certain items that we believe have less significance on, or do not impact, the day-to-day performance of our business. We understand that analysts and investors regularly rely on non-GAAP financial measures, such as non-GAAP net income and non-GAAP diluted earnings per share, to assess operating performance. We use non-GAAP net income attributable to NASDAQ OMX and non-GAAP diluted earnings per share because they more clearly highlight trends in our business that may not otherwise be apparent when relying solely on U.S. GAAP financial measures, since these measures eliminate from our results specific financial items that have less bearing on our operating performance. Non-GAAP net income attributable to NASDAQ OMX for the periods presented below is calculated by adjusting net income attributable to NASDAQ OMX for charges or gains related to acquisition and divestiture transactions, integration activities related to acquisitions, other significant infrequent charges or gains and their related income tax effects that are not related to our core business. We do not believe these items are representative of our future operating performance since these charges were not consistent with our normal operating performance.

Non-GAAP adjustments for the year ended December 31, 2013 primarily related to the following:

(i) voluntary accommodation program expense of $44 million, (ii) gain on sale of investment security of $30 million related to the sale of our available-for-sale investment security in DFM , (iii) merger and strategic initiatives costs of $22 million reflecting $45 million of merger and strategic initiative costs primarily associated with our acquisitions of eSpeed and the TR Corporate Solutions businesses, partially offset by a credit of $23 million associated with a receivable under a tax sharing agreement with an unrelated party - this credit is offset in item (viii) below, (iv) expenses paid with respect to an SEC matter of $10 million - for further discussion of the SEC matter, see "Litigation," of Note 18, "Commitments, Contingencies and Guarantees," to the consolidated financial statements, (v) asset impairment charges of $14 million related to certain acquired intangible assets associated with customer relationships and a certain trade name, (vi) restructuring charges of $9 million - for further discussion, see Note 3, "Restructuring Charges," to the consolidated financial statements, (vii) special legal expense of $3 million, (viii) adjustment to the income tax provision of $17 million to reflect these non-GAAP adjustments, and (ix) significant tax adjustments, net of $8 million due to the derecognition of a previously recognized tax benefit and an increase in net deferred tax liabilities resulting from changes in tax rates in various jurisdictions .

Non-GAAP adjustments for the year ended December 31, 2012 primarily related to the following:

(i) income from open positions relating to the operations of the exchange of $11 million, (ii) merger and strategic initiatives costs of $4 million related to recent acquisitions and other strategic initiatives, net of gain on acquisition of NOS Clearing, (iii) loss on divestiture of business of $14 million related to the sale of IDCG, (iv) asset impairment charges of $40 million related to certain acquired intangible assets totaling $28 million as well as an other-than-temporary impairment charge related to our equity method interest in EMCF of $12 million, (v) restructuring charges of $44 million related to workforce reductions of $23 million, facilities-related charges of $10 million, asset impairment charges of $9 million and $2 million of other charges, (vi) special legal expense of $7 million, (vii) adjustment to the income tax provision of $32 million to reflect these non-GAAP adjustments, and (viii) significant tax adjustments, net of $14 million due to the impact to deferred tax assets and deferred tax liabilities resulting from changes in tax rates in various jurisdictions within the U.S. and outside the U.S., adjustments related to our 2005—2011 tax return liabilities which resulted in an increase to the tax provision, partially offset by a permanent tax benefit associated with certain taxable foreign exchange revaluation losses which are not reflected in pre-tax earnings.

Non-GAAP adjustments for the year ended December 31, 2011 primarily related to the following:

(i) merger and strategic initiatives costs of $38 million, primarily costs for advisors, bank commitment fees, legal and other professional services, related to our joint proposal to acquire NYSE Euronext, as well as costs related to recent acquisitions and other strategic initiatives, (ii) an asset impairment charge of $18 million related to our available-for-sale investment security in DFM, (iii) debt extinguishment and refinancing charges of $31 million, related to the repayment of the 2013 Convertible Notes and the repayment of our $700 million senior unsecured term loan facility, (iv) an adjustment to the income tax provision of $28 million to reflect these non-GAAP adjustments, and (v) significant tax adjustments, net of $5 million due to the impact of changes in tax laws in certain jurisdictions where NASDAQ OMX operates.

The following table represents reconciliations between U.S. GAAP net income and diluted earnings per share and non-GAAP net income and diluted earnings per share:

	Year Ended December 31, 2013		Year Ended December 31, 2012		Year Ended December 31, 2011	
	Net Income	Diluted Earnings Per Share	Net Income	Diluted Earnings Per Share	Net Income	Diluted Earnings Per Share
	(in millions, except share and per share amounts)					
U.S. GAAP net income attributable to NASDAQ OMX and diluted earnings per share	$ 385	$ 2.25	$ 352	$ 2.04	$ 387	$ 2.15
Non-GAAP adjustments:						
Income from open positions relating to the operations of the exchange	-	-	(11)	(0.06)	-	-
Voluntary accommodation program	44	0.26	-	-	-	-
Gain on sale of investment security	(30)	(0.18)				
Merger and strategic initiatives	22	0.13	4	0.02	38	0.21
SEC matter	10	0.06	-	-	-	-
Loss on divestiture of business	-	-	14	0.08	-	-
Asset impairment charges	14	0.08	40	0.23	18	0.10
Restructuring charges	9	0.05	44	0.26	-	-
Special legal expense	3	0.02	7	0.04	-	-
Extinguishment of debt	-	-	-	-	31	0.17
Other	(3)	(0.02)	-	-	4	0.03
Adjustment to the income tax provision to reflect non-GAAP adjustments [(1)]	(17)	(0.10)	(32)	(0.19)	(28)	(0.16)
Significant tax adjustments, net	8	0.05	14	0.08	5	0.03
Total non-GAAP adjustments, net of tax	60	0.35	80	0.46	68	0.38
Non-GAAP net income attributable to NASDAQ OMX and diluted earnings per share	$ 445	$ 2.60	$ 432	$ 2.50	$ 455	$ 2.53
Weighted-average common shares outstanding for diluted earnings per share		171,266,146		172,587,870		180,011,247

(1) We determine the tax effect of each item based on the tax rules in the respective jurisdiction where the transaction occurred.

Liquidity and Capital Resources

While global markets and economic conditions continue to improve from adverse levels experienced during the past several years, investors and lenders remain cautious about the pace of the global economic recovery. This lack of confidence in the prospects for growth could result in sporadic increases in market volatility and lackluster trading volumes, which could in turn affect our ability to obtain additional funding from lenders. Currently, our cost and availability of funding remain healthy.

Historically, we have funded our operating activities and met our commitments through cash generated by operations, augmented by the periodic issuance of our common stock in the capital markets and by issuing debt obligations. In June 2013, NASDAQ OMX issued the 2021 Notes. We used the majority of the net proceeds from the offering of the 2021 Notes to fund the cash consideration payable by us for the acquisition of eSpeed and related expenses. We used the remaining proceeds from the 2021 Notes for general corporate purposes. As part of the acquisition of eSpeed, NASDAQ OMX has contingent future obligations to issue 992,247 shares of NASDAQ OMX common stock annually approximating certain tax benefits associated with the transaction of $484 million. Such contingent future issuances of NASDAQ OMX common stock will be paid ratably through 2027 if NASDAQ OMX achieves a designated revenue target in each such year. The contingent future issuances of NASDAQ OMX common stock are subject to anti-dilution protections and acceleration upon certain events.

