UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 11, 2020

BRISTOW GROUP INC.

(Exact name of registrant as specified in its charter)

Delaware	001-35701	72-1455213
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

3151 Briarpark Drive, Suite 700
7th Floor
Houston, Texas 77042
(Address of principal executive offices) (zip code)

(713) 267-7600
(Registrant's telephone number, including area code)

ERA GROUP INC.
945 Bunker Hill Rd., Suite 650
Houston, Texas 77024
(713) 369-4700
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Precommencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Precommencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**VTOL**	**New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On June 11, 2020, Era Group Inc. (the "Company") completed its business combination with Bristow Group Inc. ("Old Bristow") following the satisfaction or waiver of the conditions set forth in the Agreement and Plan of Merger, dated as of January 23, 2020 (as amended on April 22, 2020), by and among the Company, Ruby Redux Merger Sub, Inc. ("Merger Sub"), and Old Bristow (the "Merger Agreement"), pursuant to which Merger Sub merged with and into Old Bristow, with Old Bristow surviving as a wholly owned subsidiary of the Company (the "Merger"). In connection with the Merger, the Company changed its name to Bristow Group Inc., and its ticker symbol to "VTOL", and Old Bristow changed its name to Bristow Holdings U.S. Inc. (the "Name Change").

Upon completion of the Merger, the shares of Old Bristow common stock, par value $0.0001 ("Old Bristow Common Stock") that were outstanding immediately prior to the closing of the Merger (including, among other things, shares issued as a result of the conversion of all outstanding shares of Old Bristow preferred stock, par value $0.0001 ("Old Bristow Preferred Stock") and certain shares of Old Bristow Common Stock held in reserve to settle claims from Old Bristow's Bankruptcy) were converted into the right to receive, in the aggregate, a number of shares of the Company's common stock, par value $0.01 ("Company Common Stock"), equal to the product of (i) 77% multiplied by (ii) the quotient of (x) the number of shares of Company Common Stock outstanding immediately prior to the Merger, calculated on a fully diluted basis, as adjusted for the Reverse Stock Split (as defined below), divided by (y) 23% (the "Aggregate Merger Consideration"). Each holder of Old Bristow Common Stock, other than holders of dissenting shares, received, for each share of Old Bristow Common Stock, a number of shares of Company Common Stock equal to the Aggregate Merger Consideration divided by the number of shares of Old Bristow Common Stock outstanding immediately prior to the Merger (including, among others, shares issued as a result of the conversion of Old Bristow Preferred Stock and any shares underlying Bristow options or restricted stock units) and cash in lieu of fractional shares.

Immediately prior to the Merger, the Company effected a reverse stock split (the "Reverse Stock Split"), pursuant to which the shares of Company Common Stock outstanding immediately prior to the effectiveness of the Reverse Stock Split were reclassified into a smaller number of shares such that a stockholder of the Company prior to the Reverse Stock Split owns one share of Company Common Stock for each three shares of Company Common Stock held immediately prior to the effectiveness of the Reverse Stock Split.

After giving effect to the Reverse Stock Split a total of 7,175,029 shares of Company Common Stock were issued and outstanding (including restricted stock awards), as well as an additional 52,256 shares of Company Common Stock underlying other Company equity awards. Approximately 23,026,993 shares of Company Common Stock were issued as consideration in the Merger to holders of Old Bristow common stock (including shares issued as a result of the Old Bristow preferred stock conversion), exclusive of shares underlying equity awards, reserve shares and shares of shareholders purporting to dissent. Holders of the Old Bristow Common Stock Awards received Company equity awards entitling them to receive an aggregate of approximately 210,496 shares of Company Common Stock (exclusive of shares underlying unvested equity awards forfeited at the closing of the Merger) upon exercise or vesting thereof, as applicable, or approximately 0.7% of the fully diluted shares. Holders of the Old Bristow Preferred Stock Awards received Company equity awards entitling them to receive an aggregate of approximately 538,601 shares of Company Common Stock (exclusive of shares underlying unvested equity awards forfeited at the closing of the Merger) upon exercise or vesting thereof, as applicable, or approximately 1.7% of the fully diluted shares.

Registration Rights Agreements

Pursuant to individual voting agreements with each of Solus Alternative Asset Management LP ("Solus") and South Dakota Retirement System ("SDIC"), on June 11, 2020 the Company entered into a registration rights agreement (the "Registration Rights Agreement") with affiliates of Solus and SDIC (collectively, the "RRA Stockholders"). The Registration Rights Agreement requires the Company to file a shelf registration statement registering the resale of Company Common Stock held by the RRA Stockholders within 10 days after the later of (i) consummation of the Merger and (ii) the availability of all financial statements required by the Securities Act of 1933, as amended (the "Securities Act") to be included or incorporated by reference in a registration statement filed under the Securities Act registering the resale of the Company's Common Stock. The Registration Rights Agreement also allows the RRA Stockholders, under certain circumstances, to demand registrations and provides for certain piggyback registration rights.

The foregoing description of the Registration Rights Agreement does not purport to be complete and is qualified in its entirety by reference to the Registration Rights Agreement which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein.

Old Bristow Credit Facilities

Prior to Completion of the Merger, Old Bristow and certain subsidiaries of Old Bristow were parties to the following credit facilities which remain outstanding after completion of the Merger.

Bristow ABL Facility

On April 17, 2018, two of Old Bristow's subsidiaries entered into an asset-backed revolving credit facility (the "ABL Facility"). On October 31, 2019, the effective date (the "Effective Date") of Old Bristow's Amended Joint Chapter 11 Plan of Reorganization (the "Amended Joint Chapter 11 Plan of Reorganization"), Old Bristow entered into an Amendment and Restatement, Confirmation and Waiver Agreement (the "ABL Amendment") to the ABL Facility (together with the ABL Amendment, the "Amended Bristow ABL"), by and among Old Bristow, as parent guarantor, Bristow Norway AS, Bristow U.S. LLC and Bristow Helicopters, as borrowers and guarantors, the financial institutions from time to time party thereto as lenders and Barclays Bank PLC, in its capacity as agent and security trustee. The Amended Bristow ABL provides for commitments in an aggregate amount of $75 million, with a portion allocated to each borrower subsidiary and a borrowing base calculated by reference to eligible accounts receivable, subject to an availability block of $15 million. The maximum amount of borrowings available under the ABL Facility could be increased from time to time to a total of as much as $115 million, subject to the satisfaction of certain conditions, and any such increase would be allocated among the borrower subsidiaries. The Amended Bristow ABL bears interest at a rate of either the Base Rate (as defined therein) or LIBOR or NIBOR (each, as defined therein) plus an applicable margin that ranges from 1.00% to 1.50% per annum for Base Rate loans and 2.00% to 2.50% per annum for LIBOR or NIBOR loans, in each case, based on availability under the Amended ABL Facility, and matures on April 17, 2023, subject to certain early maturity triggers related to maturity of other material debt. As of March 31, 2020, no loans and approximately $16 million of letters of credit are outstanding under the ABL Facility. The unused portion of the Amended Bristow ABL is subject to commitment fees of 0.375% to 0.50% per annum, based on availability thereunder. Amounts borrowed under the ABL Facility are secured by certain accounts receivable owing to the borrower subsidiaries and the deposit accounts into which payments on such accounts receivable are deposited. The foregoing description of the Amended Bristow ABL does not purport to be complete and is qualified in its entirety by reference to the Amended Bristow ABL, which is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated by reference herein.

Lombard Credit Agreements

On November 11, 2016, Bristow Aircraft Leasing Limited ("BALL") entered into the term loan credit agreement (the "BALL Lombard Credit Agreement") and Bristow U.S. Leasing LLC ("BULL", together with BALL, the "Lombard Borrowers") entered into the term loan credit agreement (the "BULL Lombard Credit Agreement" and, together with the BALL Lombard Credit Agreement, (the "Lombard Debt"). As of March 31, 2020, $74 million remained outstanding under the BALL Lombard Credit Agreement and $89 million remained outstanding under the BULL Lombard Credit Agreement. The Lombard Borrowers' respective obligations under the Lombard Debt were guaranteed by Old Bristow, and each financing is secured by the SAR aircraft purchased by the applicable borrower with the proceeds of its loan. Borrowings under the financings bear interest at an interest rate equal to GBP LIBOR plus 2.25% per annum. The loan in the amount of $109.9 million that funded in December 2016 under the BULL Lombard Credit Agreement matures in December 2023, and the loan in the amount of $90.1 million that funded in January 2017 under the BALL Lombard Credit Agreement matures in January 2024. In connection with the Merger, the Company replaced Old Bristow as a guarantor of the Lombard Debt pursuant to conditional novation agreements described below under *"*—Conditional Novation Agreements*"*. The foregoing description of the Lombard Debt does not purport to be complete and is qualified in its entirety by reference to each of the BULL Lombard Credit Agreement and BALL Lombard Credit Agreement, which are filed as Exhibit 10.3 and 10.4, respectively, to this Current Report on Form 8-K and incorporated by reference herein.

Macquarie Credit Agreement

On February 1, 2017, Bristow U.S. LLC, one of Old Bristow's wholly-owned subsidiaries entered into a term loan credit agreement with several banks, other financial institutions and other lenders from time to time party thereto and Macquarie Bank Limited, as administrative agent and as security agent (as amended, the "Macquarie Credit Agreement"). The borrower's obligations under the Macquarie Credit Agreement were guaranteed by Old Bristow and secured by 20 oil and gas aircraft. The financing funded on March 7, 2017. Borrowings under the Macquarie Debt bear interest at an interest rate equal to the LIBOR plus 5.35% per annum. On the Effective Date, the parties to the Macquarie Credit Agreement entered into an omnibus amendment thereto (the "Macquarie Amendment"). Among other things, the Macquarie Amendment (i) extended the maturity date of the loan made under the Macquarie Credit Agreement by 12 months to March 6, 2023, (ii) adjusted the loan amortization in accordance with the newly extended maturity date and (iii) to the extent permitted by other debt instruments, provided for the collateralization of the obligations owed under certain existing leases involving the parties or their affiliates with the liens securing the Macquarie Credit Agreement (as amended, the "Amended Macquarie Credit Agreement"). In connection with the Merger, the Company replaced Old Bristow as a guarantor to under the Amended Macquarie Credit Agreement, as amended pursuant to a conditional novation agreement described below under "—*Conditional Novation Agreements*". The foregoing description of the Amended Macquarie Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the Macquarie Credit Agreement, the First Amendment to the Macquarie Credit Agreement, the Second Amendment to the Macquarie Credit Agreement and the Macquarie Amendment, which are filed as Exhibits 10.5, 10.6, 10.7 and 10.8, respectively, to this Current Report on Form 8-K and incorporated by reference herein.

PK Credit Agreement

On July 17, 2017, a wholly-owned subsidiary of old Bristow, Bristow Equipment Leasing Ltd. ("Bristow Equipment"), as borrower, entered into a term loan credit agreement with PK AirFinance S.à r.l. ("PK AirFinance"), as agent, and PK Transportation Finance Ireland Limited ("PK Transportation"), as lender, and other lenders from time to time party thereto, which provided for commitments in an aggregate amount of up to $230 million to make up to 24 term loans, each of which was made in respect of an aircraft pledged as collateral for all of the term loans (the "PK Credit Agreement"). The term loans were also secured by a pledge of all shares of the borrower and any other assets of the borrower and were guaranteed by Old Bristow. The financing funded in two tranches in September 2017. On October 3, 2019, Old Bristow executed an Omnibus Agreement (the "Omnibus Agreement"), among Bristow Equipment, as borrower, PK Transportation, as lender, PK AirFinance, as agent for the lender and as security trustee for the MAG Agent and the MAG Parties (each as defined in the PK Credit Agreement), PK AirFinance and PK Transportation. Pursuant to the Omnibus Agreement, the parties agreed, effective upon satisfaction of the conditions precedent set forth in the Omnibus Agreement (the "Omnibus Effective Date"), to amend the PK Credit Agreement to, among other things, extend the maturity date of the 24 loans made under the PK Credit Agreement by 18 months to January 27, 2025 and increase the principal amount of the loans by $17.3 million for aggregate loans outstanding as of March 31, 2020 of $207 million. Interest accrues on the PK Air Debt at a rate of LIBOR plus 5.00%. The Omnibus Agreement also updates the amortization schedule as of October 3, 2019 to provide that, among other things, only interest was payable on the loans for the six months following the Omnibus Effective Date, with a balloon amount of approximately $104.2 million due on the maturity date. In connection with the Merger, the Company replaced Old Bristow as a guarantor under the Amended PK Credit Agreement pursuant to a conditional novation agreement described below under "—*Conditional Novation Agreements*". The foregoing description of the Amended PK Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the PK Credit Agreement and the Omnibus Agreement, which are filed as Exhibits 10.9 and 10.10, respectively, to this Current Report on Form 8-K and incorporated by reference herein.

Conditional Novation Agreements

In connection with the entry into the Merger Agreement and in anticipation of the Merger, the Company, Old Bristow, and certain subsidiaries of Old Bristow entered into certain conditional novation agreements, including agreements (i) with Lombard North Central PLC, entered into on June 1, 2020, pursuant to which the Company, effective as of the closing of the Merger, replaced Old Bristow as guarantor under the BULL Lombard Credit Agreement; (ii) with Lombard North Central PLC, entered into on June 1, 2020, pursuant to which the Company, effective as of the closing of the Merger, replaced Old Bristow as guarantor under the BALL Lombard Credit Agreement; (iii) with Macquarie Bank Limited and Macquarie Leasing LLC, entered into on June 10, 2020, pursuant to which the Company, effective as of the closing of the Merger, replaced Old Bristow as the guarantor under, and the parties to such novation agreement made certain related amendments to, the Amended Macquarie Credit Agreement; and (iv) with PK AirFinance S.à r.l., entered into on January 23, 2020, pursuant to which the Company, effective as of the closing of the Merger, replaced Old Bristow as the parent guarantor under the Amended PK Credit Agreement. The foregoing description of the conditional novation agreements does not purport to be complete and is qualified in its entirety by reference to the form of conditional novation agreements, which is filed as Exhibit 10.11 to this Current Report on Form 8-K and incorporated by reference herein.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The information contained in Item 1.01 relating to the Merger and various agreements described therein is incorporated by reference into this Item 2.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The information contained in Item 1.01 relating to the Amended Bristow ABL, Lombard Credit Agreements, Amended Macquarie Credit Agreement, Amended PK Credit Agreement and the conditional novation agreements described therein is incorporated by reference.

Item 3.03. Material Modifications to Rights of Security Holders.

The information contained in Item 1.01 relating to the Merger and various agreements described therein and contained in Item 5.03 relating to the directors' agreements and the new compensation packages are incorporated by reference into this Item 3.03.

Item 5.01. Changes in Control of Registrant.

As a result of the Merger, the Old Bristow shareholders now own approximately 77% of the existing Company Common Stock. The disclosure set forth in Item 2.01 to this Current Report on Form 8-K is incorporated into this item by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Board of Directors

In connection with the Merger, the Company's pre-Merger board increased its size to 7 directors and as of the effective time of the Merger (the "Effective Time"):

- Ann Fairbanks, Christopher P. Papouras, Yueping Sun and Steven Webster resigned from the Board of Directors of the Company.

- The Company's remaining directors Charles Fabrikant and Christopher S. Bradshaw increased the size of the post-Merger board to 8 directors and appointed former Old Bristow directors, G. Mark Mickelson, Lorin L. Brass, Wesley E. Kern, Robert J. Manzo and Brian D. Truelove, in each case effective as of the Effective Time, as well as Christopher Pucillo, effective as of June 12, 2020, as directors of the Company (collectively, the "newly-appointed directors").

- In addition, the directors of the Company expect to increase the size of the Board of Directors to 9 and to appoint one additional director at a later date.

- The committees of the Board of Directors of the Company were reconstituted as follows:

  (i) the Audit Committee of the Company was reconstituted to consist of Charles Fabrikant, Wesley E. Kern and Brian D. Truelove;

  (ii) the Compensation Committee of the Company was reconstituted to consist of Lorin L. Brass, Wesley E. Kern and Christopher Pucillo; and

  (iii) the Nominating and Corporate Governance Committee of the Company was reconstituted to consist of Lorin L. Brass, Robert J. Manzo, Christopher Pucillo and Brian D. Truelove.

There are no arrangements or understandings between any of the newly-appointed directors and any other persons pursuant to which he was elected as a director of the Company. The registrant has not entered into any transactions with any of the newly-appointed directors that would require disclosure pursuant to Item 404(a) of Regulation S-K under the Exchange Act.

Each of the newly elected directors of the Company has entered into an indemnification agreement with the Company, effective the date of appointment the form of which is attached hereto as Exhibit 10.12 and incorporated herein by reference.

Executive Officers

After the Merger, each of Christopher S. Bradshaw, President and Chief Executive Officer of the Company, Jennifer Whalen, Interim Senior Vice President, Chief Financial Officer of the Company and Crystal Gordon, Senior Vice President, General Counsel of the Company maintained their positions with the Company, except that Crystal Gordon will no longer be the Company's Chief Administrative Officer and Jennifer Whalen will no longer be the Chief Accounting Officer of the Company. In addition, David Stepanek, Executive Vice President, Chief Operating Officer and Alan Corbett, Senior Vice President, Europe, Africa, Middle East, Asia and Australia and SAR were appointed as executive officers of the combined company, and Christopher Gillette was appointed Vice President, Chief Accounting Officer.

Each of Stuart Stavley, Senior Vice President, Global Fleet Management, and Grant Newman, Senior Vice President, Strategy & Corporate Development, will remain employed with the Company but will no longer be considered executive officers of the Company pursuant to the criteria of the Securities Exchange Act of 1934, as amended. In addition, Paul White, Senior Vice President, Commercial, resigned from the Company on June 11, 2020.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Charter and Bylaws Amendments

On June 11, 2020, in connection with the Merger, the Company filed two amendments to the Company's Amended and Restated Certificate of Incorporation (the "Charter"), as described below.

Immediately prior to the consummation of the Merger, the Company filed an amendment to the Charter (the "First Charter Amendment"), which (i) effected the Reverse Stock Split and (ii) increased the number of shares of Company Common Stock authorized for issuance under the Charter (the "Authorized Share Increase"). The First Charter Amendment became effective upon filing.

