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

DIVISION OF
CORPORATION FINANCE

January 17, 2018

Randy W. Fickel
T. Rowe Price Group, Inc.
randy_fickel@troweprice.com

Re: T. Rowe Price Group, Inc.
Incoming letter dated December 22, 2017

Dear Mr. Fickel:

This letter is in response to your correspondence dated December 22, 2017 concerning the shareholder proposal (the "Proposal") submitted to T. Rowe Price Group, Inc. (the "Company") by James McRitchie (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Copies of all of the correspondence on which this response is based will be made available on our website at http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Matt S. McNair
Senior Special Counsel

Enclosure

cc: John Chevedden
***

***FISMA & OMB Memorandum M-07-16

January 17, 2018

Response of the Office of Chief Counsel
Division of Corporation Finance

Re: T. Rowe Price Group, Inc.
Incoming letter dated December 22, 2017

The Proposal requests that the board take each step necessary so that each voting requirement in the Company's charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws.

There appears to be some basis for your view that the Company may exclude the Proposal under rule 14a-8(i)(10). In this regard, we note your representation that the Company will provide shareholders at its 2018 annual meeting with an opportunity to approve amendments to its charter that, if approved, will remove the only supermajority voting requirement in the Company's charter and bylaws. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on rule 14a-8(i)(10).

Sincerely,

M. Hughes Bates
Special Counsel

DIVISION OF CORPORATION FINANCE
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the company in support of its intention to exclude the proposal from the company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes and rules administered by the Commission, including arguments as to whether or not activities proposed to be taken would violate the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversarial procedure.

It is important to note that the staff's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly, a discretionary determination not to recommend or take Commission enforcement action does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the company's management omit the proposal from the company's proxy materials.

T.RowePrice®
INVEST WITH CONFIDENCE

LEGAL DEPARTMENT

December 22, 2017

VIA E-MAIL *(shareholderproposals@sec.gov)*

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: T. Rowe Price Group, Inc.
Shareholder Proposal of John Chevedden

Dear Ladies and Gentlemen:

T. Rowe Price Group, Inc., a Maryland corporation (the "Company"), hereby requests confirmation that the staff of the Division of Corporate Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8(i)(10) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company omits the enclosed shareholder proposal (the "Proposal") and statements in support thereof received from John Chevedden, on behalf of James McRitchie (the "Proponent"), from the Company's proxy materials (the "2018 Proxy Materials") for its 2018 Annual Meeting of shareholders (the "2018 Annual Meeting of Shareholders").

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB No. 14D"), this submission is being delivered by email to shareholderproposals@sec.gov. Pursuant to Rule 14a-8(j), we have submitted this letter to the Commission no later than 80 calendar days before the Company intends to file its definitive 2018 Proxy Materials with the Commission and concurrently sent a copy of this submission to the Proponent, through his designated agent. Rule 14a-8(k) and SLB No 14D provide that a shareholder proponent is required to send to the company a copy of any correspondence that the proponent elects to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponent that, if he elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned.

I. THE PROPOSAL

On November 15, 2017, the Company received a letter from the Proponent, submitting the Proposal for inclusion in the 2018 Proxy Materials. The Proposal, as submitted, reads as follows:

Proposal [4*] – Simple Majority Vote

> RESOLVED, T. Rowe Price Group, Inc. shareholders request that our board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. It is also

T. Rowe Price Associates, Inc.
T: 410-345-2000
F: 410-345-6575

4515 Painters Mill Road
Owings Mills, MD 21117-4903

important that our company take each step necessary to avoid a failed vote on this proposal topic.

The letter submitting the Proposal and its related attachments are attached as Exhibit A.

We hereby request that the Staff concur in our view that the Proposal may be excluded for the 2018 Proxy Materials pursuant to Rule 14a-8(i)(10) because, as explained below, the board of directors of the Company (the "Board"), has approved the Charter Amendments (as defined below) and approved submitting the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders. These actions substantially implement the Proposal.

