

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2009 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan AAR AIRCRAFT SERVICES MIAMI RETIREMENT SAVINGS PLAN	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	11/01/1991	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) AAR AIRCRAFT SERVICES - MIAMI, INC. 1100 NORTH WOOD DALE ROAD WOOD DALE, IL 60191	2b Employer Identification Number (EIN)	59-2541437	
	2c Sponsor's telephone number	630-227-2000	
	2d Business code (see instructions)	488100	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	RICHARD POULTON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	RICHARD POULTON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") AAR AIRCRAFT SERVICES - MIAMI, INC. 1100 NORTH WOOD DALE ROAD WOOD DALE, IL 60191	3b Administrator's EIN 59-2541437 3c Administrator's telephone number 630-227-2000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	513
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	496
b Retired or separated participants receiving benefits.....	6b	7
c Other retired or separated participants entitled to future benefits.....	6c	34
d Subtotal. Add lines 6a , 6b , and 6c	6d	537
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	1
f Total. Add lines 6d and 6e	6f	538
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	291
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	5
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan AAR AIRCRAFT SERVICES MIAMI RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 AAR AIRCRAFT SERVICES - MIAMI, INC.	D Employer Identification Number (EIN) 59-2541437

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

SUNTRUST BANK

25 PARK PLACE
ATLANTA, GA 30303

58-1575035

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE	1240	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	CHARLES NICHOLS, CPA, PA	b EIN:	65-0809907
c Position:	AUDITOR		
d Address:	1650 NE 26 STREET STE 103 WILTON MANORS, FL 33305	e Telephone:	954-564-4333
Explanation:		ABLE TO COMBINE REQUIRED PLAN SERVICES UNDER NEW ACCOUNTING FIRM	

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN;	
c Position:			
d Address:		e Telephone:	
Explanation:			

a Name:		b EIN;	
c Position:			
d Address:		e Telephone:	
Explanation:			

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan AAR AIRCRAFT SERVICES MIAMI RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 AAR AIRCRAFT SERVICES - MIAMI, INC.	D Employer Identification Number (EIN) 59-2541437	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: SUNTRUST 500 INDEX FUND CLASS B			
b Name of sponsor of entity listed in (a): SUNTRUST BANK			
c EIN-PN 59-3706441-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13081	
a Name of MTIA, CCT, PSA, or 103-12 IE: SUNTRUST STABLE ASSET FUND			
b Name of sponsor of entity listed in (a): SUNTRUST BANK			
c EIN-PN 62-1240517-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1378379	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>AAR AIRCRAFT SERVICES MIAMI RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AAR AIRCRAFT SERVICES - MIAMI, INC.</u>	D Employer Identification Number (EIN) <u>59-2541437</u>

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	223122	255800
(9) Value of interest in common/collective trusts	1c(9)	1254753	1391460
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2433869	3737035
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	3911744	5384295

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	3911744	5384295
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	95097	
(B) Participants	2a(1)(B)	690028	
(C) Others (including rollovers)	2a(1)(C)	49987	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		835112
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	15847	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		15847
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	58557	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		58557
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		68233
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		742772
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1720521

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	238765	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		238765
f Corrective distributions (see instructions)	2f		351
g Certain deemed distributions of participant loans (see instructions).....	2g		8854
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		247970

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1472551
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCGLADREY & PULLEN LLP

(2) EIN: 42-0714325

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>AAR AIRCRAFT SERVICES MIAMI RETIREMENT SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AAR AIRCRAFT SERVICES - MIAMI, INC.</u>	D Employer Identification Number (EIN) <u>59-2541437</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>20-3691658</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

AAR Aircraft Services Miami Retirement Savings Plan

Financial Report
December 31, 2009

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Retirement Plan Administrative Committee
AAR Aircraft Services Miami Retirement Savings Plan
Wood Dale, Illinois

We were engaged to audit the accompanying statements of net assets available for benefits of AAR Aircraft Services Miami Retirement Savings Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental schedule of assets (held at end of year) as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by SunTrust Bank, the trustee of the Plan, except for comparing this information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee regarding the completeness and accuracy of the information summarized in Note 3 that was provided to the Plan Administrator by the trustee as of and for the year ended December 31, 2009 and as of December 31, 2008.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As described in Note 2, the Plan adopted Financial Accounting Standards Board Accounting Standards Update 2010-25, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans*, as of December 31, 2009, which clarified how loans to participants should be classified and measured by defined contribution pension plans. This update was retrospectively applied to December 31, 2008.

McGladrey & Pullen, LLP

Schaumburg, Illinois
October 12, 2010

AAR Aircraft Services Miami Retirement Savings Plan

Statements of Net Assets Available for Benefits

December 31, 2009 and 2008

	2009	2008 (as revised)
Assets		
Investments at fair value:		
Shares of registered investment companies	\$ 3,737,035	\$ 2,433,330
Common/collective trusts	1,391,460	1,254,753
	<u>5,128,495</u>	<u>3,688,083</u>
Receivables:		
Notes from participants	255,800	223,122
Cash	<u>-</u>	<u>539</u>
Net assets available for benefits, at fair value	5,384,295	3,911,744
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(28,848)</u>	<u>-</u>
Net assets available for benefits	<u>\$ 5,355,447</u>	<u>\$ 3,911,744</u>

See Notes to Financial Statements.

