

Martin Gregory S
 Form 4
 December 22, 2010

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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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 *
 Martin Gregory S

2. Issuer Name and Ticker or Trading Symbol
 Pzena Investment Management, Inc.
 [PZN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)
 12/20/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Chief Financial Officer

C/O PZENA INVESTMENT MANAGEMENT, INC., 120 WEST 45TH STREET, 20TH FLOOR

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

NEW YORK, NY 10036

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|--|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (D) | Price |
| Class B common stock, par value \$0.000001 | 12/20/2010 | | A | | 5,175 (1) | A | (1) 27,675 |
| | | | | | | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

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) | 8. Price or Value of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Restricted Class B units | (3) | 12/20/2010 | | A | 5,175 (1) | (2) (2) | Class A common stock, par value \$0.01 | 5,175 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Martin Gregory S C/O PZENA INVESTMENT MANAGEMENT, INC. 120 WEST 45TH STREET, 20TH FLOOR NEW YORK, NY 10036 | | | Chief Financial Officer | |

Signatures

/s/ Joan F. Berger, as attorney-in-fact for Gregory S. Martin
12/22/2010

__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) The Reporting Person was granted restricted Class B units of Pzena Investment Management, LLC ("Pzena LLC") as a component of his 2010 compensation. Pursuant to the Pzena LLC Amended and Restated Operating Agreement dated October 30, 2007, as further amended (the "Operating Agreement"), a share of Class B common stock, par value \$0.000001, is issued concurrently with each issuance of a Class B unit, in exchange for the par value thereof.
 - (2) The Restricted Class B units vest in an installment of 2,588 Class B units on December 20, 2011 and an installment of 2,587 Class B units on December 20, 2012.
 - (3) Each Class B unit is exchangeable for a share of the Issuer's Class A common stock subject to the timing and volume limitations set forth in the Operating Agreement.

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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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