

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported):
February 8, 2016

AIR INDUSTRIES GROUP

(Exact Name of Registrant as Specified in its Charter)

Nevada
State of
Incorporation

001-35927
Commission
File Number

80-0948413
IRS Employer
I.D. Number

360 Motor Parkway, Suite 100, Hauppauge, NY 11788
Address of principal executive offices

Registrant's telephone number: (631) 881-4920

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On February 8, 2016, Air Industries Group and its wholly owned subsidiaries (collectively, the “Company”) entered into an amendment to its Amended and Restated Revolving Credit, Term Loan and Security Agreement with PNC Bank, N.A. (“Lender”) increasing the maximum revolving advance amount from \$33,000,000 to \$37,500,000, including an overadvance facility in the amount of (i) \$4,500,000 for the period commencing on February 8, 2016 and ending February 14, 2016; (ii) \$2,500,000 for the period commencing February 15, 2016 and ending February 21, 2016; and (iii) \$2,000,000 for the period commencing February 22, 2016 and ending March 1, 2016. As a result of the amendment, the maximum loan amount under the loan agreement has been increased from \$43,020,856 to \$47,520,856, including the overadvance facility, less repayments of the term loans.

In connection with the amendment the Company issued its 6th Amended and Restated Revolving Credit Note in the principal amount of \$37,500,000, superseding and replacing the 5th Amended and Restated Revolving Credit Note. Amounts outstanding under the revolving credit note will continue to bear interest at (a) the sum of the Alternate Base Rate plus three-quarters of one percent (0.75%) with respect to Domestic Rate Loans; and (b) the sum of LIBOR Rate plus two and one-half percent (2.50%) with respect to LIBOR Rate Loans, except that the overadvance facility, will bear interest at a rate per annum equal to (c) the sum of the Alternate Base Rate plus one and one-half percent (1.50%) with respect to Domestic Rate Loans and (d) the sum of LIBOR Rate plus three and three-quarters percent (3.75%) with respect to LIBOR Rate Loans. The maturity date of the revolving credit note is November 30, 2016.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Eleventh Amendment to Amended and Restated Revolving Credit, Term Loan and Security Agreement.
10.2	Sixth Amended and Restated Revolving Credit Note.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 12, 2016

AIR INDUSTRIES GROUP

By: /s/ Daniel R. Godin
Daniel R. Godin
President and Chief Executive Officer

**ELEVENTH AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT,
TERM LOAN AND SECURITY AGREEMENT**

THIS ELEVENTH AMENDMENT TO AMENDED AND RESTATED REVOLVING CREDIT, TERM LOAN AND SECURITY AGREEMENT (this "Agreement") is entered into February 8, 2016 by and among AIR INDUSTRIES MACHINING, CORP. (as successor by merger with Gales Industries Acquisition Corp., Inc.) ("Air"), a corporation organized under the laws of the State of New York, WELDING METALLURGY, INC. (as successor by merger with WMS Merger Corp.) ("WM"), a corporation organized under the laws of the State of New York, NASSAU TOOL WORKS, INC. (formerly known as NTW Operating Inc.) ("NTW"), a corporation organized under the laws of the State of New York, WOODBINE PRODUCTS, INC. ("WP"), a corporation organized under the laws of the State of New York, MILLER STUART INC. ("MS"), a corporation organized under the laws of the State of New York, EUR-PAC CORPORATION ("Eur-Pac"), a corporation organized under the laws of the State of New York, ELECTRONIC CONNECTION CORPORATION ("ECC"), a corporation organized under the laws of the State of Connecticut, AMK WELDING, INC., ("AMK") a corporation organized under the laws of the State of Delaware, and THE STERLING ENGINEERING CORPORATION ("STERLING" and collectively with Air, WM, NTW, WP, MS, EUR-PAC, ECC and AMK, the "Borrower"), a corporation organized under the laws of the State of Connecticut, AIR INDUSTRIES GROUP (as successor by merger with Air Industries Group, Inc. f/k/a Gales Industries Incorporated, a Delaware corporation)("AIR GROUP") a corporation organized under the laws of the State of Nevada and AIR REALTY GROUP, LLC ("REALTY", and collectively with Air Group and with the Borrower, the "Obligor"), a limited liability company organized under the laws of the State of Connecticut, and PNC BANK, NATIONAL ASSOCIATION ("PNC"), the various financial institutions named therein or which hereafter become a party thereto, (together with PNC, collectively, "Lenders") and PNC as agent for Lenders (in such capacity, "Agent").

