

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 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): May 15, 2025

AIR T, INC.  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-35476  
(Commission  
File Number)

52-1206400  
(I.R.S. Employer  
Identification No.)

11020 David Taylor Drive, Suite 305,  
Charlotte, North Carolina 28262  
(Address of Principal Executive Offices, and Zip Code)

(980) 595-2840  
Registrant's Telephone Number, Including Area Code

Not applicable  
(Former Name or Former Address, if Changed Since Last Report)

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 communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AIRT	NASDAQ Capital Market
Alpha Income Preferred Securities (also referred to as 8% Cumulative Capital Securities) ("AIP")	AIRTP	NASDAQ Global Market

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):

- Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
- ☐ Emerging growth company
  - ☐ If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement**

MAC Acquisition of Royal Aircraft Services and Amendment Of Alerus Financing/Term Note C

Effective May 15, 2025, Mountain Air Cargo, Inc. ("MAC"), a wholly-owned subsidiary of Air T, Inc. ("Air T"), purchased and acquired all the outstanding membership interests of Royal Aircraft Services, LLC, a Maryland limited liability company ("Royal"). Royal provides aircraft painting, maintenance, repair, and overhaul services, together with parts sources and sales. The Royal operations will be included within the MAC division operations following the acquisition.

In connection with the acquisition, Air'Zona Aircraft Services, Inc., AirCo Services, LLC, CSA Air, Inc., Global Ground Support, LLC, Jet Yard, LLC, Jet Yard Solutions, LLC, Mountain Air Cargo, Inc., Stratus Aero Partners, LLC, Worldwide Aircraft Services, Inc., Worthington Aviation, LLC (the "Borrowers") under the Revolving Credit Agreement with Alerus Financial, National Association ("Alerus") and Royal and Air T entered into Amendment No. 4 to Credit Agreement and Consent (the "Amendment") and Term Loan C with Alerus in the amount of \$1,050,000. The purpose of the Amendment and Term Note was to provide a term loan to finance the full purchase price of the acquisition, to add Royal as a Borrower to the Alerus credit agreement, as amended and to memorialize Alerus' consent to the Royal acquisition. The new term loan matures May 15, 2030 and bears interest at the greater of five (5%) percent or the CME one-month term SOFR rate plus 2.25%. Monthly payments on Term Note C commence June 15, 2025 and are equal to \$12,500 plus accrued interest. The term loan is secured by the terms of Security Agreement dated as of August 29, 2024.

The foregoing summary of the terms of the Amendment and Term Note C are qualified in their entirety by reference to Term Note C and the Amendment filed as Exhibits 10.1 and 10.2 herewith, which are incorporated herein by reference.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

To the extent required by Item 2.03 of Form 8-K, the information contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

**Item 9.01 Financial Statements and Exhibits**

- 10.1 [\\$1,050,000 Term Note C to Alerus Financial, National Association dated May 15, 2025.](#)
  - 10.2 [Amendment No. 4 to Credit Agreement and Consent by and among Air'Zona Aircraft Services, Inc., CSA Air, Inc., Global Ground Support, LLC, Jet Yard, LLC, Jet Yard Solutions, LLC, Mountain Air Cargo, Inc., Worldwide Aircraft Services, Inc., Worthington Aviation, LLC, Royal Aircraft Services, LLC, Air T, Inc. and Alerus Financial, National Association effective May 15, 2025, without schedules.](#)
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## SIGNATURES

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

Date: May 21, 2025

AIR T, INC.

By: /s/ Nick Swenson  
Nick Swenson, Chief Executive Officer

## **TERM NOTE C**

**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

FOR VALUE RECEIVED, the undersigned, AIR'ZONA AIRCRAFT SERVICES, INC., an Arizona corporation, CSA AIR, INC., a North Carolina corporation, GLOBAL GROUND SUPPORT, LLC, a North Carolina limited liability company, JET YARD, LLC, an Arizona limited liability company, JET YARD SOLUTIONS, LLC, an Arizona limited liability company, MOUNTAIN AIR CARGO, INC., a North Carolina corporation, ROYAL AIRCRAFT SERVICES, LLC, a Maryland limited liability company, WORLDWIDE AIRCRAFT SERVICES, INC., a Kansas corporation, and WORTHINGTON AVIATION, LLC, a North Carolina limited liability company (such entities being sometimes collectively referred to herein as the "Borrowers" and individually as a "Borrower"), jointly and severally promise to pay to the order of ALERUS FINANCIAL, NATIONAL ASSOCIATION, a national banking association (the "Lender"), the principal sum of ONE MILLION FIFTY THOUSAND AND NO/100THS DOLLARS (\$1,050,000.00) on or before May 15, 2030, or such earlier date as this promissory note (this "Note") may be declared due and payable by Lender pursuant to the terms hereof and the terms of the Credit Agreement (the "Maturity Date"), together with interest on the principal amount thereof outstanding from time to time at the rate or rates described below, and any and all other amounts which may be due and payable hereunder or under any of the Loan Documents (as hereinafter defined) from time to time. This Note is made pursuant to the terms and conditions set forth in that certain Credit Agreement dated as of August 29, 2024 by and between Borrowers and Lender (as amended to date and as it may be further modified, supplemented or restated from time to time being the "Credit Agreement"). The amount disbursed by the Lender to Borrowers, repayment of which is evidenced by this Note, is referred to as the "Loan". All capitalized terms used and not expressly defined herein shall have the meanings given to such terms in the Credit Agreement.