As a result of the Reverse Stock, the shares of Company Common Stock outstanding immediately prior to the effectiveness of the Reverse Stock Split were reclassified into a smaller number of shares such that a stockholder of the Company prior to the Reverse Stock Split owns one share of Company Common Stock for each three shares of Company Common Stock held immediately prior to the effectiveness of the Reverse Stock Split.

No fractional shares were issued in connection with the Reverse Stock Split. Any fractional shares resulting from the Reverse Stock Split were rounded down to the nearest whole number, and each stockholder of the Company who would otherwise be entitled to a fraction of a share of Company Common Stock upon the Reverse Stock Split (after aggregating all fractions of a share to which such stockholder would otherwise be entitled) was, in lieu thereof, entitled to receive a cash payment determined by multiplying the fraction of a share of Company Common Stock to which each stockholder of the Company would otherwise be entitled by the closing price of Company Common Stock on the New York Stock Exchange on June 10, 2020, which was the date immediately prior to the date on which the Reverse Stock Split was effected.

Prior to the Authorized Share Increase, the Charter authorized an aggregate of 70,000,000 shares of all classes of the Company's capital stock, consisting of 60,000,000 shares of Company Common Stock of the Company and 10,000,000 shares of preferred stock of the Company. As a result of the Authorized Share Increase, the Charter authorizes an aggregate of 110,000,000 shares of all classes of the Company's capital stock, consisting of 100,000,000 shares of Company Common Stock and 10,000,000 shares of preferred stock of the Company.

After giving effect to the Reverse Stock Split a total of 7,175,029 shares of Company Common Stock were issued and outstanding (including restricted stock awards), as well as an additional 52,256 shares of Company Common Stock underlying other Company equity awards. Approximately 23,026,993 shares of Company Common Stock were issued as consideration in the Merger to holders of Old Bristow common stock (including shares issued as a result of the Old Bristow preferred stock conversion), exclusive of shares underlying equity awards, reserve shares and shares of shareholders purporting to dissent. Holders of the Old Bristow Common Stock Awards received Company equity awards entitling them to receive an aggregate of approximately 210,496 shares of Company Common Stock (exclusive of shares underlying unvested equity awards forfeited at the closing of the Merger) upon exercise or vesting thereof, as applicable, or approximately 0.7% of the fully diluted shares. Holders of the Old Bristow Preferred Stock Awards received Company equity awards entitling them to receive an aggregate of approximately 538,601 shares of Company Common Stock (exclusive of shares underlying unvested equity awards forfeited at the closing of the Merger) upon exercise or vesting thereof, as applicable, or approximately 1.7% of the fully diluted shares.

Immediately following the consummation of the Merger, the Company filed an amendment to the Charter (the "Second Charter Amendment") with the Secretary of State of the State of Delaware, which (i) effected the Name Change, (ii) changed the Company's registered agent from Corporation Services Company to The Corporation Trust Company and (iii) changed the address of the Company's registered office in Delaware from 251 Little Falls Drive, Wilmington, Delaware 19808 in New Castle County to 1209 Orange Street, Corporation Trust Center, Wilmington, Delaware 19801 in New Castle County. The Second Charter Amendment became effective upon filing.

Immediately following the consummation of the Merger, the Company's Board of Directors adopted an amendment to the Company's Amended and Restated Bylaws (the "Bylaws Amendment") that, among other things, made conforming changes to (i) reflect the Name Change and (ii) incorporate certain regulatory requirements.

The foregoing description of the First Charter Amendment, the Second Charter Amendment and the Bylaws Amendment do not purport to be complete and are subject and qualified in their entirety by reference to their respective full texts. Copies of the First Charter Amendment, the Second Charter Amendment and the Bylaws Amendment are attached hereto as Exhibits 3.1, 3.2 and 3.3 respectively, and are incorporated by reference herein.

Change in Fiscal Year

As of the effective time of the Merger, the Company's Board of Directors approved a change in the Company's fiscal year-end from December 31 to March 31, to correspond with the fiscal year-end of Old Bristow prior to the Merger. As a result of this change, the Company's first fiscal year end following the Merger will be March 31, 2021.

Item 5.07. Submission of Matters to a Vote of Security Holders.

In connection with the Merger, a joint annual and special meeting of stockholders of the Company was held on June 11, 2020 (the "Meeting"). The Meeting was held in order to vote upon the following proposals set forth in the Company's joint proxy and consent solicitation statement/prospectus, filed with the SEC on April 23, 2020: (i) to approve the issuance of shares of Company Common Stock in connection with the Merger as contemplated by the Merger Agreement (the "Stock Issuance Proposal"), (ii) to elect the six directors to serve until the 2021 Annual Meeting of Stockholders or until his/her successor is elected and qualified (the "Election of Directors") (with each of Ann Fairbanks, Christopher Papouras, Yueping Sun and Steven Webster resigning immediately after the meeting), (iii) to approve the proposed amendment to the Charter effecting an increase in the number of authorized shares of Company Common Stock (the "Share Increase Proposal"); (iv) to approve the proposed amendment to the Charter effecting the Reverse Stock Split (the "Reverse Stock Proposal"); (v) to ratify the appointment of Grant Thornton LLP as the Company's independent auditor (the "Ratification of Grant Thornton"); (vi) to hold an advisory vote to approve the Company's named executive officer compensation (the "Executive Compensation Approval"); and (vii) to adjourn or postpone the Meeting if there were insufficient votes to approve the Stock Issuance Proposal, Share Increase Proposal or Reverse Stock Split Proposal at the time of the Meeting to allow the Company to solicit additional proxies in favor of either of such proposals (the "Adjournment", together with, the Stock Issuance Proposal, the Election of Directors, the Share Increase Proposal, the Reverse Stock Proposal, the Ratification of Grant Thornton and the Executive Compensation Approval, the "Proposals"). The Proposals were all approved by the holders of a majority of the Company's outstanding common stock. Results of the voting were as follows:

Proposal 1: Stock Issuance Proposal

For	Against	Abstain	Broker Non-Votes
18,656,824	26,760	1,051	978,285

Proposal 2: Election of Directors

Directors	For	Against	Abstain	Broker Non-Votes
Christopher S. Bradshaw	18,589,794	80,859	13,982	978,285
Charles Fabrikant	17,213,166	252,595	1,218,874	978,285
Anna Fairbanks	17,804,181	680,189	200,265	978,285
Christopher P. Papouras	18,511,801	142,257	30,577	978,285
Yueping Sun	18,525,890	142,257	16,488	978,285
Steven Webster	18,477,580	149,439	57,616	978,285

Proposal 3: Share Increase Proposal

For	Against	Abstain
18,849,108	805,916	7,896

Proposal 4: Reverse Stock Split Proposal

For	Against	Abstain
19,603,180	50,458	9,282

Proposal 5: Ratification of Grant Thornton

For	Against	Abstain
19,629,317	7,349	26,254

Proposal 6: Executive Compensation Approval

For	Against	Abstain	Broker Non-Votes
10,540,155	8,142,306	2,174	978,285

Proposal 7: Adjournment

For	Against	Abstain
18,669,692	965,188	28,040

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The consolidated balance sheets of Old Bristow Group Inc. and subsidiaries as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the related consolidated statements of operations, comprehensive income (loss), cash flows, and stockholders' investment and redeemable noncontrolling interest for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) and for each of the years in the two year period ended March 31, 2019 (Predecessor), and the related notes are filed herewith as Exhibit 99.1 and incorporated into this Item 9.01 by this reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined financial information reflecting the combined operations of the Company and Old Bristow, including the unaudited pro forma condensed balance sheet as of March 31, 2020 (which was the date of the most recent balance sheet of both the Company and Old Bristow at the closing of the Merger), the unaudited pro forma condensed combined statement of income for the twelve-months ended March 31, 2020 (which was the latest interim period of both the Company and Old Bristow at the closing of the Merger), the unaudited pro forma condensed combined statement of operations for the fiscal year ended December 31, 2019 (which was the most recent completed fiscal year of the Company at the closing of the Merger) and for the fiscal year ended March 31, 2020 (which was the most recent completed fiscal year of Old Bristow at the closing of the Merger), and the notes related thereto, are filed herewith as Exhibit 99.2 and incorporated into this Item 9.01 by this reference. The unaudited pro forma condensed combined financial information is a presentation of historical results with accounting adjustments necessary to reflect the estimated pro forma effect of the Merger and is presented for informational purposes only. The unaudited pro forma condensed combined financial information does not reflect the effects of any anticipated changes to be made to the operations of the Company in connection with the Merger, including synergies and cost savings, and does not include one-time charges expected to result from the Merger. The unaudited pro forma condensed combined financial information should not be construed to be indicative of future results of operations or financial position of the Company.

(c) Exhibits.

Exhibit No.	Description
3.1	Certificate of Amendment of Restated Certificate of Incorporation filed June 11, 2020
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation filed June 11, 2020
3.3	Amendment to Amended and Restated Bylaws
10.1	Registration Rights Agreement, dated as of June 11, 2020 by and among the Company, Solus and SDIC
10.2	Amendment and Restatement, Confirmation and Waiver Agreement to the ABL Facilities Agreement dated April 17, 2018, by and among Bristow Norway AS and Bristow Helicopters Limited, as borrowers and guarantors, Bristow Group Inc., the financial institutions from time to time party thereto as lenders and Barclays Bank PLC, in its capacity as agent and security trustee (incorporated by reference to Exhibit 10.3 to Old Bristow's Current Report on Form 8-K filed on November 6, 2019 (File No. 001-31617))
10.3	Term Loan Credit Agreement, dated as of November 11, 2016, among Bristow U.S. Leasing LLC, the lenders from time to time party thereto and Lombard North Central Plc. (incorporated by reference to Exhibit 10.1 to Old Bristow's Current Report on Form 8-K filed on November 14, 2016 (File No. 001-31617))
10.4	Term Loan Credit Agreement, dated as of November 11, 2016, among Bristow Aircraft Leasing Limited, the lenders from time to time party thereto and Lombard North Central Plc. (incorporated by reference to Exhibit 10.2 to Old Bristow's Current Report on Form 8-K filed on November 14, 2016 (File No. 001-31617))
10.5	Term Loan Credit Agreement, dated as of February 1, 2017, among Bristow U.S. LLC, the several banks, other financial institutions and other lenders from time to time party thereto and Macquarie Bank Limited, as administrative agent and as security agent (incorporated by reference to Exhibit 10.1 to Old Bristow's Current Report on Form 8-K filed on February 2, 2017 (File No. 001-31617))
10.6	First Amendment to Term Loan Credit Agreement, dated as of March 7, 2017, among Bristow U.S. LLC, the lenders part thereof, and Macquarie Bank Limited, as administrative agent
10.7	Second Amendment to Term Loan Credit Agreement, dated as of August 14, 2018, among Bristow U.S. LLC, the lenders part thereof, and Macquarie Bank Limited, as administrative agent
10.8	Amendment to the Term Loan Credit Agreement, dated as of February 1, 2017, among the Company, as guarantor, Bristow U.S. LLC, as borrower and lessee, BriLog Leasing Ltd., as lessee, Macquarie Bank Limited, as administrative agent and security agent, Macquarie Leasing LLC, as lender and owner participant, and Macquarie Rotorcraft Leasing Holdings Limited, as owner participant (incorporated by reference to Exhibit 10.2 to Old Bristow's Current Report on Form 8-K filed on November 6, 2019 (File No. 001-31617))
10.9	Credit Agreement, dated as of July 17, 2017, among Bristow Equipment Leasing Ltd., as borrower, PK Transportation Finance Ireland Limited, as lender, PK AirFinance S.à r.l., in its capacity as agent, and PK AirFinance S.à r.l., in its capacity as security trustee (incorporated by reference to Exhibit 10.1 to Old Bristow's Current Report on Form 8-K filed on July 18, 2017 (File No. 001-31617))

10.10	Omnibus Agreement, dated as of October 3, 2019, among Bristow Equipment Leasing Ltd., as borrower, Bristow Group Inc., PK Transportation Finance Ireland Limited, as lender, PK AirFinance S.à r.l., in its capacity as agent, and PK AirFinance S.à r.l., in its capacity as security trustee (incorporated by reference to Exhibit 10.1 to Old Bristow's Current Report on Form 8-K filed on October 9, 2019 (File No. 001-31617))
10.11	Conditional Novation Agreements
10.12	Form of Director and Officer Indemnification Agreement
23.1	Consent of KPMG LLP
99.1	Consolidated balance sheets of Old Bristow Group Inc. and subsidiaries as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the related consolidated statements of operations, comprehensive income (loss), cash flows, and stockholders' investment and redeemable noncontrolling interest for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) and for each of the years in the two year period ended March 31, 2019 (Predecessor), and the related notes
99.2	Unaudited pro forma condensed combined financial information, including a pro forma balance sheet giving effect to the combination as of the date of the most recent balance sheet and pro forma statements of operations reflecting the combined operations of the entities for the latest fiscal year and interim period

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BRISTOW GROUP INC.

Dated: June 17, 2020

By: /s/ Crystal L. Gordon
Name: Crystal L. Gordon
Title: SVP, General Counsel

Exhibit 3.1

CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF ERA GROUP INC.

(Pursuant to Section 242 of the General Corporation Law of the State of Delaware)

Dated: June 11, 2020

Era Group Inc. (the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, as amended (the "DGCL"),

DOES HEREBY CERTIFY:

1. The name of the Corporation is Era Group Inc.

2. The Board of Directors of the Corporation (the "Board of Directors"), acting in accordance with the provisions of Sections 141 and 242 of the DGCL, adopted resolutions amending its Amended and Restated Certificate of Incorporation as follows:

The entirety of Section 4.1 of Article IV of the Amended and Restated Certificate of Incorporation shall be deleted, and the following section shall be inserted in lieu thereof:

Section 4.1. Authorized Shares.

(a) The total number of shares of all classes of stock which the Corporation shall have authority to issue is 110,000,000, consisting of 100,000,000 shares of Common Stock, par value one cent ($.01) per share (the "Common Stock") and 10,000,000 shares of Preferred Stock, par value one cent ($.01) per share (the "Preferred Stock").

The following section shall be inserted as Part (b) of Section 4.1 of Article IV of the Amended and Restated Certificate of Incorporation:

(b) Upon the effectiveness of the Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Corporation adding this paragraph (the "Effective Time"), each three (3) shares of Common Stock issued and outstanding immediately prior to the Effective Time shall automatically be combined into one (1) validly issued, fully paid and non-assessable share of Common Stock, without any further action by the Corporation or the holder thereof, subject to the treatment of fractional share interests as described below (the "Reverse Stock Split"). No fractional shares of Common Stock shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of Common Stock shall be entitled to receive in cash (without interest or deduction) the fair value of such fractional shares, as determined in good faith by the Board of Directors of the Corporation when those entitled to receive such fractional shares are determined. Each certificate that, prior to the Effective Time, represented shares of Common Stock ("Old Certificates") shall thereafter represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificates shall have been combined pursuant to the Reverse Stock Split, subject to the elimination of fractional share interests as described above.

3. Thereafter pursuant to a resolution of the Board of Directors, this Certificate of Amendment was submitted to the stockholders of the Corporation for their approval, and was duly adopted at the annual meeting of stockholders held on June 11, 2020, in accordance with the provisions of Section 242 of the DGCL.

[*Remainder of page left intentionally blank*]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by its Chief Executive Officer as of the date first written above.

ERA GROUP INC.

By: /s/Christopher S. Bradshaw

Name: Christopher S. Bradshaw
Title: President and Chief Executive Officer

Exhibit 3.2

CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF ERA GROUP INC.

(Pursuant to Section 242 of the General Corporation Law of the State of Delaware)

Dated: June 11, 2020

Era Group Inc. (the "Corporation"), a corporation organized and existing under the General Corporation Law of the State of Delaware, as amended (the "DGCL"),

DOES HEREBY CERTIFY:

1. The name of the Corporation is Era Group Inc.

2. The Board of Directors of the Corporation (the "Board of Directors"), acting in accordance with the provisions of Sections 141 and 242 of the DGCL, adopted resolutions amending its Amended and Restated Certificate of Incorporation as follows:

The entirety of Section 1.1 of Article I of the Amended and Restated Certificate of Incorporation shall be deleted, and the following section shall be inserted in lieu thereof:

Section 1.1. Name. The name of the Corporation is Bristow Group Inc.

The entirety of Section 2.1 of Article II of the Amended and Restated Certificate of Incorporation shall be deleted, and the following section shall be inserted in lieu thereof:

Section 2.1. Address. The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, Corporation Trust Center, Wilmington, Delaware 19801 in New Castle County. The name of its registered agent at such address is The Corporation Trust Company.

[*Remainder of page left intentionally blank*]

[*Remainder of page left intentionally blank*] **IN WITNESS WHEREOF**, the Corporation has caused this Certificate of Amendment to be signed by its Chief Executive Officer as of the date first written above.

ERA GROUP INC.

By: /s/ Christopher S. Bradshaw
Name: Christopher Bradshaw
Title: President and Chief Executive Officer

Exhibit 3.3

AMENDED AND RESTATED BYLAWS OF

BRISTOW GROUP INC.
(a Delaware corporation)

Effective June 11, 2020

ARTICLE I
STOCKHOLDERS

Section 1.01. Annual Meetings. The annual meeting of the stockholders of the Corporation for the election of directors and for the transaction of such other business as properly may come before such meeting shall be held at such place, either within or without the State of Delaware, or, within the sole discretion of the Board of Directors, and subject to such guidelines and procedures as the Board of Directors may adopt, by means of remote communication and at such date and at such time, as may be fixed from time to time by resolution of the Board of Directors and set forth in the notice or waiver of notice of the meeting.

Section 1.02. Special Meetings. Special meetings of the stockholders of the Corporation, for any purpose or purposes, may be called at any time, but only by or at the direction of a majority of the directors then in office or the Chief Executive Officer of the Corporation. Such special meetings of the stockholders shall be held at such places, within or without the State of Delaware, or, within the sole discretion of the Board of Directors, and subject to such guidelines and procedures as the Board of Directors may adopt, by means of remote communication, as shall be specified in the respective notices or waivers of notice thereof. The ability of stockholders to call a special meeting of stockholders is specifically denied.

Section 1.03. Action by Written Consent of Stockholders. Subject to the terms of any one or more series or classes of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual meeting or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

Section 1.04. Notice of Meetings; Waiver.

