

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

<b>1. Name and Address of Reporting Person*</b> <u>TAGLICH MICHAEL N</u>  (Last) (First) (Middle) <u>C/O TAGLICH BROTHERS, INC.</u> <u>790 NEW YORK AVENUE, SUITE 209</u>  (Street) <u>HUNTINGTON NY 11743</u>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> <u>AIR INDUSTRIES GROUP [ AIRI ]</u>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> <u>12/22/2016</u>	
	<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>	<b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	06/29/2016		M		3,000	A	\$2.95	360,497	D	
Common Stock								17,990	I	See Note <sup>(1)</sup>
Common Stock								12,746	I	See Note <sup>(2)</sup>

**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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Options (right to purchase)	\$4.64	06/02/2016		A		750		02/01/2017	06/01/2021	Common Stock	750	\$0	15,250	D	
Convertible Notes	\$2.25	11/23/2016		P		\$1,000,000		11/23/2016	11/30/2018	Common Stock	444,444	\$1,000,000	\$2,520,713	D	
Convertible Notes	(3)	11/30/2016		C		\$1,520,713		08/19/2016	12/31/2017	See Note <sup>(3)</sup>	(3)	\$1,520,713	\$1,520,713	D	
Series A Preferred Stock	\$4.92	11/30/2016		C		157,586 <sup>(4)</sup>		11/30/2016	(5)	Common Stock	320,293	\$1,575,860	272,694 <sup>(4)</sup>	D	
Convertible Note	\$2.63	12/22/2016		P		\$300,000		12/22/2016	11/30/2018	Common Stock	114,068	\$300,000	\$1,820,713	D	
Warrants	\$3	12/22/2016		P		22,814		12/22/2016	11/30/2021	Common Stock	22,814	\$0	314,504	D	
Warrants	\$3	12/22/2016		P		44,677		12/22/2016	11/30/2021	Common Stock	44,677	\$50	185,924	I	See Note <sup>(6)</sup>

**Explanation of Responses:**

- Represents shares owned by Taglich Brothers, Inc., of which the Reporting Person is Chairman and President.
- Owned by Tag/Kent Partners, of which Reporting Person is a General Partner.
- Converted into shares of Series A Convertible Preferred Stock ("Series A Preferred Stock") at \$10 per share upon filing of Certificate of Amendment increasing number of authorized shares of Preferred Stock. Until automatically converted into shares of Series A Preferred Stock, the Note had been convertible into shares of Common Stock at an exercise price of \$4.92 per share, the conversion price of the Series A Preferred Stock.
- Includes shares received in lieu of cash dividends on December 15, 2016.
- There is no expiration date.
- Represents Placement Agent Warrants received by Taglich Brothers, Inc., of which the Reporting Person is Chairman and President, which acted as placement agent for the sale of Issuer's 8% Subordinated Convertible Notes in December 2016.

/s/ Michael N. Taglich 12/27/2016

\*\* 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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