II. BACKGROUND

The Charter of T. Rowe Price Group, Inc., as amended by Articles of Amendment Dated April 10, 2008 (the "Charter") and the T. Rowe Price Group, Inc. Amended and Restated By-Laws, As Amended as of December 10, 2015 (the "Bylaws") only include one provision that calls for "a greater than simple majority vote" that is not otherwise required by applicable law.[1] Specifically, Article EIGHTH, Section (3)(b) of the Charter (the "15% Shareholder Provision") provides, in relevant part, that:

> A person or Group that is the Beneficial Owner of more than 15% of any class of Voting Stock shall have the right to vote not more than 15% of the shares of such class, and the remaining shares Beneficially Owned by such person or Group shall be deducted from the total number of shares of Voting Stock of such class for purposes of determining the proportion of Voting Stock required to approve a matter submitted for shareholder approval. In the case of a Group, the votes of individual members of a Group shall be reduced on a pro rata basis for purposes of determining which shares of such class of Voting Stock shall be voted so that the Group shall have in the aggregate the right to vote not more than 15% of the shares of such class of Voting Stock. A person that is a member of more than one Group shall vote the least number of shares of a class of voting stock that he may vote as a member of any such Group.
>
> Article EIGHTH, Section (5) of the Charter, provides that:
>
> Notwithstanding any provision of law requiring the authorization of any action by a greater proportion than a majority of the total number of shares of all classes of capital stock, such action shall be valid and effective if authorized by the affirmative vote of the holders of a majority of the total number of shares of all classes outstanding and entitled to vote thereon, ***except that the affirmative vote of the holders of two-thirds of the total number of shares of all classes outstanding and entitled to vote thereon shall be required to amend, repeal, or adopt any provision inconsistent with Article EIGHTH, Section (3).***

[1] Article EIGHTH, Section (5) of the Charter includes a requirement that certain actions, including charter amendments and mergers, must be approved by the affirmative vote of the holders of a majority of the total number of shares of all classes outstanding and entitled to vote thereon; however, this "greater than simple majority vote" is required by Maryland General Corporation Law ("MGCL"). See, MGCL §2-604(e), §3-105(e), and §2-104(b)(5). It is the Company's position that notwithstanding the fact that this provision requires , as described in the Proposal, "greater than simple majority vote" it complies with the requirement of the Proposal that the Company adopt the "closest standard to a majority of the votes cast for and against such proposals ***consistent with applicable laws***." Emphasis added.

Emphasis added.

The Nominating and Governance Committee of the Board (the "Nominating Committee") and the Board have, from time to time, considered the continued utility of the 15% Shareholder Provision. At meetings held on December 6, 2016, the Nominating Committee recommended, and the Board authorized eliminating the 15% Shareholder Provision in conjunction with certain other governance changes as part of its ongoing review of the Company's corporate governance practices and policies. The Board unanimously approved amendments to the Charter (the "Charter Amendments") that would remove the 15% Shareholder Provision of Article EIGHTH, Section (3) and as a result of the removal of the 15% Shareholder Provision, the related supermajority voting provision contained in Article EIGHTH, Section (5), highlighted above.

Exhibit B attached hereto contains the Charter with the proposed changes related to the removal of the 15% Shareholder Provision in Article EIGHTH, Section (3) and the supermajority voting provision in Article EIGHTH, Section (5) of the Charter.

The amendment to the Charter to eliminate the 15% Shareholder Provision requires shareholder approval. Accordingly, at the December 6, 2018 Board meeting, the Board also approved submitting the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders with a recommendation from the Board that the shareholders approve the Charter Amendments. If the Charter Amendments receive the requisite shareholder approval (i.e., two-thirds of the total number of shares of all classes outstanding and entitled to vote thereon), then the 15% Shareholder Provision and the related supermajority voting requirement would be eliminated from the Charter and, as a result, there would be no supermajority voting provision in either the Charter or the Bylaws.

III. The Proposal May Be Excluded As Substantially Implemented Under Rule 14a-8(i)(10)

A. Rule 14a-8(i)(10) In General

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. Interpreting the predecessor to Rule 14a-8(i)(10), the Commission stated that the rule was "designed to avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by the management." *Exchange Act Release No. 12598* (July 7, 1976). To be excluded, the proposal does not need to be implemented in full or exactly as presented by the proponent. Instead, the standard for exclusion is substantial implementation. See *Exchange Act Release No.* 40018 (May 21, 1998, n. 30 and accompanying text); see also *Exchange Act Release No.* 20091 (August 16, 1983).

