

**T. ROWE PRICE GROUP, INC.
BOARD COMMITTEE CHARTER**

AUDIT COMMITTEE

The Audit Committee (the "Committee") of the Board of Directors (the "Board") of T. Rowe Price Group, Inc. (the "Corporation") has the oversight responsibility, authority and duties described in this Charter.

Purpose

The primary purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to (1) the integrity of the Corporation's financial statements and other financial information provided by the Corporation to its stockholders, (2) the Corporation's retention of its independent accountants, including oversight of the terms of their engagement and their performance, qualifications and independence and (3) the performance of the Corporation's internal audit function, internal controls and disclosure controls. The Committee shall prepare the report of the Committee included in the Corporation's annual proxy statement as required by the Securities and Exchange Commission (the "SEC"). In addition, the Committee provides an avenue for communication among the internal auditors, the independent accountants, financial management and the Board. The Committee's responsibility is one of oversight, recognizing that the Corporation's management is responsible for preparing the Corporation's financial statements and that the independent accountants are responsible for auditing those financial statements. The independent accountants report directly to the Committee and are ultimately accountable to the Committee and the Board for such accountants' audit of the financial statements of the Corporation.

Composition

The Committee shall be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee and shall comprise at least three directors, each of whom shall meet the independence and financial literacy requirements of The Nasdaq Stock Market, Inc. ("Nasdaq"), the SEC and applicable law. In addition, at least one member of the Committee will possess accounting or financial management expertise as defined by Nasdaq, the SEC and applicable law. The Board shall designate one member as Chair of the Committee. The Committee may, at its discretion in accordance with applicable law or regulation, delegate to one or more of its members the authority to act on behalf of the Committee.

Meetings

The Committee shall hold meetings as deemed necessary or desirable by the Chair of the Committee. In addition to such meetings of the Committee as may be required to perform the functions described under "Duties and Powers" below, the Committee shall meet at least annually with the chief financial officer, the internal auditors and the independent accountants to discuss any matters that the Committee or any of these persons or firms believe should be discussed. The Committee may, at its discretion, meet in executive session with or without the presence of the independent accountants, internal auditors or corporate officers.

Duties and Powers

The following shall be the principal recurring functions of the Committee in carrying out its oversight responsibilities. The functions are set forth as a guide with the understanding that the Committee may modify or supplement them as appropriate.

Independent Accountants

1. Appoint, approve audit fees for and oversee the Corporation's independent accountants.
2. Review and provide prior approval of the engagement of the Corporation's independent accountants to perform non-audit services. The Chair of the Committee may represent and act on behalf of the entire Committee for purposes of this review and approval.
3. Adopt policies and procedures relating to the pre-approval of audit and non-audit services.
4. Ensure that the independent accountants prepare and deliver at least annually a formal written statement delineating all relationships between the independent accountants and the Corporation addressing at least the matters set forth in Independence Standards Board, Standard No. 1, Independence Discussions with Audit Committees, as amended.
5. Discuss with the independent accountants any disclosed relationships or services that may impact the objectivity and independence of the independent accountants and recommend that the Board take appropriate action in response to the independent accountants' report to satisfy itself of the independent accountants' independence.
6. Obtain and review at least annually a report by the independent accountants describing: (a) the accounting firm's internal quality-control procedures, (b) any issues material to the Corporation's audit raised (i) by the most recent internal quality-control review or peer review of the accounting firm or (ii) by any inquiry or investigation by governmental or professional authorities and any steps taken to deal with any such issues.
7. Obtain from the independent accountants assurance that their audit of the Corporation's financial statements was conducted in accordance with standards of the Public Company Accounting Oversight Board (United States) (the "PCAOB").
8. Confirm that the Corporation's independent accountants have complied with any applicable rotation requirements for the lead audit partner and any reviewing audit partner with responsibility for the Corporation's audit.
9. To the extent required by the rules of the SEC, obtain and review at least annually an attestation to and a report from the Corporation's independent accountants regarding management's assessment of the effectiveness of the Corporation's internal controls over financial reporting to be included in the Corporation's Annual Report on Form 10-K, in advance of such filing.
10. Pursuant to Section 10A of the Securities Exchange Act of 1934, as amended, obtain and review from the independent accountants a timely report describing (a) all critical

accounting policies and practices to be used; (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of the Corporation, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the internal auditors and the independent accountants; (c) other material written communications between the independent accountants, the internal auditors and the management of the Corporation, such as any management letter or schedule of unadjusted differences; and (d) any illegal acts that have been detected or have otherwise come to the attention of the independent accountants or the internal auditors in the course of their audit.