AAR Aircraft Services Miami Retirement Savings Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2009

Additions to net assets attributed to:

Investment income:

Net appreciation in value of investments	\$	782,157
Interest and dividends		58,557
Interest received on participants' notes receivable		15,847
Total investment income		<u>856,561</u>

Contributions:

Participants		690,028
Company		95,097
Rollovers		49,987
Total contributions		<u>835,112</u>

Total additions		1,691,673
-----------------	--	-----------

Deductions from assets attributed to:

Benefits paid to participants		<u>247,970</u>
-------------------------------	--	----------------

Net increase		1,443,703
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Net assets available for benefits:

Beginning of year		<u>3,911,744</u>
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End of year	\$	<u><u>5,355,447</u></u>
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See Notes to Financial Statements.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 1. Plan Description

The following description of the AAR Aircraft Services Miami Retirement Savings Plan (the Plan), provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan, as amended and restated, provides for employee contributions under the provisions of Section 401(k) of the Internal Revenue Code (Code) and covers employees of AAR Aircraft Services – Miami, Inc. (the Company), a subsidiary of AAR Corp. (Parent Company). Under the Plan's provisions, employees are eligible, as determined under the Plan document, to participate in the Plan as of the first day of employment. Participation in the Plan is voluntary. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Contributions: Each year, participants may contribute a specific percentage of pretax annual compensation, as defined by the Plan, subject to annual limits as permitted under the Code. Participants may also roll over amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions (limited to \$5,500 in 2009).

All Company contributions, subject to certain limitations, are available for withdrawal before retirement or termination of employment. The participants are permitted to borrow from their account with limitations. Participants should refer to the Plan document for more complete information, which may be obtained from the Company.

Investment options: Upon enrollment in the Plan, a participant may direct employee contributions in a variety of investment choices as more fully described in the Plan's literature. Participants may change their investment options on a daily basis.

Notes from participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their account balance, whichever is less. Interest is at an annual rate of 1 percent above the federal prime rate at the time of the loan. The loan period can be a maximum of five years (ten years for purchase of a home). The loans are secured by the balance in the participant's account and bear interest at rates that range from 4.25 percent to 10.5 percent. Principal and interest are paid ratably through bi-weekly payroll deductions.

Participant accounts: Each participant's account is credited with the participant's contributions and Company matching contribution as well as allocations of forfeitures and plan earnings. Allocations are based on participant earnings or account balances or compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Administration: Day-to-day administration of the Plan is the responsibility of the Retirement Plan Administrative Committee (the Administrative Committee) comprised of three senior officers of the Parent Company. The Committee members are appointed by the Board of Directors. Investment policy and investment activities are the responsibility of the Retirement Plan Investment Committee consisting of three senior officers of the Parent Company appointed by the Board of Directors.

SunTrust Bank is the trustee and provides assistance in plan administration. SunTrust, as trustee/custodian and investment manager, performs administrative and record keeping services for the Plan in addition to coordinating the activities of the mutual funds.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 1. Plan Description (Continued)

Vesting and benefits: Upon becoming eligible to participate in the Plan, employees have a non-forfeitable right to the portion of their account balance attributable to participant contributions, asset transfers/rollovers plus the related earnings or losses. The portion of the participant's account balance attributable to Company contributions plus related earnings or losses is subject to the following vesting schedule:

Years of Service	Vested Percentage	Forfeited Percentage
Less than one year	0%	100%
One year	34%	66%
Two years	67%	33%
Three years	100%	0%

In-service distributions, such as loans and hardships, are permitted within certain restrictions.

Upon termination of service, participants are paid their entire account balance in a lump sum.

Funding policy: The Plan is funded by contributions from participants and the Company. The Company matches 20 percent of the employees' elected deferrals up to 5 percent of compensation, not to exceed the maximum allowable as a deduction under the provisions of Section 404 of the Internal Revenue Code of 1986, as amended. The Company may, at its discretion, contribute additional profit sharing contributions to the Plan. There were no profit sharing contributions made to the Plan in 2009 by the Company.

Forfeited accounts: At December 31, 2009 and 2008, forfeited non-vested accounts totaled \$800 and \$539, respectively. These accounts will be used to reduce future Company contributions. Also in 2009, Company contributions were reduced by \$1,860 from forfeited non-vested accounts.

Note 2. Significant Accounting Policies

Accounting policies: The Company follows accounting standards established by the Financial Accounting Standards Board (the FASB) to ensure consistent reporting of financial condition, results of operations, and cash flows. References to Generally Accepted Accounting Principles (GAAP) in these footnotes are to the *FASB Accounting Standards Codification*TM, sometimes referred to as the Codification or ASC. The Codification is effective for periods ending on or after September 15, 2009.

