

AAR CORP
Form 4
December 26, 2007

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 *
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)
C/O AAR CORP, 1100 N. WOOD DALE RD.

3. Date of Earliest Transaction (Month/Day/Year)
12/21/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman & CEO

(Street)

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

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

IL 60007

(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 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)
				(A) or (D)	Price		
common stock	12/21/2007		S	24,781	D \$ 35.8046	1,088,891	D
common stock	12/21/2007		F	35,230	D \$ 37	1,053,661	D
common stock	12/21/2007		F	119,836	D \$ 37	933,825	D
common stock	12/24/2007		S	31,058	D \$ 37.013	902,767	D
common stock	12/26/2007		S	36,547	D \$ 37.2851	866,220	D

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common stock	12/21/2007	M	70,000	A	\$ 23.5	926,231	D
common stock	12/21/2007	M	187,441	A	\$ 6.96	1,113,772	D

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount of Number of Shares
stock option	\$ 23.5	12/21/2007		M	70,000	01/01/1999 01/01/2008	common stock 70,000
stock option	\$ 14.96	12/21/2007		M	187,441	03/18/2006 03/18/2015	common stock 187,441

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STORCH DAVID P C/O AAR CORP 1100 N. WOOD DALE RD. IL 60007	X		Chairman & CEO	

Signatures

Jo-Ellen Kiddie, Power of Attorney
Date: 12/26/2007

**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).

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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