(a) The Secretary of the Corporation or any Assistant Secretary shall cause written notice of the place, if any, date and hour of each meeting of the stockholders, and, in the case of a special meeting, the purpose or purposes for which such meeting is called, and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, to be given personally by mail or by electronic transmission, or as otherwise provided in these Bylaws, not fewer than 10 nor more than 60 days prior to the meeting, to each stockholder of record entitled to vote at such meeting. If such notice is mailed, it shall be deemed to have been given personally to a stockholder when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the record of stockholders of the Corporation, or, if a stockholder shall have filed with the Secretary of the Corporation a written request that notices to such stockholder be mailed to some other address, then directed to such stockholder at such other address. Such further notice shall be given as may be required by law.

(b) A written waiver of any notice of any annual or special meeting signed by the person entitled thereto, or a waiver by electronic transmission by the person entitled to notice, shall be deemed equivalent to notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders need be specified in a written waiver of notice. Attendance of a stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting is not lawfully called or convened.

(c) For notice given by electronic transmission to a stockholder to be effective, such stockholder must consent to the Corporation's giving notice by that particular form of electronic transmission. A stockholder may revoke consent to receive notice by electronic transmission by written notice to the Corporation. A stockholder's consent to notice by electronic transmission is automatically revoked if the Corporation is unable to deliver two consecutive electronic transmission notices and such inability becomes known to the Secretary of the Corporation, any Assistant Secretary, the transfer agent or other person responsible for giving notice.

(d) Notices are deemed given (i) if by facsimile, when faxed to a number where the stockholder has consented to receive notice; (ii) if by electronic mail, when mailed electronically to an electronic mail address at which the stockholder has consented to receive such notice; (iii) if by posting on an electronic network (such as a website or chatroom) together with a separate notice to the stockholder of such specific posting, upon the later to occur of (A) such posting or (B) the giving of the separate notice of such posting; or (iv) if by any other form of electronic communication, when directed to the stockholder in the manner consented to by the stockholder.

(e) If a stockholder meeting is to be held by means of remote communication and stockholders will take action at such meeting, the notice of such meeting must: (i) specify the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present and vote at such meeting; and (ii) provide the information required to access the stockholder list. A waiver of notice may be given by electronic transmission.

Section 1.05. Quorum. Except as otherwise required by law or by the Certificate of Incorporation, at each meeting of stockholders the presence in person or by proxy of the holders of record of a majority in voting power of the shares entitled to vote at a meeting of stockholders shall constitute a quorum for the transaction of business at such meeting. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any subsidiary of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.06. Voting. Except as otherwise provided by law or by the Certificate of Incorporation, each stockholder of record of any series of Preferred Stock shall be entitled at each meeting of the stockholders to such number of votes, if any, for each share of such stock as may be fixed in the Certificate of Incorporation or in the resolution or resolutions adopted by the Board providing for the issuance of such stock, each stockholder of record of Common Stock shall be entitled at each meeting of the stockholders to one vote for each such share of such stock registered in such stockholder's name on the books of the Corporation on the date fixed pursuant to Section 5.06 of Article V of these Bylaws as the record date for the determination of stockholders entitled to notice of and to vote at such meeting. Unless otherwise required by law, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at a meeting and voting for nominees in the election of directors, and in all other matters, the affirmative vote of the majority of shares present in person or represented by proxy at a meeting and voting on the subject matter shall be the act of the stockholders.

Section 1.07. Voting by Ballot. No vote of the stockholders on an election of directors need be taken by written ballot or by electronic transmission unless otherwise required by law. Any vote not required to be taken by ballot or by electronic transmission may be conducted in any manner approved by the Board of Directors prior to the meeting at which such vote is taken.

Section 1.08. Postponement and Adjournment. Any meeting of stockholders may be postponed by action of the Board of Directors at any time in advance of such meeting. If a quorum is not present at any meeting of the stockholders, the chairman of such meeting shall have the power to adjourn the meeting without a vote of the stockholders. Notice of any adjourned meeting of the stockholders of the Corporation need not be given if the place, if any, date and hour thereof are announced at the meeting at which the adjournment is taken, provided, however, that if the adjournment is for more than 30 days, or if after the adjournment a new record date for the adjourned meeting is fixed pursuant to Section 5.06 of these Bylaws, a notice of the adjourned meeting, conforming to the requirements of Section 1.04 of these Bylaws, shall be given to each stockholder of record entitled to vote at such meeting. At any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted on the original date of the meeting.

Section 1.09. Proxies. Any stockholder entitled to vote at any meeting of the stockholders may authorize another person or persons to vote at any such meeting and express such vote on behalf of him or her by proxy. A stockholder may authorize a valid proxy by executing a written instrument signed by such stockholder, or by causing his or her signature to be affixed to such writing by any reasonable means including, but not limited to, by facsimile signature, or by transmitting or authorizing the transmission of a telegram, cablegram or other means of electronic transmission to the person designated as the holder of the proxy, a proxy solicitation firm or a like authorized agent. No such proxy shall be voted or acted upon after the expiration of three years from the date of such proxy, unless such proxy provides for a longer period. Every proxy shall be revocable at the pleasure of the stockholder executing it, except in those cases where applicable law provides that a proxy shall be irrevocable. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing with the Secretary of the Corporation either an instrument in writing revoking the proxy or another duly executed proxy bearing a later date. Proxies by telegram, cablegram or other electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized by the stockholder. Any copy, facsimile telecommunication or other reliable reproduction of a writing or transmission created pursuant to this section may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

Section 1.10. Organization; Procedure. At every meeting of stockholders, the chairman of such meeting shall be the Chairman of the Board or, if no Chairman of the Board has been elected or in the event of his or her absence or disability, a chairman chosen by the Board of Directors. The Secretary of the Corporation, or in the event of his or her absence or disability, an Assistant Secretary, if any, or if there be no Assistant Secretary, in the absence of the Secretary of the Corporation, an appointee of the chairman of the meeting, shall act as Secretary of the meeting. The order of business and all other matters of procedure at every meeting of stockholders may be determined by the chairman of such meeting.

Section 1.11. Business at Annual and Special Meetings. No business may be transacted at an annual or special meeting of stockholders other than business that is:

(a) specified in a notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or a duly authorized committee thereof;

(b) otherwise brought before the meeting by or at the direction of the Board of Directors or a duly authorized committee thereof or any authorized officer of the Corporation to whom the Board of Directors or such committee shall have delegated such authority; or

(c) otherwise brought before the meeting by a Noticing Stockholder who complies with the notice procedures set forth in Section 1.12 of these Bylaws.

A "Noticing Stockholder" must be either a Record Holder or a Nominee Holder. A "Record Holder" is a stockholder that holds of record stock of the Corporation entitled to vote at the meeting on the business (including any election of a director) to be appropriately conducted at the meeting. A "Nominee Holder" is a stockholder that holds such stock through a nominee or "street name" holder of record and can demonstrate to the Corporation such indirect ownership of such stock and such Nominee Holder's entitlement to vote such stock on such business. Clause (c) of this Section 1.11 shall be the exclusive means for a Noticing Stockholder to make director nominations or submit other business before a meeting of stockholders (other than proposals brought under Rule 14a-8 under the Exchange Act and included in the Corporation's notice of meeting, which proposals are not governed by these Bylaws).

Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at a stockholders' meeting except in accordance with the procedures set forth in Section 1.11 and Section 1.12 of these Bylaws.

Section 1.12. Notice of Stockholder Business and Nominations. In order for a Noticing Stockholder to properly bring any item of business before a meeting of stockholders, the Noticing Stockholder must give timely notice thereof in writing to the Secretary of the Corporation in compliance with the requirements of this Section 1.12. Section 1.12 shall constitute an "advance notice provision" for annual meetings for purposes of Rule 14a-4(c)(1) under the Exchange Act.

(a) To be timely, a Noticing Stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation:

(i) in the case of an annual meeting of stockholders, not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation; and

(ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the date on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs. In no event shall any adjournment or postponement of an annual or special meeting, or the announcement thereof, commence a new time period for the giving of a stockholder's notice as described above.

(b) To be in proper form, whether in regard to a nominee for election to the Board of Directors or other business, a Noticing Stockholder's notice to the Secretary must:

(i) set forth, as to the Noticing Stockholder and, if the Noticing Stockholder holds for the benefit of another, the beneficial owner on whose behalf the nomination or proposal is made, the following information together with a representation as to the accuracy of the information:

(A) the name and address of the Noticing Stockholder as they appear on the Corporation's books and, if the Noticing Stockholder holds for the benefit of another, the name and address of such beneficial owner (collectively, the "Holder");

(B) the class or series and number of shares of the Corporation that are, directly or indirectly, owned beneficially and/or of record, and the date such ownership was acquired;

(C) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not the instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "Derivative Instrument") that is directly or indirectly owned beneficially by the Holder or any Stockholder Associated Person of the Noticing Stockholder and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation;

(D) any proxy, contract, arrangement, understanding, or relationship pursuant to which the Holder has a right to vote or has granted a right to vote any shares of any security of the Corporation;

(E) any short interest in any security of the Corporation (for purposes of these Bylaws, a person shall be deemed to have a short interest in a security if the Holder or any Stockholder Associated Person of the Noticing Stockholder directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security);

(F) any rights to dividends on the shares of the Corporation owned beneficially by the Holder that are separated or separable from the underlying shares of the Corporation;

(G) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership or limited liability company or similar entity in which the Holder or any Stockholder Associated Person of the Noticing Stockholder is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, is the manager, managing member or directly or indirectly beneficially owns an interest in the manager or managing member of a limited liability company or similar entity;

(H) any performance-related fees (other than an asset-based fee) that the Holder or any Stockholder Associated Person of the Noticing Stockholder is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any;

(I) any arrangements, rights, or other interests described in Sections 1.12(b)(i)(C)-(H) held by members of such Holder's immediate family sharing the same household;

(J) a representation that the Noticing Stockholder intends to appear in person or by proxy at the meeting to nominate the person(s) named or propose the business specified in the notice and whether or not such stockholder intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding shares required to approve the nomination(s) or the business proposed and/or otherwise to solicit proxies from stockholders in support of the nomination(s) or the business proposed;

(K) a certification regarding whether or not such stockholder and Stockholder Associated Persons have complied with all applicable federal, state and other legal requirements in connection with such stockholder's and/or Stockholder Associated Persons' acquisition of shares or other securities of the Corporation and/or such stockholder's and/or Stockholder Associated Persons' acts or omissions as a stockholder of the Corporation;

(L) any other information relating to the Holder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder; and

(M) any other information as reasonably requested by the Corporation.

Such information shall be provided as of the date of the notice and shall be supplemented by the Holder not later than 10 days after the record date for the meeting to disclose such ownership as of the record date.

(ii) if the notice relates to any business other than a nomination of a director or directors that the stockholder proposes to bring before the meeting, set forth:

(A) a brief description of the business desired to be brought before the meeting (including the text of any resolutions proposed for consideration), the reasons for conducting such business at the meeting, and any material direct or indirect interest of the Holder or any Stockholder Associated Persons in such business; and

(B) a description of all agreements, arrangements and understandings, direct and indirect, between the Holder, and any other person or persons (including their names) in connection with the proposal of such business by the Holder.

(iii) as to each person, if any, whom the Holder proposes to nominate for election or reelection to the Board of Directors, set forth:

(A) all information relating to the nominee (including, without limitation, the nominee's name, age, business and residence address and principal occupation or employment and the class or series and number of shares of capital stock of the Corporation that are owned beneficially or of record by the nominee) that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(B) a description of any agreements, arrangements and understandings between or among such stockholder or any Stockholder Associated Person, on the one hand, and any other persons (including any Stockholder Associated Person), on the other hand, in connection with the nomination of such person for election as a director; and

(C) a description of all direct and indirect compensation and other material monetary agreements, arrangements, and understandings during the past three years, and any other material relationships, between or among the Holder and respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K if the Holder making the nomination or on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of Item 404 and the nominee were a director or executive officer of such registrant.

(iv) with respect to each nominee for election or reelection to the Board of Directors, include a completed and signed questionnaire, representation, and agreement required by Section 1.13 of these Bylaws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of the proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of the nominee.

(c) Notwithstanding anything in Section 1.12(a) to the contrary, if the number of directors to be elected to the Board of Directors is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by these Bylaws shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which the public announcement naming all nominees or specifying the size of the increased Board of Directors is first made by the Corporation.

(d) For purposes of these Bylaws:

(i) "public announcement" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14, or 15(d) of the Exchange Act and the rules and regulations thereunder;

(ii) "Stockholder Associated Person" means, with respect to any stockholder, (A) any person acting in concert with such stockholder, (B) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depositary) and (C) any person controlling, controlled by or under common control with any stockholder, or any Stockholder Associated Person identified in clauses (A) or (B) above; and

(iii) "Affiliate" and "Associate" are defined by reference to Rule 12b-2 under the Securities Exchange Act of 1934. An "Affiliate" is any "person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified." "Control" is defined as the "possession, direct or indirect, of the power to direct or cause the direction of the management policies of a person, whether through the ownership of voting securities, by contract, or otherwise." The term "Associate" of a person means: (A) any corporation or organization (other than the registrant or a majority-owned subsidiary of the registrant) of which such person is an officer or partner or is, directly or indirectly, the beneficial owner of 10 percent or more of any class of equity securities, (B) any trust or other estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity, and (C) any relative or spouse of such person, or any relative of such spouse, who has the same home as such person or who is a director or officer of the registrant or any of its parents or subsidiaries.

(e) Only those persons who are nominated in accordance with the procedures set forth in these Bylaws shall be eligible to serve as directors. Only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in these Bylaws, provided, however, that, once business has been properly brought before the meeting in accordance with Section 1.12, nothing in this Section 1.12(e) shall be deemed to preclude discussion by any stockholder of such business. If any information submitted pursuant to this Section 1.12 by any stockholder proposing a nominee(s) for election as a director at a meeting of stockholders is inaccurate in any material respect, such information shall be deemed not to have been provided in accordance with Section 1.12. Except as otherwise provided by law, the Certificate of Incorporation, or these Bylaws, the chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in compliance with the procedures set forth in these Bylaws and, if he or she should determine that any proposed nomination or business is not in compliance with these Bylaws, he or she shall so declare to the meeting and any such nomination or business not properly brought before the meeting shall be disregarded or not be transacted.

(f) Notwithstanding the foregoing provisions of these Bylaws, a Noticing Stockholder also shall comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in these Bylaws; provided, however, that any references in these Bylaws to the Exchange Act or the rules thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to Section 1.11 or Section 1.12 of these Bylaws.

(g) Nothing in these Bylaws shall be deemed to (i) affect any rights of (A) stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (B) the holders of any series or class of Preferred Stock, if any, if so provided under any applicable certificate of designation for such Preferred Stock or (ii) affect any rights of any holders of common stock pursuant to a stockholders' agreement with the Company or impose any requirements, restrictions or limitations under Sections 1.11, 1.12 or 1.13 of these Bylaws unless expressly imposed by such stockholders' agreement.

Section 1.13. Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation by a Holder, a person must complete and deliver (in accordance with the time periods prescribed for delivery of notice under Section 1.12 of these Bylaws) to the Secretary at the principal executive offices of the Corporation a written questionnaire providing the information requested about the background and qualifications of such person and the background of any other person or entity on whose behalf the nomination is being made and a written representation and agreement (the questionnaire, representation, and agreement to be in the form provided by the Secretary upon written request) that such person:

(a) is not and will not become a party to:

(i) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how the person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation, or

(ii) any Voting Commitment that could limit or interfere with the person's ability to comply, if elected as a director of the Corporation, with the person's fiduciary duties under applicable law;

(b) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed therein; and

(c) in the person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality, and stock ownership and trading policies and guidelines of the Corporation.

Section 1.14. Inspectors of Elections. Preceding any meeting of the stockholders, the Board of Directors shall appoint one or more persons to act as "inspectors" of elections, and may designate one or more alternate inspectors. In the event no inspector or alternate is able to act, the chairman of such meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of the duties of an inspector, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at a meeting and the validity of proxies and ballots;

(c) specify the information relied upon to determine the validity of electronic transmissions in accordance with Section 1.09 of these Bylaws;

(d) count all votes and ballots;

(e) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors;

(f) certify his or her determination of the number of shares represented at the meeting, and his or her count of all votes and ballots;

(g) appoint or retain other persons or entities to assist in the performance of the duties of inspector; and

(h) when determining the shares represented and the validity of proxies and ballots, be limited to an examination of the proxies, any envelopes submitted with those proxies, any information provided in accordance with Section 1.09 of these Bylaws, ballots and the regular books and records of the Corporation. The inspector may consider other reliable information for the limited purpose of reconciling proxies and ballots submitted by or on behalf of banks, brokers or their nominees or a similar person which represent more votes than the holder of a proxy is authorized by the record owner to cast or more votes than the stockholder holds of record. If the inspector considers other reliable information as outlined in this section, the inspector, at the time of his or her certification pursuant to paragraph (f) of this section, shall specify the precise information considered, the person or persons from whom the information was obtained, when this information was obtained, the means by which the information was obtained, and the basis for the inspector's belief that such information is accurate and reliable.

Section 1.15. Opening and Closing of Polls. The date and time for the opening and the closing of the polls for each matter to be voted upon at a stockholder meeting shall be announced at the meeting. The inspector shall be prohibited from accepting any ballots, proxies or votes or any revocations thereof or changes thereto after the closing of the polls, unless the Delaware Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.16. List of Stockholders Entitled to Vote. The officer of the Corporation who has charge of the stock ledger of the Corporation shall prepare and make, at least 10 days before every meeting of the stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting either (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present.

Section 1.17. Stock Ledger. The stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by Section 1.16 of this Article I or the books of the Corporation, or to vote in person or by proxy at any meeting of the stockholders.

ARTICLE II
BOARD OF DIRECTORS

Section 2.01. General Powers. Except as may otherwise be provided by law, the Certificate of Incorporation or these Bylaws, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by applicable law or by the Certificate of Incorporation or these Bylaws, the Board of Directors is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, except as otherwise specifically required by law or as otherwise provided in the Certificate of Incorporation.

Section 2.02. Number of Directors. As of the date hereof, the total number of directors constituting the entire Board of Directors shall be eight. Thereafter, subject to the terms of any one or more series or classes of Preferred Stock, the total number of directors constituting the entire Board of Directors shall consist of not less than three nor more than 15 members, the exact number of which shall be fixed from time to time exclusively by resolution adopted by the affirmative vote of a majority of the entire Board of Directors; provided, however, that at least two-thirds of the Board of Directors of the Corporation shall be persons who qualify as a "citizen of the United States" as defined in 49 U.S.C. § 40102(a)(1), as in effect on the date in question, or any successor statute or regulation, as interpreted by the U.S. Department of Transportation and any successor agency thereto in applicable precedent, including any agent, trustee or representative thereof ("U.S. Citizen").