B. Substantial Implementation of the Essential Objective of a Proposal is Sufficient for Omitting the Proposal Under 14a-8(i)(10)

1. In General

In determining whether a shareholder proposal has been substantially implemented, the Staff has stated that it will consider whether a company's particular policies, practices, and procedures "compare favorably with the guidelines of the proposal," and not where those policies, practices and

procedures are embodied. *Texaco, Inc.* (March 28, 1991). *See also, e.g., NetApp, Inc.* (June 10, 2015); *Medtronic, Inc.* (June 13, 2013) (both relating to proposals seeking to remove supermajority voting provisions). Accordingly, the Staff has provided no-action relief under Rule 14a-8(i)(10) when a company has satisfied the essential objective of the proposal, even if the company (i) did not take the exact action requested by the proponent, (ii) did not implement the proposal in every detail, or (iii) exercised discretion in determining how to implement the proposal. *See, e.g., Exxon Mobil Corporation* (March 17, 2015; *recon. denied* March 25, 2015); *Exelon Corp.* (February 26, 2010); *Chevron Corp.* (Feb. 19, 2008). In each of these cases, the Staff agreed with the company's determination that even though the company had taken actions that were different from what was directly contemplated by the proposal, including circumstances when the company had policies and procedures in place relating to the subject matter of the proposal, the proposal was substantially implemented in accordance with Rule 14a-8(i)(10) or the company had otherwise implemented the essential objective of the proposal. As explained below, the actions taken by the Company substantially implement the objective of the Proposal.

2. What Constitutes Substantial Implementation of the Essential Objective

The Staff has taken the position with respect to proposals similar to the Proposal that actions taken by companies that are substantially similar to those taken by the Company constitute substantial implementation of the proposal permitting its omission from the proxy statement under Rule 14a-8(i)(10). *See, e.g., Qualcomm Inc.* (December 8, 2017); *Korn/Ferry International* (Jul. 6, 2017); *The Southern Company* (February. 24, 2017); *Windstream Holdings* (Feb. 14, 2017); *Brocade Communications Systems, Inc.* (December 19, 2016); *PPG Industries, Inc.* (January 21, 2015); *McKesson Corporation* (April 8, 2011); *Express Scripts, Inc.* (January 28, 2010); *Time Warner Inc.* (February 29, 2008).

Specifically, the Staff has agreed that a proposal that seeks to eliminate supermajority voting provisions could be substantially implemented by a board's authorizing an amendment to the certificate of incorporation that seeks to delete in its entirety the article containing supermajority voting requirements. For instance, in *Becton, Dickinson and Co.* (Nov. 27, 2012), the proponent requested that the board take the steps necessary so that each shareholder voting requirement in the charter and bylaws that calls for a greater than simple majority vote be changed to require a majority of the votes cast for and against such proposals. The company's board of directors authorized an amendment to the company's certificate of incorporation to remove in its entirety the "fair price" article that contained supermajority provisions from the company's certificate of incorporation and committed to submitting such amendment to a vote of the company's shareholders at the subsequent annual meeting. The Staff agreed with the proposal's exclusion under Rule 14a-8(i)(10) stating that "it appears that [the company's] policies, practices, and procedures compare favorably with the guidelines of the proposal and that [the company] has, therefore substantially implemented the proposal." See also, *McKesson Corp* (Apr. 8, 2011) (removal of "fair price" provision substantially implemented shareholder proposal seeking removal of supermajority voting provisions); *The Home Depot, Inc.* (Jan. 8, 2008) and *The Home Depot, Inc.* (Mar. 28, 2002) (in both instances concurring with exclusion of proposals seeking simple majority vote requirements when the board authorized and submitted for shareholder approval an amendment to the company's certificate deleting the "fair price" provision from the certificate, which contained the only supermajority voting requirement).

The Staff has also consistently granted no-action relief in situations where the board lacks unilateral authority to adopt amendments but has taken all of the steps within its power to eliminate

supermajority voting requirements and submitted the issue for shareholder approval. For instance, in *Visa Inc.* (Nov. 14, 2014) and McKesson, discussed above, the companies' boards approved amendments to eliminate supermajority voting provisions, but the amendments would only become effective on shareholder approval. The companies argued, and the Staff agreed, that no-action relief was appropriate based on the actions taken by the board and the anticipated actions of the companies' shareholders. *See also AECOM* (Nov. 1, 2016); *The Brink's Co.* (Feb. 5, 2015); *Visa Inc.* (Nov. 14, 2014*); McKesson Corp* (Apr. 8, 2011); *Applied Materials, Inc.* (Dec. 19, 2008); *Sun Microsystems, Inc.* (Aug. 28, 2008); *HJ Heinz Co.* (Mar. 10, 2008) (each granting no-action relief for a proposal similar to the Proposal based on board action and anticipated submission for shareholder consideration).