RECITALS

Whereas, Obligor and PNC entered into a certain Amended and Restated Revolving Credit, Term Loan and Security Agreement dated June 27, 2013 (which has been, is being and may be further amended, replaced, restated, modified and/or extended, the "Loan Agreement"); and

Whereas, Obligor and PNC have agreed to modify the terms of the Loan Agreement as set forth in this Agreement.

Now, therefore, in consideration of PNC's continued extension of credit and the agreements contained herein, the parties agree as follows:

AGREEMENT

1) **ACKNOWLEDGMENT OF BALANCE.** Obligor acknowledges that the most recent statement of account sent to Obligor with respect to the Obligations is correct.

2) **MODIFICATIONS.** The Loan Agreement be and hereby is modified as follows:

(a) The following definitions in Section 1.2 of the Loan Agreement are hereby deleted, and are replaced to read as follows:

"Maximum Loan Amount" shall mean \$47,520,856.20 including the Overadvance Facility less repayments of the Term Loan.

“Maximum Revolving Advance Amount” shall mean \$37,500,000.00 including the Overadvance Facility.

“Revolving Interest Rate” shall mean an interest rate per annum equal to (a) the sum of the Alternate Base Rate plus three-quarters of one percent (0.75%) with respect to Domestic Rate Loans; and (b) the sum of LIBOR Rate plus two and one-half percent (2.50%) with respect to LIBOR Rate Loans. With respect to the Overadvance Facility, the Term “Revolving Interest Rate” shall mean an interest rate per annum equal to (c) the sum of the Alternate Base Rate plus one and one-half percent (1.50%) with respect to Domestic Rate Loans; and (d) the sum of LIBOR Rate plus three and three-quarters percent (3.75%) with respect to LIBOR Rate Loans.

(b) The following definition is hereby added to Section 1.2 of the Loan Agreement to read as follows:

“Overadvance Facility” shall mean: (a) the sum of \$4,500,000 for the period commencing on February 8, 2016 and ending February 14, 2016; (b) the sum of \$2,500,000 for the period commencing February 15, 2016 and ending February 21, 2016; and (c) the sum of \$2,000,000 for the period commencing February 22, 2016 and ending March 1, 2016.

3) **GUARANTOR’S RATIFICATION.** (A) Air Industries Group, a corporation organized under the laws of the State of Nevada (as successor by merger with Air Industries Group, Inc. f/k/a Gales Industries Incorporated, a Delaware corporation) hereby reaffirms its continuing obligations under the terms of that certain Guaranty and Suretyship Agreement dated August 24, 2007 executed by Air Industries Group, Inc. f/k/a Gales Industries Incorporated, a Delaware corporation, and (B) Air Realty Group, LLC, a Connecticut limited liability company hereby reaffirms its continuing obligations under the terms of that certain Continuing Unlimited Guaranty dated March 9, 2015 (collectively, the “Guaranty”), and acknowledge that (i) they have read this Agreement, (ii) the Obligations under the Loan Agreement are secured by the Guaranty, and (iii) they make such reaffirmation with full knowledge of the terms thereof.

4) **ACKNOWLEDGMENTS.** Borrower acknowledges and represents that:

(A) the Loan Agreement and Other Documents, as amended hereby, are in full force and effect without any defense, claim, counterclaim, right or claim of set-off;

(B) to the best of its knowledge, no default by the Agent or Lenders in the performance of their duties under the Loan Agreement or the Other Documents has occurred;

(C) all representations and warranties of the Borrower contained herein, in the Loan Agreement and in the Other Documents are true and correct in all material respects as of this date, except for any representation or warranty that specifically refers to an earlier date;

(D) Borrower has taken all necessary action to authorize the execution and delivery of this Agreement; and

(E) this Agreement is a modification of an existing obligation and is not a novation.

