

LEGG MASON INC  
Form 4  
May 14, 2008

**FORM 4**

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

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).

**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 \*  
MASON RAYMOND A

(Last) (First) (Middle)

LEGG MASON INC, 100 LIGHT ST

(Street)

BALTIMORE, MD 21202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
LEGG MASON INC [LM]

3. Date of Earliest Transaction (Month/Day/Year)  
05/12/2008

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 or Price		
Common Stock	05/12/2008		M		25,000 A \$ 35.27	(1)	D
Common Stock	05/12/2008		S		25,000 D \$ 55.74		D
Common Stock	05/13/2008		M		25,000 A \$ 35.27		D
Common Stock	05/13/2008		S		25,000 D \$ 55.54		D
Common Stock	05/14/2008		M		25,000 A \$ 35.27		D

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Common Stock	05/14/2008	S	25,000	D	\$ 55.92	2,134,699	D	
Common Stock						323,169 <sup>(1)</sup>	I	By GRAT
Common Stock						18,075	I	By Wife <sup>(2)</sup>
Common Stock						1,800	I	By Step-children <sup>(2)</sup>
Common Stock						1,200	I	By Trusts for Step-children <sup>(2)</sup> <sup>(3)</sup>
Common Stock						300	I	By Trusts for Children <sup>(3)</sup>
Common Stock						150	I	By Child <sup>(2)</sup> <sup>(4)</sup>

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.**

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)	
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to buy) <sup>(5)</sup>	\$ 35.27	05/12/2008		M	25,000	07/25/2000	07/22/2008	Common Stock	25,000
Stock Options (Right to buy) <sup>(5)</sup>	\$ 35.27	05/13/2008		M	25,000	07/25/2000	07/22/2008	Common Stock	25,000
	\$ 35.27	05/14/2008		M	25,000	07/25/2000	07/22/2008		25,000

Stock  
Options  
(Right to  
buy) (5)

Common  
Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MASON RAYMOND A LEGG MASON INC 100 LIGHT ST BALTIMORE, MD 21202		X		

## Signatures

/s/ Erin L. Clark, Attorney-in-fact for Raymond A.  
Mason

05/14/2008

  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) On May 9, 2008, 150,000 shares of common stock previously owned by Mr. Mason directly were contributed to a grantor retained annuity trust ("GRAT").
  - (2) The reporting person disclaims beneficial ownership of all securities held and this report should not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purposes.
  - (3) The reporting person is trustee.
  - (4) The reporting person's wife is custodian.
  - (5) Employee stock option cumulatively exercisable annually in 20% increments commencing on the exercisable date indicated.

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.