Basis of accounting: The accompanying financial statements are prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of net assets available for benefits attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment in the common/collective trusts as well as the adjustment of the investment in the common/collective trust from fair value to contract value relating to the investment contracts. The Statement of Net Assets Available for Benefits is prepared on a contract value basis.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Use of estimates: These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America that require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of additions and deductions during the reporting periods. Actual results could be materially different from those estimates.

Payment of benefits: Benefits are recorded when paid.

Administrative expenses: Administrative expenses are paid by the Company and, accordingly, are not reflected in the accompanying financial statements.

Subsequent events: The Plan has evaluated subsequent events through October 12, 2010, the date the financial statements were available to be issued.

New accounting pronouncements: In September 2010, the Financial Accounting Standards Board (FASB) issued an amendment, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans* (ASU 2010-25), which provides guidance on how loans to participants should be classified and measured by defined contribution pension plans. This amendment requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. This amendment is effective for periods ending after December 15, 2010, with early adoption permitted. This amendment requires retrospective application to all periods presented.

This amendment was adopted for the year ended December 31, 2009, and retrospectively applied to December 31, 2008. Prior year amounts and disclosures have been revised to reflect the retrospective application of adopting this new amendment. The adoption resulted in a reclassification of participant loans totaling \$255,800 and \$223,122 from investments to notes receivable as of December 31, 2009 and 2008, respectively. There was no impact to net assets as of December 31, 2009 or 2008, as a result of the adoption.

In September 2009, the FASB issued an amendment, *Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)* (ASU 2009-12), which provides guidance on how entities should estimate fair value of certain alternative investments. The fair value of investments within the scope of this guidance can now be determined using net asset value (NAV) per share as a practical expedient, when the fair value is not readily determinable, unless it is probable the investment will be sold at something other than NAV. It also requires disclosure of certain attributes by major category of alternative investments, regardless of whether the practical expedient was used. This amendment was effective for periods ending after December 15, 2009, with early adoption permitted. See Note 4 for impact of adoption.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

The FASB issued new guidance on accounting for uncertainty in income taxes. The Plan adopted this new guidance for the year ended December 31, 2009. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. Tax returns filed by the entity generally are subject to examination by U.S. and state taxing authorities for years ended after December 31, 2006.

Pending accounting pronouncement: In January 2010, the FASB issued an amendment, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* (ASU 2010-06), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and those disclosures should include a discussion of inputs and valuation techniques. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting these charges. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning after December 15, 2009. The guidance related to Level 3 measurements is effective for periods beginning after December 15, 2010. Management is currently evaluating the impact of the guidance related to disclosures in the financial statements.

Note 3. Information Certified and Provided by Sun Trust Bank

The following is a summary of the Plan's asset information as of December 31, 2009 and 2008, and for the year ended December 31, 2009, included throughout the Plan's financial statements and supplemental schedule, that was prepared by or derived from information provided by the Sun Trust Bank, the trustee and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustee that information provided to the Plan Administrator by the trustee related to the following assets is complete and accurate to the best of their knowledge. Accordingly, as permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and supplemental schedule related to the following assets:

	December 31,	
	2009	2008
Investments:		
Shares of registered investment companies	\$ 3,737,035	\$ 2,433,330
Common/collective trusts, at contract value	1,362,612	1,254,753
Notes from participants	255,800	223,122
Net appreciation in value of investments	782,157	
Interest and dividends	58,557	
Interest received on participant notes receivable	15,847	

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008:

Shares of registered investment companies: Valued at the net asset value of shares held by the Plan at year-end.

Shares of common/collective trusts: Valued at fair value, which represents the net asset value of shares held by the Trust at year-end as determined by SunTrust Bank.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets measured at fair value as of December 31, 2009 and 2008:

Description	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
International funds	\$ 431,603	\$ -	\$ -	\$ 431,603
Small/Mid cap funds	727,233	-	-	727,233
Large cap funds	1,148,499	-	-	1,148,499
Balanced funds	1,193,391	-	-	1,193,391
Bonds	236,309	-	-	236,309
Common/collective trusts	-	1,391,460	-	1,391,460
Notes from participants	-	-	255,800	255,800
	<u>\$ 3,737,035</u>	<u>\$ 1,391,460</u>	<u>\$ 255,800</u>	<u>\$ 5,384,295</u>

Description	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
International funds	\$ 226,747	\$ -	\$ -	\$ 226,747
Small/Mid cap funds	403,065	-	-	403,065
Large cap funds	764,082	-	-	764,082
Balanced funds	853,100	-	-	853,100
Bonds	186,336	-	-	186,336
Common/collective trusts	-	1,254,753	-	1,254,753
Notes from participants	-	-	223,122	223,122
	<u>\$ 2,433,330</u>	<u>\$ 1,254,753</u>	<u>\$ 223,122</u>	<u>\$ 3,911,205</u>

The table below sets forth a summary of changes in the fair value to the Plan's Level 3 assets for the year ended December 31, 2009:

	Notes from Participants
Balance beginning of year	\$ 223,122
Issuances and repayments (net)	32,678
Balance end of year	<u>\$ 255,800</u>

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following table sets forth fair value of investments in certain entities that calculates net asset value per share (or its equivalent):

Investment	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
(a) SunTrust Retirement Stable Asset Fund	\$ 1,378,379	-	Daily	12 Months
(b) SunTrust Retirement 500 Index Fund	13,081	-	Daily	12 Months
Total	<u>\$ 1,391,460</u>			

- a) The SunTrust Retirement Stable Asset Fund primarily invests in a variety of investment contracts such as guaranteed investment contracts ("GICs") issued by insurance companies and other financial institutions and other investment products (synthetic GIC's and collective trust funds) with similar characteristics. The primary investment objective of the fund is preservation of capital while also seeking a reasonable stable monthly return and a high degree of liquidity for participant withdrawals.
- b) The SunTrust Retirement 500 Index Fund seeks to emulate the performance of Standard and Poor's 500 Index, which is a benchmark index designed to measure the investment returns of stocks and large capitalization U.S. companies.

Note 5. Investments

The following table presents the fair value of investments representing 5% or more of the of the Plan's net assets as of December 31, 2009 and 2008.

	2009	2008
Shares of registered investment companies:		
AllianceBernstein International Growth	\$ 307,846	\$ **
Goldman Sachs Mid Value Fund A	338,574	225,522
Goldman Sachs Structured US Equity A	384,978	338,494
RidgeWorth Aggressive Growth Allocation Strategy	330,620	203,812
RidgeWorth Growth Allocation Strategy	410,333	308,750
RidgeWorth Large Cap Core Equity I	**	197,118
T. Rowe Price Growth Stock Fund R	507,709	260,895
Common/collective trusts:		
Sun Trust Retirement Stable Asset Fund	1,378,379	1,254,152

** Balance of the fund was less than 5% of the Plan's net assets.

The contract value of the Plan's investment in shares of common/collective trust related to the SunTrust Retirement Stable Asset Fund is \$1,349,531 at December 31, 2009. At December 31, 2008, contract value of the Sun Trust Retirement Stable Asset Fund approximated fair value.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 5. Investments (Continued)

During 2009, the Plan's investments, including investments bought, sold and held during the year, appreciated in value by \$782,157, as follows:

	2009
Shares of registered investment companies	\$ 742,772
Common/collective trusts	39,385
	<u>\$ 782,157</u>

Note 6. Tax Status

Effective January 1, 2002, the Plan has adopted a non-standardized prototype plan sponsored by Sun Trust Bank. The prototype plan has received an opinion letter from the Internal Revenue Service as to the prototype plan's qualified status. The Plan has relied on the prototype plan's opinion letter. The Plan has been amended since adoption of the prototype. The Plan Administrator believes that the Plan is designed and is currently being operated in accordance with applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Note 7. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time. Termination must have the approval of the Company's Board of Directors. In the event of termination of the Plan, the trust fund assets are appraised and each participant would become 100 percent vested in their Company contribution portion of their account as of the termination date.

Note 8. Party-in-Interest Transactions

Certain Plan investments are held in shares of mutual funds managed by an affiliate of Sun Trust Bank. Any purchases and sales of these funds are open market transactions at fair market value. Sun Trust Bank is the trustee as defined by the Plan and, therefore, these qualify as party-in-interest transactions. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. In addition, certain administrative functions are performed by employees of the Company for which no compensation is received from the Plan.

Note 9. Risks and Uncertainties

The Plan provides for various investment options, which include investments in any combination of equities and fixed income securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investment securities, it is possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 10. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	2009	2008
Net assets available for benefits per the financial statements	\$ 5,355,447	\$ 3,911,744
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	28,848	-
Net assets available for benefits per the Form 5500	<u>\$ 5,384,295</u>	<u>\$ 3,911,744</u>

The following is a reconciliation of change in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31:

	2009
Increase in net assets available for benefits per the financial statements	\$ 1,443,703
Adjustment from fair value to contract value for fully benefit-responsive investment contracts - current year	28,848
Increase in net assets available for benefits per the Form 5500	<u>\$ 1,472,551</u>

