

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

FORM 10-K/A

Annual Report Pursuant To Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended: December 31, 2023

or

Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File No. 001-35927

AIR INDUSTRIES GROUP

(Name of small business issuer in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

80-0948413

(I.R.S. Employer
Identification No.)

1460 Fifth Avenue, Bay Shore, New York 11706

(Address of Principal Executive Offices)

(631) 968-5000

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each Exchange on which Registered
Common Stock, par value \$0.001	AIRI	NYSE-American

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Non-Accelerated Filer

Accelerated Filer

Smaller Reporting Company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2023, the aggregate market value of our common stock held by non-affiliates was \$8,910,812, based on 2,510,088 shares of outstanding common stock held by non-affiliates, and a price of \$3.55 per share, which was the last reported sale price of our common stock on the NYSE American on that date.

There were 3,315,368 shares of the registrant's common stock outstanding as of April 12, 2024.

DOCUMENTS IINCORPORATED BY REFERENCE: None

Auditor Name	Auditor Location	Auditor Firm ID
Marcum LLP	Saddle Brook, New Jersey	688

AIR INDUSTRIES GROUP
FORM 10-K/A
For the Fiscal Year Ended December 31, 2023

PART III

Item 10.	Directors, Executive Officers, and Corporate Governance	1
Item 11.	Executive Compensation	6
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	9
Item 13.	Certain Relationships and Related Transactions and Director Independence	11
Item 14.	Principal Accountant Fees and Services	12

PART IV

Item 15.	Exhibits and Financial Statement Schedules	13
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Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements. Certain of the matters discussed herein concerning, among other items, our operations, cash flows, financial position and economic performance including, in particular, future sales, product demand, competition and the effect of economic conditions, include forward-looking statements.

Forward-looking statements are predictive in nature and can be identified by the fact that they do not relate strictly to historical or current facts and generally include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates” and similar expressions. Although we believe that these statements are based upon reasonable assumptions, including projections of orders, sales, operating margins, earnings, cash flow, research and development costs, working capital, capital expenditures, distribution channels, profitability, new products, adequacy of funds from operations, and general economic conditions, these statements and other projections contained herein expressing opinions about future outcomes and non-historical information, are subject to uncertainties and, therefore, there is no assurance that the outcomes expressed in these statements will be achieved.

Investors are cautioned that forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from the expectations expressed in forward-looking statements contained herein. Given these uncertainties, you should not place any reliance on these forward-looking statements which speak only as of the date hereof. See “Risk factors” for a discussion of factors that could cause our actual results to differ from those expressed or implied by forward-looking statements.

We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. You are advised, however, to consult any additional disclosures we make in our reports filed with the Securities and Exchange Commission (“SEC”).

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our directors and executive officers are:

Name:	Age	Position
Luciano (Lou) Melluzzo	59	President and Chief Executive Officer
Scott Glassman	46	Chief Financial Officer
Michael N. Taglich	58	Director
Robert F. Taglich	57	Director
David J. Buonanno	68	Director
Peter D. Rettaliata	73	Chairman of the Board
Michael Brand	66	Director
Michael D. Porcelain	55	Director

Luciano (Lou) Melluzzo has been our President and Chief Executive Officer since November 15, 2017. He joined our company on September 11, 2017 as Chief Executive Officer. From November 2003 to September 2011, Mr. Melluzzo was employed in various capacities by EDAC Technologies Corporation (“EDAC”) rising to the level of Chief Operating Officer in 2005. EDAC is a designer, manufacturer and distributor of precision aerospace components and assemblies, precision spindles and complex fixturing, tooling and gauging with design and build capabilities, whose shares were then listed on the Nasdaq Capital Market. From September 2011 to November 2015, Mr. Melluzzo was self-employed in the residential real estate redevelopment industry. From November 2015 to January 2017, he was general manager of Polar Corporation, a privately-held company specializing in computer numeric controlled milling and turning of small hardware components for the aerospace industry.

Scott Glassman was appointed to the positions of Chief Financial Officer, Principal Accounting Officer and Secretary of our Company on October 16, 2023. Mr. Glassman has been employed by the Company since March of 2019, most recently serving as the Chief Accounting Officer. Mr. Glassman previously had been employed by the Company from February of 2007 to February of 2015, serving in various senior positions in the Company’s Financial Department. From March of 2015 to November of 2018, Mr. Glassman worked at a privately held distributor of commercial equipment where he served as Controller. Mr. Glassman holds a Bachelor of Science degree in Accounting from the State University of New York at Albany. Mr. Glassman has been a CPA licensed in the state of NY since 2002.

