

Merchant Thomas C  
 Form 3  
 April 11, 2013

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL  
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**INITIAL STATEMENT OF 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 *      |         | 2. Date of Event Requiring Statement   | 3. Issuer Name <b>and</b> Ticker or Trading Symbol |   |
| ^ Merchant Thomas C<br>(Last) (First) (Middle) |         | (Month/Day/Year)<br>04/01/2013   | LEGG MASON, INC. [LM]                              |   |
| LEGG MASON, INC., ^ 100 INTERNATIONAL DRIVE    |         | 4. Relationship of Reporting Person(s) to Issuer   |  | 5. If Amendment, Date Original Filed(Month/Day/Year)  |
| (Street)                                       |         | (Check all applicable)   |  |   |
| BALTIMORE, ^ MD ^ 21202                        |         | <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner<br><input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other<br>(give title below)    (specify below)<br>General Counsel |  | 6. Individual or Joint/Group Filing(Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person |
| (City)   | (State) | (Zip)  |  |   |

**Table I - Non-Derivative Securities Beneficially Owned**

| 1. Title of Security<br>(Instr. 4) | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|------------------------------------|--|---|--|
| Common Stock                       | 42,635.6 <sup>(1)</sup>                                  | D   | ^  |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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

| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security<br>(Instr. 4)<br><br>Title | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security:<br>Direct (D) | 6. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|---|---|---|--|---|--|
|---|---|---|--|---|--|

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|                              | Date<br>Exercisable | Expiration<br>Date |              | Amount or<br>Number of<br>Shares |           | or Indirect<br>(I)<br>(Instr. 5) |   |
|------------------------------|---------------------|--------------------|--------------|----------------------------------|-----------|----------------------------------|---|
| Stock Options (Right to buy) | Â (2)               | 07/19/2013         | Common Stock | 5,000                            | \$ 104    | D                                | Â |
| Stock Options (Right to buy) | Â (3)               | 07/22/2013         | Common Stock | 3,000                            | \$ 122.91 | D                                | Â |
| Stock Options (Right to buy) | Â (4)               | 07/22/2014         | Common Stock | 5,000                            | \$ 95.66  | D                                | Â |
| Stock Options (Right to buy) | Â (5)               | 07/22/2015         | Common Stock | 5,000                            | \$ 100.77 | D                                | Â |
| Stock Options (Right to buy) | Â (6)               | 07/22/2016         | Common Stock | 6,000                            | \$ 33.97  | D                                | Â |
| Stock Options (Right to buy) | Â (7)               | 07/22/2017         | Common Stock | 7,500                            | \$ 27.45  | D                                | Â |
| Stock Options (Right to buy) | Â (8)               | 05/18/2018         | Common Stock | 2,801                            | \$ 33.25  | D                                | Â |
| Stock Options (Right to buy) | Â (9)               | 05/17/2019         | Common Stock | 5,712                            | \$ 33.99  | D                                | Â |
| Stock Options (Right to buy) | Â (10)              | 05/17/2020         | Common Stock | 7,392                            | \$ 23.72  | D                                | Â |
| Phantom Stock                | Â (11)              | Â (11)             | Common Stock | 1,287.82                         | \$ (11)   | D                                | Â |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                   |       |
|---|---------------|-----------|-------------------|-------|
|   | Director      | 10% Owner | Officer           | Other |
| Merchant Thomas C<br>LEGG MASON, INC.<br>100 INTERNATIONAL DRIVE<br>BALTIMORE, MD 21202 | Â             | Â         | Â General Counsel | Â     |

## Signatures

/s/ Elisabeth F. Craig, Attorney-in-fact for Thomas C.  
Merchant

04/11/2013

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) Includes the acquisition of 569.60 shares of Legg Mason, Inc. Common Stock pursuant to the Legg Mason, Inc. Employee Stock Purchase Plan.
- (2) Employee stock options vests serially over four years and commenced on July 19, 2006.

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- (3) Employee stock options vests serially over five years and commenced on July 23, 2006.
- (4) Employee stock options vests serially over five years and commenced on July 23, 2007.
- (5) Employee stock options vests serially over five years and commenced on July 23, 2008.
- (6) Employee stock options vests serially over five years and commenced on July 23, 2009.
- (7) Employee stock options vests serially over five years and commenced on July 23, 2010.
- (8) Employee stock options vests serially over five years and commenced on May 31, 2011.
- (9) Employee stock options vests serially over four years and commenced on May 31, 2012.
- (10) Employee stock options vests serially over four years commencing on May 31, 2013.
- (11) Each share of Phantom Stock is the economic equivalent of one share of LM Common Stock. The shares of Phantom Stock will be settled in shares of LM Common Stock upon termination of the reporting person's employment with LM.

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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