

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

AAI CORP

2. Address:

124 INDUSTRY LANE, HUNT VALLEY, MD 21030-0001

3. Principal place of business (if different from line 2):

4. Contact Name: JEAN-MARIE PADDEN

Telephone: 4106288448

E-mail (optional): padden@aaicorp.com

Senate ID #: 22-12

House ID #:

7. Client Name: Self

TYPE OF REPORT

8. Year 2007 Midyear (January 1 - June 30): **OR** Year End (July 1 - December 31):

9. Check if this filing amends a previously filed version of this report:

10. Check if this is a Termination Report: => Termination Date: Dec 31, 2007 11. No Lobbying Activity:

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than \$10,000:

\$10,000 or more: => Income (nearest \$20,000): _____

Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than \$10,000:

\$10,000 or more: => Expenses (nearest \$20,000): 380,000.00

14. Reporting Method.

Check box to indicate expense accounting method. See instructions for description of options.

Method A. Reporting amounts using LDA definitions only

Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code

Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Registrant Name: AAI CORP Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: AER (one per page)

16. Specific lobbying issues:

HR 3093, Commerce Justice Science Sppropriations Act for Fiscal Year 2008 S 1745, Commerce, Justice, Sceince Appropriations Act for Fiscal Year 2008 Unmanned Aerial Systems

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES

Natl Oceanic & Atmospheric Administration (NOAA)

SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRITTAIN, FRANK

Covered Official Position (if applicable): V.P., WASH. OPERATIONS

Name: EHUDIN, MARC

Covered Official Position (if applicable): DIRECTOR, LEGISLATIVE AFFAIRS

Name: HOTSENPILLER, SUSAN

Covered Official Position (if applicable): DIRECTOR, LEGISLATIVE AFFAIRS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: AAI CORP Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: DEF (one per page)

16. Specific lobbying issues:

HR 1585, National Defense Authorization Act for Fiscal Year 2008 S 1547, National Defense Authorization Act for Fiscal Year 2008 HR 3222, National Defense Appropriations Act for Fiscal Year 2008 HR 4156, Department of Defense Supplemental Appropriations Bill for Fiscal Year 2008 Lightweight Small Arms Technologies Program Projectile Detection and Cueing System Advanced Boresight Equipment Next Generation Electronic Warfare Simulator Shadow Tactical Unmanned Aerial System

17. House(s) of Congress and Federal agencies contacted:

Defense, Dept of (DOD)
HOUSE OF REPRESENTATIVES

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRITTAIN, FRANK
Covered Official Position (if applicable): V.P., WASH. OPERATIONS
Name: EHUDIN, MARC
Covered Official Position (if applicable): DIRECTOR, LEGISLATIVE AFFAIRS
Name: HOTSENPILLER, SUSAN
Covered Official Position (if applicable): DIRECTOR, LEGISLATIVE AFFAIRS

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Signature: ON FILE Date: Feb 20, 2008

Printed Name and Title: JEAN-MARIE PADDEN, SENIOR ATTO -

Registrant Name: AAI CORP Client Name: Self

Information Update Page:

Complete ONLY where registration information has changed.

LOBBYIST UPDATE

23. Name of each previously reported individual who is NO LONGER expected to act as a lobbyist for the client

ISSUE UPDATE

24. General lobbying issues previously reported that NO LONGER pertain

AFFILIATED ORGANIZATIONS

25. Add the following organization(s)

26. Name of each previously reported organization that is NO LONGER affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

28. Name of each previously reported foreign entity the NO LONGER owns, OR controls, OR is affiliated with the registrant, client or affiliated organization

Signature: ON FILE Date: Feb 20, 2008

Printed Name and Title: -