In addition to these cash sources, we have a $750 million revolving credit commitment (including a swingline facility and letter of credit facility) under our senior unsecured five-year credit facility. In May 2013, we borrowed $50 million under the revolving credit commitment. We used cash on hand and a drawdown from the revolving credit commitment to fund the acquisition of the TR Corporate Solutions businesses and related expenses. In the third quarter of 2013, we borrowed an additional $70 million under the revolving credit commitment and used the proceeds and cash on hand to pay down our 2013 Convertible Notes that matured in August 2013. In 2013, we repaid $151 million of the revolving credit commitment. As of December 31, 2013, availability under the revolving credit commitment was $655 million. See "2011 Credit Facility," of Note 9, "Debt Obligations," to the consolidated financial statements for further discussion. For further discussion of our acquisitions of eSpeed and the TR Corporate Solutions businesses, see "Acquisition of eSpeed for Trading of U.S. Treasuries," and "Acquisition of the Investor Relations, Public Relations and Multimedia Solutions Businesses of Thomson Reuters," of Note 4, "Acquisitions and Divestiture," to the consolidated financial statements.

In the near term, we expect that our operations will provide sufficient cash to fund our operating expenses, capital expenditures, debt repayments, any share repurchases, and any dividends. Working capital (calculated as current assets less current liabilities) was $363 million at December 31, 2013, compared with $474 million at December 31, 2012, a decrease of $111 million primarily due to a decline in cash and cash equivalents and financial investments at fair value.

Principal factors that could affect the availability of our internally-generated funds include:

- deterioration of our revenues in any of our business segments;
- changes in our working capital requirements; and
- an increase in our expenses.

Principal factors that could affect our ability to obtain cash from external sources include:

- operating covenants contained in our credit facility that limit our total borrowing capacity;
- increases in interest rates applicable to our floating rate loans under our credit facility;
- credit rating downgrades, which could limit our access to additional debt;
- a decrease in the market price of our common stock; and
- volatility in the public debt and equity markets.

In connection with an increase in indebtedness to finance the acquisition of eSpeed, S&P affirmed the credit rating of NASDAQ OMX at BBB and NASDAQ OMX Clearing AB at A+ and placed both NASDAQ OMX and NASDAQ OMX Clearing AB on negative outlook. Moody's affirmed the credit rating of NASDAQ OMX at Baa3.

The following sections discuss the effects of changes in our financial assets, debt obligations, clearing and broker-dealer net capital requirements, and cash flows on our liquidity and capital resources.

Financial Assets

The following table summarizes our financial assets:

	December 31, 2013	December 31, 2012
	(in millions)	
Cash and cash equivalents	$ 425	$ 497
Restricted cash	84	85
Non-current restricted cash	-	25
Financial investments, at fair value	162	223
Total financial assets	$ 671	$ 830

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents include cash in banks and all non-restricted highly liquid investments with original maturities of three months or less at the time of purchase. The balance retained in cash and cash equivalents is a function of anticipated or possible short-term cash needs, prevailing interest rates, our investment policy, and alternative investment choices. As of December 31, 2013, our cash and cash equivalents of $425 million were primarily invested in money market funds. In the long-term, we may use both internally generated funds and external sources to satisfy our debt obligations and other long-term liabilities. Cash and cash equivalents as of December 31, 2013 decreased $72 million from December 31, 2012 primarily due to net cash used in investing activities, partially offset by net cash provided by operating activities and financing activities. See "Cash Flow Analysis" below for further discussion.

Current restricted cash, which was $84 million as of December 31, 2013 and $85 million as of December 31, 2012, is not available for general use by us due to regulatory and other requirements and is classified as restricted cash in the Consolidated Balance Sheets. As of December 31, 2013 and December 31, 2012, current restricted cash primarily includes cash held for regulatory purposes at NASDAQ OMX Stockholm and NOS Clearing. Non-current restricted cash of $25 million at December 31, 2012 was segregated for NASDAQ OMX Commodities Clearing Company, or NOCC, to improve its liquidity position and was not available for general use. As a result of a strategic alliance with Natural Gas Exchange Inc., or NGX , this cash wa s no longer needed for liquidity purposes and was released from NOCC . See Note 16, "Clearing Operations," to the consolidated financial statements for further discussion.

Repatriation of Cash

Our cash and cash equivalents held outside of the U.S. in various foreign subsidiaries totaled $186 million as of December 31, 2013 and $198 million as of December 31, 2012. The remaining balance held in the U.S. totaled $239 million as of December 31, 2013 and $299 million as of December 31, 2012.

Unremitted earnings of subsidiaries outside of the U.S. are used to finance our international operations and are generally considered to be indefinitely reinvested. It is not our current intent to change this position. However, the majority of cash held outside the U.S. is available for repatriation, but under current law, could subject us to additional U.S. income taxes, less applicable foreign tax credits.

Share Repurchase Program

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 are funded from existing cash balances. The share repurchase program may be suspended, modified or discontinued at any time. In April 2013, we announced that the share repurchase program is temporarily suspended.

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. As of December 31, 2013, the remaining amount for share repurchases under the program authorized in the third quarter of 2012 was $215 million.

Cash Dividends on Common Stock

In 2013, we paid quarterly cash dividends of $0.13 per share on our outstanding common stock. See "Cash Dividends on Common Stock," of Note 13, "NASDAQ OMX Stockholders' Equity," to the consolidated financial statements for further discussion of the dividends.

In January 2014, the board of directors declared a regular quarterly cash dividend of $0.13 per share on our outstanding common stock. The dividend is payable on March 28, 2014 to shareholders of record at the close of business on March 14 , 2014. Future declarations of quarterly dividends and the establishment of future record and payment dates are subject to approval by the board of directors.

Financial Investments, at Fair Value

Our financial investments, at fair value totaled $162 million as of December 31, 2013 and $223 million as of December 31, 2012 and are primarily comprised of trading securities, mainly Swedish government debt securities. Of these securities, $1 40 m illion as of December 31, 2013 and $134 million as of December 31, 2012 are assets utilized to meet regulatory capital requirements primarily for clearing operations at NASDAQ OMX Nordic Clearing. At December 31, 2012 this balance also included our available-for-sale investment security in DFM valued at $22 million. In the fourth quarter of 2013, we sold this investment security and recognized a gain on the sale of $30 million, which is included in gain on sale of investment security in the Consolidated Statements of Income for the year ended December 31, 2013 . The $30 million gain represents cash proceeds received of $48 million less the adjusted cost basis of $18 million. See Note 6, "Investments," to the consolidated financial statements for further discussion of our trading securities and available-for-sale investment security.

