

PRESCOTT GROUP CAPITAL MANAGEMENT LLC
 Form 4
 March 24, 2010

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 *
 PRESCOTT GROUP CAPITAL MANAGEMENT LLC

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)
 1924 SOUTH UTICA, SUITE 1120
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/22/2010

____ Director
 ____ Officer (give title below)
 ___X___ 10% Owner
 ____ Other (specify below)

TULSA, OK 74104

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

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

(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 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	(A) or (D)	Price			
Common Stock	03/22/2010		P		45,000	A	\$ 1.87	7,157,892 ⁽¹⁾	I	See Footnote ⁽²⁾
Common Stock	03/22/2010		P		11,000	A	\$ 1.95	7,168,892 ⁽¹⁾	I	See Footnote ⁽²⁾
Common Stock	03/22/2010		P		5,600	A	\$ 2.02	7,174,492 ⁽¹⁾	I	See Footnote ⁽²⁾

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

Edgar Filing: PRESCOTT GROUP CAPITAL MANAGEMENT LLC - Form 4

Stock") purchased by Prescott Group Aggressive Small Cap Master Fund, G.P. (the "Master Fund") for the accounts of Prescott Group Aggressive Small Cap, L.P. or Prescott Group Aggressive Small Cap II, L.P. (together, the "Small Cap Funds"). Pursuant to Rule 16a-1, both Prescott Capital and Phil Frohlich disclaim such beneficial ownership.

- (2) Prescott Capital holds indirectly 7,174,492 shares of Common Stock of Air Transport Services Group, Inc. through the account of the Master Fund, of which the Prescott Capital is the Investment Manager. The Master Fund holds the shares of Common Stock for the accounts of the Small Cap Funds, of which Prescott Capital is the Investment Manager. Prescott Capital receives a portion of the profits in the way of a capital allocation from, and owns a partnership interest in, the Small Cap Funds. Phil Frohlich reports the shares held indirectly by Prescott Capital because, as the manager of Prescott Capital at the time of purchase, he controlled the disposition and voting of the securities.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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