Peter D. Rettaliata has been a director of our Company since 2005 and was appointed Chairman of the Board on July 11, 2023. He served as our Acting President and Chief Executive Officer from March 2, 2017 to November 15, 2017 and served as our President and Chief Executive Officer from November 30, 2005 to December 31, 2014. He also served as the President of our wholly-owned subsidiary, AIM, from 1994 to 2008. Prior to his involvement at AIM, Mr. Rettaliata was employed by Grumman Aerospace Corporation for twenty-two years, as the Senior Procurement Officer. Professionally, Mr. Rettaliata has served as the Chairman of “ADDAPT”, an organization of regional aerospace companies, as a member of the Board of Governors of the Aerospace Industries Association, and as a member of the Executive Committee of the AIA Supplier Council. He is a graduate of Niagara University where he received a B.A. in History and Harvard Business School where he completed the PMD Program.

Michael Taglich served as Chairman of our Board of Directors from September 22, 2008 until July 11, 2023 and as a director since that time. He is Chairman and President of Taglich Brothers, Inc., a New York based securities firm which he co-founded in 1992 with his brother Robert Taglich. Taglich Brothers, Inc. focuses on public and private micro-cap companies in a wide variety of industries. He is currently Chairman of the Board of Mare Island Dry Dock, Inc., a privately-held company. He also serves as a director of Decision Point Systems Inc., (NYSE/AMEX, DPSI), Intellinetics, Inc. (NYSE/AMEX, INLX) and a number of private companies. Mr. Taglich brings extensive professional experience which spans various aspects of senior management, including finance, operations and strategic planning. Mr. Taglich has more than 35 years of financial industry experience and served on his first public company board over 25 years ago.

Robert F. Taglich has been a director of our Company since 2008. He is a Managing Director of Taglich Brothers, which he co-founded in 1992. Prior to founding Taglich Brothers, Mr. Taglich was a Vice President at Weatherly Securities. Mr. Taglich has served in various positions in the securities brokerage industry for the past 25 years Mr. Taglich holds a Bachelor’s degree from New York University.

David J. Buonanno has been a director of our Company since 2008. He is the Founder and President of Buonanno Enterprises Consulting, providing strategic management, supply chain/operations and recruitment services to aerospace and defense industry clients. Mr. Buonanno has extensive experience in manufacturing, supply management and operations. He was employed by Sikorsky Aircraft, Inc., a subsidiary of United Technologies Corporation, as Vice President, Supply Management and International Offset (from January 1997 to July 2006) and as Director, Systems Subcontracts (from November 1992 to January 1997). From May 1987 to November 1992, he was employed by General Electric Company serving as Operations Manager and Manager, Program Materials Management of GE's Astro-Space Division. From June 1977 to May 1987, he was employed by RCA and affiliated companies. Mr. Buonanno attended Lehigh University College of Electrical Engineering and holds a B.S. in Business Administration from Rutgers University. He completed the Program for Management Development at Harvard Business School in 1996.

Michael Brand has been a director of our Company since 2012. He enjoyed a successful 32-year career in aerospace manufacturing primarily focused on jet engines and landing gear. In 2005, he joined Goodrich as President of Goodrich Landing Gear. Prior to joining Goodrich, he had senior management roles at GE Aircraft Engines and Teleflex Aerospace. Mr. Brand has a BS from Clarkson University, with advanced degrees and certificates from Xavier University and the Wharton School.

Michael Porcelain has been a director of our Company since October 23, 2017. Mr. Porcelain has been a CPA since 1996 and is currently the President and CEO of The Independent Adviser Corporation, a privately held company which operates various internet websites including TheAdviser.com, 1800ADVISER.com and IRSADVISER.com, all of which relate to the financial planning and advisory industries. From 2006 through 2022, Mr. Porcelain served in several executive positions including service as a member of the Board of Directors of Comtech Telecommunications Corp. ("Comtech"), a publicly traded company and a leading global provider of next-generation 911 emergency systems and secure wireless communications technologies. He was appointed Chief Executive Officer of Comtech in January 2022 and President of Comtech in January 2020. He also served as Comtech's Chief Operating Officer from October 2018 to January 2022. Prior to holding these positions, he served as Comtech's Chief Financial Officer from 2006 through 2018, and from 2002 to March 2006, he served as Comtech's Vice President of Finance and Internal Audit.

From 1998 to 2002, Mr. Porcelain was Director of Corporate Profit and Business Planning for Symbol Technologies, a mobile wireless information solutions company. Previously, he spent five years in public accounting holding various positions, including Manager in the Transaction Advisory Services Group of PricewaterhouseCoopers. In March 2021, Mr. Porcelain was elected to the Board of Directors of The Fund for Modern Court, an independent court reform organization that advocates for the improvements of the New York State Court system to ensure a diverse, highly qualified, and independent judiciary. Since 1998, he has owned and operated The Independent Adviser Corporation, a privately held company which holds the rights to use certain intellectual properties and trademarks (including various Internet websites) related to the financial planning and advisory industry.

