

Air Transport Services Group, Inc.
 Form 4
 March 14, 2017

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MESDAG WILLEM

2. Issuer Name and Ticker or Trading Symbol
**Air Transport Services Group, Inc.
 [ATSG]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
03/10/2017

___ Director ___ 10% Owner
 ___ Officer (give title below) Other (specify below)
 Please refer to Remarks below

C/O RED MOUNTAIN CAPITAL PARTNERS LLC, 10100 SANTA MONICA BOULEVARD, SUITE 925

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___ Form filed by One Reporting Person
 Form filed by More than One Reporting Person

LOS ANGELES, CA 90067

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | | |
| Common Stock | 03/10/2017 | | S | | \$ 343,624 | D | See footnote 1 and Remarks below ⁽²⁾ |
| Common Stock | 03/13/2017 | | S | | \$ 211,557 | D | See footnote 3 and Remarks |

| | | | | | | | | |
|--------------|------------|---|--------|---|--------------|-----------|---|---|
| Common Stock | 03/14/2017 | S | 68,252 | D | \$ 16 (4) | 6,703,438 | I | below ⁽²⁾ See footnote 4 and Remarks below ⁽²⁾ |
|--------------|------------|---|--------|---|--------------|-----------|---|---|

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

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 Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Owned Beneficially (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------------------------------|
| | Director | 10% Owner | Officer | Other |
| MESDAG WILLEM C/O RED MOUNTAIN CAPITAL PARTNERS LLC 10100 SANTA MONICA BOULEVARD, SUITE 925 LOS ANGELES, CA 90067 | | | | Please refer to Remarks below |
| RED MOUNTAIN PARTNERS, L.P. 10100 SANTA MONICA BOULEVARD SUITE 925 LOS ANGELES, CA 90067 | | X | | |
| RED MOUNTAIN CAPITAL PARTNERS LLC 10100 SANTA MONICA BOULEVARD SUITE 925 LOS ANGELES, CA 90067 | | | | Please refer to Remarks below |

RMCP GP LLC
10100 SANTA MONICA BOULEVARD
SUITE 925
LOS ANGELES, CA 90067

Please refer to Remarks below

RED MOUNTAIN CAPITAL MANAGEMENT INC
10100 SANTA MONICA BOULEVARD
SUITE 925
LOS ANGELES, CA 90067

Please refer to Remarks below

Signatures

/s/ Willem Mesdag, on behalf of himself and each of the other reporting persons

03/14/2017

__Signature of Reporting Person

Date

Explanation of Responses:

* 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).

(1) These shares of Common Stock were sold by Red Mountain Partners, L.P. ("RMP") on the open market. The price reported in Column 4 is a weighted average per share sale price. These shares were sold in multiple transactions at prices ranging from \$17.00 to \$17.62, inclusive. Each of RMP, RMCP GP LLC ("RMCP GP"), Red Mountain Capital Partners LLC ("RMCP LLC"), Red Mountain Capital Management, Inc. ("RMCM"), and Willem Mesdag undertakes to provide to Air Transport Services Group, Inc. (the "Company"), any securityholder of the Company, or the staff of the Securities and Exchange Commission, upon request, full information regarding the price at which these shares were sold.

(2) These shares are held by RMP.

(3) These shares of Common Stock were sold by RMP on the open market. The price reported in Column 4 is a weighted average per share sale price. These shares were sold in multiple transactions at prices ranging from \$16.45 to \$16.98, inclusive. Each of RMP, RMCP GP, RMCP LLC, RMCM, and Mr. Mesdag undertakes to provide to the Company, any securityholder of the Company, or the staff of the Securities and Exchange Commission, upon request, full information regarding the price at which these shares were sold.

(4) These shares of Common Stock were sold by RMP on the open market. The price reported in Column 4 is a weighted average per share sale price. These shares were sold in multiple transactions at prices ranging from \$15.85 to \$16.15, inclusive. Each of RMP, RMCP GP, RMCP LLC, RMCM, and Mr. Mesdag undertakes to provide to the Company, any securityholder of the Company, or the staff of the Securities and Exchange Commission, upon request, full information regarding the price at which these shares were sold.

Remarks:

This Form 4 is jointly filed by (i) RMP, (ii) RMCP GP, (iii) RMCP LLC, (iv) RMCM, and (v) Mr. Mesdag. RMCP GP is the g

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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