Warrants

Warrants

Warrants

\$5

\$6.15

\$6.15

08/19/2016

10/13/2016

10/13/2016

FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Washington, D.C. 20549

|   | ON 4D | 4 DDDQ\ /4 I | - |
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| ' | OIVIB | APPROVAL     |   |

OMB Number: 3235-0287 Estimated average burden 0.5 hours per response:

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

| Instruct   | ion 1(b).   |  |  | File   |   |             |                                     | a) of the Seci<br>Investment |   |  |                | of 1934   |   |             |  |  |                            |                             |
|--|---|--|--|--|---|-------------|-------------------------------------|------------------------------|---|--|----------------|---|---|-------------|--|--|----------------------------|-----------------------------|
| 1. Name and Address of Reporting Person*  TAGLICH ROBERT |   |  |  |  | 2. Issuer Name and Ticker or Trading Symbol AIR INDUSTRIES GROUP [ AIRI ] |             |                                     |                              |   |  |                |   | Relationship of Reporting Person(s) to Issuer (Check all applicable)     X Director X 10% Owner |             |  |  |                            |                             |
| (Last) (First) (Middle) 790 NEW YORK AVENUE, SUITE 209   |   |  |  |  | 3. Date of Earliest Transaction (Month/Day/Year) 02/13/2019               |             |                                     |                              |   |  |                |   | Officer (give title Other (specify below) below)  |             |  |  |                            |                             |
| (Street) HUNTINGTON NY 11743                             |   |  |  | 4. If Amendment, Date of Original Filed (Month/Day/Year) 02/14/2019                    |   |             |                                     |                              |   | 6. Individual or Joint/Group Filing (Check Applicable Line)  X Form filed by One Reporting Person Form filed by More than One Reporting Person |                |   |   |             |  |  |                            |                             |
| (City) (State) (Zip)                                     |   |  |  |  |   |             |                                     |                              |   |  |                |   |   |             |  |  |                            |                             |
|  |   |  | Table I - Non                              | -Deriv   | ative   | Securitie   | s A                                 | cquired, D                   | isp   | osed o   | of, or E       | Benefic   | cially O  | wned        |  |  |                            |                             |
| 1. Title of Security (Instr. 3)                          |   |  | 2. Transaction<br>Date<br>(Month/Day/Year) |  | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year)               |             | r, Transaction Dispose Code (Instr. |                              | rities Acquired (A) or<br>ed Of (D) (Instr. 3, 4 and 5)                                 |  |                | Beneficially O<br>Following Rep                     |   | Form:       | Direct In<br>Indirect B  | . Nature of<br>ndirect<br>seneficial<br>ownership                  |                            |                             |
|  |   |  |  |  |   |             |                                     | v                            | Amoun   | (A) or (D)   |                | Price   | Transaction(s)<br>(Instr. 3 and 4)  |             |  |  | nstr. 4)                   |                             |
| Common   | Stock   |  |  |  |   |             |                                     |                              |   |  |                |   |   | 2,082,681   |  | D <sup>(1)</sup>   |                            |                             |
| Common Stock   |   |  |  |  |   |             |                                     |                              |   |  |                |   | 44,76   | 50          |  |  | See<br>Note <sup>(2)</sup> |                             |
| Common Stock   |   |  |  |  |   |             |                                     |                              |   |  |                |   | 27,891  |             |  |  | See<br>Note <sup>(3)</sup> |                             |
|  |   |  | Table II - I<br>(                          |  |   |             |                                     | quired, Dis<br>s, options    |   |  |                |   |   | ned         |  |  |                            |                             |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)      | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | on Date (Month/Day/Year) Execution Date, if any (Month/Day/Year) (Month/Day/Year) A D D (III |  | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |   |             |                                     |                              | 7. Title and Amount of<br>Securities Underlying<br>Derivative Security (Ins<br>3 and 4) |  | rlying         | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported      |             | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |                            |                             |
|  |   |  |  | Code   | v   | (A)         | (D)                                 | Date<br>Exercisable          | Ex <sub> </sub>   | piration<br>te   | Title          |   | unt or<br>ber of<br>es  |             | Transac<br>(Instr. 4)  |  |                            |                             |
| Stock<br>Options   | \$1.28  | 02/13/2019   |  | A  |   | 10,000      |                                     | (4)                          | 12/   | 31/2025  | Commo          | n 10  | 0,000   | \$0         | 10,0   | 000  | D                          |                             |
| Stock<br>Options   | \$1.59  | 05/14/2018   |  | A  |   | 13,000      |                                     | (5)                          | 05/   | 31/2023  | Commo          |   | 3,000   | \$0         | 13,000   |  | D                          |                             |
| Stock<br>Options   | \$9.38  | 03/31/2014   |  | A  |   | 750         |                                     | 03/31/2014                   | 03/   | 31/2019  | Commo          |   | 750   | \$0         | 750  |  | D                          |                             |
| Stock<br>Options   | \$11.73   | 05/16/2014   |  | A  |   | 750         |                                     | 05/16/2014                   | 05/   | 15/2019  | Commo          |   | 750   | \$0         | 750  |  | D                          |                             |
| Stock<br>Options   | \$9.24  | 08/21/2014   |  | A  |   | 750         | 750 08.                             |                              | 08/   | 20/2019  | Commo<br>Stock |   |   | \$0 7       |  | 750 D  |                            |                             |
| Stock<br>Options   | \$10.26   | 11/24/2014   |  | A  |   | 1,750       |                                     | 11/24/2014                   | 11/   | 23/2019  | Commo<br>Stock |   | ,750  | \$0         | 1,750  |  | D                          |                             |
| Stock<br>Options   | \$10.05   | 04/06/2015   |  | A  |   | 3,000       |                                     | (6)                          | 04/   | 05/2020  | Commo<br>Stock |   | ,000  | \$0         | 3,0  | 3,000 D  |                            |                             |
| Stock<br>Options   | \$4.64  | 06/02/2016   |  | A  |   | 3,000       |                                     | (7)                          | 06/   | 01/2021  | Commo<br>Stock |   | 3,000   | \$0         | 3,0  | 00   | D                          |                             |
| Stock<br>Options<br>(right to<br>purchase)               | \$1.69  | 01/02/2018   |  | A  |   | 3,000       |                                     | 01/02/2018                   | 12/   | 31/2022  | Commo<br>Stock |   | 3,000   | \$0         | 3,000  |  | D                          |                             |
| Convertible<br>Notes                                     | \$1.5   | 09/30/2018   |  | J <sup>(8)</sup>   |   | \$650,000   |                                     | 09/30/2018                   | 12/   | 31/2020  | Commo<br>Stock |   | 3,333(9)  | \$650,000   | \$650,000  |  | D                          |                             |
| Convertible<br>Notes                                     | \$0.93  | 01/15/2019   |  | P  |   | \$1,000,000 |                                     | 01/15/2019                   | 12/   | 31/2020  | Commo<br>Stock |   | 75,268 <sup>(9)</sup>   | \$1,000,000 | \$1,000  | 0,000  | D                          |                             |
| Convertible<br>Notes                                     | \$1.5   | 09/30/2018   |  | J <sup>(10)</sup>  |   | \$382,000   |                                     | 09/30/2018                   | 12/   | 31/2020  | Commo<br>Stock |   | 4,666 <sup>(9)</sup>  | \$382,000   | \$382  | ,000   | I                          | See<br>Note <sup>(10)</sup> |
| Convertible<br>Notes                                     | \$0.93  | 01/15/2019   |  | J <sup>(11)</sup>  |   | \$80,000    |                                     | 01/15/2019                   | 12/   | 31/2020  | Commo<br>Stock |   | ,021 <sup>(9)</sup>   | \$80,000    | \$80,000   |  | I                          | See<br>Note <sup>(11)</sup> |
| Warrants   | \$1.4   | 10/01/2018   |  | <b>J</b> (12)  |   | 17,500      |                                     | 10/01/2018                   | 09/   | 30/2023  | Commo<br>Stock |   | 7,500   | \$0         | 17,5   | 500  | I                          | See<br>Note <sup>(12)</sup> |