Mr. Porcelain has served as an Adjunct Professor at St. John's University located in New York where he taught graduate level accounting courses. Mr. Porcelain has a B.S. in Business Economics from State University of Oneonta, New York, a M.S. in Accounting and an M.B.A. degree from Binghamton University.

Michael N. Taglich and Robert F. Taglich are brothers.

All directors hold office until the next annual meeting of shareholders and until their successors have been duly elected and qualified. Officers are elected by and serve at the discretion of the Board of Directors. Employee directors do not receive any compensation for their services as directors. Non-employee directors are entitled to receive compensation for serving as directors and may receive option or stock grants from our company.

Information Concerning the Board of Directors

Board Leadership Structure and Risk Oversight

The Board does not have a policy requiring separation of the roles of Chief Executive Officer and Chairman of the Board. The Board has determined that a non-employee director serving as Chairman is in the best interests of our stockholders at this time. This structure ensures a greater role of non-employee Directors in the active oversight of our business, including risk management oversight, and in setting agendas and establishing Board priorities and procedures. This structure also allows the Chief Executive Officer to focus to a greater extent on the management of our day-to-day operations.

The Board of Directors as a whole is responsible for consideration and oversight of the risks we face and is responsible for ensuring that material risks are identified and managed appropriately. Certain risks are overseen by committees of the Board of Directors and these committees make reports to the full Board of Directors, including reports on noteworthy risk-management issues. Members of the Company's senior management team regularly report to the full Board about their areas of responsibility and a component of these reports is the risks within their areas of responsibility and the steps management has taken to monitor and control such exposures. Additional review or reporting on risks is conducted as needed or as requested by the Board or one of its committees.

Board Independence

Our Board of Directors has determined that David Buonanno, Peter Rettaliata, Michael Brand and Michael Porcelain are "independent directors" within the meaning of NYSE American Rule 803A(2).

Director Compensation

Non-employee Directors are entitled to receive compensation for serving as directors and may receive option grants from our company. Each Director also is entitled to be repaid or prepaid all traveling, hotel and incidental expenses reasonably incurred or expected to be incurred in attending meetings of our Board of Directors or committees of our Board of Directors or stockholder meetings or otherwise in connection with the discharge of his duties as a Director. The compensation committee will assist the directors in reviewing and approving the compensation structure for our directors.

The following table sets forth certain information regarding the compensation paid to, earned by or accrued for, our directors during the fiscal year ended December 31, 2023.

DIRECTOR COMPENSATION

Name	Fees Earned or Paid In Cash (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Non-Qualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Michael Taglich	—	56,822	4,387	—	—	—	61,209
Robert Taglich	—	56,822	4,387	—	—	—	61,209
David Buonanno	33,494	—	4,442	—	—	—	37,936
Michael Brand	33,494	—	7,222	—	—	—	40,716
Michael Porcelain	—	52,023	4,442	—	—	—	56,465
Peter Rettaliata	31,625	18,753	7,056	—	—	—	57,434

(1) Director fees paid in shares.

Board Meetings; Committees and Membership

The Board of Directors held nine meetings during the fiscal year ended December 31, 2023 and each of the directors attended more than 75% of the aggregate of (i) the number of meetings of the Board of Directors and (ii) the number of meetings of all committees of the Board on which such director served.

We maintain the following committees of the Board of Directors: the Audit Committee, the Compensation Committee, the Nominating Committee and the Executive Committee. Each committee other than the Executive Committee is comprised entirely of directors who are “independent” within the meaning of NYSE American Rule 803A(2). Each committee acts pursuant to a separate written charter, and each such charter has been adopted and approved by the Board of Directors. Copies of the committee charters are available on our website at airindustriesgroup.com under the heading “Investor Relations.”

Audit Committee. Messrs. Porcelain, Brand and Buonanno are members of the Audit Committee. Mr. Porcelain serves as Chairman of the Audit Committee and also qualifies as an “audit committee financial expert,” as that term is defined in Item 407(d)(5)(ii) of Regulation S-K. The Board has determined that each member of our Audit Committee meets the financial literacy requirements under the Sarbanes-Oxley Act and SEC rules and the independence requirements under NYSE American Rule 803A(2).

Our Audit Committee is responsible for preparing reports, statements and charters of audit committees required by the federal securities laws, as well as:

- overseeing and monitoring the integrity of our consolidated financial statements, our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters, and our internal accounting and financial controls;
- preparing the report that SEC rules require be included in our annual proxy statement;
- overseeing and monitoring our independent registered public accounting firm’s qualifications, independence and performance;
- providing the Board with the results of its monitoring and its recommendations; and
- providing to the Board additional information and materials as it deems necessary to make the Board aware of significant financial matters that require the attention of the Board.

The Audit Committee held four meetings during fiscal 2023.

