**AAR CORP** Form 4 October 10, 2006

## FORM 4

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

OMB 3235-0287

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Number: January 31, Expires:

2005

**OMB APPROVAL** 

Form 4 or Form 5 obligations **SECURITIES** 

Estimated average burden hours per 0.5 response...

may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * STORCH DAVID P			2. Issuer Name and Ticker or Trading Symbol AAR CORP [AIR]	5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Enternal application)		
1100 N. WOOD DALE ROAD		OAD	(Month/Day/Year) 10/05/2006	_X_ Director 10% Owner _X_ Officer (give title Other (specify below)  Chrmn, Pres, CEO & Dir		
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
WOOD DALE	, IL 60191-		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tab	ole 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. Transactic Code (Instr. 8)	4. Securities A order Disposed of (Instr. 3, 4 and )  (A order Amount (D)	(D) (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 Indirect Beneficial Ownership (Instr. 4)		
Common Stock	10/05/2006		M	71,279 A	\$ 6.96	700,982	D			
Common Stock	10/05/2006		M	50,000 A	\$ 22.41	750,982	D			
Common Stock	10/05/2006		F	78,936 D	\$ 24.23	672,046	D			
Common Stock	10/06/2006		S	42,343 D	\$ 23.7371	629,703	D			
Common Stock						18,810 (1)	I	by wife		

Common by wife for minor children

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

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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. 5. Number of TransactiorDerivative Code Securities (Instr. 8) 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 6.96	10/05/2006		M	71,279	07/21/2004	07/21/2013	Common Stock	71,279
Stock Option	\$ 22.41	10/05/2006		M	50,000	03/18/2005	10/11/2010	Common Stock	50,000

## **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

STORCH DAVID P 1100 N. WOOD DALE ROAD

1100 N. WOOD DALE ROAD X Chrmn, Pres, CEO & Dir

WOOD DALE, IL 60191-

#### **Signatures**

Jo-Ellen Kiddie, Power of Attorney 10/10/2006

\*\*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).
- (1) I disclaim any beneficial interest in these shares.
- (2) I disclaim any beneficial interest in these shares.

Reporting Owners 2

#### Edgar Filing: AAR CORP - Form 4

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