### **1. Interest.**

(a) Interest Rate. The Borrowers jointly and severally promise to pay interest (computed on the basis of the number of days elapsed in a year of 360 days) on the unpaid principal amount hereof from the date hereof until such principal amount is paid in full at a fluctuating annual rate of interest equal to the greater of (a) 5.00%, and (b) the sum of (i) 2.25% (the "Applicable Margin") plus (ii) the Index (hereinafter defined), as in effect on the date hereof and as the same may adjust from time to time. Interest accrued during each calendar month shall be due and payable on the fifteenth day of the following calendar month, with the first such interest payment due on June 15, 2025. Interest shall also be payable at maturity and interest accrued after maturity shall be payable on demand.

(b) Variable Interest Rate. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the CME one-month term SOFR published by CME Group Benchmarks Administration Limited (or a successive administrator designated by the relevant authority) for the date that is one U.S.

**TERM NOTE C**

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**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

Government Securities Business Day prior to the Reset Date (the “Index”). The Index is not necessarily the lowest rate charged by Lender on its loans. Lender will tell Borrowing Agent the current index rate upon Borrowing Agent’s request. The interest rate change will not occur more often than each month. For purposes of this Note, “U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

(c) Rate Change Effective Date. Each change in interest rate shall be effective on the 15<sup>th</sup> day of each month commencing on June 15, 2025 (the “Reset Date”).

(d) Regulatory Change; etc. Interest on the unpaid principal balance of this Note will be calculated as described in the “INTEREST CALCULATION METHOD” paragraph. Notwithstanding anything herein to the contrary, if the Lender determines in good faith (which determination shall be conclusive, absent manifest error) that: (A) adequate and fair means do not exist for ascertaining CME one-month term SOFR, (B) CME one-month term SOFR does not accurately reflect the cost to the Lender of the Loan, or (C) a Regulatory Change (as hereinafter defined) shall, in the reasonable determination of the Lender, make it unlawful or commercially unreasonable for the Lender to use CME one-month term SOFR as the index for purposes of determining the interest rate, then: (i) CME one-month term SOFR shall be replaced with an alternative or successor rate or index chosen by the Lender in its reasonable discretion; and (ii) the Applicable Margin may also be adjusted by Lender in its reasonable discretion, giving due consideration to market convention for determining rates of interest on comparable loans. “Regulatory Change” shall mean a change in any applicable law, treaty, rule, regulation or guideline, or the interpretation or administration thereof, by the administrator of the relevant benchmark or its regulatory supervisor, any governmental authority, central bank or other fiscal, monetary, or other authority having jurisdiction over Lender or its lending office. Such an amendment to the terms of this Note will become effective and bind Borrowers 10 Business Days after Lender gives written notice to Borrowing Agent without any action or consent of the Borrowers. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be effective the next succeeding Business Day, provided, however, payments scheduled to be made automatically from an Alerus Financial, National Association deposit account on the date the payment is due will be applied in reduction of the Note balance effective as of the scheduled payment date.

(e) Upon the occurrence of an Event of Default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by adding an additional 5.000 percentage point margin (such increased rate of interest being, the “Default Rate”). However, in no event will the interest rate exceed the maximum interest rate limitations

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**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

under applicable law.

**2. Payment Terms.**

(a) Payment Dates. Both principal and interest are payable in lawful money of the United States of America to the Lender at Alerus Financial, National Association, 2805 Dodd Rd., Suite 160, Eagan, MN 55121 (or other location specified by the Lender) in immediately available funds. Borrowers shall jointly and severally pay the principal of this Note and interest thereon as follows:

i. on the fifteenth day of each month, commencing June 15, 2025, there shall be due and Borrowers shall jointly and severally make monthly payments of principal, each in the amount of \$12,500.00, plus accrued interest; and

ii. the Loan shall be due and payable in full, and Borrowers hereby jointly and severally promise to pay the outstanding principal amount of the Loan to Lender, together with all accrued interest thereon then remaining unpaid and all other unpaid amounts, charges, fees and expenses outstanding under this Note or under any of the other Loan Documents, on the Maturity Date, subject to earlier prepayment as provided herein or in any other Loan Document.