Debt Obligations

The following table summarizes our debt obligations by contractual maturity:

	Maturity Date	December 31, 2013	December 31, 2012
		(in millions)	
2.50% convertible senior notes	Repaid August 2013	$ -	$ 91
4.00% senior unsecured notes (net of discount)	January 2015	400	399
$1.2 billion senior unsecured five-year credit facility:			
$450 million senior unsecured term loan facility	September 2016	349	394
$750 million revolving credit commitment	September 2016	95	126
5.25% senior unsecured notes (net of discount)	January 2018	368	368
5.55% senior unsecured notes (net of discount)	January 2020	598	598
3.875% senior unsecured notes (net of discount)	June 2021	824	-
Total debt obligations		2,634	1,976
Less current portion		(45)	(136)
Total long-term debt obligations		$ 2,589	$ 1,840

In addition to the $750 million revolving credit commitment, we also have other credit facilities related to our clearinghouses in order to meet liquidity and regulatory requirements. At December 31, 2013, these credit facilities, which are available in multiple currencies, primarily Swedish Krona, totaled $312 million ($219 million in available liquidity and $93 million to satisfy regulatory requirements), of which $11 million was utilized. At December 31, 2012, these credit facilities, which are available in multiple currencies, primarily Swedish Krona, totaled $310 million ($217 million in available liquidity and $93 million to satisfy regulatory requirements), none of which was utilized.

At December 31, 2013, we were in compliance with the covenants of all of our debt obligations.

See Note 9, "Debt Obligations," to the consolidated financial statements for further discussion of our debt obligations.

Clearing and Broker-Dealer Net Capital Requirements

Clearing Operations Regulatory Capital Requirements

We are required to maintain minimum levels of regulatory capital for our clearing operations for NASDAQ OMX Nordic Clearing and NOS Clearing. The level of regulatory capital required to be maintained is dependent upon many factors, including market conditions and creditworthiness of the counterparty. At December 31, 2013, our required regulatory capital consisted of $94 million of Swedish government debt securities, that are included in financial investments, at fair value in the Consolidated Balance Sheets and $68 million of cash that is included in restricted cash in the Consolidated Balance Sheets.

In addition, we have available credit facilities of $93 million which can be utilized to satisfy our regulatory capital requirements. See "Debt Obligations" above for further discussion.

Broker-Dealer Net Capital Requirements

Our broker-dealer subsidiaries, Nasdaq Execution Services , NASDAQ Options Services and Execution Access , are subject to regulatory requirements intended to ensure their general financial soundness and liquidity. These requirements obligate these subsidiaries to comply with minimum net capital requirements. At December 31, 2013, Nasdaq Execution Services was required to maintain minimum net capital of $ 0.3 million and had total net capital of approximately $15 .7 million, or $15 .4 million in excess of the minimum amount required. At December 31, 2013, NASDAQ Options Services also was required to maintain minimum net capital of $0.3 million and had total net capital of approximately $3 .5 million, or $3 .2 million in excess of the minimum amount required. At December 31, 2013, Execution Access was required to maintain minimum net capital of $ 0.8 million and had total net capital of $43 .2 million, or $42 .4 million in excess of the minimum amount required.

Other Capital Requirements

NASDAQ Options Services also is required to maintain a $ 2 million minimum level of net capital under our clearing arrangement with The Options Clearing Corporation, or OCC.

Cash Flow Analysis

The following tables summarize the changes in cash flows:

	Year Ended December 31,		
	2013	2012	Percentage Change
	(in millions)		
Net cash provided by (used in):			
Operating activities	$ 574	$ 594	(3.4)%
Investing activities	(1,189)	(128)	#
Financing activities	547	(485)	#
Effect of exchange rate changes on cash and cash equivalents	(4)	10	#
Net decrease in cash and cash equivalents	(72)	(9)	#
Cash and cash equivalents at the beginning of period	497	506	(1.8)%
Cash and cash equivalents at the end of period	$ 425	$ 497	(14.5)%

# Denotes a variance greater than 100.0%.

Net Cash Provided by Operating Activities

The following items impacted our net cash provided by operating activities for the year ended December 31, 2013:

- Net income of $384 million, plus:

  - Items to reconcile net income to cash provided by operating activities of $177 million comprised primarily of $122 million of depreciation and amortization expense, $47 million of share-based compensation expense, deferred income taxes of $28 million and $14 million of asset retirements and impairment charges, partially offset by gain on sale of investment security of $30 million and excess tax benefits related to share-based compensation of $16 million.
- Increase in accounts payable and accrued expenses of $51 million primarily due to recent acquisitions, the timing of payments and an increase in interest payable related to our debt obligations.
- Increase in accrued personnel costs of $39 million primarily due to our 2013 incentive compensation accrual and an increase in employee headcount, partially offset by the payment of our 2012 incentive compensation in the first quarter of 2013.

Partially offset by a:

- Increase in accounts receivable, net of $55 million primarily due to recent acquisitions and the timing of collections and activity.
- Decrease in Section 31 fees payable to the SEC of $15 million primarily due to a decrease in Section 31 fee rates.

The following items impacted our net cash provided by operating activities for the year ended December 31, 2012:

- Net income of $349 million, plus:
  - Items to reconcile net income to cash provided by operating activities of $251 million comprised primarily of $104 million of depreciation and amortization expense, $46 million of share-based compensation expense, $40 million related to asset retirements and impairment charges, $16 million of restructuring charges, deferred income taxes of $16 million, and a loss on divestiture of business of $14 million.
- Decrease in other assets of $71 million primarily due to the release of restricted cash resulting from the sale of IDCG.

Partially offset by a:

- Increase in receivables, net of $30 million primarily due to an increase in receivables across multiple businesses relating to timing of collections and activity, partially offset by a decrease in income tax receivables.
- Decrease in accrued personnel costs of $27 million primarily due to the payment of our 2011 incentive compensation in the first quarter of 2012, partially offset by the 2012 accrual.
- Decrease in other liabilities of $17 million primarily reflecting the release of escrow amounts related to certain acquisitions and the utilization of sublease reserve balances.
- Decrease in Section 31 fees payable to the SEC of $9 million primarily due to lower dollar value traded on the NASDAQ and NASDAQ OMX BX trading systems, partially offset by higher Section 31 fee rates in 2012.

Net Cash Used in Investing Activities

Net cash used in investing activities for the year ended December 31, 2013 primarily consisted of cash utilized to fund the acquisitions of eSpeed and the TR Corporate Solutions businesses, purchases of trading securities, purchases of property and equipment, and cash paid for equity and cost method investments, partially offset by proceeds from sales and redemptions of trading securities and proceeds from the sale of our available-for-sale investment security.

Net cash used in investing activities for the year ended December 31, 2012 primarily consisted of purchases of trading securities, cash used for acquisitions and purchases of property and equipment, partially offset by proceeds from sales and redemptions of trading securities.

Net Cash Provided by (Used in) Financing Activities

Net cash provided by financing activities for the year ended December 31, 2013 primarily consisted of proceeds of $ 895 million received from the issuance of the 2021 Notes and a partial utilization under our revolving credit commitment, partially offset by payments of debt obligation totaling $289 million consisting of repayment of our 2013 Convertible Notes totaling $93 million, repayment of $151 million on our revolving credit commitment and required quarterly principal payments totaling $45 million made on our $450 million funded term loan, or the 2016 Term Loan, and $87 million related to cash dividends paid on our common stock.

Net cash used in financing activities for the year ended December 31, 2012 primarily consisted of $275 million of cash used in connection with our share repurchase programs, repayment of debt obligations of $145 million consisting of an optional prepayment of $100 million on our revolving credit commitment and required quarterly principal payments totaling $45 million on the 2016 Term Loan, and $65 million related to cash dividends paid on our common stock.