Compensation Committee. Our Compensation Committee is composed of Messrs. Rettaliata, Brand and Buonanno.

The Compensation Committee is responsible for:

- establishing our company’s general compensation policy, in consultation with senior management, and overseeing the development and implementation of compensation programs;
- reviewing and approving corporate goals and objectives relevant to the compensation of the CEO, and evaluating the performance of the CEO at least annually in light of those goals and objectives and communicating the results of such evaluation to the CEO and the Board, and determining the CEO’s compensation level based on this evaluation, subject to ratification by the independent directors on the Board. In determining the incentive component of CEO compensation, the Committee will consider, among other factors, the performance of our company and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, the awards given to the CEO in past years, and such other factors as the Committee may determine to be appropriate;

- reviewing and approving the compensation of all other executive officers of our company, such other managers as may be directed by the Board, and the directors of our company;
- overseeing the Board’s benefit and equity compensation plans, overseeing the activities of the individuals and committees responsible for administering these plans, and discharging any responsibilities imposed on the Committee by any of these plans;
- approving issuances under, or any material amendments to, any stock option or other similar plan pursuant to which a person not previously an employee or director of our company, as an inducement material to the individual’s entering into employment with our company, will acquire stock or options;
- in consultation with management, overseeing regulatory compliance with respect to compensation matters, including overseeing the company’s policies on structuring compensation programs to preserve related tax objectives;
- reviewing and approving any severance or similar termination payments proposed to be made to any current or former officer of our company; and
- preparing an annual report on executive compensation for inclusion in our proxy statement for the election of directors, if required under the applicable SEC rules.

The Compensation Committee held two meetings during fiscal 2023.

Nominating Committee. Our Nominating Committee is composed of Messrs. Rettaliata, Brand and Porcelain. The purpose of the Nominating Committee is to seek and nominate qualified candidates for election or appointment to our Board of Directors. The Nominating Committee held one meeting during fiscal 2023.

The Nominating Committee will seek candidates for election and appointment that possess the integrity, leadership skills and competency required to direct and oversee the Company’s management in the best interests of its stockholders, customers, employees, communities it serves and other affected parties.

A candidate must be willing to regularly attend Committee and Board of Directors meetings, to develop a strong understanding of our company, its businesses and its requirements, to contribute his or her time and knowledge to our company and to be prepared to exercise his or her duties with skill and care. In addition, each candidate should have an understanding of all corporate governance concepts and the legal duties of a director of a public company.

Stockholders may contact the Nominating Committee Chairman, the Chairman of the Board or the Corporate Secretary in writing when proposing a nominee. This correspondence should include a detailed description of the proposed nominee’s qualifications and a method to contact that nominee if the Nominating Committee so chooses.

Executive Committee. Our Executive Committee is composed of our Chairman, Peter Rettaliata, Michael Taglich and Robert Taglich. The purpose of the Executive Committee is to assist the Board in fulfilling its functions during the intervals between meetings of the Board. The Executive Committee has all the powers and authority of the Board in connection with the business of the Company and may act in its stead, except as set forth in the Executive Committee Charter

Stockholder Communications

Any stockholder who desires to contact any of our directors can write to Air Industries Group, 1460 Fifth Avenue, Bay Shore, New York 11706, Attention: Stockholder Relations. Your letter should indicate that you are an Air Industries Group stockholder. Depending on the subject matter, our stockholder relations personnel will:

- forward the communication to the Director(s) to whom it is addressed;
- forward the communication to the appropriate management personnel;

- attempt to handle the inquiry directly, for example where it is a request for information about the Company, or it is a stock-related matter; or
- not forward the communication if it is primarily commercial in nature or if it relates to an improper or irrelevant topic.

Code of Ethics; Insider Trading Policy

We have adopted a written code of ethics that applies to our principal executive officers, senior financial officers and persons performing similar functions. Our code of ethics is available on our website and upon written request to our corporate secretary, we will provide you with a copy, without cost.

On March 28, 2024, we adopted an Insider Trading Policy setting forth trading policies and procedures governing the purchase, sale and other dispositions of our directors, officers and employees, and our company, designed to promote compliance with insider trading laws and the listing standards of the NYSE Amex. Our Policy was filed as an exhibit to our Report on Form 10-K for the year ended December 31, 2023.

ITEM 11. EXECUTIVE COMPENSATION

The following summary compensation table shows, for the periods indicated, information regarding the compensation awarded to, earned by or paid to each individual that served as our principal executive officer during the fiscal year ended December 31, 2023, each other individual that was serving as an executive officer as of December 31, 2023, and each other individual who served as executive officer during the two years ended December 31, 2023 whose compensation for either of such fiscal years exceeded \$100,000 for all services rendered in all capacities to our company and its subsidiaries. The individuals listed in the following table are referred to herein collectively as our “Named Executive Officers.”

