

AIR INDUSTRIES GROUP  
Form 4  
December 27, 2016

**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 \*  
TAGLICH MICHAEL N

2. Issuer Name and Ticker or Trading Symbol  
AIR INDUSTRIES GROUP [AIRI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

C/O TAGLICH BROTHERS,  
INC., 790 NEW YORK AVENUE,  
SUITE 209

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/22/2016

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

(Street)

HUNTINGTON, NY 11743

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

(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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D)  | Price   |  |                                   |
|                                 |                                      |  |                                | Code V  | Amount  |  |                                   |
| Common Stock                    | 06/29/2016                           |  | M                              | 3,000   | A \$ 2.95   | 360,497  | D                                 |
| Common Stock                    |                                      |  |                                |   |   | 17,990   | I See Note (1)                    |
| Common Stock                    |                                      |  |                                |   |   | 12,746   | I See Note (2)                    |

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

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SEC 1474 (9-02)

displays a currently valid OMB control 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) |              | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title Underlying (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|--|--------------|--|-----------------|--------------------------------|
|  |  |                                      |  |                                | (A)  | (D)          | Date Exercisable   | Expiration Date |                                |
| Stock Options (right to purchase)          | \$ 4.64  | 06/02/2016                           |  | A                              | 750  |              | 02/01/2017   | 06/01/2021      | Common Stock                   |
| Convertible Notes                          | \$ 2.25  | 11/23/2016                           |  | P                              | \$ 1,000,000   |              | 11/23/2016   | 11/30/2018      | Common Stock                   |
| Convertible Notes                          | <u>(3)</u>   | 11/30/2016                           |  | C                              |  | \$ 1,520,713 | 08/19/2016   | 12/31/2017      | See Note <u>(3)</u>            |
| Series A Preferred Stock                   | \$ 4.92  | 11/30/2016                           |  | C                              | 157,586 <u>(4)</u>   |              | 11/30/2016   | <u>(5)</u>      | Common Stock                   |
| Convertible Note                           | \$ 2.63  | 12/22/2016                           |  | P                              | \$ 300,000   |              | 12/22/2016   | 11/30/2018      | Common Stock                   |
| Warrants                                   | \$ 3   | 12/22/2016                           |  | P                              | 22,814   |              | 12/22/2016   | 11/30/2021      | Common Stock                   |
| Warrants                                   | \$ 3   | 12/22/2016                           |  | P                              | 44,677   |              | 12/22/2016   | 11/30/2021      | Common Stock                   |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| TAGLICH MICHAEL N<br>C/O TAGLICH BROTHERS, INC.<br>790 NEW YORK AVENUE, SUITE 209<br>HUNTINGTON, NY 11743 | X             | X         |         |       |

## Signatures

/s/ Michael N.  
Taglich

12/27/2016

\*\*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) Represents shares owned by Taglich Brothers, Inc., of which the Reporting Person is Chairman and President.

(2) Owned by Tag/Kent Partners, of which Reporting Person is a General Partner.

Converted into shares of Series A Convertible Preferred Stock ("Series A Preferred Stock") at \$10 per share upon filing of Certificate of Amendment increasing number of authorized shares of Preferred Stock. Until automatically converted into shares of Series A Preferred Stock, the Note had been convertible into shares of Common Stock at an exercise price of \$4.92 per share, the conversion price of the Series A Preferred Stock.

(4) Includes shares received in lieu of cash dividends on December 15, 2016.

(5) There is no expiration date.

(6) Represents Placement Agent Warrants received by Taglich Brothers, Inc., of which the Reporting Person is Chairman and President, which acted as placement agent for the sale of Issuer's 8% Subordinated Convertible Notes in December 2016.

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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