Section 2.03. Term. The Board of Directors shall be elected by the stockholders at their annual meeting, and each director shall hold office until the next annual meeting of stockholders and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, retirement or removal from office.

Section 2.04. The Chairman of the Board. The directors may elect from among the members of the Board a "Chairman of the Board." The Chairman of the Board shall, if present, preside over all meetings of the stockholders and of the Board of Directors. The Board of Directors shall by resolution establish a procedure to provide for an acting Chairman of the Board in the event the most recently elected Chairman of the Board is unable to serve or act in that capacity. Notwithstanding anything to the contrary herein, any person serving as the Chairman of the Board shall qualify as a U.S. Citizen.

Section 2.05. Annual and Regular Meetings. The annual meeting of the Board of Directors for the purpose of electing officers and for the transaction of such other business as may come before the meeting shall be held after the annual meeting of the stockholders and may be held at such places within or without the State of Delaware and at such times as the Board may from time to time determine, and if so determined notice thereof need not be given. Notice of such annual meeting of the Board of Directors need not be given. The Board of Directors from time to time may by resolution provide for the holding of regular meetings and fix the place (which may be within or without the State of Delaware) and the date and hour of such meetings. Notice of regular meetings need not be given, provided, however, that if the Board of Directors shall fix or change the time or place of any regular meeting, notice of such action shall be mailed promptly, or sent by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail or other electronic means, to each director who shall not have been present at the meeting at which such action was taken, addressed to him or her at his or her usual place of business, or shall be delivered to him or her personally. Notice of such action need not be given to any director who attends the first regular meeting after such action is taken without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any director who submits a signed waiver of notice, whether before or after such meeting.

Section 2.06. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board, Chief Executive Officer (or, in the event of his or her absence or disability, by the President or any Senior Vice President), or by the Board of Directors pursuant to the following sentence, at such place (within or without the State of Delaware), date and hour as may be specified in the respective notices or waivers of notice of such meetings. Special meetings of the Board of Directors also may be held whenever called pursuant to a resolution approved by a majority of the entire Board of Directors. Special meetings of the Board of Directors may be called on 24 hours' notice, if notice is given to each director personally or by telephone, including a voice messaging system, or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail or other electronic means, or on five days' notice, if notice is mailed to each director, addressed to him or her at his or her usual place of business or to such other address as any director may request by notice to the Secretary. Notice of any special meeting need not be given to any director who attends such meeting without protesting the lack of notice to him or her, prior to or at the commencement of such meeting, or to any director who submits a signed waiver of notice, whether before or after such meeting, and any business may be transacted thereat.

Section 2.07. Quorum; Voting. At all meetings of the Board of Directors, the presence of at least a majority of the total authorized number of directors shall constitute a quorum for the transaction of business; provided, however, that in order to constitute a quorum, a majority of the directors present must be U.S. Citizens. Except as otherwise required by law or by the Certificate of Incorporation or these Bylaws, the vote of at least a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.08. Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting of the Board of Directors to another time or place. No notice need be given of any adjourned meeting unless the time and place of the adjourned meeting are not announced at the time of adjournment, in which case notice conforming to the requirements of Section 2.05 of these Bylaws shall be given to each director.

Section 2.09. Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and such writing, writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 2.10. Regulations; Manner of Acting. To the extent consistent with applicable law, the Certificate of Incorporation and these Bylaws, the Board of Directors may adopt by resolution such rules and regulations for the conduct of meetings of the Board of Directors and for the management of the property, affairs and business of the Corporation as the Board of Directors may deem appropriate. The directors shall act only as a Board of Directors and the individual directors shall have no power in their individual capacities unless expressly authorized by the Board of Directors.

Section 2.11. Action by Telephonic Communications. Members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 2.12. Resignations. Any director may resign at any time by submitting an electronic transmission or by delivering a written notice of resignation, signed by such director, to the Chairman of the Board or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 2.13. Removal of Directors. Subject to the terms of any one or more series or classes of Preferred Stock, any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of at least a majority of the voting power of the then outstanding voting stock, voting together as a single class.

Section 2.14. Vacancies and Newly Created Directorships. Subject to the terms of any one or more series or classes of Preferred Stock, any vacancies in the Board of Directors for any reason and any newly created directorships resulting by reason of any increase in the number of directors shall be filled only by the Board of Directors (and not by the stockholders), acting by a majority of the remaining directors then in office, even if less than a quorum, or by a sole remaining director, and any directors so appointed shall hold office until the next election of the class of directors to which such directors have been appointed and until their successors are duly elected and qualified. No decrease in the number of authorized directors shall shorten the term of any incumbent director.

Section 2.15. Compensation. The amount, if any, which each director shall be entitled to receive as compensation for such director's services, shall be fixed from time to time by resolution of the Board of Directors or any committee thereof. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary for service as director, payable in cash or securities. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for service as committee members.

Section 2.16. Reliance on Accounts and Reports, etc. A director, or a member of any committee designated by the Board of Directors, shall, in the performance of such director's or member's duties, be fully protected in relying in good faith upon the records of the Corporation and upon information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees designated by the Board of Directors, or by any other person as to the matters the director or the member reasonably believes are within such other person's professional or expert competence and who the director or member reasonably believes or determines has been selected with reasonable care by or on behalf of the Corporation.

Section 2.17. Director Elections by Holders of Preferred Stock. Notwithstanding the foregoing, whenever the holders of any one or more series or classes of Preferred Stock shall have the right, voting separately by series or class, to elect one or more directors at an annual or special meeting of stockholders, the election, filling of vacancies, removal of directors and other features of such one or more directorships shall be governed by the terms of such one or more series or classes of Preferred Stock to the extent permitted by law; provided, however, that at least two-thirds of the Board of Directors shall be U.S. Citizens.

Section 2.18 Resignation and Replacement of Unsuccessful Incumbent Directors.

(a) For purposes of this Section 2.18, the following terms have the following respective meanings:

(i) A "Majority of Votes Cast" means that the number of votes "for" a director's election must exceed 50% of the votes cast with respect to that director's election. Votes "against" a director's election will count as a vote cast, but "abstentions" and "broker non-votes" will not count as a vote cast with respect to that director's election.

(ii) A "Contested Election" means an election of directors in respect of which, as of the last date by which stockholders may submit notice to nominate a person for election as a director pursuant to Section 1.12 of these Bylaws, the number of nominees for any election of directors exceeds the number of directors to be elected.

(b) Subject to the terms of any one or more classes or series of Preferred Stock, in order for any incumbent director to become a nominee of the Board of Directors for further service on the Board of Directors, such person must submit an irrevocable resignation, which resignation shall become effective upon (i) that person not receiving a Majority of Votes Cast in an election that is not a Contested Election (an "Unsuccessful Incumbent"), and (ii) acceptance by the Board of Directors of that resignation in accordance with the policies and procedures adopted by the Board of Directors for such purpose.

(c) The Board of Directors, acting on the recommendation of the Nominating and Corporate Governance Committee, shall no later than 90 days following certification of the shareholder vote, determine whether to accept the resignation of an Unsuccessful Incumbent. The Nominating and Corporate Governance Committee, in making its recommendation, and the Board of Directors, in acting on such recommendation, may consider any factors or other information that they determine to be appropriate and relevant. Absent a determination by the Board of Directors that a compelling reason exists for concluding that it is in the best interests of the Corporation for an Unsuccessful Incumbent to remain as a director, the Board of Directors shall accept that person's resignation.

(d) If the Board of Directors determines to accept the resignation of an Unsuccessful Incumbent, the Nominating and Corporate Governance Committee shall promptly recommend a candidate to the Board of Directors to fill the office formerly held by the unsuccessful incumbent.

ARTICLE III
COMMITTEES

Section 3.01. Committees. The Board of Directors, by resolution adopted by the affirmative vote of a majority of directors then in office, may designate from among its members one or more committees of the Board of Directors, each committee to consist of such number of directors as from time to time may be fixed by the Board of Directors. Any such committee shall serve at the pleasure of the Board of Directors. Each such committee shall have the powers and duties delegated to it by the Board of Directors, subject to the limitations set forth in applicable Delaware law. The Board of Directors may appoint a Chairman of any committee, who shall preside at meetings of any such committee. The Board of Directors may elect one or more of its members as alternate members of any such committee who may take the place of any absent member or members at any meeting of such committee, upon request of the Chairman of the Board or the Chairman of such committee. A majority of each committee of the Board of Directors shall be comprised of U.S. Citizens.

Section 3.02. Powers. Each committee shall have and may exercise such powers of the Board of Directors as may be provided by resolution or resolutions of the Board of Directors. No committee shall have the power or authority: to approve or adopt, or recommend to the stockholders, any action or matter expressly required by the General Corporation Law of the State of Delaware to be submitted to the stockholders for approval; or to adopt, amend or repeal the Bylaws of the Corporation.

Section 3.03. Proceedings. Each committee may fix its own rules of procedure and may meet at such place (within or without the State of Delaware), at such time and upon such notice, if any, as it shall determine from time to time. Each committee shall keep minutes of its proceedings and shall report such proceedings to the Board of Directors at the meeting of the Board of Directors next following any such proceedings.

Section 3.04. Quorum and Manner of Acting. Except as may be otherwise provided in the resolution creating such committee or in the rules of such committee, at all meetings of any committee, the presence of members (or alternate members) constituting a majority of the total authorized membership of such committee shall constitute a quorum for the transaction of business; provided, however, that in order to constitute a quorum, a majority of the committee members present must be U.S. Citizens. The act of the majority of the members present at any meeting at which a quorum is present shall be the act of such committee. Any action required or permitted to be taken at any meeting of any committee may be taken without a meeting, if all members of such committee shall consent to such action in writing or by electronic transmission and such writing, writings or electronic transmission or transmissions are filed with the minutes of the proceedings of the committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. The members of any committee shall act only as a committee, and the individual members of such committee shall have no power in their individual capacities unless expressly authorized by the Board of Directors.

Section 3.05. Action by Telephonic Communications. Unless otherwise provided by the Board of Directors, members of any committee may participate in a meeting of such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.

Section 3.06. Absent or Disqualified Members. In the absence or disqualification of a member of any committee, if no alternate member is present to act in his or her stead, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Section 3.07. Resignations. Any member (and any alternate member) of any committee may resign at any time by delivering a written notice of resignation, signed by such member, to the Board of Directors or the Chairman of the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 3.08. Removal. Any member (and any alternate member) of any committee may be removed at any time, either with or without cause, by resolution adopted by a majority of the entire Board of Directors.

Section 3.09. Vacancies. If any vacancy shall occur in any committee, by reason of disqualification, death, resignation, removal or otherwise, the remaining members (and any alternate members) shall continue to act, and any such vacancy may be filled by the Board of Directors.

ARTICLE IV
OFFICERS

Section 4.01. Chief Executive Officer. The Board of Directors shall select a Chief Executive Officer to serve at the pleasure of the Board of Directors. The Chief Executive Officer shall (a) supervise the implementation of policies adopted or approved by the Board of Directors, (b) exercise a general supervision and superintendence over all the business and affairs of the Corporation, and (c) possess such other powers and perform such other duties as may be assigned to him or her by these Bylaws, as may from time to time be assigned by the Board of Directors and as may be incident to the office of Chief Executive Officer of the Corporation. The Chief Executive Officer shall have general authority to execute bonds, deeds and contracts in the name of the Corporation and affix the corporate seal thereto, except where required or permitted by law to be otherwise signed and executed and except that the other officers of the Corporation may sign and execute documents when so authorized by these Bylaws, the Board of Directors or the Chief Executive Officer.

Section 4.02 Secretary of the Corporation. The Board of Directors shall appoint a Secretary of the Corporation to serve at the pleasure of the Board of Directors. The Secretary of the Corporation shall (a) keep minutes of all meetings of the stockholders and of the Board of Directors, (b) authenticate records of the Corporation, (c) give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board of Directors, and (d) in general, have such powers and perform such other duties as may be assigned to him or her by these Bylaws, as may from time to time be assigned to him or her by the Board of Directors or the Chief Executive Officer and as may be incident to the office of Secretary of the Corporation. If the Secretary shall be unable or shall refuse to cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors, and if there be no Assistant Secretary, then the Board of Directors may choose another officer to cause such notice to be given. The Secretary shall have custody of the seal of the Corporation and the Secretary or any Assistant Secretary, if there be one, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the signature of the Secretary or by the signature of any such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest to the affixing by such officer's signature. The Secretary shall see that all books, reports, statements certificates and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 4.03. Other Officers Elected by Board of Directors. At any meeting of the Board of Directors, the Board of Directors may elect a President, Vice Presidents, a Chief Financial Officer, a Treasurer, Assistant Treasurers, Assistant Secretaries, or such other officers of the Corporation as the Board of Directors may deem necessary, to serve at the pleasure of the Board of Directors. Other officers elected by the Board of Directors shall have such powers and perform such duties as may be assigned to such officers by or pursuant to authorization of the Board of Directors or by the Chief Executive Officer.

Section 4.04. Officer Citizenship. Notwithstanding anything to the contrary herein, the Chief Executive Officer, the President, and at least two-thirds of the other managing officers of the Corporation shall be U.S. Citizens.

Section 4.05. Removal and Resignation; Vacancies. Any officer may be removed with or without cause at any time by the Board of Directors. Any officer may resign at any time by delivering a written notice of resignation, signed by such officer, to the Board of Directors, the Chief Executive Officer or the Secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise, shall be filled by or pursuant to authorization of the Board of Directors.

Section 4.06. Authority and Duties of Officers. The officers of the Corporation shall have such authority and shall exercise such powers and perform such duties as may be specified in these Bylaws, except that in any event each officer shall exercise such powers and perform such duties as may be required by law.

Section 4.07. Salaries of Officers. The salaries of all officers of the Corporation shall be fixed by the Board of Directors or any duly authorized committee thereof.

ARTICLE V
CAPITAL STOCK

Section 5.01. Certificates of Stock. The Board of Directors may authorize that some or all of the shares of any or all of the Corporation's classes or series of stock be evidenced by a certificate or certificates of stock. The Board of Directors may also authorize the issue of some or all of the shares of any or all of the Corporation's classes or series of stock without certificates. The rights and obligations of stockholders with the same class and/or series of stock shall be identical whether or not their shares are represented by certificates.

(a) Shares with Certificates. If the Board of Directors chooses to issue shares of stock evidenced by a certificate or certificates, each individual certificate shall include the following on its face: (i) the Corporation's name, (ii) the fact that the Corporation is organized under the laws of Delaware, (iii) the name of the person to whom the certificate is issued, (iv) the number of shares represented thereby, (v) the class of shares and the designation of the series, if any, which the certificate represents, and (vi) such other information as required under the Certificate of Incorporation or applicable law or as may be lawful. If the Corporation is authorized to issue different classes of shares or different series within a class, the designations, relative rights, preferences and limitations determined for each series (and the authority of the Board of Directors to determine variations for future series) shall be summarized on the front or back of each certificate. Alternatively, each certificate shall state on its front or back that the Corporation will furnish the stockholder this information in writing, without charge, upon request. Each certificate of stock issued by the Corporation shall be signed (either manually or in facsimile) by any two officers of the Corporation. If the person who signed a certificate no longer holds office when the certificate is issued, the certificate is nonetheless valid.

(b) Shares without Certificates. If the Board of Directors chooses to issue shares of stock without certificates, the Corporation, if required by the Exchange Act, shall, within a reasonable time after the issue or transfer of shares without certificates, send the stockholder a written notice containing the information required to be set forth or stated on certificates pursuant to the laws of the General Corporation Law of the State of Delaware. The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, provided the use of such system by the Corporation is permitted in accordance with applicable law.

Section 5.02. U.S. Citizenship Ownership and Voting Requirements. The Corporation shall at all times qualify as a U.S. Citizen. In no event shall the total number of shares of capital stock of the Corporation be held by persons who fail to qualify as a U.S. Citizen be more than 24.9% of the aggregate votes of all outstanding shares of capital stock of the Corporation (the "Cap Amount"). In the event the total number of shares of capital stock of the Corporation held by persons who fail to qualify as a U.S. Citizen (based upon the stock record maintained by the Corporation or any transfer agent for the registration of shares held by non-U.S. Citizens (the "Foreign Stock Record") or the stock transfer records of the Corporation) would otherwise entitle such holders to vote more than the Cap Amount, then the number of votes such holders shall be entitled to vote with respect to all shares of capital stock of the Corporation held by such holders shall be reduced by such amount such that the total number of votes such holders of shares of capital stock of the Corporation shall be entitled to vote shall equal the Cap Amount. The restrictions imposed by the Cap Amount shall be applied pro rata among the holders of shares of capital stock who fail to qualify as U.S. Citizens based on the number of votes to which the underlying shares of capital stock are entitled. At no time shall the shares held or controlled by non-U.S. Citizens be voted, unless such shares are registered on the Foreign Stock Record. Any determination as to ownership, control or citizenship made by the Board of Directors in good faith shall be conclusive and binding as between the Corporation and any stockholder for purposes of this Article V.

Section 5.03. Signatures; Facsimile. All signatures on the certificate referred to in Section 5.01 of these Bylaws may be in facsimile, engraved or printed form, to the extent permitted by law. In case any officer, transfer agent or registrar who has signed, or whose facsimile, engraved or printed signature has been placed upon a certificate, shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

Section 5.04. Lost, Stolen or Destroyed Certificates. The Board of Directors may direct that a new certificate be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen or destroyed, upon delivery to the Corporation of an affidavit of the owner or owners of such certificate, setting forth such allegation. The Corporation may require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of any such new certificate.

Section 5.05. Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares, duly endorsed or accompanied by appropriate evidence of succession, assignment or authority to transfer, the Corporation shall issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books. Within a reasonable time after the transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to the laws of the General Corporation Law of the State of Delaware. Subject to the provisions of the Certificate of Incorporation, these Bylaws and applicable law, including the U.S. citizenship requirements applicable to air carriers, the Board of Directors may prescribe such additional rules and regulations as it may deem appropriate relating to the issue, transfer and registration of shares of the Corporation.