AAR Aircraft Services Miami Retirement Savings Plan

EIN: 59-2541437

Plan No: 001

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2009

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
		Shares of registered investment companies:		
	Alliance Bernstein Investments, Inc.	AllianceBernstein International Growth	**	\$ 307,846
	Blackrock, Inc.	Blackrock Equity Dividend A	**	66,326
	Dreyfus Investments	Dreyfus Active Midcap Fund	**	158,744
	Goldman Sachs Group, Inc.	Goldman Sachs Mid Value Fund A	**	338,574
	Goldman Sachs Group, Inc.	Goldman Sachs Small Value Fund A	**	116,779
	Goldman Sachs Group, Inc.	Goldman Sachs Structured US Equity A	**	384,978
	MFS Investment Management	MFS Research Bond Fund A	**	128,162
	Oppenheimer Funds	Oppenheimer Global Fund A	**	122,957
	RidgeWorth Investments	RidgeWorth Aggressive Growth Allocation Strategy	**	330,620
	RidgeWorth Investments	RidgeWorth Conservative Allocation Strategy	**	222,374
	RidgeWorth Investments	RidgeWorth Growth Allocation Strategy	**	410,333
	RidgeWorth Investments	RidgeWorth High Income Fund I	**	108,147
	RidgeWorth Investments	RidgeWorth Large Cap Core Equity I	**	189,486
	RidgeWorth Investments	RidgeWorth Moderate Allocation Strategy	**	230,064
	RidgeWorth Investments	RidgeWorth Small Cap Growth Stock I	**	113,136
	T. Rowe Price Investment Services, Inc.	T. Rowe Price Growth Stock Fund R	**	507,709
	RidgeWorth Investments	RidgeWorth Prime Quality Money Market	**	800
				<u>3,737,035</u>
		Common/collective trusts:		
*	Sun Trust Bank	Sun Trust Retirement Stable Asset Fund	**	1,378,379
*	Sun Trust Bank	Sun Trust Retirement 500 Index Fund	**	13,081
				<u>1,391,460</u>
*	Participants	Participant notes receivable with interest ranging from 4.25 to 10.5 percent	**	<u>255,800</u>
	Total assets held for investment purposes			<u>\$ 5,384,295</u>

* Party-in-Interest

** Cost information is not required for participant directed investments

AAR Aircraft Services Miami Retirement Savings Plan

EIN: 59-2541437

Plan No: 001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

As of December 31, 2009

The required Schedule of Assets and/or Schedule of Reportable Transactions is included in the Accountant's audit report attachment.

AAR Aircraft Services Miami Retirement Savings Plan

Financial Report
December 31, 2009

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Retirement Plan Administrative Committee
AAR Aircraft Services Miami Retirement Savings Plan
Wood Dale, Illinois

We were engaged to audit the accompanying statements of net assets available for benefits of AAR Aircraft Services Miami Retirement Savings Plan as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009, and the supplemental schedule of assets (held at end of year) as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by SunTrust Bank, the trustee of the Plan, except for comparing this information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the trustee holds the Plan's assets and executes transactions. The Plan Administrator has obtained certifications from the trustee regarding the completeness and accuracy of the information summarized in Note 3 that was provided to the Plan Administrator by the trustee as of and for the year ended December 31, 2009 and as of December 31, 2008.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified or provided by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

As described in Note 2, the Plan adopted Financial Accounting Standards Board Accounting Standards Update 2010-25, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans*, as of December 31, 2009, which clarified how loans to participants should be classified and measured by defined contribution pension plans. This update was retrospectively applied to December 31, 2008.

McGladrey & Pullen, LLP

Schaumburg, Illinois
October 12, 2010

AAR Aircraft Services Miami Retirement Savings Plan

Statements of Net Assets Available for Benefits

December 31, 2009 and 2008

	2009	2008 (as revised)
Assets		
Investments at fair value:		
Shares of registered investment companies	\$ 3,737,035	\$ 2,433,330
Common/collective trusts	1,391,460	1,254,753
	<u>5,128,495</u>	<u>3,688,083</u>
Receivables:		
Notes from participants	255,800	223,122
Cash	<u>-</u>	<u>539</u>
Net assets available for benefits, at fair value	5,384,295	3,911,744
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	<u>(28,848)</u>	<u>-</u>
Net assets available for benefits	<u>\$ 5,355,447</u>	<u>\$ 3,911,744</u>

See Notes to Financial Statements.

AAR Aircraft Services Miami Retirement Savings Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2009

Additions to net assets attributed to:

Investment income:

Net appreciation in value of investments	\$ 782,157
Interest and dividends	58,557
Interest received on participants' notes receivable	<u>15,847</u>
Total investment income	<u>856,561</u>

Contributions:

Participants	690,028
Company	95,097
Rollovers	<u>49,987</u>
Total contributions	<u>835,112</u>

Total additions	1,691,673
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Deductions from assets attributed to:

Benefits paid to participants	<u>247,970</u>
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Net increase	1,443,703
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Net assets available for benefits:

Beginning of year	<u>3,911,744</u>
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End of year	<u><u>\$ 5,355,447</u></u>
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See Notes to Financial Statements.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 1. Plan Description

The following description of the AAR Aircraft Services Miami Retirement Savings Plan (the Plan), provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan, as amended and restated, provides for employee contributions under the provisions of Section 401(k) of the Internal Revenue Code (Code) and covers employees of AAR Aircraft Services – Miami, Inc. (the Company), a subsidiary of AAR Corp. (Parent Company). Under the Plan's provisions, employees are eligible, as determined under the Plan document, to participate in the Plan as of the first day of employment. Participation in the Plan is voluntary. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Contributions: Each year, participants may contribute a specific percentage of pretax annual compensation, as defined by the Plan, subject to annual limits as permitted under the Code. Participants may also roll over amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions (limited to \$5,500 in 2009).

