

TAGLICH ROBERT
Form 4
May 16, 2018

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 ROBERT

(Last) (First) (Middle)

790 NEW YORK AVENUE, SUITE 209

(Street)

HUNTINGTON, NY 11743

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

AIR INDUSTRIES GROUP [AIRI]

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

05/14/2018

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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 Indirect Beneficial Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|-----------|---|--------------|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 10/03/2017 | | C(1) | | 1,407,354 | A | \$ 1.5 | 1,826,786 | D | |
| Common Stock | 11/29/2017 | | P | | 72,463 | A | \$ 1.38 | 1,899,249 | D | |
| Common Stock | 10/03/2017 | | C(2) | | 44,760 | A | \$ 1.5 | 44,760 | I | See Note (2) |
| Common Stock | 10/03/2017 | | C(3) | | 137,186 | A | \$ 1.5 | 149,932 | I | See Note (3) |
| Common Stock | | | | | | | | 17,990 | I | See Note (4) |

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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)

| 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 Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title |
| Stock Options | \$ 1.59 | 05/14/2018 | | A | 13,000 | 05/14/2018 ⁽⁵⁾ 05/31/2023 | Common Stock |
| Stock Options | \$ 7.86 | 09/30/2013 | | A | 750 | 09/30/2013 09/30/2018 | Common Stock |
| Stock Options | \$ 8.98 | 12/31/2013 | | A | 750 | 12/31/2013 12/31/2018 | Common Stock |
| Stock Options | \$ 9.38 | 03/31/2014 | | A | 750 | 03/31/2014 03/31/2019 | Common Stock |
| Stock Options | \$ 11.73 | 05/16/2014 | | A | 750 | 05/16/2014 05/15/2019 | Common Stock |
| Stock Options | \$ 9.24 | 08/21/2014 | | A | 750 | 08/21/2014 08/20/2019 | Common Stock |
| Stock Options | \$ 10.26 | 11/24/2014 | | A | 1,750 | 11/24/2014 11/23/2019 | Common Stock |
| Stock Options | \$ 10.05 | 04/06/2015 | | A | 3,000 | ⁽⁶⁾ 04/05/2020 | Common Stock |
| Stock Options | \$ 4.64 | 06/02/2016 | | A | 3,000 | ⁽⁷⁾ 06/01/2021 | Common Stock |
| Stock Options (right to purchase) | \$ 1.69 | 01/02/2018 | | A | 3,000 | 01/02/2018 12/31/2022 | Common Stock |
| Convertible Notes | \$ 2.25 | 02/28/2017 | | J ⁽⁸⁾ | \$ 2,148 | 11/23/2016 11/30/2018 | Common Stock |
| Convertible Notes | \$ 2.63 | 02/28/2017 | | J ⁽⁸⁾ | \$ 4,537 | 12/22/2016 11/30/2018 | Common Stock |

