

**THE NASDAQ STOCK MARKET LLC,
NASDAQ OMX PHLX, INC. AND
NASDAQ OMX BX, INC.**

CORPORATE GOVERNANCE GUIDELINES FOR THE BOARDS OF DIRECTORS

APPROVED: JULY 23, 2009

I. Purpose

The NASDAQ Stock Market LLC (“NASDAQ Exchange”), NASDAQ OMX PHLX, Inc. (“PHLX”) AND NASDAQ OMX BX, INC. (“BX”) (each an “Exchange” and collectively “Exchanges”) Boards of Directors have developed corporate governance policies and practices to help fulfill their responsibilities to members of the Exchanges. These governance policies and practices are memorialized in these guidelines.¹

The purpose of these Corporate Governance Guidelines (“Guidelines”) is to assist the Boards in the exercise of their responsibilities and to provide a concise description of the corporate governance obligations, principles and practices of the Boards. The Guidelines, in conjunction with each Exchange’s Certificate of Incorporation or Operating Agreement, By-Laws, Rules and Committee Charters, form the framework for the governance of the Exchanges and help assure that the Boards will have the necessary information, authority and practices in place to review and evaluate the Exchanges’ business operations and risks, and to make decisions independent of management.

The Boards are committed to upholding the highest legal and ethical conduct in fulfilling their responsibilities. The Boards expect the Exchanges’ Board members, officers and employees to act ethically at all times.

Since the operations of the Boards are a dynamic process, these Guidelines are reviewed periodically and are subject to such future refinement or changes as the Boards may find necessary or advisable.

II. Mission of the Boards

The Board of each Exchange is vested with all powers necessary for the management and administration of the Exchange’s regulatory and business operations. The Board has a function independent of management and is not responsible for the day-to-day affairs of the Exchange. However, it does have the responsibility to oversee management and be informed, investigate and act as necessary to promote the Exchange’s regulatory obligations and business objectives. As required by applicable law, the commitment of the directors is to the Exchange and includes regulatory obligations.

¹ The governing body of PHLX is known as the Board of Governors, and its members are known as Governors. To enhance the readability of these Guidelines, however, the Board of each Exchange is referred to herein as a Board of Directors, and its members as Directors.

Each Board reviews reports by management on its performance, its plans and business prospects, as well as issues facing the Exchange during its regularly scheduled meetings and any special meetings. Board members are expected to prepare for, attend and participate in all scheduled Board and applicable Committee meetings.

Board members are expected to comply with the Code of Conduct for the Exchanges' Boards of Directors ("Board Code"). The Board Code was adopted by the Boards to reflect a commitment to the highest standards of ethical and business conduct and to comply with the Listing Rules of The NASDAQ Stock Market. Although these Listing Rules are not directly applicable to the Exchanges, which are not themselves public companies, it has been determined by the Boards that compliance with these requirements sets an appropriately high standard of conduct. Each Board member is expected to become familiar with and abide by the specific ethical standards set forth in the Board Code, as well as any interpretations and procedures issued thereunder. Board members are encouraged to consult with the NASDAQ OMX Office of General Counsel if there is any doubt as to whether a particular transaction or course of conduct complies with or is subject to the Board Code.

III. Board Composition

A. Independence of Non-Employee Directors

The Board of the Exchanges' parent, The NASDAQ OMX Group, Inc. ("NASDAQ OMX"), is comprised of a majority of directors who qualify as independent directors under the NASDAQ Listing Rules. NASDAQ OMX's Audit Committee members have additional independence requirements pursuant to SEC and NASDAQ Listing Rules. Although the composition of the Board and Committees of the Exchanges are not governed by the same SEC and NASDAQ Listing Rules as those of NASDAQ OMX, the Exchanges' By-Laws require them to maintain independent directors and, in doing so, the Exchanges adhere to the same independence standards.

Annually, the Corporate Secretary collects from each current director and director nominee a completed questionnaire and other relevant information to serve as the basis for a determination of the director's and nominee's assignment into particular classifications of director based on their employment and affiliations. Board members notify the Corporate Secretary of changes throughout the year to the information contained in the Board questionnaire. In particular, if a Board member changes his or her present job responsibilities, the Board member updates his or her Board questionnaire so that the Exchange may ascertain whether the Board member's classification has changed. Each director's relationship with the Exchange is reviewed annually, and only those directors who meet the necessary classification requirements will be considered independent directors.

B. Director Classification

There are three general classifications for directors of the NASDAQ Exchange and BX: (1) Industry Director, (2) Non-Industry Director, and (3) Staff Director. Non-Industry Directors are further classified as either Public Directors or Issuer Representatives. In addition, there is a special category of Member Representative Directors, who are elected to represent broker-dealers that are members of the applicable Exchange. In most cases, Member Representative Directors will also be classified as Industry Directors.