C. The Company's Actions Constitute Substantial Implementation of the Essential Objective of the Proposal Permitting its Omission Under 14(a)-8(i)(10)

The essential objective of the Proposal is for the board to "take each step necessary" for the removal of "each voting requirement in our charter and bylaws that calls for a greater than simple majority vote." The Company has achieved the Proposal's objective, because the Board has, similar to the proponent in Becton, Dickinson and Co., discussed above, approved and authorized placing before its shareholders the Charter Amendments that eliminate the 15% Shareholder Provision, which would result in the removal of the related supermajority voting provision. The Board lacks unilateral authority to adopt the amendments to eliminate the 15% Shareholder Provision, but has taken all steps within its power to eliminate the provision and its related supermajority voting provision, and has, similar to the boards in AECOM, The Brinks Co., Visa, McKesson Corp, Applied Materials, Sun Microsystems and HJ Heinz Co., determined to submit the Charter Amendments for shareholder approval at the 2018 Annual Meeting of Shareholders. The Charter Amendments would eliminate the only supermajority voting standard in the Charter.

Given that the Bylaws do not contain any supermajority voting provisions and the Charter Amendments would, if approved by shareholders at the 2018 Annual Meeting of Shareholders, eliminate the only supermajority provision in the Charter, the Company has substantially implemented the essential objective of the Proposal (i.e., that the "board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws.")

The Proposal also notes that "[i]t is important that our company take each step necessary to avoid a failed vote on this proposal topic." The Board has approved recommending that shareholders vote "for" the Certificate Amendments. This recommendation will be included in the 2018 Proxy Materials that are distributed to the Company's shareholders.

Accordingly, the Proposal may properly be excluded from the 2018 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

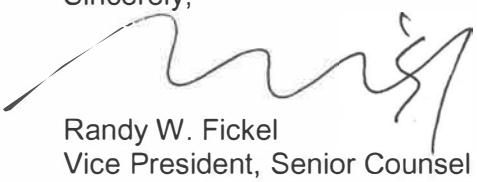
CONCLUSION

Based upon the foregoing analysis, we believe that the Proposal has been substantially implemented by the Charter Amendments that have been approved by the Board and is therefore excludable under Rule 14a-8(i)(10). If the Proposal were to be included in the 2018 Proxy Materials, shareholders would be voting on a matter that has already been favorably acted upon by

management. In short, there is no reason to ask shareholders to vote on a proposal to urge the Board to take action that the Board has already taken. We respectfully request that the Staff concur with the Company's view and confirm that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from its 2018 Proxy Materials.

If you have any questions or need additional information, please feel free to contact me at (410) 577-4922.

Sincerely,



Randy W. Fickel
Vice President, Senior Counsel

***

cc: John Chevedden
David Oestreicher, T. Rowe Price Group, Inc. (David_Oestreicher@troweprice.com)
Pamela Conover, T. Rowe Price Group, Inc. (Pamela_Conover@troweprice.com)
Robert W. Smith, Jr., DLA Piper (jay.smith@dlapiper.com)
Sanjay Shirodkar, DLA Piper (sanjay.shirodkar@dlapiper.com)

*** FISMA & OMB Memorandum M-07-16

EXHIBIT A

James McRitchie
***

T. Rowe Price Group, Inc.
Mr. David Oestreicher
c/o Chief Legal Officer and Corporate Secretary
100 East Pratt Street, Mail Code BA-1360
Baltimore, MD 21202
Phone: 410-345-2000
Fax: 410-345-6575
David_Oestreicher@troweprice.com)

Dear Corporate Secretary,

As a long-time shareholder of the T. Rowe Price Group, I believe our company has unrealized potential that can be unlocked by adopting the attached proposal, Simple Majority Vote.

My proposal is for the next annual shareholder meeting. I will meet Rule 14a-8 requirements including the continuous ownership of the required stock value until after the date of the respective shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

This is my delegation to John Chevedden and/or his designee to forward this Rule 14a-8 proposal to the company and to act as my agent regarding this Rule 14a-8 proposal, negotiations and/or modification, and presentation of it for the forthcoming shareholder meeting.

Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden
***

to facilitate prompt and verifiable communications. Please identify me exclusively as the lead filer of the proposal.

This letter does not cover proposals that are not rule 14a-8 proposals. This letter does not grant the power to vote. Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. Please acknowledge receipt of my proposal promptly by email to ***

Sincerely,

November 15, 2017

James McRitchie — Date

cc: Pamela Conover, T. Rowe Price Group, Inc. (Pamela_Conover@troweprice.com)

*** FISMA & OMB Memorandum M-07-16

[TROW: Rule 14a-8 Proposal, November 15, 2017]
[This line and any line above it – *Not* for publication.]

Proposal [4*] – Simple Majority Vote

RESOLVED, T. Rowe Price Group, Inc. shareholders request that our board take each step necessary so that each voting requirement in our charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. This means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. It is also important that our company take each step necessary to avoid a failed vote on this proposal topic.

