

AIR T INC
Form SC 13D/A
May 29, 2013

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

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 12)

AIR T, INC.
(Name of Issuer)

Common Stock, par value of \$.25 per share
(Title of Class of Securities)

009207101
(CUSIP Number)

AO Partners I, L.P.
3033 Excelsior Blvd., Suite 560
Minneapolis, MN 55416
Telephone: (612) 353-6380
(Name, Address and Telephone Number of Persons Authorized to Receive Notices and Communications)

May 28, 2013
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

CUSIP NO. 009207101

1 NAME OF REPORTING PERSON

AO Partners I, L.P.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (a) T (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF SHARES 0

BENEFICIALLY OWNED BY EACH REPORTING PERSON 8 SHARED VOTING POWER

363,700

9 SOLE DISPOSITIVE POWER

0

10 SHARED DISPOSITIVE POWER

363,700

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

363,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.9%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

CUSIP NO. 009207101

1 NAME OF REPORTING PERSON

AO Partners, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (a) T
(b) ..

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ..

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

NUMBER OF SHARES 0

8 SHARED VOTING POWER

BENEFICIALLY OWNED BY

EACH REPORTING PERSON 363,700

9 SOLE DISPOSITIVE POWER

PERSON WITH 0

10 SHARED DISPOSITIVE POWER

363,700

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

363,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.9%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

CUSIP NO. 009207101

1 NAME OF REPORTING PERSON

Nicholas J. Swenson

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (a) T (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

PF

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ..

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

7 SOLE VOTING POWER

NUMBER OF 2,500(1)

SHARES 8 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 363,700

EACH 9 SOLE DISPOSITIVE POWER

REPORTING

PERSON 2,500(1)

WITH 10 SHARED DISPOSITIVE POWER

363,700

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

366,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) ..

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

14.9%

14 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

(1) Represent shares underlying stock options, which options are currently exercisable.

CUSIP NO. 009207101

1 NAME OF REPORTING PERSONS

Seth G. Barkett

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (a) (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF
SHARES

0
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

0
7 SOLE DISPOSITIVE POWER

EACH

REPORTING

PERSON

0
8 SHARED DISPOSITIVE POWER

WITH

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

William R. Foudray

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS " REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0
6 SHARED VOTING POWER

0
7 SOLE DISPOSITIVE POWER

0
8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) " EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Andrew L. Osborne

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS " REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0
6 SHARED VOTING POWER

0
7 SOLE DISPOSITIVE POWER

0
8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) " T EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

John M. LaFontsee

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0
6 SHARED VOTING POWER

0
7 SOLE DISPOSITIVE POWER

0
8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Scott A. Ronan

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS " REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF 0

SHARES 6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 0

EACH 7 SOLE DISPOSITIVE POWER

REPORTING

PERSON 0

WITH 8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) T EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS)

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Nicholas P. Zaccagnini

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF SHARES 0

BENEFICIALLY OWNED BY EACH REPORTING PERSON 6 SHARED VOTING POWER

OWNED BY EACH REPORTING PERSON 7

SOLE DISPOSITIVE POWER

PERSON WITH 8

SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Ryan P. Buckley

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON
WITH

0
6 SHARED VOTING POWER

0
7 SOLE DISPOSITIVE POWER

0
8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Thomas D. Gallagher

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF SHARES 0

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 6 SHARED VOTING POWER

7 SOLE DISPOSITIVE POWER

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

12

CUSIP No. 74265M205

1 NAME OF REPORTING PERSONS

Christopher J. Richard

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE (a) " INSTRUCTIONS) (b) o

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

5 SOLE VOTING POWER

NUMBER OF SHARES 0

BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 6 SHARED VOTING POWER

7 SOLE DISPOSITIVE POWER

8 SHARED DISPOSITIVE POWER

0

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

0

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) T

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9)

0.0%

12 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

CUSIP NO. 009207101

Item 1. Security and Issuer.

This Amended Schedule 13D relates to shares of the Common Stock, \$.25 par value (the “Common Stock”), of Air T, Inc., a Delaware corporation (the “Issuer”). The address of the principal executive offices of the Issuer is 3524 Airport Road, Maiden, North Carolina 28650.

Item 2. Identity and Background.

This Amended Schedule 13D is being filed jointly by the parties identified below.