For further discussion of our acquisitions, see Note 4, "Acquisitions and Divestiture," to the consolidated financial statements. For further discussion of our debt obligations, see Note 9, "Debt Obligations," to the consolidated financial statements. For further discussion of our share repurchase program, see "Share Repurchase Program," of Note 13, "NASDAQ OMX Stockholders' Equity," to the consolidated financial statements.

Contractual Obligations and Contingent Commitments

NASDAQ OMX has contractual obligations to make future payments under debt obligations by contract maturity, minimum rental commitments under non-cancelable operating leases, net and other obligations. The following table shows these contractual obligations as of December 31, 2013:

	Payments Due by Period				
Contractual Obligations	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			(In millions)		
Debt obligations by contract maturity [1]	$ 3,239	$ 152	$ 986	$ 530	$ 1,571
Minimum rental commitments under non-cancelable operating leases, net [2]	450	78	149	84	139
Other obligations [3]	33	18	15	-	-
Total	$ 3,722	$ 248	$ 1,150	$ 614	$ 1,710

[1] Our debt obligations include both principal and interest obligations. At December 31, 2013, an interest rate of 1.54% was used to compute the amount of the contractual obligations for interest on the 2016 Term Loan and an interest rate of 1.34% was used to compute the amount of the contractual obligations for interest on our revolving credit commitment. All other debt obligations were calculated on a 360-day basis at the contractual fixed rate multiplied by the aggregate principal amount at December 31, 2013. See Note 9, "Debt Obligations," to the consolidated financial statements for further discussion.

[2] We lease some of our office space and equipment under non-cancelable operating leases with third parties and sublease office space to third parties. Some of our leases contain renewal options and escalation clauses based on increases in property taxes and building operating costs.

[3] In connection with our acquisitions of FTEN, Glide Technologies and the index business of Mergent, Inc., including Indxis, we entered into escrow agreements to secure the payment of post-closing adjustments and to ensure other closing conditions. At December 31, 2013, these agreements provide for future payments of $12 million and are included in other current liabilities in the Consolidated Balance Sheets. In addition, other obligations include future transition service agreement payments associated with the acquisition of the TR Corporate Solutions businesses and estimated amounts related to the purchase of the remaining 28% ownership interest in BWise.

Off-Balance Sheet Arrangements

Default Fund Contributions and Margin Deposits Received for Clearing Operations

Default Fund Contributions

Clearing members' eligible contributions may include cash and non-cash contributions. Cash contributions are invested by NASDAQ OMX Nordic Clearing in accordance with its investment policies and are included in default funds and margin deposits in the Consolidated Balance Sheets. However, non-cash contributions, which include highly rated government debt securities that must meet the investment policies of NASDAQ OMX Nordic Clearing and NOS Clearing, as well as pledged cash, are pledged assets that are not recorded in our Consolidated Balance Sheets as NASDAQ OMX Nordic Clearing and NOS Clearing do not take legal ownership of these assets and the risks and rewards remain with the clearing members. These pledged assets are held at a nominee account in NASDAQ OMX Nordic Clearing's name or NOS Clearing's name for the benefit of the clearing members and are immediately accessible by NASDAQ OMX Nordic Clearing or NOS Clearing in the event of default. The pledged asset balances may fluctuate over time due to changes in the amount of deposits required and whether members choose to provide cash or non-cash contributions. See Note 16, "Clearing Operations," to the consolidated financial statements for further discussion of our clearing operations and default fund contributions.

Margin Deposits Received for Clearing Operations

NASDAQ OMX Nordic Clearing and NOS Clearing

NASDAQ OMX Nordic Clearing and NOS Clearing each require all clearing members to provide collateral, which may consist of cash and eligible securities, in a pledged bank account and/or an on-demand guarantee, to guarantee performance on the clearing members' open positions, or initial margin. In addition, clearing members must also provide collateral to cover the daily margin call as needed, which is in addition to the initial margin. Pledged collateral is maintained at a third-party custodian bank or deposit bank account for the benefit of the clearing members and is immediately accessible by NASDAQ OMX Nordic Clearing or NOS Clearing in the event of default. The pledged margin deposits are not recorded in our Consolidated Balance Sheets as all risks and rewards of collateral ownership, including interest, belong to the counterparty. Clearing member pledged collateral related to our clearing operations was $9.5 billion as of December 31, 2013 and $6.7 billion as of December 31, 2012. In April 2013, NASDAQ OMX Nordic Clearing implemented a new collateral management process. With the implementation of this collateral management process, NASDAQ OMX Nordic Clearing now maintains and manages all cash deposits related to margin collateral and records these cash deposits in default funds and margin deposits in the Consolidated Balance Sheets as both a current asset and current liability. The collateral procedures related to eligible pledged assets remain the same.

NASDAQ OMX Nordic Clearing and NOS Clearing mark-to-market all outstanding contracts at least daily, requiring payment from clearing members whose positions have lost value and making payments to clearing members whose positions have gained value. The mark-to-market process helps identify any clearing members that may not be able to satisfy their financial obligations in a timely manner which helps NASDAQ OMX Nordic Clearing and NOS Clearing manage the risk of a clearing member defaulting due to exceptionally large losses. In the event of a default, NASDAQ OMX Nordic Clearing or NOS Clearing can access these margin deposits to cover the defaulting member's losses.

U.S. Clearing

In the third quarter of 2013, NOCC entered into a strategic alliance with NGX. Together NGX and NOCC provide a solution for transacting in physical energy in the U.S. NGX offers trading and clearing services for the alliance and NOCC contributes account management, product development, and scheduling resources. Since NGX is now the counterparty to all transactions and clearing arrangements, NOCC transferred all positions to NGX, returned collateral to customers, terminated its letters of credit from banks, and cancelled all contracts with customers.

Prior to the alliance with NGX, NOCC, through riskless principal trading and clearing, was the legal counterparty for each customer position traded and NOCC thereby guaranteed the fulfillment of each of its customer's transactions.

Market participants at NOCC were required to meet certain minimum financial standards to mitigate the risk that they became unable to satisfy their obligations and provided collateral to cover the daily margin call as needed. Customer pledged cash collateral held by NOCC, which was $33 million at December 31, 2012, was included in default funds and margin deposits as both a current asset and current liability in the Consolidated Balance Sheets, as the risks and rewards of collateral ownership, including interest income, belonged to NOCC.

Guarantees Issued and Credit Facilities Available

In addition to the collateral pledged by clearing members discussed above, we have obtained financial guarantees and credit facilities which are guaranteed by us through counter indemnities, to provide further liquidity and default protection. Financial guarantees issued to us totaled $20 million at December 31, 2013 and $7 million at December 31, 2012. At December 31, 2013, credit facilities, which are available in multiple currencies, primarily Swedish Krona, totaled $312 million ($219 million in available liquidity and $93 million to satisfy regulatory requirements), $11 million of which was utilized. At December 31, 2012, these facilities totaled $310 million ($217 million in available liquidity and $93 million to satisfy regulatory requirements), none of which was utilized.

Execution Access has a clearing arrangement with Cantor Fitzgerald. As of December 31, 2013, we have contributed $19 million of clearing deposits to Cantor Fitzgerald in connection with this clearing arrangement. These deposits are recorded in other current assets in our consolidated balance sheets. Some of the trading activity in Execution Access is cleared by Cantor Fitzgerald through 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.