Section 5.06. Record Date. In order to determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which shall not be more than 60 nor fewer than 10 days before the date of such meeting. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights of the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 5.07. Registered Stockholders. Prior to due surrender of a certificate for registration of transfer of any certificated shares, the Corporation may treat the registered owner as the person exclusively entitled to receive dividends and other distributions, to vote, to receive notice and otherwise to exercise all the rights and powers of the owner of the shares represented by such certificate, and the Corporation shall not be bound to recognize any equitable or legal claim to or interest in such shares on the part of any other person, whether or not the Corporation shall have notice of such claim or interests. Whenever any transfer of shares shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of the transfer if, when the certificates are presented to the Corporation for transfer or uncertificated shares are requested to be transferred, both the transferor and transferee request the Corporation to do so.

Section 5.08. Transfer Agent and Registrar. The Board of Directors may appoint one or more transfer agents and one or more registrars, and may require all certificates representing shares to bear the signature of any such transfer agents or registrars.

ARTICLE VI
INDEMNIFICATION

Section 6.01. Mandatory Indemnification. The Corporation shall indemnify any Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings Other Than Proceedings by or in the Right of the Corporation. Any Indemnitee shall be entitled to the rights of indemnification provided in this Section 6.01(a) if, by reason of his or her Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding other than a Proceeding by or in the right of the Corporation. Pursuant to this Section 6.01(a), any Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Corporation. Any Indemnitee shall be entitled to the rights of indemnification provided in this Section 6.01(b) if, by reason of his or her Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Corporation. Pursuant to this Section 6.01(b), any Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Corporation unless and to the extent that the Court of Chancery of the State of Delaware or the court in which such Proceeding was brought shall determine that such indemnification may be made.

Section 6.02. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Article VI, to the extent that any Indemnitee is, by reason of his or her Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he or she shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith. If such Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Corporation shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 6.02 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6.03. Advancement of Expenses. Notwithstanding any other provision of this Article VI, the Corporation shall advance all Expenses incurred by or on behalf of any Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within 30 days after the receipt by the Corporation of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 6.03 shall be unsecured and interest free.

Section 6.04. Non-Exclusivity; Insurance.

(a) The rights of indemnification and to receive advancement of expenses as provided by this Article VI shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, these Bylaws, any agreement, a vote of stockholders, a resolution of directors or otherwise. No right or remedy conferred in this Article VI is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given in this Article VI or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy in this Article VI, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Corporation shall have the power to purchase and maintain insurance to the fullest extent permitted by law, as such may be amended from time to time. Without limiting the generality of the foregoing, the Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director, officer, employee or agent of the Corporation against any liability asserted against him or her and incurred by him or her or on his or her behalf in such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

Section 6.05. Exception to Right of Indemnification. Notwithstanding any provision in this Article VI, the Corporation shall not be obligated by this Article VI to make any indemnity in connection with any claim made against an Indemnitee:

(a) for which payment has actually been made to or on behalf of such Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by such Indemnitee of securities of the Corporation within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of state statutory law or common law; or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by such Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by such Indemnitee against the Corporation or its directors, officers, employees or other indemnitees, unless (i) the Corporation has joined in or the Board of Directors authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Corporation provides the indemnification, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iii) the Proceeding is one to enforce such Indemnitee's rights under this Article VI.

Section 6.06. Permissive Indemnification. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and advancement of Expenses to employees and agents of the Corporation.

Section 6.07. Definitions. For purposes of this Article VI:

(a) "Corporate Status" describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Corporation, any direct or indirect subsidiary of the Corporation, or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Corporation.

(b) "Enterprise" shall mean the Corporation and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Corporation as a director, officer, employee, agent or fiduciary.

(c) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Article VI, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(d) "Indemnitee" means any current or former director or officer of the Corporation.

(e) "Proceeding" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Corporation or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Corporation, by reason of any action taken by him or her or of any inaction on his or her part while acting as an officer or director of the Corporation, or by reason of the fact that he or she is or was serving at the request of the Corporation as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise; in each case whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Article VI.

Section 6.08. Authorization of Indemnification. Any indemnification provided by Section 6.01 of this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct set forth in Section 6.01(a) or Section 6.01(b) of this Article VI, as the case may be. Such determination shall be made, with respect to an Indemnitee who is a director or officer at the time of such determination, (i) by a majority vote of the directors who are not parties to such Proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or (iv) by the stockholders. Such determination shall be made, with respect to former directors and officers, by any person or persons having the authority to act on the matter on behalf of the Corporation.

Section 6.09. Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 6.08 of this Article VI, and notwithstanding the absence of any determination thereunder, any Indemnitee may apply to the Court of Chancery of the State of Delaware or any other court of competent jurisdiction in the State of Delaware for indemnification to the extent otherwise permissible under Section 6.01 of this Article VI. The basis of such indemnification by a court shall be a determination by such court that indemnification of Indemnitee is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 6.01(a) or Section 6.01(b) of this Article VI, as the case may be. Neither a contrary determination in the specific case under Section 6.08 of this Article VI nor the absence of any determination thereunder shall be a defense to such application or create a presumption that Indemnitee has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 6.09 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, Indemnitee shall also be entitled to be paid the Expenses of prosecuting such application.

Section 6.10. Survival of Indemnification and Advancement of Expenses. The indemnification and advancement of Expenses provided by, or granted pursuant to, this Article VI shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE VII
OFFICES

Section 7.01. Initial Registered Office. The registered office of the Corporation in the State of Delaware shall be located at 1209 Orange Street, Corporate Trust Center, in the City of Wilmington, County of New Castle.

Section 7.02. Other Offices. The Corporation may maintain offices or places of business at such other locations within or without the State of Delaware as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE VIII
GENERAL PROVISIONS

Section 8.01. Dividends. Subject to any applicable provisions of law and the Certificate of Incorporation, dividends upon the shares of the Corporation may be declared by the Board of Directors at any regular or special meeting of the Board of Directors and any such dividend may be paid in cash, property, or shares of the Corporation's capital stock. A member of the Board of Directors, or a member of any committee designated by the Board of Directors, shall be fully protected in relying in good faith upon the records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors, or by any other person as to matters the director reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation, as to the value and amount of the assets, liabilities and/or net profits of the Corporation, or any other facts pertinent to the existence and amount of surplus or other funds from which dividends might properly be declared and paid.

Section 8.02. Execution of Instruments. The Board of Directors may authorize, or provide for the authorization of, officers, employees or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation. Any such authorization must be in writing or by electronic transmission and may be general or limited to specific contracts or instruments.

Section 8.03. Voting as Stockholder. Unless otherwise determined by resolution of the Board of Directors, the Chief Executive Officer, the President, if any, the Chief Financial Officer, any Executive Vice President or any other person authorized by the Board of Directors shall have full power and authority on behalf of the Corporation to attend any meeting of stockholders of any corporation in which the Corporation may hold stock, and to act, vote (or execute proxies to vote) and exercise in person or by proxy all other rights, powers and privileges incident to the ownership of such stock. Such officers acting on behalf of the Corporation shall have full power and authority to execute any instrument expressing consent to or dissent from any action of any such corporation without a meeting. The Board of Directors may by resolution from time to time confer such power and authority upon any other person or persons.

Section 8.04. Corporate Seal. The corporate seal shall be in such form as the Board of Directors shall prescribe.

Section 8.05. Fiscal Year. The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors.

ARTICLE IX
AMENDMENT OF BYLAWS

Subject to the provisions of the Certificate of Incorporation, (i) the Board of Directors may make, alter, amend, add to or repeal any and all of these Bylaws by resolution adopted by a majority of the directors then in office, or (ii) the affirmative vote of the holders of at least a majority of the voting power of the Corporation's then outstanding shares entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to make, alter, amend, add to or repeal any or all Bylaws of the Corporation or to adopt any provision inconsistent therewith.

ARTICLE X
CONSTRUCTION

In the event of any conflict between the provisions of these Bylaws as in effect from time to time and the provisions of the Certificate of Incorporation of the Corporation as in effect from time to time, the provisions of such Certificate of Incorporation shall be controlling.

Exhibit 10.1

EXECUTION VERSION

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made as of June 11, 2020 by and among Bristow Group Inc. (f/k/a Era Group Inc.), a Delaware corporation (the "Company"), and the other parties signatory hereto (or deemed signatories hereto) and any additional parties identified on the signature pages of any joinder agreement executed and delivered pursuant hereto. Certain definitions are set forth in Section 23.

RECITALS

WHEREAS, on January 23, 2020, Bristow Holdings U.S. Inc. (f/k/a/ Bristow Group Inc.), a Delaware corporation (the "Bristow Subsidiary"), the Company and Ruby Redux Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of the Company ("Merger Sub") entered into that certain Agreement and Plan of Merger, as amended on April 22, 2020 (as further amended, restated or modified from time to time, the "Merger Agreement");

WHEREAS, in connection with the transactions contemplated by the Merger Agreement, on January 23, 2020, the Bristow Subsidiary and the Company entered into a separate voting agreement (each, a "Voting Agreement"), with each of Solus Alternative Asset Management LP ("Solus") and South Dakota Retirement System ("SDIC") on their own respective behalf and on behalf of certain funds and accounts managed by and/or subsidiaries or Affiliates of each of Solus and SDIC (collectively, the "Stockholders") pursuant to which, among other things, the Company agreed to provide the registration rights set forth in this Agreement;

WHEREAS, on June 11, 2020, pursuant to the terms of the Merger Agreement, Merger Sub was merged with and into Bristow Subsidiary with Bristow Subsidiary continuing as the surviving corporation thereafter (the "Merger"); and

WHEREAS, the Company, Solus and SDIC each acknowledge and agree that execution and delivery of this Agreement satisfies their respective obligations under Section 3.7 of each of the Voting Agreements.

AGREEMENT

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Shelf Registration Statement.

1.1 No later than 10 Business Days after the later of (i) consummation of the Merger and (ii) the availability of all financial statements (including any financial statements required by Rule 3-05 of Regulation S-X and any pro forma financial statements required pursuant to Article 11 of Regulation S-X) required by the Securities Act (including the rules and regulations of the SEC promulgated thereunder) to be included or incorporated by reference a Registration Statement filed under the Securities Act, if the Company is then still eligible, the Company shall file with the Securities and Exchange Commission (the "Commission") a Shelf Registration Statement (as may be amended from time to time, the "Initial Shelf"). The Company shall use reasonable best efforts to prepare or cause to be prepared any and all financial statements required for the Initial Shelf as expeditiously as practicable. The Initial Shelf shall be on Form S-3 unless the Company is not then eligible to use Form S-3 in which case (i) the Initial Shelf shall be on Form S-1 and (ii) the reference to 10 Business Days in the first sentence of the Section 1.1 shall be deemed to be 20 Business Days. The Initial Shelf shall include all of the Registrable Securities of each Stockholder who shall have timely requested inclusion therein of some or all of its Registrable Securities by written notice to the Company. The Company shall use its reasonable best efforts to have the Initial Shelf declared effective by the Commission as soon as reasonably practicable after the Company files the Initial Shelf.

If the Initial Shelf is on Form S-1, the Company shall use reasonable best efforts to keep the Initial Shelf continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the Commission, until the earlier of (a) the date on which the Replacement S-3 Shelf (as defined below) is effective and (b) the date on which all Registrable Securities covered by the Initial Shelf shall cease to be Registrable Securities (such earlier date, the "Initial S-1 Shelf Expiration Date"). If the Initial Shelf is on Form S-1, then until the Initial S-1 Shelf Expiration Date, the Company will file any supplements or post-effective amendments required to be filed by applicable law so that (a) the Initial Shelf does not include any untrue statement of material fact or omit to state any material fact necessary in order to make the statements therein not misleading and (b) the Company complies with its obligations under Item 512(a)(1) of Regulation S-K; *provided*, *however*, that these obligations remain subject to the Company's rights under Section 4. If the Initial Shelf is on Form S-3 the Company shall use reasonable best efforts to keep the Initial Shelf continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the Commission, until the date on which all Registrable Securities covered by the Initial Shelf shall cease to be Registrable Securities.

If the Initial Shelf is on Form S-1, upon the Company becoming eligible to register the Registrable Securities for resale by the Stockholders on Form S-3, the Company shall use reasonable best efforts to amend the Initial Shelf to a Shelf Registration Statement on Form S-3 or file a Shelf Registration Statement on Form S-3 in substitution of the Initial Shelf (the "Replacement S-3 Shelf") and cause the Replacement S-3 Shelf to be declared effective as soon as reasonably practicable thereafter. After the Replacement S-3 Shelf becomes effective, the Company shall use its reasonable best efforts to keep the Replacement S-3 Shelf continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the Commission, until the date that all Registrable Securities covered by the Replacement S-3 Shelf shall cease to be Registrable Securities (such date, the "Replacement S-3 Shelf Expiration Date").

1.2 If prior to the Replacement S-3 Shelf Expiration Date and after the effectiveness of the Initial Shelf there is not an effective Shelf Registration Statement on Form S-3, the Company shall promptly file a Shelf Registration Statement on Form S-1 (the "Subsequent S-1 Shelf") and use its reasonable best efforts to have the Subsequent S-1 Shelf declared effective by the Commission as soon as reasonably practicable. In addition, the Company shall use reasonable best efforts to keep the Subsequent S-1 Shelf continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the Commission, until the earlier of (a) the date on which the Subsequent S-3 Shelf (as defined below) is effective and (b) the date that all Registrable Securities covered by the Subsequent S-1 Shelf shall cease to be Registrable Securities (such earlier date, the "Subsequent S-1 Shelf Expiration Date"). Further, until the Subsequent S-1 Shelf Expiration Date, the Company will file any supplements or post-effective amendments required to be filed by applicable law so that (i) the Subsequent S-1 Shelf does not include any untrue statement of material fact or omit to state any material fact necessary in order to make the statements therein not misleading and (ii) the Company complies with its obligations under Item 512(a)(1) of Regulation S-K; *provided*, *however*, that these obligations remain subject to the Company's rights under Section 4. Upon the Company again becoming eligible to register the Registrable Securities for resale by the Stockholders on Form S-3, the Company shall use reasonable best efforts to amend the Subsequent S-1 Shelf to a Shelf Registration Statement on Form S-3 or file a Shelf Registration Statement on Form S-3 in substitution of the Subsequent S-1 Shelf (the "Subsequent S-3 Shelf") and cause the Subsequent S-3 Shelf to be declared effective as soon as reasonably practicable thereafter. After the Subsequent S-3 Shelf becomes effective, the Company shall use its reasonable best efforts to keep the Subsequent S-3 Shelf continuously effective, and not subject to any stop order, injunction or other similar order or requirement of the Commission, until the date that all Registrable Securities covered by the Subsequent S-3 Shelf shall cease to be Registrable Securities.

1.3 Upon the request of any Stockholder whose Registrable Securities are not included in an effective Shelf Registration Statement at the time of such request, the Company shall use its reasonable best efforts to amend the Initial Shelf, the Replacement S-3 Shelf, the Subsequent S-1 Shelf or the Subsequent S-3 Shelf, as applicable, to include the Registrable Securities of such Stockholder; *provided* that the Company shall not be required to so amend such registration statement more than once every 90 days; and provided further that such Stockholder delivers all such information regarding the distribution of such Registrable Securities and such other information relating to such Stockholder and its Registrable Securities as the Company may reasonably request in writing. Within five days after receiving a request pursuant to the immediately preceding sentence, the Company shall give written notice of such request to all other Stockholders and shall include in such amendment all such Registrable Securities with respect to which the Company has received written requests for inclusion therein within 10 Business Days after the Company's giving of such notice; provided that such requesting Stockholders promptly deliver all such information regarding the distribution of such Registrable Securities and such other information relating to such Stockholder and its Registrable Securities as the Company may reasonably request in writing; and provided further that the Company receives such information at least five Business Days prior to the anticipated filing date of such amendment (it being understood, however, that such Stockholder shall have five Business Days to comply with such request for information).

2. Piggyback Rights.

2.1 If the Company proposes to (a) file a registration statement under the Securities Act with respect to an Underwritten Offering (other than a form not available for registering the resale of the Registrable Securities to the public), for its own account or for the account of a stockholder that is not a party to this Agreement, or (b) conduct an Underwritten Offering pursuant to a Shelf Registration Statement previously filed by the Company, for its own account or for the account of a stockholder that is not a party to this Agreement (such offering referred to in clause (a) or (b), a "Piggyback Offering"), the Company shall promptly give written notice (the "Piggyback Notice") of such Piggyback Offering to the Stockholders. The Piggyback Notice shall include the amount of Common Stock proposed to be offered, the expected date of commencement of marketing efforts and any proposed managing underwriter and shall offer the Stockholders the opportunity to include in such Piggyback Offering such amount of Registrable Securities as each Stockholder may request. Subject to Section 3, the Company will include in each Piggyback Offering all Registrable Securities for which the Company has received written requests for inclusion within seven days after the date the Piggyback Notice is given (*provided* that in the case of a "bought deal," "registered direct offering" or "overnight transaction" (a "Bought Deal"), such written requests for inclusion must be received within three Business Days after the date the Piggyback Notice is given); *provided*, *however*, that, in the case of a Piggyback Offering in the form of a "takedown" under a Shelf Registration Statement, such Registrable Securities are covered by an existing and effective Shelf Registration Statement that may be utilized for the offering and sale of the securities to be offered by the Company or a stockholder that is not a party to this Agreement and the Registrable Securities requested to be offered.

2.2 If at any time after giving the Piggyback Notice and prior to the time sales of securities are confirmed pursuant to the Piggyback Offering, the Company determines for any reason not to undertake or delay the Piggyback Offering, the Company may, at its election, give notice of its determination to all Stockholders, and in the case of such a determination, will be relieved of its obligation set forth in Section 2.1 in connection with the abandoned or delayed Piggyback Offering, without prejudice.

2.3 Any Stockholder requesting to be included in a Piggyback Offering may withdraw its request for inclusion by giving written notice to the Company, (a) at least three Business Days prior to the anticipated effective date of the registration statement filed in connection with such Piggyback Offering if the registration statement requires acceleration of effectiveness or (b) in all other cases, one Business Day prior to the anticipated date of the first use of the supplemental prospectus (which shall be the preliminary supplemental prospectus, if one is used in the "takedown") with respect to such offering; *provided*, *however*, that the withdrawal will be irrevocable and, after making the withdrawal, a Stockholder will no longer have any right to include its Registrable Securities in that Piggyback Offering.