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock awards (\$)	Option awards (\$)	Non-equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified deferred compensation earnings (\$)	All other compensation (\$)	Total (\$)
Luciano Melluzzo	2023	374,575	—	—	107,940	—	—	10,800 ⁽¹⁾	493,315
President and CEO	2022	352,692	—	—	79,600	101,500	—	10,800 ⁽¹⁾	544,592
Scott Glassman	2023	224,231	—	—	13,332	—	—	—	237,563
CFO	2022	195,623	—	—	11,940	20,750	—	—	228,313
Michael Recca	2023	267,543	—	—	48,344	—	—	4,950 ⁽¹⁾	320,837
CFO	2022	251,921	—	—	39,800	43,500	—	5,400 ⁽¹⁾	340,621

(1) Represents car allowance.

Our executive officers named in the above table do not have employment agreements providing for a fixed term of employment. All are employees at will, terminable at any time without any severance, other than that payable to employees generally.

Executive Compensation Policies as They Relate to Risk Management

The Compensation Committee and management have considered whether our compensation policies might encourage inappropriate risk taking by the Company’s executive officers and other employees. The Compensation Committee has determined that the current compensation structure aligns the interests of the executive officers with those of the Company without providing rewards for excessive risk taking by awarding a mix of fixed and performance based or discretionary bonuses with the performance-based compensation focused on profits as opposed to revenue growth.

The Compensation Committee working with management adopts a plan each year intended to award members of our management including executive officers for meeting or exceeding targeted goals, The Committee believes the amounts to be paid to Messrs. Melluzzo, Glassman and Recca for services rendered in fiscal 2023 are appropriate in light of our financial performance in 2023.

Equity Awards – 2023

The following table shows the grant of stock option awards to the Named Executive Officers during 2023.

GRANT OF PLAN-BASED AWARDS

Name	Grant Date	All Other Option Awards: Number of Securities Underlying Options (#)	Grant Date Fair Value of Stock and Option Awards (\$)
Luciano Melluzzo	5/23/2023	48,000	\$ 66,720
	6/2/2023	27,000	41,220
Scott Glassman	5/23/2023	4,100	\$ 5,699
	6/2/2023	5,000	7,633
Michael Recca	5/23/2023	21,600	\$ 30,024
	6/2/2023	12,000	18,320

Each named executive officer was granted options on May 23, 2023 and June 2, 2023 to purchase the number of shares indicated at a price of \$3.43 and \$3.50, respectively, per share during a period ending June 30, 2028, and May 31, 2028, respectively.

Outstanding Equity Awards at 2023 Year-End

The following table shows certain information regarding outstanding equity awards held by our Named Executive Officers as of December 31, 2023.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
Luciano Melluzzo	48,000	—	\$ 3.43	6/30/2028	—	—
	9,000	18,000	3.50	5/31/2028	—	—
	13,334	6,666	8.30	3/31/2027	—	—
	18,000	—	12.20	7/31/2026	—	—
	15,000	—	13.90	3/31/2026	—	—
	20,000	—	10.30	3/31/2025	—	—
	20,000	—	8.80	1/31/2024	—	—
	27,000	—	15.00	9/30/2024	—	—
Scott Glassman	1,667	3,333	\$ 3.50	5/31/2028	—	—
	4,100	—	3.43	6/30/2028	—	—
	2,000	1,000	8.40	3/31/2027	—	—
	2,000	—	12.20	7/31/2026	—	—
	2,250	—	13.90	3/31/2026	—	—
	2,000	—	10.30	3/31/2025	—	—
	1,000	—	10.30	6/11/2024	—	—
Michael Recca	21,600	—	\$ 3.43	6/30/2028	—	—
	4,000	8,000	3.50	5/31/2028	—	—
	6,666	3,334	8.30	3/31/2027	—	—
	12,500	—	12.20	7/31/2026	—	—
	7,500	—	13.90	3/31/2026	—	—
	10,000	—	10.30	3/31/2025	—	—
	9,000	—	8.80	1/31/2024	—	—
	5,000	—	14.20	7/24/2024	—	—

Equity Incentive Plans

We have four equity incentive plans all of which are substantially identical except as to the number of awards which may be granted, pursuant to which we can grant awards with respect to an aggregate of 540,000 shares of our common stock. We have the right to grant awards pursuant to each plan until the tenth anniversary of the date on which it was approved by our stockholders. The 2022 Equity Incentive Plan, as amended, authorizes grants as to 350,000 shares and was approved by our stockholders in June 2022, and amended and restated in May 23 2023; the 2017 Equity Incentive Plan authorizes grants as to 120,000 shares and was approved by our stockholders in October 2017; the 2016 Equity Incentive Plan authorizes grants as to 35,000 shares and was approved by our stockholders in November 2016, and the 2015 Equity Incentive Plan authorizes grants as to 35,000 shares and was approved by our stockholders in June 2015.

