

Novogratz Michael
Form 4
August 28, 2009

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 *
Novogratz Michael

2. Issuer Name and Ticker or Trading Symbol
Fortress Investment Group LLC [FIG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
President and Director

(Last) (First) (Middle)
C/O FORTRESS INVESTMENT GROUP LLC, 1345 AVENUE OF THE AMERICAS, 46TH FLOOR

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
08/27/2009

NEW YORK, NY 10105

(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)
				(A) or (D)	Price		
				Code	V	Amount	
Class A Shares	08/27/2009		C		1,677,151	A	\$ 0 (1) 2,397,151 D
Class A Shares	08/27/2009		G		419,288	D	\$ 0 1,977,863 D
Class A Shares	08/27/2009		G		838,575	D	\$ 0 1,139,288 D

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

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SEC 1474 (9-02)

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Fortress Operating Group Units ⁽²⁾	⁽¹⁾	08/27/2009		C ⁽¹⁾	1,677,151	⁽²⁾	⁽²⁾	Class A Shares	1,677,151
Fortress Operating Group Units ⁽²⁾	⁽¹⁾					⁽²⁾	⁽²⁾	Class A Shares	8,008,108
Fortress Operating Group Units ⁽²⁾	⁽¹⁾					⁽²⁾	⁽²⁾	Class A Shares	17,200,000 ⁽⁴⁾
Fortress Operating Group Units ⁽²⁾	⁽¹⁾					⁽²⁾	⁽²⁾	Class A Shares	4,000,000 ⁽⁵⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Novogratz Michael C/O FORTRESS INVESTMENT GROUP LLC 1345 AVENUE OF THE AMERICAS, 46TH FLOOR NEW YORK, NY 10105	X	X	President and Director	

Signatures

/s/ David N. Brooks, as
attorney-in-fact

08/28/2009

__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).

The reporting person exchanged 1,677,151 Fortress Operating Group Units for an equal number of Class A Shares and then

(1) simultaneously donated 1,257,863 of the exchanged Class A shares to charity. The reporting person did not sell any of the Class A shares received from the exchange and did not receive any proceeds from the conversion of Fortress Operating Group Units to Class A shares.

A "Fortress Operating Group Unit" represents one limited partner interest in each of Fortress Operating Entity I LP, Fortress Operating Entity II LP, Fortress Operating Entity III LP and Principal Holdings I LP. The Reporting Person has the right, exercisable from time to time, to exchange each Fortress Operating Group Unit for one Class A share of the Company; provided, that one Class B share of the Company (which has no economic interest in the Company) is concurrently delivered to the Company for cancellation. The Reporting Person owns Class B shares in the same amount as the Reporting Person's Fortress Operating Group Units. Such shares represent no economic interest in the Company and are not separately reported herein. The Fortress Operating Group Units have no expiration date.

- (2) Includes 29,233,578 Fortress Operating Group Units previously held by The Michael Novogratz 2007 Annuity Trust and 2,702,703 Fortress Operating Group Units previously held by The Novogratz Family 2007 Annuity Trust.
- (3) Includes 17,200,000 Fortress Operating Group Units, all of which were previously held directly by the Reporting Person and were contributed to The Michael Novogratz 2008 Annuity Trust.
- (4) Includes 4,000,000 Fortress Operating Group Units, all of which were previously held directly by the Reporting Person and were contributed to The Novogratz Family 2008 Annuity Trust.

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.