



Corporate Governance Guidelines

(Last approved July 14, 2009)

1. Director Qualification Standards

A majority of the members of the Board of Directors shall qualify as independent directors in accordance with the applicable provisions of the Securities Exchange Act of 1934, and the rules promulgated thereunder and the applicable rules of the New York Stock Exchange.

The Nominating & Governance Committee and Board of Directors will critically evaluate director nominees to determine the independence of a director, taking into consideration charitable contributions made by the Company to organizations with whom a director is affiliated, whether the Company has consulting or other contractual relationship with, or provides other indirect compensation to, a director and other factors required by New York Stock Exchange rules or applicable law. The Nominating & Governance Committee is responsible for establishing appropriate additional qualifications for directors, taking into account the composition and skills of the entire Board of Directors.

Each director shall promptly advise the Board of any change in primary employment or other changes in status or qualification for service as a director of the Company in order to provide an opportunity for the Board to determine whether continued Board service is in the best interest of the Company.

No candidate who has reached the age of 72 prior to the date of nomination shall be nominated by the Board for election as a director.

Each director shall acquire a minimum of 10,000 shares of Common Stock of the Company on or before May 31, 2009, or within four years of becoming a director, whichever is later, and thereafter, maintain such level of stock ownership during their respective term of office as a director.

Recognizing the value of continuity of directors who have experience with the Company, there are no limits on the number of terms a director may hold office.

2. Director Responsibilities

Directors exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company in a manner consistent with their fiduciary duties. Directors are expected to attend all meetings of the Board of Directors, stockholder meetings and of Board committees upon which they serve, and to be familiar with the Company's director orientation and educational materials and participate in director continuing education programs made available by the Company from time to time. To prepare for meetings, directors are expected to review the materials that are sent to directors in advance of those meetings.

The Board of Directors of the Company and each Board committee holds regular executive sessions of independent directors without management participation or presence. The chairman of the Nominating and Governance Committee (or in his absence, a director selected by the directors present from among themselves), presides at each executive session and provides a report to the Chairman of the Board and Chief Executive Officer on matters discussed, as appropriate. Interested parties may communicate directly with the independent directors, individually or as a group. Such procedures shall be disclosed on the Company's web site (www.aarcorp.com) and in the annual proxy statement.

The Board of Directors shall at all times maintain an Audit Committee, a Nominating & Governance Committee and a Compensation Committee which shall operate in accordance with the Company's by-laws, their respective charters as adopted and amended from time to time by the Board, and the applicable rules of the Securities and Exchange Commission and the New York Stock Exchange and other applicable law. The Board may also establish such other committees (e.g. an Executive Committee) as it deems appropriate and delegate to such committees such authority permitted by Committee Charter applicable law and the Company's by-laws as the Board sees fit.

3. Director Access to Management and Independent Advisors

The Company shall provide each director with complete access to the management of the Company, subject to reasonable advance notice and reasonable efforts to avoid disruption to the Company's management, business and operations. The Board of Directors and Board committees, to the extent set forth in the applicable committee charter, have the right to consult and retain independent legal and other advisors at the expense of the Company.

4. Director Compensation

The Board of Directors will determine the form and amount of director compensation, including cash, equity-based awards and other director compensation. In determining

director compensation, the Board of Directors will consider the levels of compensation customary at other companies of similar size and type.

5. Management Evaluation and Succession

The independent directors of the Board will conduct an annual review of the performance and compensation of the Chief Executive Officer, taking into account the views and recommendations of the Compensation Committee and Nominating & Governance Committee, as applicable, and as set forth in their respective charters.

The Board of Directors will establish and review such formal or informal policies and procedures, consulting with the Nominating & Governance Committee, the Chief Executive Officer and others, as it considers appropriate, regarding succession to the Chief Executive Officer in the event of emergency or retirement.

6. Annual Performance Evaluation of the Board

The Board of Directors will conduct a self-evaluation annually to determine whether it and its committees are functioning effectively. The full Board of Directors will discuss the evaluation report to determine what, if any, action could improve Board and Board committee performance.

7. Amendment and Modification

These Guidelines may be amended or modified by the Board of Directors, subject to the disclosure and other provisions of the Securities and Exchange Act of 1934, the rules promulgated thereunder and the applicable rules of the New York Stock Exchange. The Board of Directors, with the assistance of the Nominating & Governance Committee, as appropriate, shall review these Corporate Governance Guidelines on an annual basis to determine whether any changes are appropriate.

8. Chairman and Chief Executive Officer

The Board of Directors determines the leadership of the Board and the Company in the way that best serves the Company. The Board has no fixed policy with respect to combining or separating the offices of Chairman of the Board and Chief Executive Officer and may vest those responsibilities in the same individual or in different individuals.