(b) Method of Payments. By its execution of this Note, each Borrower authorizes the Lender to charge from time to time against any of such Borrower's depository accounts maintained with the Lender any such payments when due and the Lender will use its reasonable efforts to notify the Borrowing Agent of such charges.

(c) Application of Payments. At Lender's option, any payment or prepayment under this Note may be applied first to the payment of charges, fees and expenses (other than principal and interest) under this Note and any other agreement or writing in connection with this Note, second to the payment of interest accrued to the date of payment, and third to the payments of scheduled principal under this Note in inverse order of maturity. Also, at Lender's option, if there is any overpayment of interest under this Note, Lender may hold the excess and apply it to future interest accruing under this Note. No prepayment shall suspend any required payments of either principal or interest or reduce the amount of any scheduled payment.

**3. Interest Calculation Method.** Interest on this Note is computed on a 365/360 basis; that is by applying the ratio of the Interest Rate over a year of 360 days multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method. If any payment to be made by the Borrowers hereunder shall become due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day (without the obligation to pay the additional days of accrued interest).

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**TERM NOTE C**

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**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

4. **Prepayment; Minimum Interest Charge.** This Note may be prepaid in whole or in part at any time; provided, that any such prepayment is accompanied by accrued interest on the amount being prepaid through the date of prepayment. In any event, even upon full prepayment of this Note, Borrowers understand that Lender is entitled to a minimum interest charge of \$10.00. Early payments will not, unless agreed to by Lender in writing, relieve Borrowers of Borrowers' obligation to continue to make payments of accrued unpaid interest. Rather, early payment will reduce the principal balance due. Borrowers agree not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrowers send such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrowers will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Alerus Financial, National Association, 2805 Dodd Rd., Suite 160, Eagan, MN 55121.

5. **Late Charge.** If a payment due hereunder is not made within ten days after the date when due, Borrowers shall pay to Lender a late payment charge of 5% of the amount of the overdue payment to compensate Lender for a portion of the cost related to handling the overdue payment.

6. **Credit Agreement.** This Note is the Term Note C referred to in, and is entitled to the benefits of, the Credit Agreement. The Credit Agreement, among other things, (i) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events prior to the maturity hereof upon the terms and conditions therein specified; (ii) contains provisions for the mandatory prepayment hereof upon certain conditions; and (iii) contains provisions for the voluntary prepayment hereof, upon certain conditions.

7. **Security Agreement.** This Note is secured by, among other things, that certain Security Agreement dated August 29, 2024, executed by the Borrowers in favor of the Lender and certain other Loan Documents.

8. **Waiver of Presentment and Demand for Payment; Etc.** Each Borrower and any endorsers or guarantors hereof severally waive presentment and demand for payment, notice of intent to accelerate maturity, protest or notice of protest and non-payment, bringing of suit and diligence in taking any action to collect any sums owing hereunder or in proceeding against any of the rights and properties securing payment hereunder, and expressly agree that this Note, or any payment hereunder, may be extended from time to time, and consent to the acceptance of further security or the release of any security for this Note, all without in any way affecting the liability of any Borrower and any endorsers or guarantors hereof. No extension of time for the payment of this Note, or any installment thereof, made by agreement by Lender with any person now or hereafter liable for the payment of this Note, shall affect the original liability under this Note of the undersigned, even if the undersigned is not a party to such agreement.

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**TERM NOTE C**

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**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

**9. Event of Default.** Any Event of Default (as defined in the Credit Agreement) shall constitute an Event of Default under this Note. Upon the occurrence of an Event of Default, in addition to any other rights or remedies Lender may have at law or in equity or under the Credit Agreement or under any other Loan Document, Lender may, at its option, without notice to Borrowers, declare immediately due and payable the entire unpaid principal sum hereof, together with all accrued and unpaid interest thereon plus any other sums owing at the time of such Event of Default pursuant to this Note, the Security Agreement or any other Loan Document. The acceptance by the holder of any payment hereunder which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time.

**10. Expense Reimbursement.** Borrowers jointly and severally agree to pay expenses relating to this Note as set forth in the Credit Agreement.

**11. Successors and Assigns.** This Note shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns except that no Borrower may assign or transfer their rights hereunder without the prior written consent of Lender, which consent may be withheld in Lender's sole discretion.