Supporting Statement: Shareowners are willing to pay a premium for shares of companies that have excellent corporate governance. Supermajority voting requirements have been found to be one of 6 entrenching mechanisms that are negatively related to company performance according to "What Matters in Corporate Governance" by Lucien Bebchuk, Alma Cohen and Allen Ferrell of the Harvard Law School (https://papers.ssrn.com/sol3/papers.cfm?abstract_id=593423).

Supermajority requirements are used to block initiatives supported by most shareowners but opposed by a status quo management. The majority of S&P 500 and S&P 1500 companies have no supermajority voting requirements.

This proposal topic won from 74% to 99% support at Weyerhaeuser, Alcoa, Waste Management, Goldman Sachs, FirstEnergy, McGraw-Hill, Macy's, Ferro, Arconic, and Cognizant Technology Solutions. Currently a 1%-minority can frustrate the will of our 66%-shareholder majority. In other words a 1%-minority could have the power to prevent shareholders from improving our corporate governance.

Please vote to enhance shareholder value:

Simple Majority Vote – Proposal [4*]
[This line and any below are *not* for publication]
Number 4* to be assigned by TROW

***

James McRitchie, sponsors this proposal.

Notes:
This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004 including (emphasis added):

Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(l)(3) in the following circumstances:

- the company objects to factual assertions because they are not supported;
- the company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the company, its directors, or its officers; and/or
- the company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

We believe that it is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also: Sun Microsystems, Inc. (July 21, 2005).

The stock supporting this proposal will be held until after the annual meeting and the proposal will be presented at the annual meeting. Please acknowledge this proposal promptly by email

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EXHIBIT B

ARTICLES OF INCORPORATION, AS PROPOSED TO BE AMENDED AND RESTATED,
OF
T. ROWE PRICE GROUP, INC.

FIRST: THE UNDERSIGNED, Robye Shaw Margolius, whose address is 6225 Smith Avenue, Baltimore, Maryland 21209, being at least eighteen years of age, acting as incorporator, does hereby form a corporation under the General Laws of the State of Maryland.

SECOND: The name of the corporation (which is hereinafter called the "Corporation") is:

T. Rowe Price Group, Inc.

THIRD: (a) The purposes for which and any of which the Corporation is formed and the business and objects to be carried on and promoted by it are:

(1) To engage in any one or more businesses or transactions, or to acquire all or any portion of any entity engaged in any one or more businesses or transactions which the Board of Directors may from time to time authorize or approve, whether or not related to the business described elsewhere in this Article or to any other business at the time or theretofore engaged in by the Corporation.

The foregoing enumerated purposes and objects shall be in no way limited or restricted by reference to, or inference from, the terms of any other clause of this or any other Article of the charter of the Corporation, and each shall be regarded as independent; and they are intended to be and shall be construed as powers as well as purposes and objects of the Corporation and shall be in addition to and not in limitation of the general powers of corporations under the General Laws of the State of Maryland.

FOURTH: The present address of the principal office of the Corporation is 100 East Pratt Street, Baltimore, Maryland 21202.

FIFTH: The name and address of the resident agent of the Corporation in this State are Barbara A. Van Horn, 100 East Pratt Street, Baltimore, Maryland 21202. Said resident agent is a citizen of the State of Maryland who resides there.

SIXTH: (a) The total number of shares of stock of all classes which the Corporation has authority to issue is 770,000,000 shares of capital stock (par value $.20 per share) amounting in aggregate par value to $154,000,000, of which 750,000,000 shares (par value $.20 per share) amounting in aggregate par value to $150,000,000 are classified as "Common Stock" and 20,000,000 shares (par value $.20 per share) amounting in aggregate par value to $4,000,000 are classified as "Preferred Stock."

(b) The following is a description of the preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions of redemption of the Common Stock and the Preferred Stock of the Corporation:

COMMON STOCK

(1) The Common Stock shall not be subject to classification or reclassification by the Board of Directors, and shall have the rights and terms hereinafter specified, subject to the terms of any other stock provided in the charter pursuant to classification or reclassification by the Board of Directors or otherwise in accordance with law.

(2) ~~**Subject to the provisions of Article EIGHTH, Section (3) of the charter of the Corporation, e**~~Each share of Common Stock shall have one vote, and, except as otherwise provided in respect of any Preferred Stock, the exclusive voting power for all purposes shall be vested in the holders of the Common Stock.

(3) Subject to the provisions of law and any preferences of any Preferred Stock, dividends, including dividends payable in shares of another class of the Corporation's stock, may be paid on the Common Stock of the Corporation at such time and in such amounts as the Board of Directors may deem advisable.