All Company contributions, subject to certain limitations, are available for withdrawal before retirement or termination of employment. The participants are permitted to borrow from their account with limitations. Participants should refer to the Plan document for more complete information, which may be obtained from the Company.

Investment options: Upon enrollment in the Plan, a participant may direct employee contributions in a variety of investment choices as more fully described in the Plan's literature. Participants may change their investment options on a daily basis.

Notes from participants: Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their account balance, whichever is less. Interest is at an annual rate of 1 percent above the federal prime rate at the time of the loan. The loan period can be a maximum of five years (ten years for purchase of a home). The loans are secured by the balance in the participant's account and bear interest at rates that range from 4.25 percent to 10.5 percent. Principal and interest are paid ratably through bi-weekly payroll deductions.

Participant accounts: Each participant's account is credited with the participant's contributions and Company matching contribution as well as allocations of forfeitures and plan earnings. Allocations are based on participant earnings or account balances or compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Administration: Day-to-day administration of the Plan is the responsibility of the Retirement Plan Administrative Committee (the Administrative Committee) comprised of three senior officers of the Parent Company. The Committee members are appointed by the Board of Directors. Investment policy and investment activities are the responsibility of the Retirement Plan Investment Committee consisting of three senior officers of the Parent Company appointed by the Board of Directors.

SunTrust Bank is the trustee and provides assistance in plan administration. SunTrust, as trustee/custodian and investment manager, performs administrative and record keeping services for the Plan in addition to coordinating the activities of the mutual funds.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 1. Plan Description (Continued)

Vesting and benefits: Upon becoming eligible to participate in the Plan, employees have a non-forfeitable right to the portion of their account balance attributable to participant contributions, asset transfers/rollovers plus the related earnings or losses. The portion of the participant's account balance attributable to Company contributions plus related earnings or losses is subject to the following vesting schedule:

Years of Service	Vested Percentage	Forfeited Percentage
Less than one year	0%	100%
One year	34%	66%
Two years	67%	33%
Three years	100%	0%

In-service distributions, such as loans and hardships, are permitted within certain restrictions.

Upon termination of service, participants are paid their entire account balance in a lump sum.

Funding policy: The Plan is funded by contributions from participants and the Company. The Company matches 20 percent of the employees' elected deferrals up to 5 percent of compensation, not to exceed the maximum allowable as a deduction under the provisions of Section 404 of the Internal Revenue Code of 1986, as amended. The Company may, at its discretion, contribute additional profit sharing contributions to the Plan. There were no profit sharing contributions made to the Plan in 2009 by the Company.

Forfeited accounts: At December 31, 2009 and 2008, forfeited non-vested accounts totaled \$800 and \$539, respectively. These accounts will be used to reduce future Company contributions. Also in 2009, Company contributions were reduced by \$1,860 from forfeited non-vested accounts.

Note 2. Significant Accounting Policies

Accounting policies: The Company follows accounting standards established by the Financial Accounting Standards Board (the FASB) to ensure consistent reporting of financial condition, results of operations, and cash flows. References to Generally Accepted Accounting Principles (GAAP) in these footnotes are to the *FASB Accounting Standards Codification*TM, sometimes referred to as the Codification or ASC. The Codification is effective for periods ending on or after September 15, 2009.

Basis of accounting: The accompanying financial statements are prepared on the accrual basis of accounting.

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of net assets available for benefits attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment in the common/collective trusts as well as the adjustment of the investment in the common/collective trust from fair value to contract value relating to the investment contracts. The Statement of Net Assets Available for Benefits is prepared on a contract value basis.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Use of estimates: These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America that require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of additions and deductions during the reporting periods. Actual results could be materially different from those estimates.

Payment of benefits: Benefits are recorded when paid.

Administrative expenses: Administrative expenses are paid by the Company and, accordingly, are not reflected in the accompanying financial statements.

Subsequent events: The Plan has evaluated subsequent events through October 12, 2010, the date the financial statements were available to be issued.

New accounting pronouncements: In September 2010, the Financial Accounting Standards Board (FASB) issued an amendment, *Plan Accounting – Defined Contribution Pension Plans (Topic 962): Reporting Loans to Participants by Defined Contribution Pension Plans* (ASU 2010-25), which provides guidance on how loans to participants should be classified and measured by defined contribution pension plans. This amendment requires that participant loans be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balance plus any accrued but unpaid interest. This amendment is effective for periods ending after December 15, 2010, with early adoption permitted. This amendment requires retrospective application to all periods presented.

This amendment was adopted for the year ended December 31, 2009, and retrospectively applied to December 31, 2008. Prior year amounts and disclosures have been revised to reflect the retrospective application of adopting this new amendment. The adoption resulted in a reclassification of participant loans totaling \$255,800 and \$223,122 from investments to notes receivable as of December 31, 2009 and 2008, respectively. There was no impact to net assets as of December 31, 2009 or 2008, as a result of the adoption.

