

Aircastle LTD
Form 4
August 10, 2006

FORM 4

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

OMB APPROVAL

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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 *
Fortress Investment Holdings LLC

(Last) (First) (Middle)

C/O FORTRESS INVESTMENT GROUP, 1345 AVENUE OF THE AMERICAS, 16TH FLOOR

(Street)

NEW YORK, NY 10105

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Aircastle LTD [AYR]

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X 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 Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Price | | |
| Common Shares | 08/08/2006 | | P | 100,000 A | \$ 23 100,000 | I | By Fortress Partners Fund LP <u>(1)</u> <u>(2)</u> |
| Common Shares | 08/08/2006 | | P | 233,750 A | \$ 23 3,983,750 | I | By Drawbridge Special Opportunities Fund LP <u>(1)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 08/08/2006 | | P | 41,250 A | \$ 23 1,291,250 | I | By Drawbridge Special Opportunities |

| | | | | |
|---------------|--------------|---|--|---|
| | | | | Fund Ltd. <u>(1)</u> <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 10,109,187.5 | I | | By Fortress Investment Fund III LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 8,643,528 | I | | By Fortress Investment Fund III (Fund B) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 1,807,436.6 | I | | By Fortress Investment Fund III (Fund C) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 4,148,448 | I | | By Fortress Investment Fund III (Fund D) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 291,399.9 | I | | By Fortress Investment Fund III (Fund E) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 850,005.5 | I | | By Fortress Investment Fund III (Coinvestment Fund A) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 1,669,951.9 | I | | By Fortress Investment Fund III (Coinvestment Fund B) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 430,101.6 | I | | By Fortress Investment Fund III (Coinvestment Fund C) LP <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u> |
| Common Shares | 2,049,941 | I | | By Fortress Investment |

DRAWBRIDGE SPECIAL OPPORTUNITIES ADVISORS LLC
 C/O FORTRESS INVESTMENT GROUP LLC
 1345 AVENUE OF THE AMERICAS, 46TH FLOOR
 NEW YORK, NY 10105

X

Signatures

See signatures included in
 Exhibit 99.1

08/08/2006

**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).

This report is filed jointly by certain of the entities described in Footnotes (2) through (6) below, which are direct or indirect 10% beneficial owners. This Form 3 constitutes a single filing by Fortress Investment Holdings LLC and the beneficial owners described herein.

(1) The general partner of Fortress Partners Fund LP ("FPF") is Fortress Partners GP LLC ("FPGP"). Fortress Principal Investment Holdings II ("FPIH II") is the managing member of FPGP. FPIH II is owned by certain individuals, including Wesley R. Edens. By virtue of his ownership interest in FPIH II, Mr. Edens may be deemed to beneficially own the shares listed as beneficially owned by FPIH II. Mr Edens disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein and the inclusion of the shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or any other purpose.

(2) Includes 10,109,187.50 shares held by Fortress Investment Fund III LP ("Fund III"), 8,643,528 shares held by Fortress Investment Fund III (Fund B) LP ("Fund B"), 1,807,436.60 shares held by Fortress Investment Fund III (Fund C) LP ("Fund C"), 4,148,448 shares held by Fortress Investment Fund III (Fund D) L.P. ("Fund D"), 291,399.90 shares held by Fortress Investment Fund III (Fund E) LP ("Fund E"), 850,005.50 shares held by Fortress Investment Fund III (Coinvestment Fund A) LP ("Coinvestment Fund A"), 1,669,951.90 shares held by Fortress Investment Fund III (Coinvestment Fund B) LP ("Coinvestment Fund B"), 430,101.60 shares held by Fortress Investment Fund III (Coinvestment Fund C) LP ("Coinvestment Fund C"), 2,049,941 shares held by Fortress Investment Fund III (Coinvestment Fund D) L.P. ("Coinvestment Fund D"), 3,983,750 shares held by Drawbridge Special Opportunities Fund LP [continued in Footnote 4]

(3) ("Special Opportunities LP"), 1,291,250 shares held by Drawbridge Special Opportunities Fund Ltd. ("Special Opportunities Ltd."), and 5,000,000 shares held by Drawbridge Global Macro Master Fund Ltd ("Global Macro Master"). Drawbridge Special Opportunities GP LLC ("Special Opportunities GP") is the general partner of Special Opportunities LP. Fortress Principal Investment Holdings IV LLC ("FPIH IV") is the sole managing member of Special Opportunities GP. Pursuant to management agreements, Drawbridge Special Opportunities Advisors LLC ("Special Opportunities Advisors") is the manager of each of Special Opportunities LP and Special Opportunities Ltd. [continued in Footnote 5]

(4) Global Macro Master is wholly-owned by Drawbridge Global Macro Fund LP ("Global Macro LP") and Drawbridge Global Macro Fund Ltd. ("Global Macro Ltd."). Drawbridge Global Macro GP LLC ("Global Macro GP") is the general partner of Global Macro LP. FPIH II is the sole managing member of Global Macro GP. Pursuant to management agreements, Drawbridge Global Macro Advisors LLC ("Global Macro Advisors") is the manager of each of Global Macro LP, Global Macro Ltd. and Global Macro Master. FIG is the sole managing member of both Special Opportunities Advisors and Global Macro Advisors. Fortress Fund III GP LLC ("FF III GP LLC") is the general partner of each of Fund III, Fund B, Fund C, Fund D, Fund E, Coinvestment Fund A, Coinvestment Fund B, Coinvestment Fund C and Coinvestment Fund D (collectively, the "Fund III Funds"). [continued in Footnote 6]

(5) FPIH II is the sole managing member of Fortress Investment Fund GP (Holdings) LLC which is the sole managing member of FF III GP LLC. Pursuant to a management agreement, FIG is the manager of each of the Fund III Funds. FIG is 100% owned by Fortress Investment Holdings LLC ("FIH"). FIH and FPIH II are each owned by certain individuals, including Wesley R. Edens. By virtue of his ownership interests in FIH and FPIH II, Mr. Edens may be deemed to beneficially own the shares listed as beneficially owned by FIH and FPIH II. Mr Edens disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein and the inclusion of the shares in this report shall not be deemed an admission of beneficial ownership of all of the reported shares for purposes of Section 16 or any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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