

ALLIANCE ONE INTERNATIONAL, INC.
 Form 4
 August 21, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
COOLEY JAMES A

(Last) (First) (Middle)

C/O ALLIANCE ONE
 INTERNATIONAL, INC., 8001
 AERIAL CENTER PARKWAY

(Street)

MORRISVILLE, NC 27560

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
**ALLIANCE ONE
 INTERNATIONAL, INC. [AOI]**

3. Date of Earliest Transaction
 (Month/Day/Year)
08/17/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Exec. Vice President - CFO

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

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
				(A) or (D)	Price		
COMMON STOCK	08/17/2006	08/17/2006	A	V	20,000 \$ 3.94	D	
COMMON STOCK					22 ⁽¹⁾	I	BY SON

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
STOCK OPTION -RIGHT TO BUY	\$ 3.94	08/17/2006	08/17/2006	A	30,000	08/17/2007 ⁽²⁾ 08/17/2016	COMMON STOCK 30,

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
COOLEY JAMES A C/O ALLIANCE ONE INTERNATIONAL, INC. 8001 AERIAL CENTER PARKWAY MORRISVILLE, NC 27560			Exec. Vice President - CFO	

Signatures

HENRY C. BABB,
ATTORNEY-IN-FACT

08/21/2006

__Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The reporting person no longer has reportable beneficial interests in 22 shares of AOI common stock owned by his son and 22 shares of AOI common stock owned by his daughter as included in the reporting person's prior ownership reports.
 - (2) The shares underlying this option become exercisable one-fourth on each of the four anniversaries of August 17, 2006, the date of grant, subject to continued employment.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.