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. Accordingly, no contingent liability is recorded in the Consolidated Balance Sheets for these arrangements.

Leases

We lease some of our office space and equipment under non-cancelable operating leases with third parties and sublease office space to third parties. Some of our lease agreements contain renewal options and escalation clauses based on increases in property taxes and building operating costs.

Other Guarantees

We have provided other guarantees of $16 million as of December 31, 2013 and $18 million at December 31, 2012. These guarantees primarily related to obligations for our rental and leasing contracts. In addition, for certain Market Technology contracts, we have provided performance guarantees of $2 million as of December 31, 2013 and $5 million at December 31, 2012 related to the delivery of software technology and support services. We have received financial guarantees from various financial institutions to support these guarantees.

We believe that the potential for us to be required to make payments under these arrangements is unlikely. Accordingly, no contingent liability is recorded in the Consolidated Balance Sheets for the above guarantees.

In connection with the launch of NASDAQ OMX NLX , we have entered into agreements with certain members which may require us to make payments if certain financial goals are achieved. Since these payments are not currently probable and the amount cannot be quantified as of December 31, 2013, no contingent liability is recorded in the Consolidated Balance Sheets for these payments.

Routing Brokerage Activities

Our broker-dealer subsidiaries, Nasdaq Execution Services and NASDAQ Options Services, provide guarantees to securities clearinghouses and exchanges under their standard membership agreements, which require members to guarantee the performance of other members. If a member becomes unable to satisfy its obligations to a clearinghouse or exchange, other members would be required to meet its shortfalls. To mitigate these performance risks, the exchanges and clearinghouses often require members to post collateral, as well as meet certain minimum financial standards. Nasdaq Execution Services' and NASDAQ Options Services' maximum potential liability under these arrangements cannot be quantified. However, we believe that the potential for Nasdaq Execution Services and NASDAQ Options Services to be required to make payments under these arrangements is unlikely. Accordingly, no contingent liability is recorded in the Consolidated Balance Sheets for these arrangements.

Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the potential for losses that may result from changes in the market value of a financial instrument due to changes in market conditions. As a result of our operating, investing and financing activities, we are exposed to market risks such as interest rate risk and foreign currency exchange rate risk. We are also exposed to credit risk as a result of our normal business activities.

We have implemented policies and procedures to measure, manage, monitor and report risk exposures, which are reviewed regularly by management and the board of directors. We identify risk exposures and monitor and manage such risks on a daily basis.

We perform sensitivity analyses to determine the effects of market risk exposures. We may use derivative instruments solely to hedge financial risks related to our financial positions or risks that are incurred during the normal course of business. We do not use derivative instruments for speculative purposes.

Interest Rate Risk

The following table summarizes our financial assets and liabilities that are subject to interest rate risk as of December 31, 2013:

	Financial Assets	Financial Liabilities [1]	Negative Impact of a 100bp adverse shift in interest rate [2]
		(in millions)	
Floating rate positions [3]	$ 2,592	$ 2,405	$ 3
Fixed rate positions [4]	40	2,195	-

(1) Represents total contractual debt obligations and amounts related to default fund contributions and margin deposits.
(2) Annualized impact of a 100 basis point parallel adverse shift in the yield curve.
(3) Includes floating rate and fixed interest rates with a maturity or reset date due within 12 months.
(4) Financial assets primarily consist of Swedish government debt securities, which are classified as trading investment securities, with an average duration of 1.3 years.

We are exposed to cash flow risk on floating rate financial assets of $2,592 million and financial liabilities of $2,405 million at December 31, 2013. When interest rates on financial assets of floating rate positions decrease, net interest income decreases. When interest rates on financial liabilities of floating rate positions increase, net interest expense increases. Based on December 31, 2013 positions, each 1.0% adverse change in interest rate would impact annual pre-tax income by $3 million related to our floating rate positions.

We are exposed to price risk on our fixed rate financial assets, which totaled $40 million at December 31, 2013 and have an average duration of 1.3 years. The net effect of a parallel shift of 1.0% of the interest rate curve, taking into account the change in fair value and the increase in interest income, would have an immaterial impact on annual pre-tax income related to our fixed rate positions.

Foreign Currency Exchange Rate Risk

As a leading global exchange group, we are subject to foreign currency translation risk. For the year ended December 31, 2013, approximately 34.8% of our revenues less transaction rebates, brokerage, clearance and exchange fees and 29.0% of our operating income were derived in currencies other than the U.S. dollar, primarily the Swedish Krona, Euro, Norwegian Krone, Danish Krone and British Pound. For the year ended December 31, 2012, approximately 34.8% of our revenues less transaction rebates, brokerage, clearance and exchange fees and 26.5% of our operating income were derived in currencies other than the U.S. dollar, primarily the Swedish Krona, Euro, Norwegian Krone and Danish Krone.

Our primary exposure to foreign currency denominated revenues less transaction rebates, brokerage, clearance and exchange fees and operating income for the years ended December 31, 2013 and 2012 is presented in the following table:

	Swedish Krona	Euro	Norwegian Krone	Danish Krone	British Pound	Other Foreign Currencies
	(in millions, except currency rate)					
Twelve months ended December 31, 2013						
Average foreign currency rate to the U.S. dollar	0.1536	1.3285	0.1703	0.1781	1.5647	#
Percentage of revenues less transaction rebates, brokerage, clearance and exchange fees	20.1%	4.3%	2.7%	2.5%	1.7%	3.5%
Percentage of operating income	19.9%	3.7%	4.3%	4.6%	(2.6)%	(0.9)%
Impact of a 10% adverse currency fluctuation on revenues less transaction rebates, brokerage, clearance and exchange fees	$ (38)	$ (8)	$ (5)	$ (5)	$ (3)	$ (7)
Impact of a 10% adverse currency fluctuation on operating income	$ (14)	$ (2)	$ (3)	$ (3)	$ (2)	$ (1)

	Swedish Krona	Euro	Norwegian Krone	Danish Krone	Other Foreign Currencies
Twelve months ended December 31, 2012					
Average foreign currency rate to the U.S. dollar	0.1478	1.2864	0.1720	0.1728	#
Percentage of revenues less transaction rebates, brokerage, clearance and exchange fees	21.8%	4.0%	2.8%	2.5%	3.7%
Percentage of operating income	20.2%	4.2%	3.3%	3.6%	(4.8)%
Impact of a 10% adverse currency fluctuation on revenues less transaction rebates, brokerage, clearance and exchange fees	$ (36)	$ (7)	$ (5)	$ (4)	$ (6)
Impact of a 10% adverse currency fluctuation on operating income	$ (14)	$ (3)	$ (2)	$ (8)	$ (9)

\# Represents multiple foreign currency rates.

Our investments in foreign subsidiaries are exposed to volatility in currency exchange rates through translation of the foreign subsidiaries' net assets or equity to U.S. dollars. Substantially all of our foreign subsidiaries operate in functional currencies other than the U.S. dollar. Fluctuations in currency exchange rates may create volatility in our results of operations as we are required to translate the balance sheets and operational results of these foreign currency denominated subsidiaries into U.S. dollars for consolidated reporting. The translation of foreign subsidiaries' non-U.S. dollar balance sheets into U.S. dollars for consolidated reporting results in a cumulative translation adjustment which is recorded in accumulated other comprehensive loss within stockholders' equity in the Consolidated Balance Sheets.

