

Gallagher Gerard J  
 Form 4  
 March 02, 2010

**FORM 4**

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

OMB APPROVAL

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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 \*  
 Gallagher Gerard J

2. Issuer Name and Ticker or Trading Symbol  
 Fortress International Group, Inc.  
 [FIGI]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 7226 LEE DEFOREST DRIVE, SUITE 203  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/28/2010

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

COLUMBIA, MD 21046

(City) (State) (Zip)

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

**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	(A) or (D)	Price
Common Stock	02/28/2010		J <sup>(1)</sup>		625,000	A	\$ 2 1,978,830

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

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SEC 1474 (9-02)

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

## Edgar Filing: Gallagher Gerard J - Form 4

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 Underlying (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Convertible Promissory Note	\$ 7.5	02/28/2010		J(2)			\$ 4,000,000	(3)	03/01/2012	Common Stock
Convertible Promissory Note	\$ 7.5	02/28/2010		J(2)			\$ 2,750,000	(3)	04/01/2014	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Gallagher Gerard J 7226 LEE DEFOREST DRIVE SUITE 203 COLUMBIA, MD 21046	X	X	President & COO	

## Signatures

/s/ Gerard J. Gallagher                      03/02/2010

\_\_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 shares of common stock issued to the Reporting Person were issued at a price of \$2.00 per share as payment for \$1,250,000 of the principal balance due to the Reporting Person pursuant to that certain Convertible Promissory Note, dated January 19, 2007 (the "Note").  
The Company and the Reporting Person entered into that certain Amendment to Convertible Promissory Note, dated February 28, 2010 (the "Amendment"), pursuant to which certain terms of the Note, including the maturity date of the Note, were amended and modified. In connection with the Amendment, the Reporting Person received 625,000 shares of the Company's common stock as payment for \$1,250,000 of the principal balance due to the Reporting Person pursuant to Note.
  - (2) The Note is convertible into shares of common stock of the Company at any time at the conversion price of \$7.50 per share.
  - (3) The Note is convertible into shares of common stock of the Company at any time at the conversion price of \$7.50 per share.

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.