P

J(13)

J<sup>(13)</sup>

8,307

13,500

15,925

08/19/2016

11/27/2016

09/01/2016

07/31/2021

05/26/2021

07/31/2021

Stock Common Stock

Common

Common

8,307

13,500

15,925

\$<mark>0</mark>

\$0

8,307

13,500

15,925

D

D

D

|   | Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) |  |   |                              |   |  |               |  |                    |                                  |   |   |  |                     |  |
|---|--|--|---|------------------------------|---|--|---------------|--|--------------------|----------------------------------|---|---|--|---------------------|--|
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security  | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 4.<br>Transa<br>Code (<br>8) |   | 5. Number of<br>Derivative<br>Securities<br>Acquired (A<br>Disposed of<br>(Instr. 3, 4 a<br>5) | ) or<br>f (D) | 6. Date Exerc<br>Expiration Da<br>(Month/Day/Y | ate                | Securities                       | d Amount of<br>Underlying<br>Security (Instr. | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported | Form:<br>Direct (D) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|   |  |  |   | Code                         | v | (A)  | (D)           | Date<br>Exercisable                            | Expiration<br>Date | Amount or<br>Number of<br>Shares |   |   | Transaction(s)<br>(Instr. 4)   |                     |  |
| Warrants  | \$3  | 11/23/2016                                 |   | P                            |   | 8,889  |               | 11/23/2016                                     | 11/30/2021         | Common<br>Stock                  | 8,889   | \$0   | 8,889  | D                   |  |

## **Explanation of Responses:**

- 1. Includes shares previously owned by a partnership of which Reporting Person was a General Partner, received upon liquidation at the end of 2018.
- $2. \ Represent \ shares \ acquired \ for \ which \ Mr. \ Taglich \ is \ the \ custodian \ for \ his \ children \ under \ NY \ UGMA.$
- 3. Represents shares owned by Taglich Brothers, Inc., of which the Reporting Person is Managing Director.
- $4.\ Vests as to 2,500\ shares on\ March 31, 2019, and an additional 2,500\ shares on each of June 30, 2019, September 31, 2019 and December 31, 2019.$
- 5. Fully vested as of 12/31/2018.
- 6. Fully vested as of 11/01/2016.
- 7. Fully vested as of 01/01/2016.
- 8. Represents Issuer's 6% convertible notes received pursuant to amendment to Issuer's 8% convertible notes.
- 9. Does not include shares issued upon conversion for accrued interest on the Notes.
- 10. Represents 6% convertible notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, pursuant to amendment to Issuer's 8% convertible notes originally issued in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 8% convertible notes.
- 11. Represents 7% convertible notes issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, issued in lieu of cash payment of commissions earned for acting as placement agent for the sale of Issuer's 7% convertible notes in January 2019.
- 12. Represents warrants issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director, for acting as placement agent for the sale of Issuer's shares of common stock in October 2018.
- 13. Assignment of a portion of Placement Agent Warrants originally issued to Taglich Brothers, Inc., of which the Reporting Person is Managing Director.

<u>/s/ Robert F. Taglich</u> <u>02/15/2019</u>
\*\* 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.

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