Our primary exposure to net assets in foreign currencies as of December 31, 2013 is presented in the following table:

	Net Assets	Impact of a 10% Adverse Currency Fluctuation
	(in millions)	
Swedish Krona [1]	$ 4,272	$ (427)
Norwegian Krone	297	(30)
British Pound [1]	171	(17)
Euro	160	(16)
Australian Dollar	98	(10)

[1] Includes goodwill of $3,510 million and intangible assets, net of $1,063 million.

Credit Risk

Credit risk is the potential loss due to the default or deterioration in credit quality of customers or counterparties. 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 limit our exposure to credit risk by rigorously evaluating the counterparties with which we make investments and execute agreements. The financial investment portfolio objective is to invest in securities to preserve principal while maximizing yields, without significantly increasing risk. Credit risk associated with investments is minimized substantially by ensuring that these financial assets are placed with governments which have investment grade ratings, well-capitalized financial institutions and other creditworthy counterparties.

Our subsidiaries Nasdaq Execution Services and NASDAQ Options Services may be exposed to credit risk, due to the default of trading counterparties, in connection with the routing services they provide for our trading customers. System trades in cash equities routed to other market centers for members of our cash equity exchanges are routed by Nasdaq Execution Services for clearing to the National Securities Clearing Corporation, or NSCC. In this function, Nasdaq Execution Services is to be neutral by the end of the trading day, but may be exposed to intraday risk if a trade extends beyond the trading day and into the next day, thereby leaving Nasdaq Execution Services susceptible to counterparty risk in the period between accepting the trade and routing it to the clearinghouse. In this interim period, Nasdaq Execution Services is not novating like a clearing broker but instead is subject to the short-term risk of counterparty failure before the clearinghouse enters the transaction. Once the clearinghouse officially accepts the trade for novation, Nasdaq Execution Services is legally removed from risk. System trades in derivative contracts for the opening and closing cross and trades routed to other market centers are cleared by NASDAQ Options Services, as a member of the OCC. For these trades, novation is done at the end of the trading day, and settlement is complete by 10:00 am on the following day.

Pursuant to the rules of the NSCC and Nasdaq Execution Services' clearing agreement, Nasdaq Execution Services is liable for any losses incurred due to a counterparty or a clearing agent's failure to satisfy its contractual obligations, either by making payment or delivering securities. Pursuant to the rules of the OCC and NASDAQ Options Services' clearing agreement, NASDAQ Options Services is liable for any losses incurred due to a counterparty or a clearing agent's failure to satisfy its contractual obligations, either by making payment or delivering securities. Adverse movements in the prices of securities and derivative contracts that are subject to these transactions can increase our credit risk. However, we believe that the risk of material loss is limited, as Nasdaq Execution Services' and NASDAQ Options Services' customers are not permitted to trade on margin and NSCC and OCC rules limit counterparty risk on self-cleared transactions by establishing credit limits and capital deposit requirements for all brokers that clear with NSCC and OCC. Historically, neither Nasdaq Execution Services nor NASDAQ Options Services has incurred a liability due to a customer's failure to satisfy its contractual obligations as counterparty to a system trade. Credit difficulties or insolvency, or the perceived possibility of credit difficulties or insolvency, of one or more larger or visible market participants could also result in market-wide credit difficulties or other market disruptions.

Execution Access has a clearing arrangement with Cantor Fitzgerald. As of December 31, 2013, we have contributed $19 million of clearing deposits to Cantor Fitzgerald in connection with this clearing arrangement. These deposits are recorded in other current assets in our Consolidated Balance Sheets. Some of the trading activity in Execution Access is cleared by Cantor Fitzgerald through 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 will be required to post collateral, provide principal letters, or provide other forms of credit enhancement to Execution Access for the purpose of mitigating counterparty risk.

We are exposed to credit risk through our clearing operations with NASDAQ OMX Nordic Clearing and NOS Clearing. See "Default Fund Contributions and Margin Deposits Received for Clearing Operations," of "Off-Balance Sheet Arrangements," above, as well as Note 16, "Clearing Operations" for further discussion.

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. Our potential exposure to credit losses on these transactions is represented by the receivable balances in our Consolidated Balance Sheets. On an ongoing basis, we review and evaluate changes in the status of our counterparties' creditworthiness.

Credit losses such as those described above could adversely affect our consolidated financial position and results of operations.

Critical Accounting Policies and Estimates

The preparation of Consolidated Financial Statements in conformity with U.S. GAAP requires management to use judgment in making estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. The following critical accounting policies are based on, among other things, judgments and assumptions made by management that include inherent risk and uncertainties. Management's estimates are based on the relevant information available at the end of each period. For a summary of our significant accounting policies, including the accounting policies discussed below, see Note 2, "Summary of Significant Accounting Policies," to the consolidated financial statements for further discussion.

Revenue Recognition

Listing Services Revenues

U.S. Listing Services

Listing Services revenues in the U.S. include annual renewal fees, listing of additional shares fees and initial listing fees. Annual renewal fees do not require any judgments or assumptions by management as these amounts are recognized ratably over the following 12-month period. However, listing of additional shares fees and initial listing fees are recognized on a straight-line basis over estimated service periods, which are four and six years, respectively, based on our historical listing experience and projected future listing duration. Unamortized balances are recorded as deferred revenue in the Consolidated Balance Sheets.

Technology Solutions Revenues

Market Technology Revenues

Revenues primarily consist of software, license and support revenues, change request and advisory revenues, and software as a service revenues .

For most solutions, w e enter into multiple-element sales arrangements to provide technology solutions and services to our customers. In order to recognize revenues associated with each individual element of a multiple-element sales arrangement separately, we are required to establish the existence of VSOE of fair value for each element. When VSOE for individual elements of an arrangement cannot be established, revenue is generally deferred and recognized over either the final element of the arrangement or the entire term of the arrangement for which the services will be delivered.

We also enter into revolving subscription agreements which allow customers to connect to our servers to access certain services. These revenues are recognized ratably over the subscription term.

Software, l icense and support revenues are derived from the system solutions developed and sold by NASDAQ OMX that are generally entered into in multiple-element sales arrangements. After we have developed and sold a system solution, the customer licenses the right to use the software and may require post contract support and other services , such as f acility management . Facility management revenues are derived when NASDAQ OMX assumes responsibility for the continuous operation of a system platform for a customer and receives facility management revenues which can be both fixed and volume-based. Revenues for license, support and facility management services are generally deferred and recognized over either the final element of the arrangement or the entire term of the arrangement for which the services will be delivered , unless VSOE can be established for each element of the contract. We record the deferral of revenue associated with multiple-element sales arrangements in deferred revenue and non-current deferred revenue and the deferral of costs in other current assets and other non-current assets in the Consolidated Balance Sheets.