2.4 Notwithstanding the foregoing, any Stockholder may deliver written notice (an "Opt-Out Notice") to the Company at any time requesting that such Stockholder not receive notice from the Company of any proposed Piggyback Offering; *provided*, *however*, that such Stockholder may later revoke any such Opt-Out Notice in writing.

3. Underwritten Offerings.

3.1 At any time during which a Shelf Registration Statement covering Registrable Securities is effective, if one or more Stockholders (the "Requesting Stockholders") deliver a notice to the Company (a "Takedown Notice") stating that it intends to effect an Underwritten Offering of all or part of its Registrable Securities included by it on the Shelf Registration Statement (a "Demand Underwritten Offering"), then, subject to the conditions described in Section 3, including Section 3.3, the Company shall amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to and utilized for offers and sale in connection with the Demand Underwritten Offering and otherwise use its commercially reasonable efforts to facilitate such Demand Underwritten Offering as expeditiously as practicable, *provided* that the number of shares of Common Stock requested by the Requesting Stockholders to be included in the Demand Underwritten Offering shall either (a) equal at least five percent of all outstanding shares of the Company's Common Stock at such time or (b) have an anticipated aggregate gross offering price (before deducting underwriting discounts and commissions) of at least $20.0 million. Within five days after receiving a Takedown Notice, the Company shall give written notice of such request to all other Stockholders, and subject to the provisions of Section 3.3 hereof, include in such Demand Underwritten Offering all such Registrable Securities with respect to which the Company has received written requests for inclusion therein within five days after the Company's giving of such notice (*provided* that in the case of a Bought Deal, such written requests for inclusion must be received within two Business Days after the Company's giving of such notice); *provided*, *however*, that such Registrable Securities are covered by an existing and effective Shelf Registration Statement that may be utilized for the offering and sale of the Registrable Securities requested to be registered.

3.2 With respect to any Demand Underwritten Offering, the holders of a majority of the Registrable Securities included in such Demand Underwritten Offering shall select one or more investment banking firms to be the managing underwriters with the consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed.

3.3 The Company will not be required to undertake a Demand Underwritten Offering if such Demand Underwritten Offering shall cause the number of Demand Underwritten Offerings in the immediately preceding 12-month period to exceed three; *provided* that a Demand Underwritten Offering shall not be considered made for purposes of this Section 3.3 unless it has resulted in the disposition by the Stockholders of at least 75% of the amount of Registrable Securities requested to be included.

3.4 All Stockholders proposing to distribute their securities through an Underwritten Offering, as a condition for inclusion of their Registrable Securities therein, must agree to enter into an underwriting agreement with the underwriters in order to participate in such Underwritten Offering; provided, however, that the underwriting agreement is in customary form.

3.5 If the managing underwriters for a Demand Underwritten Offering advise the Requesting Stockholders that in their opinion the inclusion of all securities requested to be included in the Demand Underwritten Offering (whether by the Company, any other Person, the Requesting Stockholders or the other Stockholders) may materially and adversely affect the price, timing, distribution or success of the offering (a "Negative Impact"), then all such securities to be included in such Demand Underwritten Offering shall be limited to the securities that the managing underwriters believe can be sold without a Negative Impact and shall be allocated as follows: (a) first, pro rata among the Requesting Stockholders and the other Stockholders who properly requested to include their Registrable Securities in such Demand Underwritten Offering (based on the number of shares of Registrable Securities properly requested by such Stockholders to be included in the Demand Underwritten Offering), (b) second, to the extent that any additional securities can, in the opinion of such managing underwriters, be sold without a Negative Impact, to the Company, and (c) third, to the extent that any additional securities can, in the opinion of the managing underwriters, be sold without a Negative Impact, to the Company's other stockholders who properly requested to include their securities in such Demand Underwritten Offering pursuant to an agreement, other than this Agreement, with the Company that provides for registration rights in accordance with the terms of such agreement.

3.6 If the managing underwriters for a Piggyback Offering initiated by the Company for its own account advise the Company that in their reasonable opinion the inclusion of all shares of Common Stock requested to be included in such Piggyback Offering (whether by the Company, the Stockholders or any other Person) may have a Negative Impact, then all such shares to be included therein shall be limited to the shares that the managing underwriters reasonably believe can be sold without a Negative Impact and shall be allocated as follows: (a) first, to the Company, and (b) second, to the extent that any additional shares can, in the opinion of such managing underwriters, be sold without a Negative Impact, pro rata among the Stockholders who properly requested to include their Registrable Securities and the Company's stockholders who properly requested to include their shares pursuant to an agreement, other than this Agreement, with the Company that provides for registration rights (based on the number of shares of Common Stock properly requested by such stockholders to be included in the Piggyback Offering).

3.7 If the managing underwriters for a Piggyback Offering initiated by a stockholder that is not a party to this Agreement for such stockholder's account advise such stockholder that in their reasonable opinion the inclusion of all shares of Common Stock requested to be included in such Piggyback Offering (whether by the Company, the Stockholders, the initiating stockholder or any other Person) may have a Negative Impact, then all such shares to be included therein shall be limited to the shares that the managing underwriters believe can be sold without a Negative Impact and shall be allocated as follows: (a) first, to the initiating Person, (b) second, to the extent that any additional securities can, in the reasonable opinion of such managing underwriters, be sold without a Negative Impact, to the Stockholders who properly requested to include their Registrable Securities (based on the number of shares of Common Stock held at such time by such Stockholders that are Registrable Securities), and (c) third, to the extent that any additional securities can, in the opinion of such managing underwriters, be sold without a Negative Impact, to the Company.

4. Grace Periods.

4.1 Notwithstanding anything to the contrary herein, the Company shall be entitled to postpone the filing or effectiveness of, or, at any time after a Registration Statement has been declared effective by the Commission, suspend the use of, a Registration Statement and any related prospectus if in the good faith judgment of the Company's Board of Directors, such filing, effectiveness or use would reasonably be expected to materially affect in an adverse manner or materially interfere with any bona fide material financing of the Company or any material transaction under consideration by the Company or would require the disclosure of information that has not been, and is not otherwise required to be, disclosed to the public and the premature disclosure of which would materially affect the Company in an adverse manner (such period of a postponement or suspension, a "Grace Period"); *provided*, *however*, that in the event such Registration Statement relates to a Demand Underwritten Offering pursuant to Section 3.1, then the Company shall pay all registration expenses in connection with such registration.

4.2 The Company shall (a) promptly notify the Stockholders in writing of the existence of the event or material non-public information giving rise to a Grace Period (*provided* that the Company shall not disclose the content of such material non-public information to any Stockholder, without the express consent of such Stockholder) and the date on which such Grace Period will begin, (b) use its reasonable best efforts to terminate a Grace Period as promptly as practicable and (c) promptly notify the Stockholders in writing of the date on which the Grace Period ends.

4.3 The duration of any one Grace Period shall not exceed 45 days, the aggregate of all Grace Periods during any 365-day period shall not exceed 90 days, and the maximum number of Grace Periods that may be declared by the Company in any fiscal year shall not exceed two. For purposes of determining the length of a Grace Period, the Grace Period shall be deemed to begin on and include the date the Stockholders receive the notice referred to in clause (a) of Section 4.2 and shall end on and include the later of the date the Stockholders receive the notice referred to in clause (c) of Section 4.2 and the date referred to in such notice.

5. Other Procedures.

5.1 Before filing a Registration Statement or prospectus or any amendments or supplements thereto, the Company shall furnish to the Stockholders whose shares are covered by the Registration Statement copies of all such documents, other than documents that are incorporated by reference into such Registration Statement or prospectus, proposed to be filed and such other documents reasonably requested by such Stockholders (which may be furnished by email).

5.2 The Company shall promptly notify each Stockholder whose Registrable Securities are covered by a Registration Statement after the Company receives notice thereof, of the time when such Registration Statement has been declared effective or a supplement to any prospectus forming a part of such Registration Statement has been filed.

5.3 With respect to any offering of Registrable Securities pursuant to this Agreement, the Company shall furnish to each selling Stockholder and the managing underwriters, if any, without charge, such number of copies of the applicable Registration Statement, each amendment and supplement thereto, the prospectus included in such Registration Statement, all exhibits and other documents filed therewith and such other documents as such selling Stockholder or such managing underwriters may reasonably request.

5.4 The Company shall (a) register or qualify all Registrable Securities covered by a Registration Statement under such other securities or blue sky laws of such states or other jurisdictions of the United States of America as the Stockholders covered by such Registration Statement shall reasonably request in writing, (b) keep such registration or qualification in effect for so long as such Registration Statement remains in effect and (c) take any other action that may be necessary or reasonably advisable to enable such Stockholders to consummate the disposition in such jurisdictions of the securities to be sold by such Stockholders, except that the Company shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this Section 5.4 be obligated to be so qualified, to subject itself to taxation in such jurisdiction or to consent to general service of process in any such jurisdiction.

5.5 The Company shall cause all Registrable Securities included in a Registration Statement to be registered with or approved by such governmental agencies or authorities as may be necessary to enable Stockholders thereof to consummate the disposition of such Registrable Securities in accordance with their intended method of distribution thereof.

5.6 The Company shall (i) use its reasonable best efforts to list all Registrable Securities on each securities exchange on which other securities of the Company are then listed if such Registrable Securities are not already so listed and if such listing is then permitted under the rules of such exchange; (ii) use its reasonable best efforts to provide a transfer agent and registrar for such Registrable Securities covered by such registration statement not later than the effective date of such registration statement; and (iii) cooperate with each seller of Registrable Securities and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA.

5.7 The Company shall promptly notify each Stockholder whose Registrable Securities are included in such Registration Statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made and for which the Company chooses to suspend the use of the Registration Statement and prospectus in accordance with the terms of this Agreement, and, at the written request of any such Stockholder, promptly prepare and furnish (at the Company's expense) to it a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus, as supplemented or amended, shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made.

5.8 The Company shall promptly notify each Stockholder whose Registrable Securities are included in such Registration Statement of any request by the Commission for the amending or supplementing of such Registration Statement or for additional information.

5.9 The Company shall advise each Stockholder whose Registrable Securities are included in such Registration Statement after the Company receives notice or obtains knowledge of any order suspending the effectiveness of a Registration Statement at the earliest practicable moment and promptly use its reasonable best efforts to obtain the withdrawal.

5.10 With respect to any Underwritten Offering pursuant to this Agreement, upon reasonable advance notice to the Company, the Company shall give the Stockholders and underwriters participating in the Underwritten Offering and Counsel to the Stockholders reasonable access during normal business hours to all financial and other records, corporate documents and properties of the Company as shall be necessary, in the reasonable opinion of Counsel to the Stockholders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and Exchange Act. In addition, upon reasonable advance notice and during normal business hours, the Company shall provide the Stockholders and underwriters participating in the Underwritten Offering and Counsel to the Stockholders such reasonable opportunities to discuss the business of the Company with its officers, directors, employees and the independent public accountants who have certified its financial statements as shall be necessary, in the reasonable opinion of Counsel to the Stockholders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and the Exchange Act.

5.11 With respect to any Underwritten Offering pursuant to this Agreement, the Company shall use its reasonable best efforts to obtain and, if obtained, furnish to each underwriter thereof, (a) an opinion or opinions and "negative assurance" letters of outside counsel for the Company, dated the date of the closing under the underwriting agreement and addressed to the underwriters, reasonably satisfactory in form and substance to such underwriters and their counsel, and (b) a "comfort" letter, dated the date of the underwriting agreement and another dated the date of the closing under the underwriting agreement and addressed to the underwriters and signed by the independent public accountants who have certified the Company's financial statements included or incorporated by reference in the applicable Registration Statement, reasonably satisfactory in form and substance to such underwriters.

5.12 The Company shall (a) enter into and perform such customary agreements (including an underwriting agreement in customary form) and take such other actions as the Stockholders beneficially owning a majority of the Registrable Securities included in a Registration Statement or the underwriters, if any, shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including customary indemnification, and (b) in connection with any Demand Underwritten Offering, provide reasonable cooperation, including causing at least one executive officer and a senior financial officer to attend and participate in "road shows" and other information meetings organized by the underwriters, if any, as reasonably requested; *provided*, *however*, that the Company shall have no obligation to participate in more than two "road shows" in any 12-month period and such participation shall not unreasonably interfere with the business operations of the Company.

5.13 Each Stockholder agrees that it shall not be entitled to be named as a selling securityholder in a Registration Statement unless such Stockholder has timely returned to the Company a completed and signed Selling Stockholder Questionnaire and related documents and a response to any reasonable requests for further information.

6. Payment of Expenses. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Agreement (excluding any underwriting discounts, fees or selling commissions or broker or similar commissions or fees, or transfer taxes of any Stockholder) shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. In addition, the Company will pay the reasonable fees and disbursements of the Counsel to the Stockholders, including, for the avoidance of doubt, any expenses of Counsel to the Stockholders in connection with the filing or amendment of any Registration Statement, prospectus or free writing prospectus hereunder or any Underwritten Offering.

7. Indemnification and Contribution.

7.1 Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless each Stockholder, the officers, directors, agents, partners, members, investment manager, managers, stockholders, Affiliates and employees of each of them, each Person who controls any such Stockholder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, investment manager, managers, stockholders, agents and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including reasonable costs of preparation and investigation and reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, to which any of them may become subject, that arise out of or are based upon (a) any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, any preliminary or final prospectus or any form of prospectus or in any amendment or supplement thereto or in any document incorporated by reference therein, or any issuer free writing prospectus (including any "road show," whether or not require to be filed with the Commission) or (b) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus or form of prospectus or supplement thereto, in the light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (i) any untrue statements or omissions are based upon information regarding such Stockholder furnished in writing to the Company by such Stockholder expressly for use therein, or to the extent that such information relates to such Stockholder or such Stockholder's proposed method of distribution of Registrable Securities and was provided by such Stockholder expressly for use in the Registration Statement, such prospectus or such form of prospectus or in any amendment or supplement thereto, or (ii) in the case of an occurrence of an event of the type specified in Section 5.6 or the Company exercises it rights set forth in Section 4, related to the use by a Stockholder of an outdated or defective prospectus after the Company has notified such Stockholder in writing that the prospectus is outdated or defective, but only if and to the extent that the misstatement or omission giving rise to such Loss would have been corrected. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party (as defined below), shall survive the transfer of the Registrable Securities by the Stockholders, and shall be in addition to any liability which the Company may otherwise have.

7.2 Indemnification by Stockholders. Each Stockholder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, to which any of them may become subject, that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, any preliminary or final prospectus, or any form of prospectus, or in any amendment or supplement thereto or any issuer free writing prospectus (including any "road show, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus, or any form of prospectus or supplement thereto, in the light of the circumstances under which they were made) not misleading (a) to the extent, but only to the extent, that such untrue statements or omissions are based upon information regarding such Stockholder furnished in writing to the Company by such Stockholder expressly for use therein, (b) to the extent, but only to the extent, that such information relates to such Stockholder or such Stockholder's proposed method of distribution of Registrable Securities and was provided by such Stockholder expressly for use in a Registration Statement, such prospectus or such form of prospectus or in any amendment or supplement thereto or (c) in the case of an occurrence of an event of the type specified in Section 5.6 or the Company exercises it rights set forth in Section 4, to the extent, but only to the extent, related to the use by such Stockholder of an outdated or defective prospectus after the Company has notified such Stockholder in writing that the prospectus is outdated or defective, but only if and to the extent the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any Stockholder hereunder be greater in amount than the dollar amount of the net proceeds received by such Stockholder upon the sale of the Registrable Securities giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party, shall survive the transfer of the Registrable Securities by the Stockholders, and shall be in addition to any liability which the Stockholder may otherwise have.

7.3 Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "Indemnified Party"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "Indemnifying Party") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees and expenses incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless (a) the Indemnifying Party has agreed in writing to pay such fees and expenses; (b) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (c) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that in the reasonable judgment of such counsel a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party; *provided*, that the Indemnifying Party shall not be liable for the reasonable and documented fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all reasonable and documented fees and expenses of the Indemnified Party (including reasonable and documented fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 7.3) shall be paid to the Indemnified Party, as incurred, with reasonable promptness after receipt of written notice thereof to the Indemnifying Party; *provided*, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally judicially determined to not be entitled to indemnification hereunder. The failure to deliver written notice to the Indemnifying Party within a reasonable time of the commencement of any such action shall not relieve such Indemnifying Party of any liability to the Indemnified Party under this Section 7, except to the extent that the Indemnifying Party is materially and adversely prejudiced in its ability to defend such action.

7.4 Contribution. If a claim for indemnification under Section 7.1 or 7.2 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission.

7.5 The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 7.5 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 7.5, no Stockholder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Stockholder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Stockholder has otherwise been required to pay by reason of such untrue statement or omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

8. Transfer of Registration Rights.

8.1 Any Stockholder may freely assign its rights hereunder in connection with any sale, transfer, assignment or other conveyance (any of the foregoing, a "Transfer") of Registrable Securities to any transferee or assignee; *provided* that all of the following additional conditions are satisfied: (a) such Transfer is effected in accordance with applicable securities laws and the Company's certificate of incorporation and bylaws then in effect; (b) such transferee agrees in writing to become subject to the terms of this Agreement by executing a joinder agreement substantially in the form set forth in Exhibit A hereto; and (c) the Company is given written notice by such Stockholder of such Transfer, stating the name and address of the transferee and identifying the Registrable Securities with respect to which such rights are being Transferred and provide the amount of any other capital stock of the Company beneficially owned by such transferee; and *provided* further that (i) any rights assigned hereunder shall apply only in respect of Registrable Securities that are Transferred and not in respect of any other securities that the transferee or assignee may hold and (ii) any Registrable Securities that are Transferred may cease to constitute Registrable Securities following such Transfer in accordance with the terms of this Agreement.

8.2 If the Common Stock shall be exchanged for or replaced by securities of another Person, the Company shall use commercially reasonable efforts to cause such Person to expressly assume all of the Company's obligations hereunder, to the extent applicable.

9. Amendment and Waiver; Exercise of Rights and Remedies.

9.1 This Agreement may be amended or modified, and the provisions hereof may be waived, only by an agreement in writing signed by the Company and Stockholders representing more than 50% of the then outstanding Registrable Securities; *provided*, *however*, that any such amendment, modification or waiver that would adversely affect the obligations or rights of any Stockholder in a manner that is facially disproportionate relative to other Stockholders (other than solely based on the number of shares owned) will require the written consent of the Stockholder so disproportionately affected; *provided*, *further*, *however*, that, notwithstanding the foregoing, for the first three years following the date hereof, this Agreement may be amended or modified in any material manner, and the provisions hereof may be waived in any material manner, only by an agreement in writing signed by the Company and Stockholders representing more than 80% of the outstanding Registrable Securities. Each amendment, modification and waiver effected in compliance with this Section 9.1 will be binding upon each party hereto. The Company will provide notice as soon as reasonably practicable to each Stockholder of any amendment, modification or waiver effected in compliance with this Section 9.1. In addition, each party hereto may waive any of its rights hereunder by an instrument in writing signed by such party.

