

GREEN H PEYTON III
Form 4
January 11, 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 *
GREEN H PEYTON III

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
59 OLD FARM ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/11/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP - Sales

DANVILLE, VA 24541

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

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

(City) (State) (Zip)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| COMMON STOCK | 01/10/2006 | 01/10/2006 | S | 6,600 D | \$ 4.15 79,110 | D | |
| Common Stock, no par value | | | | | 120,000 ⁽¹⁾ | I | By 401K Plan |
| Common Stock, no par value | | | | | 824 ⁽²⁾ | I | By spouse for child |
| Common Stock, no par value | | | | | 824 ⁽²⁾ | I | By spouse for child |

Common Stock, no par value 824 ⁽²⁾ I By spouse for child

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |
| Employee Stock Option | \$ 6.45 | | | | | 11/10/2007 | 11/10/2014 | Common Stock | 12,5 |
| INCENTIVE STOCK OPTIONS - RIGHT TO BUY | \$ 3.96 | | | | | 08/30/2006 ⁽³⁾ | 08/30/2015 | COMMON STOCK | 20,0 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------|-------|
| | Director | 10% Owner | Officer | Other |
| GREEN H PEYTON III 59 OLD FARM ROAD DANVILLE, VA 24541 | | | EVP - Sales | |

Signatures

Henry C. Babb,
Attorney-in-fact 01/11/2006

**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) Adjusted to reflect routine acquisitions in the company's 401K Plan.

(2) Adjusted to reflect shares acquired through a dividend reinvestment plan.

(3) The shares underlying this option become exercisable one-fourth on each of the four anniversaries of August 30, 2005, the date of the 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.