

KENNEDY JAMES A C  
Form 4  
December 18, 2008

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL  
OMB Number: 3235-0287  
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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 \*  
KENNEDY JAMES A C

2. Issuer Name and Ticker or Trading Symbol  
PRICE T ROWE GROUP INC  
[TROW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

T. ROWE PRICE GROUP, INC., P.O. BOX 89000

3. Date of Earliest Transaction (Month/Day/Year)  
12/16/2008

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
CEO & President

(Street)

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

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

BALTIMORE, MD 21289-0320

(City) (State) (Zip)

**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 Indirect Ownership (Instr. 4)
				(A) or (D) Code V Amount (D) Price			
Common Stock	12/16/2008		M	4,600 A \$ 21.725	1,238,468.155	D	
Common Stock	12/16/2008		M	95,000 A \$ 17.875	95,000	I	James A.C. Kennedy LLC
Common Stock	12/16/2008		S	95,000 D \$ 33.0589	0	I	James A.C. Kennedy LLC
	12/17/2008		M	69,400 A \$ 17.875	69,400	I	

Common Stock							James A.C. Kennedy LLC
Common Stock					1,196,721	I	2008 Kennedy Grantor Retained Annuity Trust III <u>(2)</u>

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

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

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(9-02)

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

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	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Options (Right to Buy)	\$ 21.725	12/16/2008		M	4,600	12/11/2004 <sup>(3)</sup>	12/11/2013	Common Stock	4,600
Stock Options (Right to Buy)	\$ 17.875	12/16/2008		M	95,000	12/21/1999 <sup>(4)</sup>	12/21/2008	Common Stock	95,000
Stock Options (Right to Buy)	\$ 17.875	12/17/2008		M	69,400	12/21/1999 <sup>(4)</sup>	12/21/2008	Common Stock	69,400

## Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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Director    10% Owner    Officer    Other

KENNEDY JAMES A C  
T. ROWE PRICE GROUP, INC.    X    CEO & President  
P.O. BOX 89000  
BALTIMORE, MD 21289-0320

## Signatures

/s/ James A.C.  
Kennedy    12/18/2008

\_\_Signature of Reporting    Date  
Person

## 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) The range of prices for this transaction were \$33.0081 to \$33.2573. Will provide upon request by the Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
- (2) These shares were previously reported as directly owned, but were transferred to the 2008 Kennedy Grantor Retained Annuity Trust III, on 11/21/2008.
- (3) 12/11/2003 Grant - The option vests 20% annually over a 5 year period beginning on 12/11/2004.
- (4) 12/21/1998 Grant - The option vests 20% annually over a 5 year period beginning on 12/21/1999.

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.