The Plans permit the Company to grant stock awards, non-qualified and incentive stock options, restricted stock units and other forms of rewards to employees, directors and consultants. The Plans are administered by the Compensation Committee of the Board and each has a term of ten years from the date it was adopted by the Board.

We adopted the Plans to provide a means by which employees, directors, and consultants of our Company and those of our subsidiaries and other designated affiliates, which we refer to together as our affiliates, may be given an opportunity to purchase our common stock, to assist in retaining the services of such persons, to secure and retain the services of persons capable of filling such positions, and to provide incentives for such persons to exert maximum efforts for our success and the success of our affiliates.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information known to us regarding beneficial ownership of our Common Stock as of April 26, 2024 by (i) each person known by us to own beneficially more than 5% of our outstanding Common Stock, (ii) each of our directors, (iii) our chief executive officer and the other Named Executive Officers, and (iii) all of our directors and executive officers as a group.

Except as otherwise indicated, we believe, based on information provided by each of the individuals named in the table below, that such individuals have sole investment and voting power with respect to such shares, subject to community property laws, where applicable. As of April 26, 2024, we had outstanding 3,315,368 shares of Common Stock. Except as stated in the table, the address of the holder is c/o our company, 1460 Fifth Avenue, Bay Shore, New York 11706.

Directors and Executive Officers:	Number of Shares Beneficially Owned	Percent
Michael N. Taglich	696,069 ⁽¹⁾	19.56%
Robert F. Taglich	481,667 ⁽²⁾	13.73%
Peter D. Rettaliata	41,292 ⁽³⁾	1.24%
David Buonanno	12,063 ⁽⁴⁾	*
Michael Brand	20,511 ⁽⁵⁾	*
Michael Porcelain	47,359 ⁽⁶⁾	1.43%
Luciano Melluzzo, President and CEO	176,000 ⁽⁷⁾	5.06%
Scott Glassman, CFO	17,684 ⁽⁸⁾	*
Michael Recca, former CFO	74,600 ⁽⁹⁾	2.20%
All Directors and Executive Officers as a group (9 persons owning shares)	1,543,252 ⁽¹⁰⁾	38.07%
Beneficial Ownership of More Than 5% of Shares:		
Richmond Brothers, Inc.	224,238 ⁽¹¹⁾	6.76% ⁽¹¹⁾
David S. Richman	315,396 ⁽¹¹⁾	9.51% ⁽¹¹⁾
Matthew J. Curfman	232,273 ⁽¹¹⁾	7.01% ⁽¹¹⁾

* Less than 1%

- (1) Includes 428,047 shares owned by Mr. Taglich, 23,995 shares owned by Taglich Brothers, 236,907 shares he may acquire upon conversion of convertible notes (including 17,228 shares which may be acquired by Taglich Brothers), but excluding shares for accrued interest thereon and 7,120 shares he may acquire upon exercise of options, in each case exercisable within 60 days.
- (2) Includes 259,941 shares owned by Mr. Taglich, 23,995 shares owned by Taglich Brothers, 4,476 shares owned by custodial accounts for the benefit of his children under the NY UGMA, 186,135 shares he may acquire upon conversion of convertible notes (including 17,228 shares that may be acquired by Taglich Brothers), but excluding shares for accrued interest thereon and 7,120 shares he may acquire upon exercise of options, in each case exercisable within 60 days.

- (3) Includes 14,140 shares he may acquire upon exercise of options exercisable within 60 days.
- (4) Includes 7,260 shares he may acquire upon exercise of options exercisable within 60 days.
- (5) Includes 14,260 shares he may acquire upon exercise of options exercisable within 60 days.
- (6) Includes 7,260 shares he may acquire upon exercise of options exercisable within 60 days.
- (7) Includes 166,000 shares he may acquire upon exercise of options exercisable within 60 days.
- (8) Includes 17,684 shares he may acquire upon exercise of options exercisable within 60 days.
- (9) Represents shares he may acquire upon exercise of options exercisable within 60 days.
- (10) Includes 423,042 shares that may be acquired upon conversion of convertible notes, 1,750 shares that may be acquired upon exercise of warrants and 315,444 shares that may be acquired upon exercise of options, in each case exercisable within 60 days.
- (11) The information set forth below is based on the amended Schedule 13D filed with the SEC and the Company on October 22, 2021 reflecting ownership as of that date. By virtue of their Joint Filing Agreement, dated October 9, 2018, the persons and entities affirm their membership in a group under SEC Rule 13d-5(b) and the group is deemed to beneficially own all of the shares beneficially owned by the group members. The beneficial ownership of each of the group members was disclosed as follows, based upon 3,315,368 shares outstanding:

