KENNEDY JAMES A C
Form 4
December 18, 2008

FORM 4

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

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

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
KENNEDY JAMES A C

(Last) (First) (Middle)

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

(Street)

BALTIMORE, MD 21289-0320

(City) (State) (Zip)

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

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (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 (1)	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 (2)

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

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SEC 1474 (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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	$ 21.725	12/16/2008		M			4,600	12/11/2004(3)	12/11/2013	Common Stock	4,600
Stock Options (Right to Buy)	$ 17.875	12/16/2008		M			95,000	12/21/1999(4)	12/21/2008	Common Stock	95,000
Stock Options (Right to Buy)	$ 17.875	12/17/2008		M			69,400	12/21/1999(4)	12/21/2008	Common Stock	69,400

Reporting Owners

Reporting Owner Name / Address	Relationships

	Director	10% Owner	Officer	Other
KENNEDY JAMES A C T. ROWE PRICE GROUP, INC. P.O. BOX 89000 BALTIMORE, MD 21289-0320	X		CEO & President	

Signatures

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