**12. Usury.** Borrowers and Lender agree that no payment of interest or other consideration made or agreed to be made by Borrowers to Lender pursuant to this Note shall, at any time, be in excess of the maximum rate of interest permissible by law. In the event such payments of interest or other consideration provided for in this Note shall result in an effective rate of interest which, for any period of time, is in excess of the limit of the usury or any other law applicable to the Loan evidenced hereby, all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied to the unpaid principal balance and not to the payment of interest; if a surplus remains after full payment of principal and lawful interest, the surplus shall be remitted by Lender to Borrowers, and Borrowers hereby agree to accept such remittance. This provision shall control every other obligation of the Borrowers and Lender relating to this Note.

**13. Business Purpose Loan.** The Loan is a business loan. Borrowers hereby represent that this loan is for commercial use and not for personal, family or household purposes. The Borrowers agree that the Loan evidenced by this Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C., §1601, et seq.

**14. Governing Law.** THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS NOTE SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF MINNESOTA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF, BUT GIVING EFFECT TO FEDERAL LAWS OF THE UNITED STATES APPLICABLE TO NATIONAL BANKS.

**15. Severability.** The invalidity or unenforceability in particular circumstances of any provision of this Note shall not extend beyond such provision or such circumstances and no other

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**TERM NOTE C**

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**U.S. \$1,050,000.00**

**Dated as of May 15, 2025  
Eagan, Minnesota**

provision of this instrument shall be affected thereby. In connection with the actual or prospective sale by the Lender of any interest or participation in the loan obligation evidenced by this Note, Borrowers hereby authorize the Lender to furnish any information concerning Borrowers or any of their affiliates, however acquired, to any person or entity.

**16. Waiver of Right to Jury Trial; Venue.** EACH BORROWER WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION RELATING TO OR ARISING FROM THIS NOTE. AT THE OPTION OF LENDER, THIS NOTE MAY BE ENFORCED IN ANY UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MINNESOTA OR THE STATE COURT SITTING IN HENNEPIN OR RAMSEY COUNTY, MINNESOTA. EACH BORROWER CONSENTS TO THE JURISDICTION AND VENUE OF ANY SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN SUCH FORUMS IS NOT PROPER OR CONVENIENT. IN THE EVENT AN ACTION IS COMMENCED IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS NOTE, LENDER, AT ITS OPTION, SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ONE OF THE JURISDICTIONS AND VENUES ABOVE DESCRIBED, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

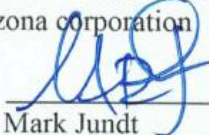
[signature page follows]

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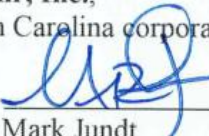
## TERM NOTE C

IN WITNESS WHEREOF, the Borrowers have jointly and severally caused this Term Note C to be signed by their duly authorized officers in favor of ALERUS FINANCIAL, NATIONAL ASSOCIATION and to be dated as of the date set forth above.

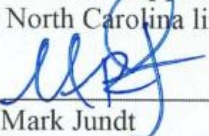
**Air'Zona Aircraft Services, Inc.,**  
an Arizona corporation

By:   
Name: Mark Jundt  
Title: Secretary


**CSA Air, Inc.,**  
a North Carolina corporation

By:   
Name: Mark Jundt  
Title: Secretary

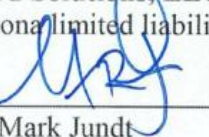
**Global Ground Support,**  
LLC, a North Carolina limited liability company

By:   
Name: Mark Jundt  
Title: Secretary

**Jet Yard, LLC,** an Arizona limited liability  
company

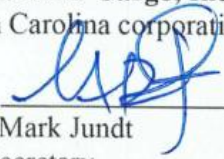
By:   
Name: Mark Jundt  
Title: Secretary

**Jet Yard Solutions, LLC,**  
an Arizona limited liability company

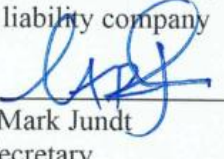
By:   
Name: Mark Jundt  
Title: Secretary

**TERM NOTE C**

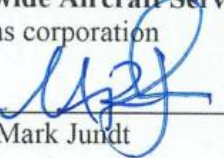
**Mountain Air Cargo, Inc.,**  
a North Carolina corporation

By:   
Name: Mark Jundt  
Title: Secretary

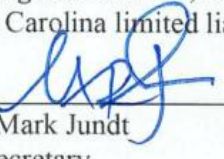
**Royal Aircraft Services, LLC,** a Maryland  
limited liability company

