

AIR T INC  
Form SC 13D/A  
April 26, 2013

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

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934  
(Amendment No. 9)

AIR T, INC.

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(Name of Issuer)

Common Stock, par value of \$.25 per share

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(Title of Class of Securities)

009207101

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(CUSIP Number)

AO Partners I, L.P.  
3033 Excelsior Blvd., Suite 560  
Minneapolis, MN 55416  
Telephone: (612) 353-6380

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(Name, Address and Telephone Number of Persons Authorized to Receive Notices and Communications)

April 25, 2013

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(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  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

0  
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) ..

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 BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 8  | SHARED VOTING POWER      | 0       |
|   | 9  | SOLE DISPOSITIVE POWER   | 363,700 |
|   | 10 | SHARED DISPOSITIVE POWER | 0       |
|   |    |                          | 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) ..

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 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) ..

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

14.9%

14 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.

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.

Each of the foregoing is referred to as a “Reporting Person” and, collectively, as the “Reporting Persons.” Each of the Reporting Persons is a party to that certain Joint Filing Agreement attached as Exhibit 1 to Amendment No. 2 to the Schedule 13D.

(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.

(d) None of the Reporting Persons 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 Persons 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) Mr. Swenson is a citizen of the United States of America.

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

The Common Stock was acquired in open market purchases with working capital of AO Partners Fund and the personal investment capital of Mr. Swenson.

Item 4. Purpose of Transaction.

The Reporting Persons acquired shares of Common Stock because they believe that the Common Stock is undervalued. The Reporting Persons' intent is to influence the policies of the Issuer and assert the Reporting Persons' 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.

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.

The Reporting Persons may make further purchases of shares of Common Stock. The Reporting Persons 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 Persons have such a purpose. Except as noted in this Amended Schedule 13D, none of the Reporting Persons 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.

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## 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 person named in Item 2:

| Name                | Shares of Common Stock<br>Beneficially Owned | Percentage of Shares of<br>Common Stock<br>Beneficially Owned |
|---------------------|--|---|
| AO Partners Fund    | 363,700                                      | 14.9%   |
| AO Partners         | 363,700                                      | 14.9%   |
| Nicholas J. Swenson | 363,700                                      | 14.9%   |

(b) AO Partners is the General Partner of AO Partners Fund and, as General Partner, has voting and dispositive power with regard to the shares of Common Stock held by AO Partners Fund. Because Mr. Swenson is the Managing Member of AO Partners, he has the power to direct the affairs of AO Partners. Therefore, AO Partners may be deemed to share with Mr. Swenson voting and dispositive power with regard to the shares of Common Stock held by AO Partners Fund.

Because Mr. Swenson is the Managing Member of AO Partners, the General Partner of AO Partners Fund, he has the power to direct the affairs of AO Partners Fund, including the voting and disposition of shares of Common Stock held in the name of AO Partners Fund. Therefore, Mr. Swenson is deemed to share voting and dispositive power with AO Partners Fund with regard to those shares of Common Stock.

(c) The following purchases have occurred during the last sixty days by the Reporting Persons:

| Name        | Trade Date | Number of<br>Shares Purchased | Price Per Share | Where and How<br>Transaction was<br>Effected |
|-------------|------------|-------------------------------|-----------------|--|
| AO Partners | 02/25/2013 | 1,138                         | \$9.5316        | Open market purchase                         |
| AO Partners | 02/26/2013 | 12,432                        | \$9.4995        | Open market purchase                         |

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Common Stock beneficially owned by any Reporting Person.

(e) Not applicable.

## Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

With respect to AO Partners Fund, AO Partners is entitled to (1) an allocation of a portion of profits, if any, and (2) a management fee based upon a percentage of total capital.



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Other than the foregoing agreements and arrangements, and the Joint Filing Agreement filed as Exhibit 1 to Amendment No. 2 to the Schedule 13D, there are no contracts, arrangements, understandings or relationships among the persons named in Item 2 hereof and between such persons and any person with respect to any securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

| Exhibit No. | Description  |
|-------------|--|
| 1           | Joint Filing Agreement*  |
| 2           | March 30, 2012 Letter from Nick Swenson to the Chairman and Chief Executive Officer of the Issuer* |
| 3           | April 4, 2013 Email from Nick Swenson to the Lead Director of the Issuer*                          |
| 4           | April 25, 2013 Letter from Nick Swenson to the Lead Independent Director of the Issuer*            |

\* Previously filed

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SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: April 26, 2013

AO PARTNERS I, L.P.

By: AO PARTNERS, LLC  
General Partner

By: /s/ Nicholas J. Swenson  
Nicholas J. Swenson  
Managing Member

AO PARTNERS, LLC

By: /s/ Nicholas J. Swenson  
Nicholas J. Swenson  
Managing Member

/s/ Nicholas J. Swenson  
Nicholas J. Swenson