(4) In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or

involuntary, the holders of the Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the Corporation and the amount to which the holders of any Preferred Stock shall be entitled, to share ratably in the remaining net assets of the Corporation.

PREFERRED STOCK

(5) The Board of Directors shall have authority to classify and reclassify any unissued shares of Preferred Stock by fixing or altering in any one or more respects from time to time before issuance the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications or terms or conditions of redemption of such shares of stock; provided, that the Board of Directors shall not classify or reclassify any of such shares into shares of the Common Stock, or into any class or series of stock (i) which is not prior to the Common Stock either as to dividends or upon liquidation and (ii) which is not limited in some respect either as to dividends or upon liquidation. Subject to the foregoing, the power of the Board of Directors to classify and reclassify any of the shares of Preferred Stock shall include, without limitation, subject to the provisions of the charter, authority to classify or reclassify any unissued shares of such stock into a class or classes of preferred stock, preference stock, special stock or other stock, and to divide and classify shares of any class into one or more series of such class, by determining, fixing, or altering one or more of the following:

(a) The distinctive designation of such class or series and the number of shares to constitute such class or series; provided that, unless otherwise prohibited by the terms of such or any other class or series, the number of shares of any class or series may be decreased by the Board of Directors in connection with any classification or reclassification of unissued shares and the number of shares of such class or series may be increased by the Board of Directors in connection with any such classification or reclassification, and any shares of any class or series which have been redeemed, purchased, otherwise acquired or converted into shares of Common Stock or any other class or series shall become part of the authorized capital stock and be subject to classification and reclassification as provided in this Section.

(b) Whether or not and, if so, the rates, amounts and times at which, and the conditions under which, dividends shall be payable on shares of such class or series, whether any such dividends shall rank senior or junior to or on a parity with the dividends payable on any other class or series of Preferred Stock, and the status of any such dividends as cumulative, cumulative to a limited extent or non-cumulative and as participating or non-participating.

(c) Whether or not shares of such class or series shall have voting rights, in addition to any voting rights provided by law and, if so, the terms of such voting rights.

(d) Whether or not shares of such class or series shall have conversion or exchange privileges and, if so, the terms and conditions thereof, including provision for adjustment of the conversion or exchange rate in such events or at such times as the Board of Directors shall determine.

(e) Whether or not shares of such class or series shall be subject to redemption and, if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates; and whether or not there shall be any sinking fund or purchase account in respect thereof, and if so, the terms thereof.

(f) The rights of the holders of shares of such class or series upon the liquidation, dissolution or winding up of the affairs of, or upon any distribution of the assets of, the Corporation, which rights may vary depending upon whether such liquidation, dissolution or winding up is voluntary or involuntary and, if voluntary, may vary at different dates, and whether such rights shall rank senior or junior to or on a parity with such rights of any other class or series of stock.

(g) Whether or not there shall be any limitations applicable, while shares of such class or series are outstanding, upon the payment of dividends or making of distributions on, or the acquisition of, or the use of moneys for purchase or redemption of, any stock of the Corporation, or upon any other action of the Corporation, including action under this Section, and, if so, the terms and conditions thereof.

(h) Any other preferences, rights, restrictions, including restrictions on transferability, and qualifications of shares of such class or series, not inconsistent with law and the charter of the Corporation.

(6) For the purposes hereof and of any articles supplementary to the charter providing for the classification or reclassification of any shares of Preferred Stock or of any other charter document of the Corporation (unless otherwise provided in any such articles or document), any class or series of stock of the Corporation shall be deemed to rank:

(a) prior to another class or series either as to dividends or upon liquidation, if the holders of such class or series shall be entitled to the receipt of dividends or of amounts distributable on liquidation, dissolution or winding up, as the case may be, in preference or priority to holders of such other class or series;

(b) on a parity with another class or series either as to dividends or upon liquidation, whether or not the dividend rates, dividend payment dates or redemption or liquidation price per share thereof be different from those of such others, if the holders of such class or series of stock shall be entitled to receipt of dividends or amounts distributable upon liquidation, dissolution or winding up, as the case may be, in proportion to their respective dividend rates or redemption or liquidation prices, without preference or priority over the holders of such other class or series; and

(c) junior to another class or series either as to dividends or upon liquidation, if the rights of the holders of such class or series shall be subject or subordinate to the rights of the holders of such other class or series in respect of the receipt of dividends or the amounts distributable upon liquidation, dissolution or winding up, as the case may be.