In September 2009, the FASB issued an amendment, *Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)* (ASU 2009-12), which provides guidance on how entities should estimate fair value of certain alternative investments. The fair value of investments within the scope of this guidance can now be determined using net asset value (NAV) per share as a practical expedient, when the fair value is not readily determinable, unless it is probable the investment will be sold at something other than NAV. It also requires disclosure of certain attributes by major category of alternative investments, regardless of whether the practical expedient was used. This amendment was effective for periods ending after December 15, 2009, with early adoption permitted. See Note 4 for impact of adoption.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 2. Significant Accounting Policies (Continued)

The FASB issued new guidance on accounting for uncertainty in income taxes. The Plan adopted this new guidance for the year ended December 31, 2009. Management evaluated the Plan's tax positions and concluded that the Plan had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. Tax returns filed by the entity generally are subject to examination by U.S. and state taxing authorities for years ended after December 31, 2006.

Pending accounting pronouncement: In January 2010, the FASB issued an amendment, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* (ASU 2010-06), which requires new disclosures and reasons for transfers of financial assets and liabilities between Levels 1 and 2. This amendment also clarifies that fair value measurement disclosures are required for each class of financial assets and liabilities, and those disclosures should include a discussion of inputs and valuation techniques. It further clarifies that the reconciliation of Level 3 measurements should separately present purchases, sales, issuances, and settlements instead of netting these charges. With respect to matters other than Level 3 measurements, the amendment is effective for periods beginning after December 15, 2009. The guidance related to Level 3 measurements is effective for periods beginning after December 15, 2010. Management is currently evaluating the impact of the guidance related to disclosures in the financial statements.

Note 3. Information Certified and Provided by Sun Trust Bank

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	December 31,	
	2009	2008
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Shares of registered investment companies	\$ 3,737,035	\$ 2,433,330
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AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

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ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008:

Shares of registered investment companies: Valued at the net asset value of shares held by the Plan at year-end.

Shares of common/collective trusts: Valued at fair value, which represents the net asset value of shares held by the Trust at year-end as determined by SunTrust Bank.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets measured at fair value as of December 31, 2009 and 2008:

Description	Assets at Fair Value as of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
International funds	\$ 431,603	\$ -	\$ -	\$ 431,603
Small/Mid cap funds	727,233	-	-	727,233
Large cap funds	1,148,499	-	-	1,148,499
Balanced funds	1,193,391	-	-	1,193,391
Bonds	236,309	-	-	236,309
Common/collective trusts	-	1,391,460	-	1,391,460
Notes from participants	-	-	255,800	255,800
	<u>\$ 3,737,035</u>	<u>\$ 1,391,460</u>	<u>\$ 255,800</u>	<u>\$ 5,384,295</u>

Description	Assets at Fair Value as of December 31, 2008			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies				
International funds	\$ 226,747	\$ -	\$ -	\$ 226,747
Small/Mid cap funds	403,065	-	-	403,065
Large cap funds	764,082	-	-	764,082
Balanced funds	853,100	-	-	853,100
Bonds	186,336	-	-	186,336
Common/collective trusts	-	1,254,753	-	1,254,753
Notes from participants	-	-	223,122	223,122
	<u>\$ 2,433,330</u>	<u>\$ 1,254,753</u>	<u>\$ 223,122</u>	<u>\$ 3,911,205</u>

The table below sets forth a summary of changes in the fair value to the Plan's Level 3 assets for the year ended December 31, 2009:

	Notes from Participants
Balance beginning of year	\$ 223,122
Issuances and repayments (net)	32,678
Balance end of year	<u>\$ 255,800</u>

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following table sets forth fair value of investments in certain entities that calculates net asset value per share (or its equivalent):

Investment	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
(a) SunTrust Retirement Stable Asset Fund	\$ 1,378,379	-	Daily	12 Months
(b) SunTrust Retirement 500 Index Fund	13,081	-	Daily	12 Months
Total	<u>\$ 1,391,460</u>			

- a) The SunTrust Retirement Stable Asset Fund primarily invests in a variety of investment contracts such as guaranteed investment contracts ("GICs") issued by insurance companies and other financial institutions and other investment products (synthetic GIC's and collective trust funds) with similar characteristics. The primary investment objective of the fund is preservation of capital while also seeking a reasonable stable monthly return and a high degree of liquidity for participant withdrawals.
- b) The SunTrust Retirement 500 Index Fund seeks to emulate the performance of Standard and Poor's 500 Index, which is a benchmark index designed to measure the investment returns of stocks and large capitalization U.S. companies.

Note 5. Investments

The following table presents the fair value of investments representing 5% or more of the of the Plan's net assets as of December 31, 2009 and 2008.

