

CPI AEROSTRUCTURES INC
Form 4
August 31, 2006

FORM 4

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

OMB APPROVAL

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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 *
MIDWOOD CAPITAL
MANAGEMENT LLC

2. Issuer Name and Ticker or Trading Symbol
CPI AEROSTRUCTURES INC
[CVU]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
575 BOYLSTON ST., 4TH FLOOR
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
08/29/2006

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

BOSTON, MA 02116

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 | 08/29/2006 | | S | | 1,600 | D | \$ 4.4 | 610,749 | I | see footnote (1) ⁽¹⁾ |
| Common Stock | 08/29/2006 | | S | | 400 | D | \$ 4.4 | 610,349 | I | see footnote (2) ⁽²⁾ |
| Common Stock | 08/29/2006 | | S | | 200 | D | \$ 4.4 | 610,149 | I | see footnote (3) ⁽³⁾ |
| Common Stock | 08/29/2006 | | S | | 2,100 | D | \$ 4.38 | 608,049 | I | see footnote |

| | | | | | | | | | |
|--------------|------------|--|---|-------|---|---------|---------|----------------|-----------------------------|
| | | | | | | | | (4) <u>(4)</u> | |
| Common Stock | 08/30/2006 | | S | 100 | D | \$ 4.42 | 607,949 | I | see footnote (5) <u>(5)</u> |
| Common Stock | 08/30/2006 | | S | 1,000 | D | \$ 4.41 | 606,949 | I | see footnote (6) <u>(6)</u> |
| Common Stock | 08/30/2006 | | S | 200 | D | \$ 4.4 | 606,749 | I | see footnote (7) <u>(7)</u> |

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

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(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. 3, 4, and 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 |
| MIDWOOD CAPITAL MANAGEMENT LLC 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116 | | X | | |
| MIDWOOD CAPITAL PARTNERS LP 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116 | | X | | |

MIDWOOD CAPITAL PARTNERS QP LP
 575 BOYLSTON ST. X
 4TH FLOOR
 BOSTON, MA 02116

Cohen David E
 575 BOYLSTON ST. X
 4TH FLOOR
 BOSTON, MA 02116

DeMont Ross D
 575 BOYLSTON ST. X
 4TH FLOOR
 BOSTON, MA 02116

Signatures

/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC 08/31/2006
 __Signature of Reporting Person Date

/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC, General Partner of Midwood Capital Partners, LP 08/31/2006
 __Signature of Reporting Person Date

/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC, General Partner of Midwood Capital Partners QP, LP 08/31/2006
 __Signature of Reporting Person Date

/s/ David E. Cohen 08/31/2006
 __Signature of Reporting Person Date

/s/ Ross D. DeMont 08/31/2006
 __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).

Represents 711 shares sold by Midwood Capital Partners, LP ("LP") and 889 shares sold by Midwood Capital Partners QP, LP ("QP").

- (1) All such shares sold by LP and QP were also indirectly held by Midwood Capital Management LLC, General Partner of LP and QP, and by David E. Cohen and Ross D. DeMont, managing members of the General Partner
- (2) Represents 178 shares sold by LP and 222 shares sold by QP
- (3) Represents 89 shares sold by LP and 111 shares sold by QP
- (4) Represents 932 shares sold by LP and 1168 shares sold by QP
- (5) Represents 44 shares sold by LP and 56 shares sold by QP
- (6) Represents 444 shares sold by LP and 556 shares sold by QP
- (7) Represents 89 shares sold by LP and 111 shares sold by QP

Remarks:

Exhibit 99.2 Confirming Statement of Ross D. DeMont

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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