	Sole Voting Power	Shared Voting Power	Sole Dispositive Power	Shared Dispositive Power	Total	Percent
Richmond Brothers, Inc. ^(a)	—	—	—	224,238#	224,238#	6.76%
RBI Private Investment II, LLC	1,534	—	1,534	—	1,534	*
RBI Private Investment III, LLC	82,506+	—	82,506+	—	82,506+	2.49%
RBI PI Manager, LLC ^(b)	84,040+	—	84,040+	—	84,040+	2.53%
Richmond Brothers 401(k) Profit Sharing Plan	7,120	—	7,120	—	7,120	*
David S. Richmond ^(c)	84,040+	7,120	84,040+	224,238#	315,398+#	9.51%
Matthew J. Curfman ^(d)	916	7,120	916	224,238#	232,274#	7.01%

(a) Held as investment advisor to certain separately managed accounts.

(b) Includes the shares owned by RBI Private Investment II, LLC and RBI Private Investment III, LLC.

(c) Sole voting and dispositive power includes shares owned by Mr. Richmond directly and by RBI Private Investment II, LLC and RBI Private Investment III, LLC. Shared voting and dispositive power includes shares owned by Richmond Brothers, Inc. and the Profit Sharing Plan.

(d) Sole voting and dispositive power includes shares owned by Mr. Curfman. Shared voting and dispositive power includes shares owned by Richmond Brothers, Inc. and the Profit Sharing Plan.

Includes 31,200 shares which may be acquired upon exercise of warrants.

+ Includes 28,000 shares which may be acquired upon exercise of warrants.

* Less than 1 percent.

The address for Richmond Brothers, Inc., RBI Private Investment I, LLC, RBI Private Investment II, LLC, RBI PI Manager, LLC, Richmond Brothers 401(k) Profit Sharing Plan, David S. Richmond and Matthew J. Curfman is 3568 Wildwood Avenue, Jackson, Michigan 49202.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Our Policy Concerning Transactions with Related Persons

Under Item 404 of SEC Regulation S-K, a related person transaction is any actual or proposed transaction, arrangement or relationship or series of similar transactions, arrangements or relationships, including those involving indebtedness not in the ordinary course of business, to which we or our subsidiaries were or are a party, or in which we or our subsidiaries were or are a participant, in which the amount involved exceeded or exceeds the lesser of \$120,000 or one percent of the average of our total assets at year-end for the last two completed fiscal years and in which any of our directors, nominees for director, executive officers, beneficial owners of more than 5% of any class of our voting securities (a “significant shareholder”), or any member of the immediate family of any of the foregoing persons, had or will have a direct or indirect material interest.

We recognize that transactions between us and any of our Directors or Executives or with a third party in which one of our officers, directors or significant shareholders has an interest can present potential or actual conflicts of interest and create the appearance that our decisions are based on considerations other than the best interests of our Company and stockholders.

The Audit Committee of the Board of Directors is charged with responsibility for reviewing, approving and overseeing any transaction between the Company and any related person (as defined in Item 404 of Regulation S-K), including the propriety and ethical implications of any such transactions, as reported or disclosed to the Committee by the independent auditors, employees, officers, members of the Board of Directors or otherwise, and to determine whether the terms of the transaction are not less favorable to us than could be obtained from an unaffiliated party.

There were no transactions completed by us since January 1, 2023, in which the amount involved exceeded \$120,000 and in which any related person has a direct or indirect material interest. As of December 31, 2023, Michael Taglich, Robert Taglich and certain of their affiliates held subordinated notes issued by us prior to January 1, 2023, in the aggregate principal amount of \$6,162,000 as a result of transactions entered into prior to January, 2023. Of the \$6,162,000, approximately \$2,732,000 bears an annual rate of interest of 6%, \$2,080,000 bears an annual rate of 7% and \$1,350,000 bears an annual interest rate of 12%. Interest expense for the year ended December 31, 2023 was \$472,000. Of the \$6,162,000, approximately \$2,732,000 can be converted at the option of the holder into our common stock at \$15.00 per share and \$2,080,000 can be converted at the option of the holder into our common stock at \$9.30 per share.

There are no transactions currently proposed by us in which a related party has a direct or indirect financial interest in which the amount involved exceeds \$120,000.

Board Independence

Our Board of Directors has determined that David Buonanno, Peter Rettaliata, Michael Brand and Michael Porcelain are “independent directors” within the meaning of NYSE American Rule 803A(2).

Item 14. Principal Accountant Fees and Services

As required by our Audit Committee charter, our Audit Committee pre-approved the engagement of Marcum LLP for all audit and permissible non-audit services. The Audit Committee annually reviews the audit and permissible non-audit services performed by our principal accounting firm and reviews and approves the fees charged by our principal accounting firm. The Audit Committee considered the role of Marcum LLP in providing tax and audit services and other permissible non-audit services to us while it was serving as our auditor and concluded that the provision of such services, if any, was compatible with the maintenance of such firm's independence in the conduct of its auditing functions.