9.2 No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of any similar breach or default occurring later; nor shall any such delay, omission nor waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

10. Rule 144. In connection with a sale of Registrable Securities by a Stockholder in reliance on Rule 144, such Stockholder or its broker shall deliver to the transfer agent and the Company a broker representation letter providing to the transfer agent and the Company any information the Company deems necessary to determine that the sale of the Registrable Securities is made in compliance with Rule 144. Upon receipt of such representation letter, the Company shall promptly direct its transfer agent to remove the notation of a restrictive legend in the Stockholder's certificate or the book entry account maintained by the transfer agent, and the Company shall bear all costs associated therewith. At such time as the Registrable Securities have been sold pursuant to an effective registration statement under the Securities Act, if the book entry account or certificate for such Registrable Securities still bears any notation of restrictive legend, the Company agrees, upon request of the Stockholder or permitted assignee, to take all steps necessary to promptly effect the removal of any restrictive legend from the Registrable Securities, and the Company shall bear all costs associated therewith, regardless of whether the request is made in connection with a sale or otherwise, so long as the Stockholder or its permitted assigns provide to the Company any information the Company deems reasonably necessary to determine that the legend is no longer required under the Securities Act or applicable state laws. The Company will use its reasonable best efforts to file in a timely manner all reports and other documents required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Commission thereunder and make available information necessary, to the extent required from time to time, to enable such Stockholder to sell Registrable Securities without registration under the Securities Act pursuant to Rule 144.

11. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when (a) delivered personally (in which case, it will be deemed received upon delivery), (b) sent by electronic mail (in which case, it will be deemed received when sent if sent during normal business hours of the recipient and on the next Business Day if sent after normal business hours of the recipient), (c) sent by overnight courier service (in which case, it will be deemed received on the Business Day immediately following the date deposited with such courier service), or (d) mailed by certified or registered mail, return receipt requested, with postage prepaid (in which case, it will be deemed received upon receipt of confirmation of receipt of delivery), to the parties at the addresses listed below (or at such other address for a party as shall be specified by like notice).

If to the Company:

Bristow Group Inc.
3151 Briarpark Drive, Suite 700
Houston, Texas 77042
Attention: Crystal Gordon

If to any Stockholder, to the address set forth for such Stockholder on the signature page hereto or to the joinder agreement in the form set forth in Exhibit A hereto.

12. Entire Agreement; Binding Effect. This Agreement constitutes the entire agreement of the parties with respect to its subject matter, supersedes all prior or contemporaneous oral or written agreements or discussions with respect to such subject matter, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permitted assigns.

13. Term. The provisions of this Agreement shall terminate with respect to any Stockholder and be of no further force or effect when such Stockholder ceases to hold any Registrable Securities; *provided*, that the provisions of Section 7 shall survive for any sales of Registrable Securities on or prior to such date.

14. Other Registration Rights. The Company represents and warrants that it has not granted, and is not subject to, any registration rights that are superior to, or that in any way subordinate, the rights granted to the Stockholders hereby. Without the prior written consent of the Stockholders holding at least a majority of the then outstanding Registrable Securities, the Company shall not, prior to the termination of this Agreement, grant any registration rights that are superior to, or in any way subordinate, the rights granted to the Stockholders hereby, including any registration or other right that is directly or indirectly intended to violate or subordinate the rights granted to the Stockholders hereby.

15. Third Party Beneficiaries. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement, except as provided in Section 7.

16. Further Action. The parties agree to execute and deliver all documents, provide all information and take or refrain from taking such actions as may be necessary or appropriate to achieve the purposes of this Agreement.

17. Counterparts; Electronic Delivery. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments hereto or thereto, to the extent delivered by means of electronic mail in ".pdf", ".tif" or similar format (any such delivery, an "Electronic Delivery"), shall be treated in all manners and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. Minor variations in the form of the signature page to this Agreement, including footers from earlier versions of this Agreement, will be disregarded in determining the effectiveness of such signature. No party hereto or to any such agreement or instrument shall raise (a) the use of Electronic Delivery to deliver a signature or (b) the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery, as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent such defense related to lack of authenticity.

18. Severability. Whenever permitted by applicable law, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein or if such term or provision could be drawn more narrowly so as not to be illegal, invalid, prohibited or unenforceable in such jurisdiction, it shall be so narrowly drawn, as to such jurisdiction, without invalidating the remaining terms and provisions of this Agreement or affecting the legality, validity or enforceability of such term or provision in any other jurisdiction.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

20. Consent to Jurisdiction. Any dispute relating hereto shall be brought in the Court of Chancery of the State of Delaware, or to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware, or to the extent such court also does not have subject matter jurisdiction, another court of the State of Delaware, County of New Castle (each a "Chosen Court" and collectively, the "Chosen Courts"), so long as one of such courts shall have subject matter jurisdiction over such dispute, and the parties hereto agree to the exclusive jurisdiction and venue of the Chosen Courts. The parties hereto further agree that any Proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement (the "Applicable Matters") shall be brought exclusively in a Chosen Court, and that any Proceeding arising out of this Agreement or any other Applicable Matter shall be deemed to have arisen from a transaction of business in the State of Delaware, and each of the parties hereto hereby irrevocably consents to the jurisdiction of such Chosen Courts in any such Proceeding and irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that such Person may now or hereafter have to the laying of the venue of any such suit, action or Proceeding in any such Chosen Court or that any such Proceeding brought in any such Chosen Court has been brought in an inconvenient forum. Such Persons further covenant not to bring a Proceeding with respect to the Applicable Matters (or that could affect any Applicable Matter) other than in such Chosen Court and not to challenge or enforce in another jurisdiction a judgment of such Chosen Court. Each party hereto hereby consents to service of process in any such Proceeding in any manner permitted by Delaware law, and agrees that service of process on such party as provided for notices in Section 11 is reasonably calculated to give actual notice and shall be deemed effective service of process on such Person.

21. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE OR ACTION, CLAIM, CAUSE OF ACTION OR SUIT (IN CONTRACT, TORT OR OTHERWISE), INQUIRY, PROCEEDING OR INVESTIGATION ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE TRANSACTIONS CONTEMPLATED HEREBY, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THIS SECTION 21 CONSTITUTES A MATERIAL INDUCEMENT UPON WHICH THEY ARE RELYING AND WILL RELY IN ENTERING INTO THIS AGREEMENT. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 21 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

22. Certain Matters of Construction.

22.1 The parties hereto have participated jointly in the negotiation and drafting of this Agreement. This Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

22.2 The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement.

22.3 The words "hereof," "herein," "hereunder" and words of similar import shall refer to this Agreement as a whole and not to any particular Section or provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified, and reference to a particular Section of this Agreement shall include all subsections thereof.

22.4 Whenever required or permitted by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

22.5 The use of the words "include," "includes" or "including" in this Agreement shall be by way of example rather than by limitation and shall be deemed to be followed by the words "without limitation." The use of the words "or," "either" and "any" shall not be exclusive.

22.6 Whenever in this Agreement a party hereto is permitted or required to take any action or to make a decision or determination, such Person shall be entitled to take (or omit to take) such action or make such decision or determination in such Person's sole discretion, unless another standard is expressly set forth herein. Whenever in this Agreement a Person is permitted or required to take by any valid means any action or to make a decision or determination in its "sole discretion" or "discretion," with "complete discretion" or under a grant of similar authority or latitude, such Person shall be entitled to consider solely its own interests (and not the interests of any other Person) or, at its election, any such other interests and factors as such Person desires (including the interests of such Stockholder's Affiliates, employers, partners and their respective Affiliates), or any combination thereof.

22.7 The word "will" will be construed to have the same meaning and effect as the word "shall". The words "shall," "will," or "agree(s)" are mandatory, and "may" is permissive.

22.8 The word "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase will not mean simply "if".

22.9 All references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

23. Certain Definitions. For all purposes of and under this Agreement, the following terms shall have the following respective meanings:

23.1 "Affiliate" means any Person who, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "under common control with" shall have correlative meanings.

23.2 "Automatic Shelf Registration Statement" means an "automatic shelf registration statement" as defined in Rule 405 promulgated under the Securities Act, as such definition may be amended from time to time.

23.3 "beneficially own" shall have the meaning given to such term in Rule 13d-3 under the Exchange Act, and any Person's beneficial ownership of securities shall be calculated in accordance with the provisions of such Rule as in effect as of such time.

23.4 "Business Day" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York City are authorized or required by law to be closed.

23.5 "Common Stock" means the shares of common stock, par value $0.01 per share of the Company, and any other capital stock of the Company into which such common stock is reclassified or reconstituted, including by way of a stock dividend or stock split.

23.6 "Common Stock Equivalents" means, without duplication, Common Stock and any rights, warrants, options, convertible securities, exchangeable securities and other securities convertible or exchangeable into Common Stock, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

23.7 "Counsel to the Stockholders" means (a) with respect to a Shelf Registration Statement pursuant to Section 1, the counsel from no more than one firm of attorneys selected by the beneficial owners of a majority of the then outstanding Registrable Securities, (b) with respect to a Demand Underwritten Offering, the counsel from no more than one firm of attorneys selected by the Requesting Stockholders, and (c) with respect to a Piggyback Offering, the counsel of no more than one firm of attorneys selected by the Stockholders that hold a majority of the Registrable Securities requested to be included therein.

23.8 "Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time.

23.9 "Form S-1" means form S-1 under the Securities Act or any other form hereafter adopted by the Commission for the general registration of securities under the Securities Act.

23.10 "Form S-3" means form S-3 under the Securities Act, including a form S-3 filed as an Automatic Shelf Registration Statement, or any other form hereafter adopted by the Commission having substantially the same usage.

23.11 "Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, trust, association or any other entity.

23.12 "Proceeding" means any suit, countersuit, action, cause of action (whether at law or in equity), arbitration, audit, hearing, litigation, claim, counterclaim, complaint, defenses, administrative or similar proceeding (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any governmental entity.

23.13 "Registrable Securities" means (a) all shares of Common Stock beneficially owned by the Stockholders, (b) all shares of Common Stock issuable upon exercise, exchange or conversion of any Common Stock Equivalents beneficially owned by the Stockholders and (c) any shares of Common Stock issuable in respect of any shares of Common Stock or Common Stock Equivalents described in subsection (a) or (b), respectively, by way of any conversion, dividend, stock-split, distribution or exchange, merger, consolidation, exchange, recapitalization or classification or similar transactions, in each case that are held by the Stockholders and their Affiliates or any transferee or assignee of any Stockholder or its Affiliates whether now held or hereafter acquired. As to any particular Registrable Securities, such shares shall cease to be Registrable Securities when (i) a Registration Statement has become effective under the Securities Act and such shares have been disposed of in accordance with such Registration Statement; (ii) such shares have been Transferred pursuant to Rule 144; (iii) such securities are held by a Stockholder who, together with its Affiliates and Related Funds, holds less than 5% of the outstanding shares of Common Stock, including Common Stock Equivalents on an as-converted basis, and in the hands of such Stockholder, all such securities may be sold pursuant to Rule 144 without restriction (including any limitation thereunder on volume or manner of sale); or (iv) such shares shall have ceased to be outstanding; *provided*, *however*, that in the case of clause (iii), if any Stockholder ceases to hold at least 5% of the outstanding shares of Common Stock, including Common Stock Equivalents on an as-converted basis, solely as a result of any sale of such Stockholder's Common Stock in a Piggyback Offering or Demand Underwritten Offering in which, in each case, all of such Stockholder's Registrable Securities were requested to be included but such amount was reduced pursuant to Sections 3.5, 3.6 or 3.7 hereof, the securities held by such Stockholder will remain Registrable Securities within the meaning of this Section 23.13.

23.14 "Registration Statement" means any a registration statement of the Company filed under the Securities Act that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement.

23.15 "Related Fund" means, with respect to any Stockholder that is an investment fund, any other investment fund that is managed, advised or sub-advised by the same investment advisor as such Stockholder or by an Affiliate of such investment advisor.

23.16 "Rule 144" means Rule 144 under the Securities Act (or any successor rule).

23.17 "Securities Act" means the Securities Act of 1933, as amended, as in effect from time to time.

23.18 "Shelf Registration Statement" means a registration statement filed with the Commission for an offering on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or any successor rule).

23.19 "Stockholders" means the parties signatory hereto and any additional parties identified on the signature pages of any joinder agreement executed and delivered pursuant to this Agreement; *provided*, *however*, that a Person shall cease to be a Stockholder at such time as it ceases to hold any Registrable Securities.

23.20 "Underwritten Offering" means an offering of shares of Common Stock under a registration statement in which the shares are sold to an underwriter for reoffering to the public.

[*Signatures appear on the following pages*.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed, all as of the date first written above.

COMPANY:

BRISTOW GROUP INC.

By: /s/ Crystal Gordan
Name: Crystal Gordan
Title: SVP, General Counsel

STOCKHOLDERS:

SOLUS ALTERNATIVE ASSET MANAGEMENT LP

By: /s/ Christopher Pucillo
Name: Christopher Pucillo
Title: Chief Executive Officer and Chief Investment Officer

Address: 410 Park Avenue
New York, NY 10022
Attention: Christopher Pucillo
Email: puc@soluslp.com

SOUTH DAKOTA RETIREMENT SYSTEM

By: /s/ Matthew L. Clark
Name: Matthew L. Clark
Title: State Investment Officer

Address: South Dakota Investment Council
4009 W 49th St., Suite 300
Sioux Falls, SD 57106
Attention: Anne Cipperley
Email: anne.cipperley@state.sd.us

Exhibit A

JOINDER AGREEMENT

This Joinder Agreement (this "Joinder Agreement") is made as of the date written below by the undersigned (the "Joining Party") in accordance with the Registration Rights Agreement, dated as of June [•], 2020, and as amended from time to time (the "Registration Rights Agreement"), among Bristow Group Inc. (the "Company") and the other parties thereto. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Registration Rights Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to, and a "Stockholder" under, the Registration Rights Agreement as of the date hereof as if he, she or it had executed the Registration Rights Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Registration Rights Agreement.

This Joinder Agreement shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date: [_____ ___, _____]

JOINING PARTY

By: _____
Name:
Title:
Address:
Email Address:

AGREED AND ACCEPTED:

BRISTOW GROUP INC.

By: _____
Name:
Title:

Exhibit 10.6

Execution Version

FIRST AMENDMENT TO
TERM LOAN CREDIT AGREEMENT

THIS FIRST AMENDMENT TO TERM LOAN CREDIT AGREEMENT (this "***Amendment***"), is made and entered into as of March 7, 2017, by and among BRISTOW U.S. LLC, a Louisiana limited liability company (the "***Borrower***"), the Lenders (as defined below) party hereto and MACQUARIE BANK LIMITED, in its capacity as Administrative Agent for the Lenders (the "***Administrative Agent***").

W I T N E S S E T H:

WHEREAS, reference is made to that certain Term Loan Credit Agreement dated as of February 1, 2017 (the "***Credit Agreement***") by and among the Borrower, the lenders from time to time party thereto (the "***Lenders***"), the Administrative Agent, and Macquarie Bank Limited, in its capacity as security agent for the Lenders (the "***Security Agent***"), pursuant to which the Administrative Agent, the Security Agent and the Lenders agreed to extend a term loan credit facility to the Borrower;

WHEREAS, the Borrower has requested that the Lenders amend certain provisions of the Credit Agreement and the Lenders party hereto (constituting Required Lenders under the Credit Agreement) are willing, subject to the terms and conditions set forth herein, to amend the Credit Agreement as provided for herein;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of all of which are acknowledged, the parties hereto agree as follows:

1. **Defined Terms**. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

2. **Amendment to the Credit Agreement**. Article V of the Credit Agreement is hereby amended by replacing the text "Closing Date" in the first sentence thereof with the text "Funding Date" in lieu thereof.

3. **Conditions to Effectiveness of this Amendment.** It is understood and agreed that this Amendment shall become effective on the date when the Administrative Agent shall have received executed counterparts to this Amendment from the Borrower and the Required Lenders.

4. **Effect of Amendment**. Except as set forth expressly herein, all terms of the Credit Agreement, as amended hereby, and the other Loan Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower (to the extent that the Borrower is a party thereto) to the Lenders and the Administrative Agent. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement. Upon its effectiveness pursuant to the terms hereof, this Amendment shall constitute a Loan Document for all purposes of the Credit Agreement.

5. **Miscellaneous**. Sections 11.1, 11.3, 11.5, 11.6, 11.7, 11.9, 11.11 and 11.12 of the Credit Agreement are incorporated herein to this Amendment, *mutatis mutandis*, by reference as if fully set forth herein.

[*Signature Pages To Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed, under seal in the case of the Borrower, by their respective authorized officers as of the day and year first above written.

MACQUARIE BANK LIMITED,
as Administrative Agent

By: /s/ Peter Burton
Name: Peter Burton
Title: Division Director

By: /s/ Matthew Chapman
Name: Matthew Chapman
Title: Division Director

MACQUARIE AEROSPACE INC.,
as Lender

By: /s/ John Petkovic
Name: John Petkovic
Title: Attorney

By: /s/ Sarah Johnston
Name: Sarah Johnston
Title: Attorney

BRISTOW U.S. LLC,
as Borrower

By: /s/ Joseph A. Baj
Name: Joseph A. Baj
Title: Manager

[Signature Page to Second Amendment to Term Loan Credit Agreement]

Exhibit 10.7

EXECUTION VERSION

SECOND AMENDMENT TO TERM LOAN CREDIT AGREEMENT
AND
LIMITED WAIVER

THIS SECOND AMENDMENT TO TERM LOAN CREDIT AGREEMENT AND LIMITED WAIVER (this "***Amendment***"), is made and entered into as of August 14, 2018, by and among BRISTOW U.S. LLC, a Louisiana limited liability company (the "***Borrower***"), the Lenders (as defined below) party hereto and MACQUARIE BANK LIMITED, in its capacity as Administrative Agent for the Lenders (the "***Administrative Agent***").