11. Monitor compliance with regulatory requirements applicable to the hiring of employees and former employees of the independent accountants.

Internal Auditors

12. Consult with management before the appointment or replacement of the Director of Internal Audit.
13. Review with the Director of Internal Audit the significant reports to management prepared by the internal auditors and management's responses thereto, and also such other reports or matters as the Committee or the Director of Internal Audit deems necessary or desirable.

Compliance

14. Periodically review with the Director of Compliance the status of the Corporation's compliance programs.

Financial Statements, Controls and Reports

15. Obtain, review and approve, if applicable, a timely analysis from management relating to any significant proposed or contemplated changes to the Corporation's accounting principles, policies, estimates, internal controls, disclosure controls, procedures, practices and auditing plans (including those policies for which management is required to exercise discretion or judgments regarding the implementation thereof).
16. Review disclosures made to the Committee by the Corporation's Chief Executive Officer and Chief Financial Officer during their certification process for the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation's internal controls.
17. Discuss with the independent accountants the matters required to be discussed by Statement on Auditing Standards No. 61, Communications with Audit Committees.
18. Periodically discuss with the independent accountants and internal auditors, without management being present, (a) their judgments about the quality, appropriateness, and acceptability of the Corporation's accounting principles and financial disclosure

practices, as applied in its financial reporting, and (b) the completeness and accuracy of the Corporation's financial statements.

19. Review the Corporation's annual and quarterly consolidated financial statements with management and the independent accountants prior to the first public release of the Corporation's financial results for such year or quarter and review any "pro forma" or "adjusted" non-GAAP information included in such release. The Chair of the Committee may represent and act on behalf of the entire Committee for purposes of the review of any quarterly consolidated financial statements.
20. Review the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q in advance of such filings. The Chair of the Committee may represent and act on behalf of the entire Committee for purposes of the review of any Quarterly Reports on Form 10-Q.
21. Meet periodically with management, the Director of Internal Audit and/or the independent accountants to:
 - review the respective annual audit plans of the independent accountants and internal auditors;
 - discuss any significant matters arising from any audit or report or communication relating to the consolidated financial statements, including any material audit problems, disagreements or difficulties and responses by management;
 - understand the significant judgments made and alternatives considered in the Corporation's financial reporting, including the appropriateness of the alternatives ultimately chosen; and
 - discuss policies with respect to significant risks and exposures, if any, and the steps taken to assess, monitor and manage such risks.
22. Review with the Corporation's internal and external counsel any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.

Reporting and Recommendations

23. Determine, based on the reviews and discussions noted above, whether to recommend to the Board that the audited financial statements be included in the Corporation's Annual Report to Stockholders and on Form 10-K for filing with the SEC.
24. Prepare any report, including any recommendation of the Committee, required by the rules of the SEC to be included in the Corporation's annual proxy statement.
25. Maintain minutes or other records of meetings and activities of the Committee.
26. Report the Committee's activities to the Board on a regular basis and make such recommendations with respect to the above as the Committee or the Board may deem necessary or appropriate.

Other Responsibilities

27. Establish and maintain procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
28. Review and recommend to the Board (a) any change in or waiver to the Corporation's code of ethics for its principal executive and senior financial officers and (b) any disclosure made on Form 8-K regarding such change or waiver.
29. Review and provide prior approval of all transactions or arrangements required to be disclosed pursuant to SEC Regulation S-K, Item 404, between the Corporation and any of its directors, officers, principal stockholders or any of their respective affiliates, associates or related parties.
30. Take such other actions as the Committee or the Board may deem necessary or appropriate.
31. Review the Committee's performance of the foregoing duties on at least an annual basis.

Resources and Authority

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including the authority to engage and determine the necessary funding for independent accountants for special audits, reviews and other procedures and to retain and determine the necessary funding for special counsel and other experts or consultants.

Annual Review

The Committee shall review, on at least an annual basis, this Charter and the scope of the responsibilities of this Committee. Any proposed changes, where indicated, shall be referred to the Board for appropriate action.

Operating Procedures

Formal actions to be taken by the Committee shall be by unanimous written consent or by a majority of the persons present (in person or by conference telephone) at a meeting at which a quorum is present. A quorum shall consist of at least 50% of the members of the Committee.

Adopted: September 8, 2005