By:   
Name: Mark Jundt  
Title: Secretary

**Worldwide Aircraft Services, Inc.,**  
a Kansas corporation

By:   
Name: Mark Jundt  
Title: Secretary

**Worthington Aviation, LLC,**  
a North Carolina limited liability company

By:   
Name: Mark Jundt  
Title: Secretary



## AMENDMENT NO. 4 TO CREDIT AGREEMENT AND CONSENT

**This Amendment No. 4 to Credit Agreement and Consent** dated to be effective as of May 15, 2025 (the "Amendment"), is entered into by and among Air'Zona Aircraft Services, Inc., an Arizona corporation, CSA Air, Inc., a North Carolina corporation, Global Ground Support, LLC, a North Carolina limited liability company, Jet Yard, LLC, an Arizona limited liability company, Jet Yard Solutions, LLC, an Arizona limited liability company, Mountain Air Cargo, Inc., a North Carolina corporation ("**MAC**"), Worldwide Aircraft Services, Inc., a Kansas corporation, and Worthington Aviation, LLC, a North Carolina limited liability company (such entities being sometimes collectively referred to herein as the "**Existing Borrowers**" and individually as an "**Existing Borrower**"), Royal Aircraft Services, LLC, a Maryland limited liability company ("**Royal Aircraft**"; and together with the Existing Borrowers being sometimes collectively referred to herein as the "**Borrowers**" and individually as a "**Borrower**"), Air T, Inc., a Delaware corporation ("**Air T**"), in its separate capacities as "**Loan Party Agent**" and "**Guarantor**" (as defined in the Original Agreement, hereinafter defined), and Alerus Financial, National Association (the "**Lender**").

### RECITALS:

A. The Existing Borrowers, the Loan Party Agent and the Lender are parties to that certain Credit Agreement dated as of August 29, 2024, as amended by that certain Amendment No. 1 to Credit Agreement and Other Loan Documents dated as of January 21, 2025, by that certain Amendment No. 2 to Credit Agreement and Consent dated as of February 21, 2025, and by that certain Amendment No. 3 to Credit Agreement dated as of March 31, 2025 (as so amended, the "Original Agreement"), pursuant to which Lender has agreed to extend credit to the Existing Borrowers under the terms and conditions set forth therein.

B. The Existing Borrowers have requested that: (1) the Lender consent, notwithstanding the prohibitions set forth in Section 7.04 of the Original Agreement to the purchase by MAC of all of the issued and outstanding membership interests of Royal Aircraft; (2) the Lender permit Royal Aircraft to become a "Borrower" party to the Original Agreement; and (3) the Lender provide Borrowers a term loan in the original principal amount of up to \$1,050,000 to finance a portion of consummating such acquisition.

C. Subject to the terms and conditions of this Amendment, the Lender will agree to the foregoing requests of the Existing Borrowers.

**NOW, THEREFORE**, the parties agree as follows:

1. **Defined Terms.** All capitalized terms used in this Amendment shall, except where the context otherwise requires, have the meanings set forth in the Original Agreement as amended hereby.

2. **Amendments.**

(a) The definition of the term “**Maturity Date**” appearing in Section 1.01 of the Original Agreement is hereby amended in its entirety to read as follows:

“ ‘**Maturity Date**’ means, the earlier of: (a) the date on which the Loans become due and payable under Section 8.02 upon the occurrence of an Event of Default; or (b) (i) the Overline Termination Date for Overline Loans, (ii) the Revolving Credit Termination Date for the Revolving Credit Loans; (iii) August 15, 2029 for Term Loan A; or (iv) May 15, 2030 for Term Loan C.

(b) Section 1.01 of the Original Agreement is hereby amended by inserting the following new definitions of the terms “**Fourth Amendment**”, “**Fourth Amendment Effective Date**”, “**Royal Aircraft**”, “**Royal Aircraft Transaction**”, “**Royal Aircraft Transaction Documents**”, “**Term Loan C**”, “**Term Loan C Commitment**”, “**Term Loan(s)**”, “**Term Note C**, and “**Term Note(s)**” in the appropriate alphabetical order:

“‘**Fourth Amendment**’ means that certain Amendment No. 4 to Credit and Consent dated to be effective as of May 15, 2025, by and between the Loan Parties and the Lender, amending this Agreement.

‘**Fourth Amendment Effective Date**’ means the ‘Effective Date’ of the Fourth Amendment, as such term is defined therein.

‘**Royal Aircraft**’ means Royal Aircraft Services, LLC, a Maryland limited liability company.

‘**Royal Aircraft Transaction**’ means the purchase by MAC of all of the issued and outstanding membership interests of Royal Aircraft for total consideration of not more than \$1,050,000.00, subject to any adjustments, pursuant to the Royal Aircraft Transaction Documents.

