

MARTINEZ RANDY J  
 Form 3  
 July 14, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 * Â MARTINEZ RANDY J (Last) (First) (Middle)  1100 N. WOOD DALE ROAD (Street)  WOOD DALE, Â IL Â 60191 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 07/13/2010	3. Issuer Name and Ticker or Trading Symbol AAR CORP [AIR]	4. Relationship of Reporting Person(s) to Issuer  (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) Group Vice President	5. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
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**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock <sup>(1)</sup>	15,000	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		(I) (Instr. 5)	
Stock Option <sup>(2)</sup>	07/13/2010 <sup>(3)</sup>	07/12/2019	Common Stock	5,000	\$ 15.1	D	Â
Stock Option <sup>(2)</sup>	07/12/2011 <sup>(4)</sup>	07/11/2020	Common Stock	20,000	\$ 17.27	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MARTINEZ RANDY J 1100 N. WOOD DALE ROAD WOOD DALE, IL 60191	Â	Â	Â Group Vice President	Â

## Signatures

/s/ Jo-Ellen Kiddie, Power of Attorney

07/14/2010

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 5(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).

The 15,000 share initial balance consists of the following awards of stock pursuant to Restricted Stock Agreements in transactions exempt under Rule 16b-3: 3,300 shares granted 5/31/2009 6,700 shares granted 4/23/2010 It also includes an award of 5,000 shares on 7/12/10 pursuant to a Performance Restricted Stock Agreement in a transaction exempt under Rule 16b-3. The stock award is conditioned upon the Company meeting a cumulative net income performance goal target for the three-year performance period beginning June 1, 2010 and ending May 31, 2013, subject to earlier acceleration based on the performance of the Company's common stock.

- Grantee may elect to pay the exercise price of the option or any tax liability in connection therewith by directing the Company to
- (2) withhold a portion of the shares otherwise distributable to the grantee upon exercise or by transferring to the Company previously acquired shares valued at their fair market value on such taxable date.
  - (3) The option vests in three equal installments beginning 7/13/10.
  - (4) The option vests in three equal installments beginning on 7/12/11.

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.