By virtue of Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard agreeing to serve as nominees for election to the Company’s Board of Directors in connection with the nomination of director candidates by the AO Partners Group (as defined below), Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard may be deemed to constitute a “group” with the AO Partners Group for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard expressly disclaim beneficial ownership of securities held by the AO Partners Group and by each other. The securities reported herein as being beneficially owned by Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard do not include any securities held by each other or by any member of the AO Partners Group.

The parties identified in the list below constitute the “AO Partners Group”. The AO Partners Group expressly disclaims beneficial ownership of securities held by Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard. The securities reported herein as being beneficially owned by the AO Partners Group do not include any securities held by Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard.

AO Partners I, L.P., a Delaware limited partnership (“AO Partners Fund”).

AO Partners, LLC, a Delaware limited liability company and General Partner of AO Partners (“AO Partners”).

Nicholas J. Swenson as the Managing Member of AO Partners and as a Director of the Issuer.

CUSIP No. 74265M205

Each of the foregoing is referred to as a “Reporting Party” and, collectively, as the “Reporting Parties.” Each of the Reporting Parties is a party to that certain Joint Filing Agreement attached hereto as Exhibit 1 to this Amendment No. 12 to the Schedule 13D. While Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard may be deemed to constitute a “group” with the AO Partners Group for purposes of Section 13(d)(3) of the Exchange Act, due to Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard agreeing to serve as nominees for election to the Company’s Board of Directors in connection with the nomination of director candidates by the AO Partners Group, none of Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard is, and will not become, a party to any agreement, arrangement or understanding with, and has not given any commitment or assurance to, the AO Partners Group as to how he will, if elected as a director of the Company, act or vote on any issue or question.

(a) – (c) This statement is filed by Mr. Swenson, with respect to the shares of Common Stock beneficially owned by him, as follows: shares of Common Stock held in the name of AO Partners Fund in Mr. Swenson’s capacity as Managing Member of AO Partners and as a Director of the Issuer.

The principal business address of each of AO Partners Fund, AO Partners and Mr. Swenson is 3033 Excelsior Blvd., Suite 560, Minneapolis, MN 55416. Each of AO Partners Fund and AO Partners are engaged in various interests, including investments. The principal employment of Mr. Swenson is (1) private investor and (2) serving as the sole Managing Member of AO Partners and Groveland Capital, LLC, a Delaware limited liability company.

The principal business address of Seth G. Barkett is 495 West Mt. Garfield Road, Norton Shores, Michigan 49441.

The principal business address of William R. Foudray is 444 Second Street, Excelsior Minnesota 55331.

The principal business address of Andrew L. Osborne is 100 Fox Run Terrace, P.O. Box 655, Middleburg, Virginia 20118.

The principal business address of John M. LaFontsee is 7220 Central Avenue NE, Fridley, Minnesota 55432.

The principal business address of Scott A. Ronan is 99 Stonetree Circle, Rochester Hills, Michigan 48309.

The principal business address of Nicholas P. Zaccagnini is 550 West Van Buren Street, Chicago, Illinois 60607.

The principal business address of Ryan P. Buckley is 443 N. Clark, Ste. 200, Chicago, Illinois 60654.

The principal business address of Thomas D. Gallagher is 900 17th Street, NW, Suite 500, Washington, DC 20006.

CUSIP No. 74265M205

The principal business address of Christopher J. Richard is 3127 Bonnell Ave. SE, East Grand Rapids, Michigan 49506.

(d) None of the Reporting Parties described herein has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) None of the Reporting Parties described herein has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

(f) Each of Messrs. Swenson, Barkett, Foudray, Osborne, LaFontsee, Ronan, Zaccagnini, Buckley, Gallagher, and Richard is a citizen of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Common Stock of the AO Partners Group was acquired in open market purchases with working capital of AO Partners Fund and the personal investment capital of Mr. Swenson. The amount of funds expended to acquire these shares is \$3,094,238.

The Issuer granted Mr. Swenson the stock options reported in this Amended Schedule 13D for his service on the Issuer's board of directors.

Item 4. Purpose of Transaction.

The AO Partners Group acquired shares of Common Stock because it believes that the Common Stock is undervalued. The AO Partners Group's intent is to influence the policies of the Issuer and assert shareholder rights, with a goal of maximizing the value of the Common Stock.