‘**Royal Aircraft Transaction Documents**’ means the documents executed in connection with the Royal Aircraft Transaction, including, without limitation the documents listed on Schedule A to the Fourth Amendment.

‘**Term Loan C**’ means the Loan described in Section 2.01(c).

‘**Term Loan(s)**’ means, individually or collectively, as the context requires, Term Loan A, Term Loan C and each other term Loan now or hereafter made by Lender to the Borrowers.

“‘**Term Loan C Commitment**’ means \$1,050,000, and as the context may require, the agreement of the Lender to make the Term Loan C to the Borrowers up to the amount of the Term Loan C Commitment on the Fourth Amendment Effective Date subject to the terms and conditions of this Agreement.

“**Term Note C**” means the promissory note of the Borrowers described in Section 2.05(c), in the form provided by the Lender, as such promissory note may be amended, modified or supplemented from time to time, and such term shall include any substitutions for, or renewals of, such promissory note.

“**Term Note(s)**” means, individually or collectively, as the context requires, Term Note A, Term Note C and each other promissory note of the Borrowers now or hereafter issued to evidence a Term Loan.

(c) Section 2.01 of the Original Agreement is hereby amended by inserting a new Section 2.01(c) immediately after Section 2.01(b) to read as follows:

“ (c) Subject to the terms and conditions hereof and in reliance upon the warranties of the Borrowers herein, the Lender agrees to make a loan (the “**Term Loan C**”) in the amount of the Term Loan C Commitment to the Borrowers at the Lender’s office in Eagan, Minnesota in immediately available funds on the Fourth Amendment Effective Date.”

(d) Section 2.05 of the Original Agreement is hereby amended by inserting a new Section 2.05(d) immediately after Section 2.05(c) to read as follows:

“ (d) The Term Loan C shall be evidenced by the Term Note C in the amount of Term Loan C when made. The Term Loan C shall mature and be payable in accordance with the provisions of the Term Note C. The Lender shall enter in its records the amount of the Term Loan C, the rate of interest borne on the Term Loan C and the payments of the Term Loan C received by the Lender, and such records shall be conclusive evidence of the subject matter thereof, absent manifest error.”

3. **Conditions to Effectiveness.** This Amendment shall become effective as of the date first set forth above (the “Effective Date”) when, and only when, the Lender shall have received:

(a) this Amendment, duly executed by a Responsible Officer of each Loan Party;

(b) an Amended and Restated Revolving Credit Note (the “A&R Revolving Credit Note”), in the form provided by the Lender, duly executed by the Borrowers;

(c) Term Note C, in the form provided by the Lender, duly executed by the Borrowers;

(d) a certificate of the secretary of each Borrower in the form provided by the Lender, appropriately completed and duly executed by such Borrower’s secretary;

(e) an Acknowledgment and Agreement, in the form provided by the Lender,



duly executed by Air T in its capacity as Guarantor;

(f) a Joinder to Security Agreement document, in the form provided by the Lender, duly executed by Royal Aircraft;

(g) a Collateral Assignment of Purchase Agreement document with regards to the Royal Aircraft Transaction Documents, in the form provided by the Lender, duly executed by MAC;

(h) a Collateral Assignment of Leases document, in the form provided by Lender, duly executed by Royal Aircraft;

(i) UCC, tax, and judgment lien search results against the property of Royal Aircraft evidencing the absence of Liens on its assets;

(j) a signed copy of each of the Royal Aircraft Transaction Documents, together with evidence satisfactory to the Lender that: (i) all conditions precedent to the consummation of the Royal Aircraft Transactions have been satisfied or waived; (ii) all necessary regulatory approvals to the consummation of the Royal Aircraft Transactions have been obtained; (iii) no litigation exists relating to the Royal Aircraft Transactions; and (iv) contemporaneously with MAC's payment of the purchase price set forth in the Royal Aircraft Purchase Agreement, the Royal Aircraft Transactions will be consummated in full in accordance with the terms of the Royal Aircraft Transaction Documents;

(k) an amendment fee in the amount of \$5,250.00, payable in immediately available funds; and

(l) such other documents, instruments and certificates as the Lender may reasonably request.