SEVENTH: The number of directors of the Corporation shall be 15, which number may be increased or decreased pursuant to the By-Laws of the Corporation, but shall never be less than the minimum number permitted by the General Laws of the State of Maryland now or hereafter in force. The names of the directors who will serve until the first annual meeting of stockholders of the Corporation and until their successors are elected and qualify are as follows:

Edward C. Bernard
James E. Halbkat, Jr.
Donald B. Hebb, Jr.
Henry H. Hopkins
James A.C. Kennedy
John H. Laporte
Richard L. Menschel
William T. Reynolds
James S. Riepe
George A. Roche
Brian C. Rogers
Robert L. Strickland
M. David Testa
Martin G. Wade
Anne Marie Whittemore

EIGHTH: The following provisions are hereby adopted for the purpose of defining, limiting, and regulating the powers of the Corporation and of the directors and stockholders:

(1) The Board of Directors is hereby empowered to authorize the issuance from time to time of shares of its stock of any class, whether now or hereafter authorized, or securities convertible into shares of its stock of any class or classes, whether now or hereafter authorized, for such consideration as may be deemed advisable by the Board of Directors and without any action by the stockholders.

(2) No holder of any stock or any other securities of the Corporation, whether now or hereafter authorized, shall have any preemptive right to subscribe for or purchase any stock or any other securities of the Corporation other than such, if any, as the Board of Directors, in its sole discretion, may determine and at such price or prices and upon such other terms as the Board of Directors, in its sole discretion, may fix; and any stock or other securities which the Board of Directors may determine to offer for subscription may, as the Board of Directors in its sole discretion shall determine, be offered to the holders of any class, series or type of stock or other securities at the time outstanding to the exclusion of the holders of any or all other classes, series, or types of stock or other securities at the time outstanding.

~~(3)(a) For purposes of this Paragraph (3), the following words have the meanings indicated:~~

~~(i) "Affiliate", including the term "affiliated person", means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a specified person.~~

~~(ii) "Associate", when used to indicate a relationship with any person, means:~~

~~(A) Any corporation or organization, other than the Corporation or a subsidiary of the Corporation, of which such person is an officer, director, or partner or is, directly or indirectly, the beneficial owner of 10% or more of any class of equity securities;~~

~~(B) Any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity;~~

~~(C) Any relative or spouse of such person, or any relative of such spouse, who has the same home as such person; and~~

~~(D) Any relative or spouse of such person, or any relative of such spouse who is a director or officer of the Corporation or any of its affiliates.~~

~~(iii) "Beneficial Owner", when used with respect to any Voting Stock, means a person:~~

~~(A) That is the beneficial owner of Voting Stock, directly or indirectly;~~

~~(B) The Affiliate or Associate of which is the beneficial owner of Voting Stock, directly or indirectly;~~

~~(C) That has, or whose Affiliate or Associate has,~~

~~(I) The right to acquire Voting Stock (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement, or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; or~~

~~(II) The right to vote Voting Stock pursuant to any agreement, arrangement, or understanding; or~~

~~(III) Any agreement, arrangement, or understanding for the purpose of acquiring, holding, voting, or disposing of Voting Stock with any other person that beneficially owns, or whose Affiliates or Associates beneficially own, directly or indirectly, such shares of Voting Stock; provided, that directors, officers, and employees of the Corporation shall not be deemed to have any such agreement, arrangement, or understanding on the basis of their status, or actions taken in their capacities, as directors, officers, or employees of the Corporation or any subsidiaries of the Corporation or as general or limited partners of partnerships formed to make investments or on the basis of their Voting Stock with respect to management proposals.~~

~~(D) For purposes of subparagraph (a) (iii) of this Paragraph (3), (I) the solicitation of revocable proxies and the voting thereof by proxy holders in connection with annual or special meetings of stockholders prior to the time the Corporation is subject to the proxy rules under the Securities Exchange Act of 1934 or thereafter in accordance with such proxy rules, and (II) statements of recommendations on matters to be submitted for stockholder approval or intentions to vote Voting Stock of which such persons are the Beneficial Owners prior to the time the Corporation is subject to the proxy rules under the Securities Exchange Act of 1934 or thereafter in accordance with such proxy rules shall not constitute agreements, arrangements, or understandings for the purpose of acquiring, holding, voting, or disposing of Voting Stock.~~

~~(iv) "Control", including the terms "controlling", "controlled by", and "under common control with", means the possession, directly or indirectly, of the power to vote or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of 10% or more of the votes entitled to be cast by a corporation's voting stock creates a presumption of control.~~

~~(v) "Group", when used to indicate those additional persons whose Voting Stock is Beneficially Owned by a person, shall include:~~