5) **PRECONDITIONS.** As preconditions to the effectiveness of any of the modifications, consents, or waivers contained herein, the Borrower agrees to:

(A) provide the Agent with this Agreement and the Sixth Amended and Restated Revolving Credit Note each properly executed;

- (B) provide the Agent with secretary's certificates and resolutions from the Borrower and Guarantor, in form and substance acceptable to the Agent;
 - (C) provide the Agent with all information and documentation required by the Agent;
 - (D) pay to the Agent an Amendment Fee in the amount of \$75,000.00;
 - (E) pay all legal fees incurred by the Agent in entering into this Agreement to Wilentz, Goldman & Spitzer; and
 - (F) pay all other fees and costs incurred by the Lenders in entering into this Agreement.
- 6) **MISCELLANEOUS.** This Agreement shall be construed in accordance with and governed by the laws of the State of New York, without reference to that state's conflicts of law principles. This Agreement, the Loan Agreement and the Other Documents constitute the sole agreement of the parties with respect to the subject matter thereof and supersede all oral negotiations and prior writings with respect to the subject matter thereof. No amendment of this Agreement, and no waiver of any one or more of the provisions hereof shall be effective unless set forth in writing and signed by the parties hereto. The illegality, unenforceability or inconsistency of any provision of this Agreement shall not in any way affect or impair the legality, enforceability or consistency of the remaining provisions of this Agreement, the Loan Agreement or the Other Documents. This Agreement, the Loan Agreement and the Other Documents are intended to be consistent. However, in the event of any inconsistencies among this Agreement, the Loan Agreement and/or any of the Other Documents, the terms of this Agreement, then the Loan Agreement, shall control. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed an original, but all such counterparts shall together constitute one and the same agreement.
- 7) **DEFINITIONS.** The terms used herein and not otherwise defined or modified herein shall have the meanings ascribed to them in the Loan Agreement. The terms used herein and not otherwise defined or modified herein or defined in the Loan Agreement shall have the meanings ascribed to them by the Uniform Commercial Code as enacted in State of New York.

IN WITNESS WHEREOF, the undersigned have signed and sealed this Agreement the day and year above written.

ATTEST:

AIR INDUSTRIES MACHINING, CORP.

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

(SIGNATURES CONTINUED ON NEXT PAGE)

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

**WELDING METALLURGY, INC. (as
successor by merger with WMS Merger Corp.)**

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

**NASSAU TOOL WORKS, INC.
(formerly known as NTW Operating Inc.)**

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

AIR INDUSTRIES GROUP

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

MILLER STUART INC.

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

WOODBINE PRODUCTS, INC.

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

(SIGNATURES CONTINUED ON NEXT PAGE)

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

EUR-PAC CORPORATION

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

ELECTRONIC CONNECTION CORPORATION

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

AMK WELDING, INC.

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

THE STERLING ENGINEERING CORPORATION

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

ATTEST:

By: /s/ Kristie Petersen
Name: KRISTIE PETERSEN
Title: Secretary

AIR REALTY GROUP, LLC

By: /s/ Daniel R. Godin
Name: DANIEL R. GODIN
Title: President

(SIGNATURES CONTINUED ON NEXT PAGE)