4. **Joinder.** Royal Aircraft hereby joins the Existing Borrowers as the "Borrowers" party to the Original Agreement, and as a result of such joinder, Royal Aircraft:

(a) expressly assumes and agrees to perform, observe and confirm all and singular, the covenants, agreements, terms, conditions, obligations, appointments, duties and liabilities of the Borrowers under the Original Agreement and the other Loan Documents;

(b) accepts and assumes any and all liability of the Existing Borrowers relating to any representation or warranty made by the Existing Borrowers therein and represents and warrants to the Lender that each of the representations and warranties in the Original Agreement applicable to it as a Borrower is true and correct as of the date hereof as though made by Royal Aircraft on the date hereof; and

(c) agrees to perform and observe all the covenants, agreements, terms, conditions, obligations, appointments, duties and liabilities of a "Borrower" under the Original Agreement and the Notes and the other Loan Documents as if it were an original

signatory thereto.

5. **Representations and Warranties.** To induce the Lender to enter into this Amendment, the Loan Parties jointly and severally represent and warrant to the Lender as follows:

(a) The execution, delivery and performance by the Borrowers, the Borrowers' Agent and the Guarantor of this Amendment and each other Loan Document have been duly authorized by all necessary corporate, or as the case may be, limited liability company, action, do not require any approval or consent of, or any registration, qualification or filing with, any government agency or authority or any approval or consent of any other person (including, without limitation, any shareholder), do not and will not conflict with, result in any violation of or constitute any default under, any provision of any such Person's formation or governance documents, any agreement binding on or applicable to any such Person or any such Person's property, or any law or governmental regulation or court decree or order, binding upon or applicable to any such Person or of any such Person's property and will not result in the creation or imposition of any security interest or other lien or encumbrance in or on any of its property pursuant to the provisions of any agreement applicable to any such Person or any such Person's property;

(b) The representations and warranties contained in the Original Agreement are true and correct as of the date hereof as though made on that date except: (i) to the extent that such representations and warranties relate solely to an earlier date; and (ii) that the representations and warranties set forth in Section 5.04 of the Original Agreement to the audited annual financial statements and internally-prepared interim financial statements of Loan Parties shall be deemed to be a reference to the audited financial statements and interim financial statements, as the case may be, most recently delivered to the Lender pursuant to Section 6.01(a), 6.01(b) or 6.01(c) of the Original Agreement;

(c) No events have taken place and no circumstances exist at the date hereof which would give any Loan Party the right to assert a defense, offset or counterclaim to any claim by the Lender for payment of the Obligations;

(d) The Original Agreement, as amended by this Amendment, and each other Loan Document to which any Loan Party is a party are the legal, valid and binding obligations of such Loan Party and are enforceable in accordance with their respective terms, subject only to bankruptcy, insolvency, reorganization, moratorium or similar laws, rulings or decisions at the time in effect affecting the enforceability of rights of creditors generally and to general equitable principles which may limit the right to obtain equitable remedies; and

(e) Before and after giving effect to this Amendment, there does not exist any Default or Event of Default.

6. **Release.** The Borrowers, the Borrowers' Agent and the Guarantor jointly and severally release and forever discharge the Lender and its successors, assigns, directors, officers, agents, employees and participants from any and all actions, causes of action, suits, proceedings,

debts, sums of money, covenants, contracts, controversies, claims and demands, at law or in equity, which any of the Borrowers, the Borrowers' Agent or the Guarantor ever had or now has against the Lender or its successors, assigns, directors, officers, agents, employees or participants by virtue of the Lender's relationship to the Loan Parties in connection with the Loan Documents and the transactions related thereto

7. **Consent to Royal Aircraft Transaction.** The Lender hereby consents, on the Effective Date of this Amendment, notwithstanding the prohibition of Section 7.04 of the Credit Agreement against the making of any Investments other than as set forth therein, to the consummation of the Royal Aircraft Transaction in accordance with the Royal Aircraft Transaction Documents. The Bank's consent provided in this Section 7 is expressly limited to the Royal Aircraft Transaction and is not intended, and shall not be construed, to be a general waiver of the covenant set forth in Section 7.04 of the Credit Agreement or of any other terms or provisions of the Credit Agreement or any other Loan Document.

8. **Reference to and Effect on the Loan Documents.**

(a) From and after the date of this Amendment, each reference in:

(i) the Original Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Original Agreement, and each reference to the "Credit Agreement", the "Credit Agreement", "thereunder", "thereof", "therein" or words of like import referring to the Original Agreement in any other Loan Document shall mean and be a reference to the Original Agreement as amended hereby;

(ii) any Loan Document to "the Revolving Credit Note," "thereunder," "thereof," "therein" or words of like import referring to the Revolving Credit Note shall include a reference to the A&R Revolving Credit Note executed and delivered by the Borrowers pursuant to this letter amendment and

(iii) any Loan Document to the term "Borrowers" shall be deemed to include a reference to Royal Aircraft as a Borrower.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lender under the Original Agreement or any other Loan Document, nor constitute a waiver of any provision of the Agreement or any such other Loan Document.