In the case of PHLX, the relevant classifications are Chief Executive Officer Governor, Stockholder Governor, Member Governor, Designated Independent Governor, and Independent Governor. The Member Governor and Designated Independent Governors are elected based on the vote of broker-dealers that are members of PHLX.

C. Size and Composition Requirements

The size of each Board may be determined either by the Board itself or the NASDAQ OMX Board, depending on the Exchange. Each Board is required to achieve a balance of director classifications (i.e., Industry versus Non-Industry, or a majority of Independent Governors) as specified more precisely in its respective By-Laws. The appropriate body periodically reviews and evaluates the appropriate size of each Board.

D. Non-Executive Chairman

Each Board is led by a Non-Executive Chairman. Annually the Board elects a Non-Executive Chairman. The Non-Executive Chairman's duties are as follows: presides at all meetings of the Board and shareholders; leads the Chairman Session and Executive Sessions at the Board meetings; reviews and approves the meeting agendas to assure there is sufficient time for discussion of all agenda items; and has the authority to call meetings of the independent directors.

E. Board Member Annual Election/Board Terms/Retirement Age

Each director is subject to election on an annual basis. There are no term limits for serving on the Board and no mandatory retirement age.

F. Change in Job Responsibility

A Board member who experiences a significant change of circumstances in his/her principal business or profession that could diminish his/her effectiveness as a Board member, is expected to offer his/her resignation to the Chairman of the Board. The Corporate Governance Committee shall assess the appropriateness of the Board member resignation and recommend to the Board the action to be taken with respect to the resignation.

G. Other Board Memberships

Board members may serve on boards or committees of other organizations, except to the extent limited by the Code of Conduct for the Board.

H. Director Compensation

Annually, senior management reviews the status of Board compensation in relation to comparable organizations and provides recommendations to the Board regarding director compensation. Any changes in compensation are reviewed and approved by the Board.

IV. Selection of the Board

A. Board Election Process

Directors of the NASDAQ Exchange and BX Boards, other than Member Representative Directors, are elected by NASDAQ OMX, from those persons nominated by the applicable Exchange's Nominating Committee, which has the authority to identify and nominate candidates for vacancies on the Board of Directors. Nominating Committee members are appointed annually by the Exchange Board and may be removed by majority vote of the Board. Similarly, Governors of PHLX other than the Member Governor and Designated Independent Governors are elected by NASDAQ OMX from those persons nominated by the Exchange's Nominating Committee.

In the case of the NASDAQ Exchange and BX, Member Representative Directors are elected from those persons properly nominated to stand for election. Each Exchange's By-Laws delegate the nomination process to the applicable Member Nominating Committee, which has the authority to identify and nominate candidates for Member Representative vacancies on the Exchange Board of Directors. Member Nominating Committee members must be employed by a member firm, are appointed annually by the Board, and may be removed by majority vote of the Board.

Under certain circumstances, Exchange members may also nominate Member Representative Directors candidates. If such alternative candidates are nominated, the Member Representative Directors are selected by direct election by

Exchange members; otherwise, the candidates nominated by the Member Nominating Committee are automatically selected.

A similar process has been established for nomination of the Member Governor and Designated Independent Governors of PHLX, through which a Member Nominating Committee nominates candidates and Exchange members may also nominate competing candidates. In the event of a contested election, members would vote for candidates and the candidate(s) receiving the most votes would be placed on the Board through vote of a special share of preferred stock held in trust for that purpose.

B. Board Membership Criteria

The Nominating Committees review the skills and characteristics required of Board members in light of the current composition of the Boards. Nominees for directors shall be considered on the basis of, among other things, knowledge, experience, skills, expertise, integrity, diversity, analytical ability, understanding of the securities industry, all in the context of the perceived needs of the Boards. Nominees should also be willing to devote adequate time and effort to Board responsibilities.

The Nominating Committees shall be responsible for assessing the appropriate balance of criteria of the Boards.

C. Nomination of New Directors

The Nominating Committees generate a list of possible candidates for nomination to the Board. The Nominating Committees consider possible candidates suggested by Board and Committee members, industry groups, shareholders, senior management, or individuals personally known to the members. In addition to submitting suggested nominees to the Nominating Committees, a member of the Exchange may nominate a person for election as a Member Representative Director, Member Governor, or Designated Independent Governor through the annual balloting process, provided the member follow the procedures specified in the Exchange's By-Laws.

D. Board Vacancies

If a Board has a vacancy due to death, disability, disqualification, removal, or resignation, the Board shall fill the vacancy by electing by majority vote a replacement director from a list of nominees provided by the appropriate Nominating Committee. No replacement is required for vacancies if the remaining term is less than six months.