**PNC BANK, NATIONAL ASSOCIATION
Lender and as Agent**

By: /s/ Patrick McConnell

Name: PATRICK McCONNELL

Title: Senior Vice President

SIXTH AMENDED AND RESTATED REVOLVING CREDIT NOTE

\$37,500,000

February 8, 2016
New York, New York

This Sixth Amended and Restated Revolving Credit Note (this "Note") is executed and delivered under and pursuant to the terms of that certain Amended and Restated Revolving Credit, Term Loan and Security Agreement dated July 27, 2013 (as amended, restated, replaced, extended, supplemented and/or modified from time to time, the "Loan Agreement") by and among AIR INDUSTRIES MACHINING, CORP. ("Air"), a corporation organized under the laws of the State of New York, WELDING METALLURGY, INC. (as successor by merger with WMS Merger Corp.) ("WM"), a corporation organized under the laws of the State of New York, NASSAU TOOL WORKS INC. (formerly known as NTW Operating Inc.) ("Nassau"), a corporation organized under the laws of the State of New York, WOODBINE PRODUCTS, INC. ("WP"), a corporation organized under the laws of the State of New York, MILLER STUART INC. ("MS"), a corporation organized under the laws of the State of New York, EUR-PAC CORPORATION ("Eur-Pac"), a corporation organized under the laws of the State of New York, ELECTRONIC CONNECTION CORPORATION ("ECC"), a corporation organized under the laws of the State of Connecticut, AMK WELDING, INC., ("AMK"), a corporation organized under the laws of the State of Delaware, and the STERLING ENGINEERING CORPORATION ("Sterling" and collectively with Air, WM, Nassau, WP, MS, EUR-PAC, ECC and AMK, the "Borrower"), a corporation organized under the laws of the State of Connecticut, AIR INDUSTRIES GROUP (as successor by merger with Air Industries Group, Inc. f/k/a Gales Industries Incorporated, a Delaware corporation) ("Air Group" and collectively with the Borrower, the "Obligor"), a corporation organized under the laws of the State of Nevada, and PNC BANK, NATIONAL ASSOCIATION ("PNC"), the various financial institutions named therein or which hereafter become a party thereto (together with PNC, collectively, "Lenders"), and PNC as agent for Lenders (in such capacity, "Agent"). Capitalized terms not otherwise defined herein shall have the meanings provided in the Loan Agreement.

FOR VALUE RECEIVED, Borrower hereby promises to pay to the order of PNC, at the office of Agent located at PNC Bank Center, Two Tower Center, 8th Floor, East Brunswick, New Jersey 08816 or at such other place as Agent may from time to time designate to Borrower in writing:

- (i) the principal sum of THIRTY-SEVEN MILLION FIVE HUNDRED AND 00/100 DOLLARS (\$37,500,000) or, if different, from such amount, the unpaid principal balance of PNC's Commitment Percentage of the Revolving Advances as may be due and owing under the Loan Agreement, payable in accordance with the provisions of the Loan Agreement, subject to acceleration upon the occurrence of an Event of Default under the Loan Agreement or earlier termination of the Loan Agreement pursuant to the terms thereof;
 - (ii) interest on the principal amount of this Note from time to time outstanding until such principal amount is paid in full at the applicable Revolving Interest Rate in accordance with the provisions of the Loan Agreement. In no event, however, shall interest exceed the maximum interest rate permitted by law. Upon and after the occurrence of an Event of Default, and during the continuation thereof, interest shall be payable at the Default Rate; and
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(iii) notwithstanding anything to the contrary herein, in the Loan Agreement and/or in any Other Document, all outstanding principal and interest hereunder is due and payable on the Termination Date.

This Note is one of the Revolving Credit Notes referred to in the Loan Agreement and is secured, inter alia, by the liens granted pursuant to the Loan Agreement and the Other Documents, is entitled to the benefits of the Loan Agreement and the Other Documents and is subject to all of the agreements, terms and conditions therein contained.

This Note is subject to mandatory prepayment and may be voluntarily prepaid, in whole or in part, on the terms and conditions set forth in the Loan Agreement.

If an Event of Default under Section 10.7 or 10.8 of the Loan Agreement shall occur, then this Note shall immediately become due and payable, without notice, together with reasonable attorneys' fees if the collection hereof is placed in the hands of an attorney to obtain or enforce payment hereof. If any other Event of Default shall occur under the Loan Agreement or any of the Loan Documents, which is not cured within any applicable grace period, then this Note may, as provided in the Loan Agreement, be declared to be immediately due and payable, without notice, together with reasonable attorneys' fees, if the collection hereof is placed in the hands of an attorney to obtain or enforce payment hereof.

This Note is intended to amend, restate and replace a certain Fifth Amended and Restated Revolving Credit Note issued by the Borrower in favor of the Lenders dated November 23, 2015 in the original principal amount of \$33,000,000. This Note is not a novation.

This Note shall be construed and enforced in accordance with the laws of the State of New York.

Borrower expressly waives any presentment, demand, protest, notice of protest, or notice of any kind except as expressly provided in the Loan Agreement.

ATTEST:

AIR INDUSTRIES MACHINING, CORP.

By: /s/ Kristie Petersen
Name: Kristie Petersen
Title: Secretary

By: /s/ Daniel R. Godin
Name: Daniel R. Godin
Title: President

ATTEST:

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