9. **Costs, Expenses and Taxes.** The Borrowers jointly and severally agree to pay on demand all costs and expenses of the Lender in connection with the preparation, reproduction, execution and delivery of this Amendment and the other documents to be delivered hereunder or thereunder, including their reasonable attorneys' fees and legal expenses. In addition, the Borrowers shall pay any and all stamp and other taxes and fees payable or determined to be payable in connection with the execution and delivery, filing or recording of this Amendment and the other instruments and documents to be delivered hereunder and agrees to save the Lender harmless from

and against any and all liabilities with respect to, or resulting from, any delay in the Borrowers' paying or omission to pay, such taxes or fees.

10. **Governing Law.** THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS AMENDMENT SHALL BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF MINNESOTA, WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF, BUT GIVING EFFECT TO FEDERAL LAWS OF THE UNITED STATES APPLICABLE TO NATIONAL BANKS.

11. **Headings.** Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

12. **Counterparts.** This Amendment may be executed in counterparts and by separate parties in separate counterparts, each of which shall be an original and all of which taken together shall constitute one and the same document. Receipt by telecopy, pdf file or other electronic means of any executed signature page to this Amendment shall constitute effective delivery of such signature page; provided, that each of the undersigned agree to promptly deliver to Lender original signed counterparts of this Amendment upon request by Lender.


13. **Recitals.** The Recitals hereto are incorporated herein by reference and constitute a part of this Amendment.

[SIGNATURE PAGES FOLLOW]

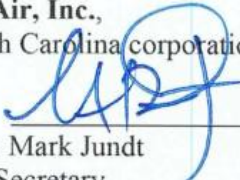
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first above.

**Borrowers:**

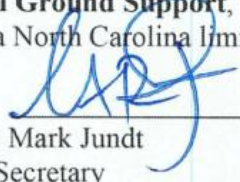
**Air'Zona Aircraft Services, Inc.,**  
an Arizona corporation

By:   
Name: Mark Jundt  
Title: Secretary

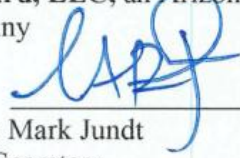
**CSA Air, Inc.,**  
a North Carolina corporation

By:   
Name: Mark Jundt  
Title: Secretary

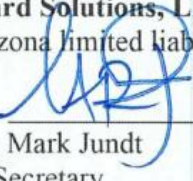
**Global Ground Support,**  
LLC, a North Carolina limited liability company

By:   
Name: Mark Jundt  
Title: Secretary

**Jet Yard, LLC,** an Arizona limited liability  
company

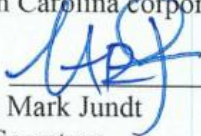
By:   
Name: Mark Jundt  
Title: Secretary

**Jet Yard Solutions, LLC,**  
an Arizona limited liability company

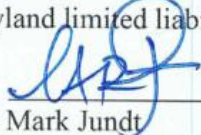
By:   
Name: Mark Jundt  
Title: Secretary




**Mountain Air Cargo, Inc.,**  
a North Carolina corporation

By:   
Name: Mark Jundt  
Title: Secretary

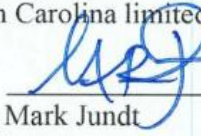
**Royal Aircraft Services, LLC,**  
a Maryland limited liability company

By:   
Name: Mark Jundt  
Title: Secretary


**Worldwide Aircraft Services, Inc.,**  
a Kansas corporation

By:   
Name: Mark Jundt  
Title: Secretary

**Worthington Aviation, LLC,**  
a North Carolina limited liability company

By:   
Name: Mark Jundt  
Title: Secretary

**Air T, Inc.,** a Delaware corporation,  
as Loan Party Agent and Guarantor

By:   
Name: Mark Jundt  
Title: Secretary

**Lender:**

**ALERUS FINANCIAL, NATIONAL  
ASSOCIATION**, a national banking association

By 

Name: Eric P. Gundersen

Title: Senior Vice President

[Signature page to Amendment No. 4 to Credit Agreement and Consent]

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Schedule A

Royal Aircraft Transaction Documents

1. Membership Interest Purchase Agreement dated as of May 15, 2025, by and among MAC, Pamela R. Heffernan, Charles A. Heffernan, Jr., and GAMA Capital, Ltd., a Texas limited liability company.
  2. Transition Services and Consulting Agreement dated as of May 15, 2025, by and between Royal Aircraft and Charles A. Heffernan, Jr.
  3. Transition Services and Consulting Agreement dated as of May 15, 2025 by and between Royal Aircraft and Pamela R. Heffernan.
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