

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934  
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>MARTIN GARY L</u>	2. Issuer Name <b>and</b> Ticker or Trading Symbol <u>CAPITAL SOUTHWEST CORP</u> [ <u>CSWC</u> ]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <span style="float: right;">10% Owner</span> <input checked="" type="checkbox"/> Officer (give title below) <span style="float: right;">Other (specify below)</span> <div style="text-align: center;"><u>President, Chairman of Board</u></div>
(Last) (First) (Middle) <u>12900 PRESTON RD</u> <u>STE 700</u>	3. Date of Earliest Transaction (Month/Day/Year) <u>03/22/2010</u>	
(Street) <u>DALLAS TX 75230</u>	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
(City) (State) (Zip)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

[illegible]

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non-qualified Stock Option <sup>(1)</sup>	\$95.79	03/22/2010		A		10,000		03/22/2011	03/22/2020	Common Stock	10,000 <sup>(1)</sup>	\$95.79	68,000	D	

**Explanation of Responses:**

1. Exercisable in five (5) annual cumulative installments of 2,000 shares beginning 2011.

/s/ Gary L. Martin

03/22/2010

\*\* Signature of Reporting Person

Date \_\_\_\_\_

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.