SHARP MICHAEL J Form 4 July 14, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

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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 * SHARP MICHAEL J

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

AAR CORP [AIR]

(Check all applicable)

(Last)

(First)

(Street)

(Middle) 3. Date of Earliest Transaction (Month/Day/Year)

07/12/2010

Director X_ Officer (give title

10% Owner Other (specify

1100 N WOOD DALE ROAD

below)

VP, Controller & CAO

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Applicable Line)

Filed(Month/Day/Year)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

WOOD DALE, IL 60191

(City)	(State) (Z	Zip) Table	I - Non-De	erivative S	Securi	ties Acc	quired, Disposed	of, or Beneficial	lly 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 on Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		5. Amount of Securities Beneficially Owned Following Reported	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	or (D)	Price	Transaction(s) (Instr. 3 and 4)		
Common Stock	07/12/2010		A(1)	4,583	A	\$0	21,778	D	
Common Stock	07/12/2010		A(4)	6,110	A	\$0	27,888	D	

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)	4. 5. Number Transaction Derivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4,		of Derivative Expiration Date Securities (Month/Day/Year) Acquired (A) or Disposed of D)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
			Code V	and 5) (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 17.27	07/12/2010	A	9,165	07/12/2011(3)	07/11/2020	Common Stock	9,165

Reporting Owners

Reporting Owner Name / Address			Keiauonsnips	
	D' (1007 0	O.C.	0.1

Director 10% Owner Officer Other

SHARP MICHAEL J 1100 N WOOD DALE ROAD WOOD DALE, IL 60191

VP, Controller & CAO

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 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) Award of stock pursuant to Restricted Stock Agreement in transaction exempt under Rule 16b-3.
- 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 on 7/12/11.
- Award of stock 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.

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.

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