During fiscal years 2023 and 2022, the aggregate fees which we paid to or were billed by Marcum for professional services were as follows:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Audit Fees ⁽¹⁾	\$ 422,000	\$ 340,000
Audit Related Fees ⁽²⁾	—	21,000
Tax Fees ⁽³⁾	68,000	62,000
	<u>\$ 490,000</u>	<u>\$ 428,000</u>

- (1) Fees for services to perform our annual audit of financial statements, review of financial statements included in our quarterly filings included in Form 10-Q, and fees for services that are normally provided by the accountant for statutory and regulatory filings. This category includes fees for services rendered that only the auditor reasonably can provide, including comfort letters, consents, assistance with and review of documents filed with the SEC and accounting and financial reporting consultations billed as audit services. The annual audit fee included in this category was \$250,000 and \$250,000 for 2023 and 2022, respectively. The balance of the fees in this category were for the reviews of our quarterly financial statements.
- (2) Fees for assurance and related services that are traditionally performed by our independent registered public accounting firm, such as due diligence services related to mergers and acquisitions, accounting consultation and audits in connections with acquisitions, consultation concerning financial accounting and reporting standards not classified as audit fees and attest services not required by statute or regulation.
- (3) Fees for tax compliance, tax advice and planning. Tax compliance generally involves preparation of original and amended tax returns, claims for refunds and tax payment-planning services. Tax planning and tax advice encompass a diverse range of services, including assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from taxing authorities.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The following exhibits are included as part of this report. References to “the Company” in this Exhibit List mean Air Industries Group, a Nevada Corporation.

Exhibit No.	Description
31.1*	Certification of principal executive officer pursuant to Rule 13a-14 or Rule 15d-14 of Securities Exchange Act of 1934.
31.2*	Certification of principal financial officer pursuant to Rule 13a-14 or Rule 15d-14 of the Exchange Act of 1934.
32.1**	Certification of principal executive officer pursuant to Section 906 of Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
32.2**	Certification of principal financial officer pursuant to Section 906 of Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350).
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

** Furnished herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this amendment to this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 29, 2024

AIR INDUSTRIES GROUP

By: /s/ Luciano Melluzzo
Luciano Melluzzo
President and Chief Executive Officer
(principal executive officer)

By: /s/ Scott Glassman
Scott Glassman
Chief Financial Officer
(principal financial and accounting officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant on April 29, 2024 in the capacities indicated.

<u>Signature</u>	<u>Capacity</u>
<u>/s/ Luciano Melluzzo</u> Luciano Melluzzo	President and CEO (principal executive officer)
<u>/s/ Scott Glassman</u> Scott Glassman	Chief Financial Officer (principal financial and accounting officer)
<u>/s/ Michael N. Taglich</u> Michael N. Taglich	Director
<u>/s/ Peter D. Rettaliata</u> Peter D. Rettaliata	Chairman of the Board
<u>/s/ Robert F. Taglich</u> Robert F. Taglich	Director
<u>/s/ David J. Buonanno</u> David J. Buonanno	Director
<u>/s/ Michael Brand</u> Michael Brand	Director
<u>/s/ Michael Porcelain</u> Michael Porcelain	Director

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE EXCHANGE ACT

I, Luciano Melluzzo, certify that:

1. I have reviewed this annual report on Form 10-K/A of Air Industries Group;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 29, 2024

/s/ Luciano Melluzzo

Luciano Melluzzo

Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) UNDER THE EXCHANGE ACT

I, Scott Glassman, certify that:

1. I have reviewed this annual report on Form 10-K/A of Air Industries Group;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: April 29, 2024

/s/ Scott Glassman

Scott Glassman

Chief Financial Officer (Principal Financial Officer)

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report of Air Industries Group, a Nevada corporation (the “Company”), on Form 10-K/A for the year ended December 31, 2023, as filed with the Securities and Exchange Commission (the “Report”), Luciano Melluzzo, Chief Executive Officer of the Company, does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss. 1350), that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: April 29, 2024

/s/ Luciano Melluzzo

Luciano Melluzzo
Chief Executive Officer (Principal Executive Officer)

[A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.]

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the Annual Report of Air Industries Group, a Nevada corporation (the “Company”), on Form 10-K/A for the year ended December 31, 2023, as filed with the Securities and Exchange Commission (the “Report”), Scott Glassman, Chief Financial Officer of the Company, does hereby certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. ss. 1350), that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: April 29, 2024

/s/ Scott Glassman

Scott Glassman
Chief Financial Officer (Principal Financial Officer)

[A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company. and furnished to the Securities and Exchange Commission or its staff upon request.]