	2009	2008
Shares of registered investment companies:		
AllianceBernstein International Growth	\$ 307,846	\$ **
Goldman Sachs Mid Value Fund A	338,574	225,522
Goldman Sachs Structured US Equity A	384,978	338,494
RidgeWorth Aggressive Growth Allocation Strategy	330,620	203,812
RidgeWorth Growth Allocation Strategy	410,333	308,750
RidgeWorth Large Cap Core Equity I	**	197,118
T. Rowe Price Growth Stock Fund R	507,709	260,895
Common/collective trusts:		
Sun Trust Retirement Stable Asset Fund	1,378,379	1,254,152

** Balance of the fund was less than 5% of the Plan's net assets.

The contract value of the Plan's investment in shares of common/collective trust related to the SunTrust Retirement Stable Asset Fund is \$1,349,531 at December 31, 2009. At December 31, 2008, contract value of the Sun Trust Retirement Stable Asset Fund approximated fair value.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 5. Investments (Continued)

During 2009, the Plan's investments, including investments bought, sold and held during the year, appreciated in value by \$782,157, as follows:

	2009
Shares of registered investment companies	\$ 742,772
Common/collective trusts	39,385
	<u>\$ 782,157</u>

Note 6. Tax Status

Effective January 1, 2002, the Plan has adopted a non-standardized prototype plan sponsored by Sun Trust Bank. The prototype plan has received an opinion letter from the Internal Revenue Service as to the prototype plan's qualified status. The Plan has relied on the prototype plan's opinion letter. The Plan has been amended since adoption of the prototype. The Plan Administrator believes that the Plan is designed and is currently being operated in accordance with applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Note 7. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time. Termination must have the approval of the Company's Board of Directors. In the event of termination of the Plan, the trust fund assets are appraised and each participant would become 100 percent vested in their Company contribution portion of their account as of the termination date.

Note 8. Party-in-Interest Transactions

Certain Plan investments are held in shares of mutual funds managed by an affiliate of Sun Trust Bank. Any purchases and sales of these funds are open market transactions at fair market value. Sun Trust Bank is the trustee as defined by the Plan and, therefore, these qualify as party-in-interest transactions. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. In addition, certain administrative functions are performed by employees of the Company for which no compensation is received from the Plan.

Note 9. Risks and Uncertainties

The Plan provides for various investment options, which include investments in any combination of equities and fixed income securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investment securities, it is possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

AAR Aircraft Services Miami Retirement Savings Plan

Notes to Financial Statements

Note 10. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	2009	2008
Net assets available for benefits per the financial statements	\$ 5,355,447	\$ 3,911,744
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	28,848	-
Net assets available for benefits per the Form 5500	<u>\$ 5,384,295</u>	<u>\$ 3,911,744</u>

The following is a reconciliation of change in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31:

	2009
Increase in net assets available for benefits per the financial statements	\$ 1,443,703
Adjustment from fair value to contract value for fully benefit-responsive investment contracts - current year	28,848
Increase in net assets available for benefits per the Form 5500	<u>\$ 1,472,551</u>

AAR Aircraft Services Miami Retirement Savings Plan

EIN: 59-2541437

Plan No: 001

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2009

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
		Shares of registered investment companies:		
	Alliance Bernstein Investments, Inc.	AllianceBernstein International Growth	**	\$ 307,846
	Blackrock, Inc.	Blackrock Equity Dividend A	**	66,326
	Dreyfus Investments	Dreyfus Active Midcap Fund	**	158,744
	Goldman Sachs Group, Inc.	Goldman Sachs Mid Value Fund A	**	338,574
	Goldman Sachs Group, Inc.	Goldman Sachs Small Value Fund A	**	116,779
	Goldman Sachs Group, Inc.	Goldman Sachs Structured US Equity A	**	384,978
	MFS Investment Management	MFS Research Bond Fund A	**	128,162
	Oppenheimer Funds	Oppenheimer Global Fund A	**	122,957
	RidgeWorth Investments	RidgeWorth Aggressive Growth Allocation Strategy	**	330,620
	RidgeWorth Investments	RidgeWorth Conservative Allocation Strategy	**	222,374
	RidgeWorth Investments	RidgeWorth Growth Allocation Strategy	**	410,333
	RidgeWorth Investments	RidgeWorth High Income Fund I	**	108,147
	RidgeWorth Investments	RidgeWorth Large Cap Core Equity I	**	189,486
	RidgeWorth Investments	RidgeWorth Moderate Allocation Strategy	**	230,064
	RidgeWorth Investments	RidgeWorth Small Cap Growth Stock I	**	113,136
	T. Rowe Price Investment Services, Inc.	T. Rowe Price Growth Stock Fund R	**	507,709
	RidgeWorth Investments	RidgeWorth Prime Quality Money Market	**	800
				<u>3,737,035</u>
		Common/collective trusts:		
*	Sun Trust Bank	Sun Trust Retirement Stable Asset Fund	**	1,378,379
*	Sun Trust Bank	Sun Trust Retirement 500 Index Fund	**	13,081
				<u>1,391,460</u>
*	Participants	Participant notes receivable with interest ranging from 4.25 to 10.5 percent	**	<u>255,800</u>
	Total assets held for investment purposes			<u>\$ 5,384,295</u>

* Party-in-Interest

** Cost information is not required for participant directed investments