~~(A) the person,~~

~~(B) the Affiliates and Associates of the person; and~~

~~(C) any additional person whose stock is Beneficially Owned by the person or an Affiliate or Associate of the person;~~

~~and shall include all persons that jointly file a statement of beneficial ownership pursuant to Section 13(d) of the Securities Exchange Act of 1934, irrespective of any disclaimers of beneficial ownership.~~

~~(vi) "Voting Stock" means shares of capital stock of the Corporation entitled to vote generally in the election of directors.~~

~~(b) A person or Group that is the Beneficial Owner of more than 15% of any class of Voting Stock shall have the right to vote not more than 15% of the shares of such class, and the remaining shares Beneficially Owned by such person or Group shall be deducted from the total number of shares of Voting Stock of such class for purposes of determining the proportion of Voting Stock required to approve a matter submitted for stockholder approval. In the case of a Group, the votes of individual members of a Group shall be reduced on a pro rata basis for purposes of determining which shares of such class of Voting Stock shall be voted so that the Group shall have in the aggregate the right to vote not more than 15% of the shares of such class of Voting Stock. A person that is a member of more than one Group shall vote the least number of shares of a class of voting stock that he may vote as a member of any such Group.~~

~~(c) The operation of this Paragraph (3) shall not create any presumptions of control for purposes of the Investment Company Act of 1940.~~

~~(4)~~(3)The Board of Directors shall have power from time to time and in its sole discretion to determine in accordance with sound accounting practice, what constitutes annual or other net profits, earnings, surplus, or net assets in excess of capital; to fix and vary from time to time the amount to be reserved as working capital, or determine that retained earnings or surplus shall remain in the hands of the Corporation; to set apart out of any funds of the Corporation such reserve or reserves in such amount or amounts and for such proper purpose or purposes as it shall determine and to abolish any such reserve or any part thereof; to distribute and pay distributions or dividends in stock, cash or other securities or property, out of surplus or any other funds or amounts legally available therefor, at such times and to the stockholders of record on such dates as it may, from time to time, determine; and to determine whether and to what extent and at what times and places and under what conditions and regulations the books, accounts and documents of the Corporation, or any of them, shall be open to the inspection of stockholders, except as otherwise provided by statute or by the By-Laws, and, except as so provided, no stockholder shall have any right to inspect any book, account, or document of the Corporation unless authorized so to do by resolution of the Board of Directors.

~~(5)~~(4) Notwithstanding any provision of law requiring the authorization of any action by a greater proportion than a majority of the total number of shares of all classes of capital stock, such action shall be valid and effective if authorized by the affirmative vote of the holders of a majority of the total number of shares of all classes outstanding and entitled to vote thereon.~~, except that the affirmative vote of the holders of two-thirds of the total number of shares of all classes outstanding and entitled to vote thereon shall be required to amend, repeal, or adopt any provision inconsistent with Article EIGHTH, Section (3).~~

~~(6)~~(5)The Corporation shall indemnify (a) its directors to the full extent provided by the general laws of the State of Maryland now or hereafter in force, including the advance of expenses under the procedures provided by such laws; (b) its officers to the same extent it shall indemnify its directors; and (c) its officers who are not directors to such further extent as shall be authorized by the Board of Directors and be consistent with law. The foregoing shall not limit the authority of the Corporation to indemnify other employees and agents consistent with law.

~~(7)~~(6)To the fullest extent permitted by Maryland statutory or decisional law, as amended or interpreted, no director or officer of this Corporation shall be personally liable to the Corporation or its stockholders for money damages. No amendment of the charter of the Corporation or repeal of any of its provisions shall limit or

eliminate the benefits provided to directors and officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.

~~(8)~~(7) The Corporation reserves the right from time to time to make any amendments of its charter which may now or hereafter be authorized by law, including any amendments changing the terms or contract rights, as expressly set forth in its charter, of any of its outstanding stock by classification, reclassification, or otherwise, but no such amendment which changes such terms or contract rights of any of its outstanding stock shall be valid unless such amendment shall have been authorized by not less than a majority of the aggregate number of the votes entitled to be cast thereon by a vote at a meeting or in writing with or without a meeting.

The enumeration and definition of particular powers of the Board of Directors included in the foregoing shall in no way be limited or restricted by reference to or inference from the terms of any other clause of this or any other Article of the charter of the Corporation, or construed as or deemed by inference or otherwise in any manner to exclude or limit any powers conferred upon the Board of Directors under the General Laws of the State of Maryland now or hereafter in force.

NINTH: The duration of the Corporation shall be perpetual.