

AAR CORP  
Form 4  
October 10, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
STORCH DAVID P

(Last) (First) (Middle)  
1100 N. WOOD DALE ROAD  
(Street)

WOOD DALE, IL 60191-

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
AAR CORP [AIR]

3. Date of Earliest Transaction (Month/Day/Year)  
10/05/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chrmn, Pres, CEO & Dir

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

**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 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)
			Code	V	Amount	(D)	Price
Common Stock	10/05/2006		M		71,279	A	\$ 6.96
Common Stock	10/05/2006		M		50,000	A	\$ 22.41
Common Stock	10/05/2006		F		78,936	D	\$ 24.23
Common Stock	10/06/2006		S		42,343	D	\$ 23.7371
Common Stock					18,810	I	

by wife

Common Stock 6,876.173 <sup>(2)</sup> I 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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**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)		
						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 WOOD DALE, IL 60191-	X		Chrmn, Pres, CEO & Dir	

## 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.

## Edgar Filing: AAR CORP - Form 4

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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