S oftware, license and support revenues also include d elivery project revenues which are derived from the installation phase of the system solutions developed and sold by NASDAQ OMX. The majority of our delivery projects involve individual adaptations to the specific requirements of the customer, such as those relating to functionality and capacity. We may customize our software technology and make significant modifications to the software to meet the needs of our customers, and as such, we account for these arrangements under contract accounting. Under contract accounting, when VSOE for valuing certain elements of an arrangement cannot be established, total revenues, as well as costs incurred, are deferred until the customization and significant modifications are complete and are then recognized over the post contract support period. We record the deferral of this revenue in deferred revenue and non-current deferred revenue and the deferral of costs in other current assets and other non-current assets in the Consolidated Balance Sheets.

Change request and advisory revenues and software as a service revenues do not require any judgments or assumptions by management as these amounts are recognized as revenue s when earned.

Goodwill and Related Impairment

Goodwill represents the excess of purchase price over the value assigned to the net tangible and identifiable intangible assets of a business acquired. Goodwill is allocated to our reporting units based on the assignment of the fair values of each reporting unit of the acquired company. We test goodwill for impairment at the reporting unit level annually, or in interim periods if certain events occur indicating that the carrying amount may be impaired, such as changes in the business climate, poor indicators of operating performance or the sale or disposition of a significant portion of a reporting unit. For purposes of performing our goodwill impairment test, our six reporting units are the Market Services segment, the Listing Services segment, the two businesses comprising the Information Services segment: Market Data Products and Index Licensing and Services, and the two businesses comprising the Technology Solutions segment: Corporate Solutions and Market Technology. We test for impairment during the fourth quarter of our fiscal year using carrying amounts as of October 1. In conducting the 2013 annual impairment test for goodwill, we first performed a qualitative assessment to determine whether it was more likely than not that the fair value of a reporting unit was less than the carrying amount as a basis for determining whether it was necessary to perform the two-step quantitative goodwill impairment test described in Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 350, "Intangibles–Goodwill and Other," or ASC Topic 350. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. If, after assessing the totality of events or circumstances, we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the two-step quantitative test for goodwill impairment is performed for the appropriate reporting units. Otherwise, we conclude that no impairment is indicated and the two-step quantitative test for goodwill impairment is not performed.

In conducting the qualitative assessment, we analyzed actual and projected growth trends for each reporting unit, as well as historical performance versus plan and the results of prior quantitative tests performed. Additionally, each reporting unit assesses critical areas that may impact their business, including macroeconomic conditions and the related impact, market related exposures, competitive changes, new or discontinued products, changes in key personnel, and other potential risks to their projected financial results.

If required, the quantitative goodwill impairment test is a two-step process performed at the reporting unit level. First, the fair value of each reporting unit is compared to its corresponding carrying amount, including goodwill. The fair value of each reporting unit is estimated using a combination of discounted cash flow valuation, which incorporates assumptions regarding future growth rates, terminal values, and discount rates, as well as guideline public company valuations, incorporating relevant trading multiples of comparable companies and other factors. The estimates and assumptions used consider historical performance and are consistent with the assumptions used in determining future profit plans for each reporting unit, which are approved by our board of directors. If the first step results in the carrying amount exceeding the fair value of the reporting unit, then a second step must be completed in order to determine the amount of goodwill impairment that should be recorded, if any. In the second step, the implied fair value of the reporting unit's goodwill is determined by allocating the reporting unit's fair value to all of its assets and liabilities other than goodwill in a manner similar to a purchase price allocation. The implied fair value of the goodwill that results from the application of this second step is then compared to the carrying amount of the goodwill and an impairment charge is recorded for any difference.

For our annual test of goodwill impairment in 2013, we considered the results of our quantitative test performed in January 2013, due to the realignment of our reportable segments, which indicated that the fair value of each reporting unit was in excess of its carrying amount. We also considered future financial projections, current market conditions, and any changes in the carrying amount of the reporting units.

At the time of our 2013 annual impairment test, our goodwill balance was $ 6 ,191 m illion, of which $ 3,439 m illion was attributable to our Market Services segment, $ 137 m illion was attributable to our Listing Services segment , $ 2,021 m illion was attributable to our Information Services segment and $ 594 m illion was attributable to our Technology Solutions segment.

We utilized the qualitative screen for our L isting S ervices , Market Data Products, Index Licensing and Services and M arket T echnology reporting units , as the excesses of their fair values over their respective carrying amounts were significant. In conducting the qualitative assessment for these four reporting units, we evaluated future financial projections by management to determine if there were any changes in the key inputs used to determine the fair values of each reporting unit. We also considered the qualitative factors in ASC Topic 350, as well as other relevant events and circumstances. Based on the results of the qualitative assessment for each reporting unit, we concluded based on a preponderance of positive indicators and the weight of such indicators that the fair values of our L isting S ervices , Market Data Products, Index Licensing and Services and M arket T echnology reporting units are more likely than not greater than their respective carrying amounts and as a result, quantitative analyses were not needed. Therefore, no further testing of goodwill for impairment was performed for these reporting units for the year ended December 31, 2013.

Due to declining cash equity trading volumes and the purchase of eSpeed in June 2013 , we bypassed the qualitative assessment for the Market Services reporting unit. In addition, due to the acquisition of the TR Corporate Solutions businesses in May 2013, we bypassed the qualitative assessment for the Corporate Solutions reporting unit . We performed step one of the quantitative goodwill impairment test for both of these reporting units and determined that the fair value s of our Market Services and Corporate Solutions reporting unit s exceeded their carrying amount s . As a result, no goodwill impairment was recorded. The fair value of our Market Services and Corporate Solutions reporting unit s was determined using a combination of two equally weighted valuation methods, a market approach and an income approach. The market approach estimates fair value by applying revenues, earnings and cash flow multiples to the Market Services and Corporate Solutions reporting unit s ' operating performance. The multiples are derived from comparable publicly-traded companies with similar operating and investment characteristics to our Market Services and Corporate Solutions reporting unit s . The market approach requires management's judgment to determine several valuation inputs, including the selection of comparable companies and control premium. The control premium is based on recent transactions in the marketplace. Under the income approach, we estimated future cash flows of our Market Services and Corporate Solutions reporting unit s based on internally generated forecasts of future financial performance. We determined a long-term growth rate for the terminal year period based on historical and expected inflation rates as well as management's estimate of the long-term growth of the business. We then discounted the projected cash flows using a weighted average cost of capital of 11.1% for Market Services and 11.7% for Corporate Solutions .

The fair value of our Market Services reporting unit exceeded its carrying amount by less than 10%. Holding all other assumptions constant at the testing date, a 5% decrease in the estimated free cash flows of this reporting unit would not reduce the estimated fair value below the carrying amount. However, holding all other assumptions constant, a 3 5 basis point increase in the discount rate used in the testing of this reporting unit would reduce the estimated fair value below its carrying amount by 1%, indicating a possible impairment. Because step two of the impairment test was not required for this reporting unit, it is not possible at this time to determine if a decrease in our valuation inputs would result in an impairment charge, or if such a charge would be material.

The fair value of our Corporate Solutions reporting unit also exceeded its carrying amount by less than 10%. Holding all other assumptions constant at the testing date, a 5% decrease in the estimated free cash flows of this reporting unit would not reduce the estimated fair value below the carrying amount. However, holding all other assumptions constant, a 20 basis point increase in the discount rate used in the testing of this reporting unit would reduce the estimated fair value below its carrying amount by 1 %, indicating a possible impairment. Because step two of the impairment test was not required for this reporting unit, it is not possible at this time to determine if a decrease in our valuation inputs would result in an impairment charge, or if such a charge would be material.