E. Composition Requirements of Nominating Committee

As set forth in the By-Laws the Exchange Nominating Committee must have no fewer than six and no more than nine members. Non-Industry members must equal or exceed the number of Industry members. If the Nominating Committee has six members, at least two shall be Public Committee members. If the Nominating Committee has seven or more members, at least three shall be Public Committee members. No more than three of the Nominating Committee members and no more than two Industry Committee members may be current members of the Board. A Nominating Committee member may not simultaneously serve on the Nominating Committee and the Board, unless such member is in his or her final year of service on the Board, and following that year that member may not stand for election to the Board until such time as he or she is no longer a member of the Nominating Committee. Each member of the Nominating Committee must satisfy independent director standards under Nasdaq's Listing Rules. No officer or employee of an Exchange can serve as a member of the Nominating Committee in any voting or non-voting capacity.

The Member Nominating Committees consists of no fewer than three and no more than six members. All members of a Member Nominating Committee must be associated persons of a member of the applicable Exchange.

V. Authority and Responsibilities of the Board

A. Board Responsibilities and Functions

Board members are responsible for the oversight of management and must exercise their business judgment on an informed basis, in good faith, and with the honest belief that the action taken will serve the best interests of the Exchange and its members. Board members are also responsible for ensuring that the Company comply with self-regulatory obligations to protect investors, maintain fair and orderly markets, and advance the public interest. Board members are expected to:

- attend Board and Committee Meetings;
- participate effectively in all Board and Committee deliberations;
- observe strict confidentiality of all matters presented to the Board or their appropriate Committees;
- raise possible conflict of interest issues to the appropriate staff for prompt resolution;
- further the Exchange's mission and stated positions in outside forums consistent with the applicable confidentiality duties; and
- act in the best interests of the Exchange, consistent with their fiduciary duty.

B. Board Code of Conduct

Board members are expected to comply with the Code of Conduct for the Board of Directors ("Board Code"). The Board Code was adopted by the Board to reflect a commitment to the highest standards of ethical and business conduct. Each director should become familiar with and abide by the specific ethical standards set forth in the Board Code, as well as any interpretations and procedures issued hereunder. Board members are encouraged to consult with the NASDAQ OMX Office of General Counsel if there is any doubt as to whether a particular transaction or course of conduct complies with or is subject to the Board Code.

C. Board Interaction With Investors, Analysts, Press and Customers

If public comment from the Board is appropriate, these comments should, in most circumstances, come from the Chairman or Chief Executive Officer ("CEO"). Board members should not disclose Board information to the public and should observe the confidentiality guidelines set in place, including NASDAQ OMX's Public Disclosure Policy designed to ensure compliance with Regulation FD. Sensitive, non-public policy and proprietary information should not to be disclosed to the media. These types of information may include financial information, proposed mergers and acquisitions, and other significant changes in assets, changes in directors or senior management, events regarding NASDAQ OMX's securities, investigations in progress, deliberations and contemplated actions of the Board, and information on new products, customer relations and systems developments. If the media contacts a Board member, in most circumstances, the Board member should refer the inquiry to the NASDAQ OMX Corporate Communications Department.

D. Assessing the Board's Performance

Annually, the Board performs a self-assessment. The self-assessment is led by the Board Chair. The results of the assessment are used to determine if the committees are functioning effectively and in determining the characteristics and skills required of prospective Board nominees.

The Board discusses the assessment results and approves an annual action plan to address improvements.

E. Formal Evaluation of the Board Members

The Non-Executive Chairman of the Board is responsible for overseeing the annual director evaluation. As part of the annual process of determining director representation on the corporate committees, the Non-Executive Chairman solicits input from each committee chair and Board members on the effectiveness of the committee, the committee chair and the individual directors.

Annually the Board, with input from all directors, reviews the effectiveness of the Non-Executive Chair.

F. Periodic Review of Board and Management Powers

The Board periodically reviews the allocation of powers between management and the Board, and determines whether these grants of authority are consistent with the changing needs of the business.

VI. Operation of the Board

Board meetings are scheduled in advance, although special meeting may be called as necessary. The meetings are usually held at the Exchange headquarters in New York, New York or telephonically.

A. Meeting Order and Agenda

The Chairman establishes the rules of order and procedure of the meeting to ensure the meeting is conducted in an orderly fashion. The Chairman also controls the order of issues to be presented to the Board. The Chairman retains the right, if necessary, to rule out of order any remarks or discussion.

The Board is responsible for the Board meeting agenda. Board members are urged to make suggestions for agenda items or meeting materials to the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer establish an agenda for the Board meetings to be held during the year. Each director may suggest additional items for each meeting agenda.

B. Attendance and Participation

Board members should attend and participate regularly in Board and Committee meetings consistent with the general fiduciary standards and governance needs of the Exchange.