On March 30, 2012, Mr. Swenson requested that the Board of Directors of the Issuer appoint him and Mr. Seth Barkett as directors of the Issuer. A copy of the letter is attached as Exhibit 2 to Amendment No. 3 to the Schedule 13D.

On August 30, 2012, Mr. Swenson was appointed a Director of the Issuer.

On April 4, 2013, Mr. Swenson presented the attached board reform plan to Air T's Lead Director. He received a response from CEO Walter Clark, through the Lead Director, on April 12, 2013. The response from Mr. Clark is not shown. The response by Mr. Clark on April 12th established that Mr. Swenson and Mr. Clark have divergent viewpoints about board reform. A copy of the plan is attached as Exhibit 3 to Amendment No. 7 to the Schedule 13D.

On April 25, 2013, Mr. Swenson presented the attached amended board reform plan to Air T's Lead Independent Director (this letter dated April 25, 2013 slightly modified and superseded a letter dated April 24, 2013). A copy of the plan is attached as Exhibit 4 to Amendment No. 8 to the Schedule 13D.

CUSIP No. 74265M205

Mr. Swenson received a communication on April 25, 2013 from the CEO & Chairman of the Issuer, via the Lead Independent Director. In this response to Mr. Swenson's letter of April 25th (this letter dated April 25, 2013 slightly modified and superseded a letter dated April 24, 2013), the CEO & Chairman of the Issuer said he was rejecting Mr. Swenson's proposals and did not offer a counter proposal. Apparently, this action was taken on a unilateral basis by the CEO & Chairman and without consulting the board.

On May 6, 2013, Mr. Swenson presented the attached amended board reform plan to Air T's Lead Independent Director. A copy of the plan is attached as Exhibit 5 to Amendment No. 10 to the Schedule 13D.

On May 7, 2013, AO Partners Fund submitted notice to the Issuer of its intent to nominate Nicholas J. Swenson, Seth G. Barkett, William R. Foudray, Andrew L. Osborne, John M. LaFontsee, Scott A. Ronan, Nicholas P. Zaccagnini, Ryan P. Buckley, Thomas D. Gallagher, and Christopher J. Richard as nominees for election as directors, on the WHITE proxy card, at the Issuer's 2013 Annual Stockholder Meeting. A copy of the nomination letter, which was dated May 2, 2013 (but submitted on May 7, 2013), is attached as Exhibit 6 to Amendment No. 11 to the Schedule 13D.

On May 22, 2013, Mr. Swenson presented a revised board reform plan to Air T's Lead Independent Director. A copy of the revised plan is attached as Exhibit 7 to this Amended Schedule 13D. Then on May 28, 2013, AO Partners Fund submitted a supplemented notice to the Issuer of its intent to nominate two additional persons as directors, bringing the total nominees of AO Partners Fund to ten. A copy of the supplemented notice is attached as Exhibit 8 to this Amended Schedule 13D.

The Reporting Parties may make further purchases of shares of Common Stock. The Reporting Parties may dispose of any or all the shares of Common Stock held by them.

To the extent the actions described herein may be deemed to constitute a "control purpose" with respect to the Securities Exchange Act of 1934, as amended, and the regulations thereunder, the Reporting Parties have such a purpose. Except as noted in this Amended Schedule 13D, none of the Reporting Parties currently has any plans or proposals, which relate to, or would result in, any of the matters referred to in paragraphs (b) through (j), inclusive of Item (4) of Schedule 13D. Such individuals may, at any time and from time to time, review or reconsider their positions and formulate plans or proposals with respect thereto.

Item 5. Interests in Securities of the Issuer.

(a) The following list sets forth the aggregate number and percentage (based on 2,446,286 shares of Common Stock outstanding as reported in the Issuer's Form 10-Q, for the period ended December 31, 2012) of outstanding shares of Common Stock owned beneficially by each reporting party named in Item 2:

| Name | Shares of Common Stock Beneficially Owned | Percentage of Shares of Common Stock Beneficially Owned |
|-------------------------|---|---|
| AO Partners Fund | 363,700 | 14.9% |
| AO Partners (1) | 363,700 | 14.9% |
| Nicholas J. Swenson (2) | 366,200 | |