LEGG MASON INC Form 4 July 20, 2010

FORM 4

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

OMB APPROVAL

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obligations may continue. See Instruction

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

(Print or Type Responses)

1(b).

1. Name and Address of Reporting Person * KOERNER JOHN E III

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

(First) (Last)

(Middle)

(Zip)

LEGG MASON INC [LM] 3. Date of Earliest Transaction

(Month/Day/Year) 07/16/2010

_X__ Director 10% Owner Other (specify

(Check all applicable)

Officer (give title below)

LEGG MASON, INC., 100 INTERNATIONAL DRIVE

(Street)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

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

BALTIMORE, MD 21202

(State)

(City)

		Tubbe I Tivon Delivative Securities Trequired, Disposed 61, 61 Delivating 6 whom							
1.Title of Security	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if			5. Amount of Securities	6. Ownership Form: Direct	7. Nature of Indirect		
(Instr. 3)	•	any	Code	Disposed of (D)	Beneficially	(D) or	Beneficial		
		(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4 and 5)	Owned	Indirect (I)	Ownership		
			Code V	(A) or Amount (D) Price	Following Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)	(Instr. 4)		
Common Stock					21,491	D			
Common Stock					1,120	I	By Trusts for Children		

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)

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. Transacti 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 Underlying Securi (Month/Day/Year) (Instr. 3 and 4)		Securities	8. Pr Deriv Secu (Inst	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Restricted Stock Units (1)	(2)	07/16/2010		A	13.19	<u>(1)</u>	<u>(1)</u>	Common Stock	13.19	\$ 2

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
KOERNER JOHN E III						
LEGG MASON, INC. 00 INTERNATIONAL DRIVE	X					

Signatures

BALTIMORE, MD 21202

/s/ Thomas C. Merchant, Attorney-in-fact for John E. Koerner, III

**Signature of Reporting Person Date

07/20/2010

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) Restricted Stock Units acquired pursuant to and under the conditions of the Legg Mason, Inc. Non-Employee Director Equity Plan, as amended. See Exhibit 10.2 of Legg Mason's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008.
- (2) 1-for-1

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.

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