Although we believe our estimates of fair value are reasonable, the determination of certain valuation inputs is subject to management's judgment. Changes in these inputs could materially affect the results of our impairment review. If our forecast s of cash flows generated by our Market Services and Corporate Solutions reporting units or other key inputs are negatively revised in the future, the estimated fair value of the Market Services and Corporate Solutions reporting units would be adversely impacted, potentially leading to an impairment in the future that could materially affect our operating results.

Subsequent to our annual impairment test, no indications of an impairment were identified.

Indefinite-Lived Intangible Assets and Related Impairment

Intangible assets deemed to have indefinite useful lives are not amortized but instead are tested for impairment at least annually and more frequently whenever events or changes in circumstances indicate that the fair value of the asset may be less than its carrying amount. The fair value of indefinite-lived intangible assets is primarily determined on the basis of estimated discounted value, using the relief from royalty approach for trade names and the Greenfield Approach for exchange and clearing registrations and licenses, both of which incorporate assumptions regarding future revenue projections and discount rates. Similar to goodwill impairment testing, we test for impairment of indefinite-lived intangible assets during the fourth quarter of our fiscal year using carrying amounts as of October 1. In conducting the 201 3 annual impairment test for indefinite-lived intangible assets, we first performed a qualitative assessment to determine whether it was more likely than not that the fair value of an indefinite-lived intangible asset was less than the carrying amount as a basis for determining whether it was necessary to perform the quantitative impairment test described in ASC Topic 350. The more-likely-than-not threshold is defined as having a likelihood of more than 50 percent. If, after assessing the totality of events or circumstances, we determine that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying amount, then the quantitative test for indefinite-lived intangible assets impairment is performed for the appropriate intangible assets. If the carrying amount of the indefinite-lived intangible asset exceeds its fair value, an impairment charge is recorded for the difference.

Other Long-Lived Assets and Related Impairment

We also assess potential impairments to our other long-lived assets, including finite-lived intangible assets, equity method investments, property and equipment and other assets, when there is evidence that events or changes in circumstances indicate that the carrying amount of an asset may not be recovered. An impairment loss is recognized when the carrying amount of the long-lived asset exceeds its fair value and is not recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. We evaluate our equity and cost method investments for other-than-temporary declines in value by considering a variety of factors such as the earnings capacity of the investment and the fair value of the investment compared to its carrying amount. In addition, for investments where the market value is readily determinable, we consider the underlying stock price as an additional factor. Any required impairment loss is measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value and is recorded as a reduction in the carrying amount of the related asset and a charge to operating results.

Amortization Periods of Intangible Assets with Finite-Lives

Intangible assets, net, primarily include exchange and clearing registrations, customer relationships, trade names, licenses and technology. Intangible assets with finite-lives are amortized on a straight-line basis over their average estimated useful lives as follows:

- Technology: 2 —5 years
- Customer relationships: 9 —30 years
- Other: 2—10 years

The estimated useful life of developed and new technology is based on the likely duration of benefits to be derived from the technology. We consider such factors as the migration cycle for re-platforming existing technologies and the development of future generations of technology. We also give consideration to the pace of the technological changes in the industries in which we sell our products.

The estimated useful life of customer relationships is determined based on an analysis of the historical attrition rates of customers and an analysis of the legal, regulatory, contractual, competitive, economic, or other factors that limit the useful life of customer relationships.

See Note 4, "Acquisitions and Divestitures," and Note 5, "Goodwill and Purchased Intangible Assets," to the consolidated financial statements for further discussion of intangible assets.

Income Taxes

Estimates and judgments are required in the calculation of certain tax liabilities and in the determination of the recoverability of certain deferred tax assets, which arise from net operating loss carryforwards, tax credit carryforwards and temporary differences between the tax and financial statement recognition of revenue and expense. Our deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the recorded deferred tax assets will not be realized in future periods. Management is required to determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets the recognition thresholds, the position is measured to determine the amount of benefit to be recognized in the consolidated financial statements. Interest and/or penalties related to income tax matters are recognized in income tax expense.

In assessing the need for a valuation allowance, we consider all available evidence including past operating results, the existence of cumulative losses in the most recent fiscal years, estimates of future taxable income and the feasibility of tax planning strategies. In the event that we change our determination as to the amount of deferred tax assets that can be realized, we will adjust our valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

In addition, the calculation of our tax liabilities involves uncertainties in the application of tax regulations in the U.S. and other tax jurisdictions. We recognize potential liabilities for anticipated tax audit issues in such jurisdictions based on our estimate of whether, and the extent to which, additional taxes and interest may be due. While we believe that our tax liabilities reflect the probable outcome of identified tax uncertainties, it is reasonably possible that the ultimate resolution of any tax matter may be greater or less than the amount accrued. If events occur and the payment of these amounts ultimately proves unnecessary, the reversal of the liabilities would result in tax benefits being recognized in the period when we determine the liabilities are no longer necessary. If our estimate of tax liabilities proves to be less than the ultimate assessment, a further charge to expense would result.

Pension and Post-Retirement Benefits

Pension and other post-retirement benefit plan information for financial reporting purposes is developed using actuarial valuations. We assess our pension and other post-retirement benefit plan assumptions on a regular basis. In evaluating these assumptions, we consider many factors, including evaluation of the discount rate, expected rate of return on plan assets, healthcare cost trend rate, retirement age assumption, our historical assumptions compared with actual results and analysis of current market conditions and asset allocations. See Note 11, "Employee Benefits," to the consolidated financial statements for further discussion.

Discount rates used for pension and other post-retirement benefit plan calculations are evaluated annually and modified to reflect the prevailing market rates at the measurement date of a high-quality fixed-income debt instrument portfolio that would provide the future cash flows needed to pay the benefits included in the benefit obligations as they come due. Actuarial assumptions are based upon management's best estimates and judgment.

The expected rate of return on plan assets for our U.S. pension plans represents our long-term assessment of return expectations which may change based on significant shifts in economic and financial market conditions. The long-term rate of return on plan assets is derived from return assumptions based on targeted allocations for various asset classes. While we consider the pension plans' recent performance and other economic growth and inflation factors, which are supported by long-term historical data, the return expectations for the targeted asset categories represents a long-term prospective return.

Share-Based Compensation

The accounting for share-based compensation requires the measurement and recognition of compensation expense for all share-based awards made to employees based on estimated fair values. Share-based awards, or equity awards, include employee stock options, restricted stock and performance share units, or PSUs. Restricted stock awards generally refer to restricted stock units.

We estimate the fair value of PSUs granted under our total shareholder return, or TSR, program using the Monte Carlo simulation model, as these awards contain a market condition. Assumptions used in the Monte Carlo simulation model include the weighted average risk-free rate and the expected volatility. The risk-free interest rate for periods within the expected life of the award is based on the U.S. Treasury yield curve in effect at the time of grant . We use historic volatility for PSU awards issued under the TSR program, as implied volatility data could not be obtained for all the companies in the peer groups used for relative performance measurement within the TSR program.

See Note 12, "Share-Based Compensation," to the consolidated financial statements for further discussion.