C. Selection of Agenda Items and Board Meeting Materials

The Chairman, with input from the CEO and Corporate Secretary, will establish an agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the Board meeting agenda. Board members are requested to provide suggested agenda items to the Corporate Secretary in advance of the Board meeting. Board materials are distributed to the Board on a timely basis and in advance of the Board meeting.

D. Board Presentations by Managers

Board meetings generally include presentations by managers to give such managers exposure to the Board and assist the Board in exercising its business judgment.

As a general rule, materials are distributed in advance so that the Board meeting time may be focused on discussions and analysis, rather than an exchange of information. Confidential matters may be discussed at the Board meeting without materials being distributed in advance of the meeting.

E. Member Communication with Directors

Exchange members may communicate to the Board by sending correspondence to the Corporate Secretary who forwards all correspondence to the appropriate Board member. In accordance with SEC Rules and the Sarbanes-Oxley Act of 2002, concerns relating to accounting, internal controls or auditing matters are immediately brought to the attention of NASDAQ OMX's internal audit department and Office of General Counsel. Such concerns are handled in accordance with procedures established by the NASDAQ OMX Audit Committee with respect to such matters.

F. Chairman and Executive Sessions of Board

The Chairman and the independent directors meet in a separate meeting with the CEO and Corporate Secretary ("Chairman's Sessions") at every regularly scheduled Board meeting. The independent directors are invited to meet without management ("Executive Sessions") at every Board meeting, but no less than at the regularly scheduled Board meetings. The Chairman shall assume the responsibility for chairing the meetings of independent directors. The Chairman, or his or her designee, shall report to the CEO and Corporate Secretary any actions taken during an Executive Session.

G. Committees of the Board

Committees are appointed by the Board to facilitate and assist in the execution of the Board's responsibilities.

Each committee will perform its duties as assigned by the Board in compliance with the By-Laws and the Committee Charters. The Committee Charters are located on the NASDAQ OMX investor relations website at www.nasdaqomx.com.

H. Assignment and Rotation of Board Committee Members

Annually, the Board reviews and approves members of the Board Committees. Board members may indicate their Committee preference; however, the selection process will be subject to the compositional requirements for the Committees and to the Board's view as to the most appropriate persons to serve on the Committee, taking into account all factors that it deems relevant including any independence and other criteria required by securities law or the Board of Directors.

I. Operation of Board Committees

The Committee Chairman establishes the rules of order and procedure of the meeting to ensure the meeting is conducted in an orderly fashion. The Committee Chairman controls the meeting agenda and the order of issues to be presented to the Board. The Committee Chairman retains the right, if necessary, to rule out of order any remarks or discussion that does not comply with Committee procedures. The Committee Chairman may make additional meeting rules as appropriate or advisable.

J. Selection of Board Committee Agenda and Committee Materials

The Committee is responsible for the Committee meeting agenda. Committee members are urged to make suggestions for agenda items or meeting materials to the Committee Chairman, Chief Executive Officer and Corporate Secretary.

The Chairman of the Committee, with input from the Chairman, CEO, Corporate Secretary, or staff liaison, will establish a meeting agenda for each Committee. Information important to the business matters at the Committee meeting is distributed in advance of the meeting. As a general rule, materials are distributed in advance so that the Committee meeting time may be focused on discussions and analysis, rather than an exchange of information. Confidential matters may be discussed at the Committee meeting without materials being distributed in advance of the meeting.

K. Executive Sessions of the Committees of the Board

The Committee Chairman has separate meetings for the independent members ("Executive Sessions") at every regularly scheduled Committee meeting. In addition to executive committee sessions, the Audit Committee or the Regulatory Oversight Committee may have separate meetings with management, the independent auditors, and other third parties as deemed necessary.

VI. Leadership Development of the Board and Senior Management

A. Director Orientation

Annually, all directors receive an orientation and reference manual providing a corporate and business overview and summarizing the director duties and responsibilities. The orientation program includes among other things: a strategic presentation by each of the business lines, a presentation of significant financial, accounting and risk management issues; a presentation of the corporate legal, compliance and regulatory programs; and a presentation of the Code of Ethics for officers and employees, the principal corporate officers, and the internal and independent auditors.

The orientation program also includes a review of the corporate expectations in terms of a director's times and attendance at Board meetings, and a review of the director's fiduciary duties.

B. Director Continuing Education

Directors are expected and encouraged to participate in continuing education programs in order to maintain the necessary level of expertise to perform their responsibilities as directors.

C. Evaluation of Senior Management

The Board evaluates the Exchange President and Chief Regulatory Officer on an annual basis. The Non-Executive Board Chair communicates this evaluation to the parent company CEO. The evaluation is based on objective criteria including performance of the corporation, accomplishment of long-term strategic objectives and development of senior management.