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| | | | | | | | | |
|-------------------|-------------|------------|-------------------|------------|------------|------------|--------------|---|
| Convertible Notes | \$ 3.71 | 02/07/2017 | P | \$ 250,000 | 02/07/2017 | 01/31/2019 | Common Stock | 6 |
| Convertible Notes | \$ 3.3 | 03/08/2017 | P | \$ 100,000 | 03/08/2017 | 01/31/2019 | Common Stock | 3 |
| Convertible Notes | \$ 2.25 | 11/23/2016 | J ⁽⁹⁾ | \$ 112,000 | 11/23/2016 | 11/30/2018 | Common Stock | 4 |
| Convertible Notes | \$ 2.63 | 12/22/2016 | J ⁽¹⁰⁾ | \$ 94,000 | 12/22/2016 | 11/30/2018 | Common Stock | 3 |
| Convertible Notes | <u>(11)</u> | 02/28/2017 | J ⁽¹²⁾ | \$ 4,538 | 11/23/2016 | 11/30/2018 | Common Stock | 1 |
| Convertible Notes | \$ 3.71 | 02/07/2017 | J ⁽¹³⁾ | \$ 20,000 | 02/07/2017 | 01/31/2019 | Common Stock | 5 |
| Convertible Notes | \$ 3.25 | 02/17/2017 | J ⁽¹⁴⁾ | \$ 60,000 | 02/17/2017 | 01/31/2019 | Common Stock | 1 |
| Convertible Notes | \$ 3.3 | 03/08/2017 | J ⁽¹⁵⁾ | \$ 44,400 | 03/08/2017 | 01/31/2019 | Common Stock | 1 |
| Convertible Notes | \$ 3.78 | 03/15/2017 | J ⁽¹⁶⁾ | \$ 43,600 | 03/15/2017 | 01/31/2019 | Common Stock | 1 |
| Convertible Notes | \$ 4 | 03/22/2017 | J ⁽¹⁷⁾ | \$ 8,000 | 03/22/2017 | 01/31/2019 | Common Stock | 2 |
| Warrants | \$ 5 | 08/19/2016 | P | 8,307 | 08/19/2016 | 07/31/2021 | Common Stock | 8 |
| Warrants | \$ 6.15 | 10/13/2016 | J ⁽¹⁸⁾ | 13,500 | 11/27/2016 | 05/26/2021 | Common Stock | 1 |
| Warrants | \$ 6.15 | 10/13/2016 | J ⁽¹⁸⁾ | 15,925 | 09/01/2016 | 07/31/2021 | Common Stock | 1 |
| Warrants | \$ 3 | 11/23/2016 | P | 8,889 | 11/23/2016 | 11/30/2021 | Common Stock | 8 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| TAGLICH ROBERT 790 NEW YORK AVENUE, SUITE 209 HUNTINGTON, NY 11743 | X | X | | |

Signatures

/s/ Robert F. Taglich 05/16/2018

**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) Includes 659,882 shares acquired upon conversion of Series A Preferred Stock, 516,144 shares acquired upon conversion of notes issued in May 2017 and 231,328 shares acquired upon conversion of notes issued in March 2017.
- (2) Represent shares acquired upon conversion of Series A Preferred Stock for which Mr. Taglich is the custodian for his children under NY UGMA.
- (3) Owned by Tag/Kent Partners, of which Reporting Person is a General Partner, and includes 137,186 shares received upon conversion of notes issued in May 2017.
- (4) Represents shares owned by Taglich Brothers, Inc., of which the Reporting Person is Managing Director.
- (5) Vests as to 5,500 shares on May 14, 2018 and in increments of 2,500 additional shares on each of June 30, September 30, 2018 and December 31, 2018.
- (6) Fully vested as of 11/01/2016.
- (7) Fully vested as of 01/01/2016.
- (8) Represents convertible notes received in lieu of cash payment of accrued interest on February 28, 2017.
- (9) Represents Issuer's 8% Subordinated Convertible Notes due November 30, 2018 (the "2018 Notes") issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2018 Notes in November 2016.
- (10) Represents 2018 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2018 Notes in December 2016.
- (11) Conversion price is \$2.25 per share as to \$2,406 principal amount of 2018 Notes and \$2.63 per share as \$2,132 principal amount of 2018 Notes issued in lieu of cash payment of accrued interest on the 2018 Notes issued in November and December 2016, respectively.
- (12) Represents 2018 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of accrued interest on the 2018 Notes.
- (13) Represents Issuer's 8% Subordinated Convertible Notes due January 31, 2019 (the "2019 Notes") issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2019 Notes on February 7, 2017.
- (14) Represents Issuer's 2019 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2019 Notes on February 17, 2017.
- (15) Represents Issuer's 2019 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2019 Notes on March 8, 2017.
- (16) Represents Issuer's 2019 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2019 Notes on March 15, 2017.
- (17) Represents Issuer's 2019 Notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 2019 Notes on March 21, 2017.
- (18) Assignment of a portion of Placement Agent Warrants originally issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director.

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.