

APPLETON DOUGLAS S  
Form 4  
January 25, 2005

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

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

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
APPLETON DOUGLAS S

(Last) (First) (Middle)  
825 BATTERY ST.  
  
(Street)

SAN FRANCISCO, CA 94111

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
MARKETWATCH INC [MKTW]

3. Date of Earliest Transaction (Month/Day/Year)  
01/21/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
General Counsel and Secretary

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				Code	V Amount (D) Price			
Common Stock	01/21/2005		D	33	D	0	D	

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

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 6.35	01/21/2005		D	31,496	<u>(2)</u> 03/17/2013	Common Stock	31,496
Employee Stock Option (Right to Buy)	\$ 6.35	01/21/2005		D	35,171	<u>(3)</u> 03/17/2013	Common Stock	35,171
Employee Stock Option (Right to Buy)	\$ 8.51	01/21/2005		D	33,334	<u>(4)</u> 11/14/2013	Common Stock	33,334
Employee Stock Option (Right to Buy)	\$ 11.68	01/21/2005		D	50,000	<u>(5)</u> 09/24/2014	Common Stock	50,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
APPLETON DOUGLAS S 825 BATTERY ST. SAN FRANCISCO, CA 94111			General Counsel and Secretary	

## Signatures

Douglas Appleton  
01/24/2005  
\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Disposed of pursuant to the merger agreement between the issuer and Dow Jones and Company, Inc. in exchange for the right to receive a cash consideration of \$18 per share on the effective date of the merger.
- (2) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 13,700 shares of Dow Jones common stock for \$14.60 per share.
- (3) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 15,299 shares of Dow Jones common stock for \$14.60 per share.
- (4) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 14,500 shares of Dow Jones common stock for \$19.57 per share.
- (5) This option fully vested on the effective date of the merger and was assumed by Dow Jones and Company, Inc. in the merger and was replaced with an option to purchase 21,750 shares of Dow Jones common stock for \$26.86 per share.

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

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