WITNESSETH

WHEREAS, reference is made to that certain Term Loan Credit Agreement dated as of February 1, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "***Credit Agreeme***nt") by and among the Borrower, the lenders from time to time party thereto (the "***Lenders***"), the Administrative Agent, and Macquarie Bank Limited in its capacity as security agent for the Lenders (the "***Security Agent***"), pursuant to which the Administrative Agent, the Security Agent and the Lenders agreed to extend a term loan credit facility to the Borrower;

WHEREAS, the Borrower has requested that the Lenders amend certain provisions of the Credit Agreement and to waive compliance with certain other provisions of the Credit Agreement and the Lenders party hereto (constituting Required Lenders under the Credit Agreement) are willing, subject to the terms and conditions set forth herein, to amend the Credit Agreement and to waive compliance with certain provisions of the Credit Agreement as provided for herein.

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of all of which are acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

2. **Amendment to the Credit Agreement.** The Credit Agreement is hereby amended as follows:

   (a) Paragraph (i) of the definition of "Permitted Jurisdiction" is amended by deleting the text, "55%" and replacing it with "50%".

3. **Limited Waiver and Consent.** So long as no Event of Default shall have occurred and be continuing, the Lenders consent to the Borrower's registration or permanent or predominant use or operation of Aircraft in Trinidad and Tobago up to a maximum Relevant Aircraft Amount not exceeding 40% of the total principal amount of the Term Loan outstanding at such time, and solely to such extent, hereby waive compliance with the definition of "Permitted Jurisdiction" for the purposes of such registration or permanent or predominant use or operation of Aircraft in Trinidad and Tobago. The limited waiver and consent set forth in this Section 3 is effective solely for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to be a consent to any amendment, waiver or modification of any term or condition of the Credit Agreement or of any other Loan Document, except as expressly provided in this Agreement, or prejudice any right or rights that Agent or Lenders have or may have in the future under or in connection with the Credit Agreement or any other Loan Document.

4. **Conditions to Effectiveness.** It is understood and agreed that this Amendment shall become effective on the date when the Administrative Agent shall have received executed counterparts to this Amendment from the Borrower and the Required Lenders.

5. **Representations and Warranties.** To induce the Lenders to enter into this Amendment, the Borrower hereby represents and warrants to the Lenders as follows:

(a) The execution and delivery by the Borrower of this Amendment are within the Borrower's organizational powers and have been duly authorized by all necessary organizational action;

(b) The execution, delivery and performance by the Borrower of this Amendment (i) do not require any consent or approval of, registration or filing with, or any action by, any Governmental Authority, except those as have been obtained or made and are in full force and effect, (ii) will not violate any Requirements of Law applicable to the Borrower or any judgment, order or ruling of any Governmental Authority, (iii) will not violate or result in a default under any indenture, material agreement or other material instrument binding on the Borrower or any of its assets or give rise to a right thereunder to require any payment to be made by the Borrower, and (iv) will not result in the creation or imposition of any Lien on any asset of the Borrower prohibited under the Loan Documents;

(c) This Amendment has been duly executed and delivered for the benefit of the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms except as the enforceability hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and remedies in general; and

(d) After giving effect to this Amendment, the representations and warranties contained in the Credit Agreement and the other Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty under the Credit Agreement or other Loan Documents already qualified as to materiality, in all respects), except to the extent that such representations and warranties specifically refer to an earlier date, and no Default or Event of Default has occurred and is continuing as of the date hereof.

(e) Since March 31, 2017, there has not occurred any event that has had or could reasonably be expected to have, a Material Adverse Effect.

6. **Effect of Amendment.** Except as set forth expressly herein, all terms of the Credit Agreement, as amended hereby, and the other Loan Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower (to the extent that the Borrower is a party thereto) to the Lenders and the Administrative Agent. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement. Upon its effectiveness pursuant to the terms hereof, this Amendment shall constitute a Loan Document for all purposes of the Credit Agreement.

7. **Costs and Expenses.** The Borrower agrees to pay on demand all reasonable, out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel with respect thereto.

8. **Miscellaneous.** Sections 11.1, 11.3, 11.4, 11.5, 11.6, 11.7, 11.9, 11.10, 11.11 and 11.12 of the Credit Agreement are incorporated herein to this Amendment, *mutatis mutandis*, by reference as if fully set forth herein.

[*Signature Pages To Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BRISTOW U.S. LLC

By /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Manager

MACQUARIE LEASING INC.
as a Lender

By /s/ John Willingham
Name: John Willingham
Title: Attorney

MACQUARIE BANK LIMITED
as Administrative Agent and as Security Agent

By /s/ Peter Burton
Name: Peter Burton
Title: Attorney

By /s/ Matthew Chapman
Name: Matthew Chapman
Title: Attorney

By its signature below, Bristow Group Inc. hereby agrees to the amendments and waivers set forth herein and hereby ratifies and confirms the obligations under the Guaranty in all respects.

BRISTOW GROUP INC.

By /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Vice President and Treasurer

Exhibit 10.11

EXECUTION VERSION

FINANCED CONDITIONAL NOVATION AGREEMENT

THIS FINANCED CONDITIONAL NOVATION AGREEMENT, dated as of January 23, 2020 (this "Agreement") is entered into among BRISTOW GROUP INC., a Delaware corporation ("Transferor"), ERA GROUP INC., a Delaware corporation ("Transferee"), and PK AIRFINANCE S.À R.L., a company organized and existing under the applicable laws of Luxembourg, having its registered office at 6-d route de Trèves, L-2633 Senningerberg, Luxembourg, in its capacity as security trustee (the "Remaining Party") under the Credit Agreement (as defined below).

RECITALS

WHEREAS, Transferor executed and delivered to the Remaining Party that certain Guarantee, dated as of July 17, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guarantee"), which is set forth in Schedule 1 hereto and was made in respect of that certain Credit Agreement of even date therewith (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among Bristow Equipment Leasing Ltd., as the borrower, PK AirFinance S.à r.l,, as agent, the Remaining Party, as security trustee, and the financial institutions named therein as lenders in respect of the financing or refinancing, as the case may be, of the Aircraft listed in Schedule 2 hereto (capitalized words used herein and not otherwise defined having the meanings assigned to such terms in the Guarantee).

WHEREAS, upon the consummation of that certain Agreement and Plan of Merger of even date herewith by and among Transferee, Ruby Redux Merger Sub, Inc., a Delaware corporation ("Merger Sub"), and Transferor (the "Merger Agreement"), each of Transferor and Transferee desires that the Remaining Party (acting on the instructions of all of the Lenders) (1) waives compliance with the requirements of Section 4.6 of the Guarantee, and (2) agrees in accordance with Section 8.4 of the Guarantee, and in consideration for such waiver and agreement and other valuable consideration, that Transferor transfer by novation to Transferee, and Transferee accept (on the terms set forth herein) the transfer by novation of, all the rights, duties, liabilities and obligations of Transferor under and in respect of the Guarantee, in exchange for Transferee's assumption of the same duties, liabilities and obligations; and

WHEREAS, the parties hereto desire to enter into this Agreement as of the date hereof (the "Effective Date") prior to the date of the consummation of the transaction contemplated by the Merger Agreement (the "Novation Date"), in order to establish the process for and conditions under which such novation shall occur;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby irrevocably agree as follows:

1. Novation and Transfer. With effect from and including the Novation Date:

    a. Transferor transfers by novation to Transferee, and Transferee accepts the transfer by novation of, all the rights, duties, liabilities and obligations of Transferor, regardless of whether such rights, duties, liabilities or obligations occurred or existed prior to, or occur or exist after, the Novation Date, and the Remaining Party accepts Transferee as its sole counterparty with respect to the Guarantee as if Transferee was named as the Guarantor therein on the date the Guarantee was entered into.

    b. Transferee hereby agrees to be bound by the Guarantee in accordance with its terms and conditions as if Transferee had at all times been a party to the Guarantee in place of Transferor.

c. Transferee hereby (i) makes all recitals, representations, warranties, covenants (including, for the avoidance of doubt, Sections 4.9 and 4.10 of the Guarantee) and agreements made by Transferor in, and (ii) assumes and agrees to perform all obligations, duties, and liabilities of Transferor under (including all such obligations, duties and liabilities arising prior to the Novation Date), the Guarantee as if Transferee had at all times been a party to the Guarantee as the Guarantor.

d. Transferor and the Remaining Party each releases and discharges the other from further obligations or liabilities under or with respect to the Guarantee (to the extent arising under the Guarantee) and their respective rights against each other thereunder are cancelled.

e. The Guarantee shall be deemed novated and constitute a guaranty and indemnity given by the Transferee to the Remaining Party on the terms set forth therein.

f. For all purposes of the Credit Agreement and each other Loan Document that incorporates the definitions of the Credit Agreement, the "Guarantor" shall mean Transferee.

2. Conditions to Effective Date and Novation Date; Effectiveness Under Guarantee.

a. The Effective Date of this Agreement is subject to the receipt by the parties hereto of counterparts of this Agreement executed by Transferor, Transferee and the Remaining Party.

b. The Novation Date of this Agreement is subject to the occurrence of the Effective Date, the consummation of the Merger Agreement, and the satisfaction (or waiver) of the following conditions precedent:

i. Receipt by the Remaining Party of a certificate signed by the officer of Transferee certifying as to the consummation and effectiveness of the Merger Agreement and the satisfaction of the conditions to the occurrence of the Novation Date, and certifying that all approvals, consents, orders, or authorizations of, or filings or registrations with, any Governmental Authority or any third party necessary for the effectiveness of the transactions contemplated hereby, or the legality, validity, binding effect or enforceability of the Transferee's obligations hereunder (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity), have been obtained or made;

ii. The absence of any action or proceeding or governmental action having been instituted or threatened in writing before any court or governmental authority, or any order, judgment, or decree having been issued or proposed in writing to be issued by any court or governmental authority on the Novation Date to set aside, restrain, enjoin or prevent the transactions contemplated hereby; and

iii. Receipt by the Remaining Party of an incumbency certificate or equivalent corporate authority of the Transferee naming the persons authorized to execute this Agreement and certifying as to such authority, and an opinion of Transferee's counsel confirming that the Guarantee is the legal, valid and binding obligation of Transferee, enforceable against Transferee, in accordance with its terms and otherwise in form and substance reasonably acceptable to the Remaining Party (with reasonable and customary assumptions and qualifications).

3. Representations and Warranties. By their execution hereof, Transferor and Transferee (for the purposes of this Section, each a "Novation Party") hereby represent and warrant to the Remaining Party as follows:

   a. Each such Novation Party is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

   b. Such Novation Party has the right, power and authority and has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement in accordance with its terms; and

   c. This Agreement has been duly executed and delivered by its duly authorized officers, and constitutes the legal, valid and binding obligation of such Novation Party, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

4. Miscellaneous.

   a. Acknowledgment. The Remaining Party acknowledges that Transferor will merge with Merger Sub on the Novation Date; but Transferee will not be party to such merger and, as a consequence of the occurrence of the Novation Date, Transferee will be bound by the Guarantee, so the merger of Transferor and Merger Sub will not require compliance with Section 4.6 of the Guarantee, and, to the extent compliance is required by Section 4.6 of the Guarantee because such merger is a condition precedent to the Novation Date, the Remaining Party (acting on the instructions of all of the Lenders), pursuant to Section 8.4 of the Guarantee, hereby waives Transferor's compliance with the requirements of such Section.

   b. Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof other than Section 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York. Without limiting the foregoing, the terms of Sections 9.2 to 9.4 (including the appointment by the Guarantor of an agent by the Transferee as its agent for the service of process in New York with respect to any dispute arising out of or relating to this Agreement) are hereby incorporated herein by reference, *mutatis mutandis*.

   c. Counterparts; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

   d. Severability. If any provision of this Amendment is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

e. Loan Document. This Agreement shall constitute a "Loan Document" under and as defined in the Credit Agreement or other Loan Document that incorporates the defined terms of the Credit Agreement.

f. Entirety. This Agreement represent the entire agreement of the parties hereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the transactions contemplated herein.

g. Further Assurances. Each party hereto agrees to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by another party for carrying out the purposes of this Agreement.

h. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

i. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.

j. Third Parties. The provisions of Section 1.3 of the Guarantee are hereby incorporated herein by reference, *mutatis mutandis*.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TRANSFEROR:

BRISTOW GROUP INC.

By: /s/ Brian J. Allman
Name: Brian J. Allman
Title: Senior Vice President and Chief Fiancial Officer

TRANSFEREE:

ERA GROUP INC.

By: /s/ Christopher S. Bradshaw
Name: Christopher S. Bradshaw
Title: President & Chief Executive Officer

REMAINING PARTY:

PK AIRFINANCE S.À R.L.,
as Security Trustee

By: /s/ Yvonne Chenery
Name: Yvonne Chenery
Title: SVP Contracts

By: /s/ Frank Withofs
Name: Frank Withofs
Title: Treasurer, SVP Portfolio Manager

SCHEDULE 2
AIRCRAFT

No.	MSN	Model No.	Borrower
1.	31310	AW139	Bristow Equipment Leasing Ltd.
2.	31583	AW139	Bristow Equipment Leasing Ltd.
3.	41339	AW139	Bristow Equipment Leasing Ltd.
4.	41370	AW139	Bristow Equipment Leasing Ltd.
5.	41378	AW139	Bristow Equipment Leasing Ltd.
6.	761044	S-76D	Bristow Equipment Leasing Ltd.
7.	761045	S-76D	Bristow Equipment Leasing Ltd.
8.	761046	S-76D	Bristow Equipment Leasing Ltd.
9.	761070	S-76D	Bristow Equipment Leasing Ltd.
0.	761071	S-76D	Bristow Equipment Leasing Ltd.
1.	920011	S-92A	Bristow Equipment Leasing Ltd.
2.	920012	S-92A	Bristow Equipment Leasing Ltd.
3.	920025	S-92A	Bristow Equipment Leasing Ltd.
4.	920065	S-92A	Bristow Equipment Leasing Ltd.
5.	920066	S-92A	Bristow Equipment Leasing Ltd.
6.	920068	S-92A	Bristow Equipment Leasing Ltd.
7.	920070	S-92A	Bristow Equipment Leasing Ltd.
8.	920075	S-92A	Bristow Equipment Leasing Ltd.
9.	920082	S-92A	Bristow Equipment Leasing Ltd.
10.	920103	S-92A	Bristow Equipment Leasing Ltd.
11.	920124	S-92A	Bristow Equipment Leasing Ltd.
12.	920159	S-92A	Bristow Equipment Leasing Ltd.
13.	920221	S-92A	Bristow Equipment Leasing Ltd.
14.	920228	S-92A	Bristow Equipment Leasing Ltd.

CONDITIONAL NOVATION AGREEMENT

THIS CONDITIONAL NOVATION AGREEMENT, dated as of May 29, 2020 (this "Agreement"), is entered into among BRISTOW GROUP INC., a Delaware corporation ("Transferor"), ERA GROUP INC., a Delaware corporation ("Transferee"), BRISTOW AIRCRAFT LEASING LIMITED, a company limited by shares incorporated under the law of England and Wales, as the borrower ("Borrower"), LOMBARD NORTH CENTRAL PLC, in its capacity as administrative agent for the Lenders under the Credit Agreement (as hereafter defined) ("Administrative Agent"), LOMBARD NORTH CENTRAL PLC, in its capacity as security trustee for the Lenders under the Credit Agreement (as hereinafter defined) ("Security Trustee"), and LOMBARD NORTH CENTRAL PLC, as sole lender ("Sole Lender"; the Administrative Agent, Security Trustee, and Sole Lender, collectively the "Remaining Party").

RECITALS

WHEREAS, Transferor executed and delivered to the Remaining Party that certain Guaranty, dated as of January 20, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guaranty"), which is made in respect of that certain Term Loan Credit Agreement, dated as of November 11, 2016 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Borrower, Administrative Agent, Security Trustee, and the financial institutions named therein as lenders (capitalized words used herein but not otherwise defined have the meaning assigned to such terms in the Guaranty);

WHEREAS, upon the consummation of that certain Agreement and Plan of Merger, dated January 23, 2020, by and among Transferee, Ruby Redux Merger Sub, Inc., a Delaware corporation ("Merger Sub"), and Transferor (the "Merger Agreement"), Transferor desires to transfer by novation to Transferee, and Transferee agrees to accept (on the terms set forth herein) the transfer by novation of all the rights and obligations of Transferor under and in respect of the Guaranty, in exchange for Transferee's assumption of the same obligations; and

WHEREAS, the parties hereto desire to enter into this Agreement as of the date hereof (the "Effective Date") prior to the date of the consummation of the transaction contemplated by the Merger Agreement (the "Novation Date"), in order to establish the process for and conditions under which such novations shall occur;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby irrevocably agree as follows:

1. Novation and Transfer. With effect from and including the Novation Date:

    a. Transferor transfers by novation to Transferee, and Transferee accepts the transfer by novation of all the rights, duties and obligations of Transferor, and the Remaining Party accepts Transferee as its sole counterparty with respect the Guaranty.

    b. Transferee hereby agrees to be bound by the Guaranty in accordance with its terms and conditions as if Transferee had at all times been a party to the Guaranty in place of Transferor.

    c. Transferee hereby (i) makes all representations, warranties, covenants and agreements made by Transferor in, and (ii) assumes all obligations, duties, and liabilities of Transferor under (including all such obligations, duties and liabilities arising prior to the Novation Date) the Guaranty as if Transferee had at all times been a party to the Guaranty.

d. Transferor and the Remaining Party each releases and discharges the other from further obligations or liabilities under or with respect to the Guaranty (to the extent arising under the Guaranty) and their respective rights against each other thereunder are cancelled.

e. For all purposes of the Credit Agreement and the other Loan Documents, the "Guarantor" shall mean Transferee.

2. Conditions to Effective Date and Novation Date; Effectiveness Under Guaranty.

a. The Effective Date of this Agreement is subject to the receipt by the parties hereto of counterparts of this Agreement executed by Transferor, Transferee and the Remaining Party.

b. The Novation Date of this Agreement is subject to the occurrence of the Effective Date, the consummation of the Merger Agreement, and the satisfaction (or waiver) of the following conditions precedent:

i. Receipt by the Administrative Agent of a certificate signed by the officer of Transferee certifying as to the consummation and effectiveness of the Merger Agreement; and

ii. Receipt by the Administrative Agent of an opinion of Transferee's counsel confirming that the Guaranty is the legal, valid and binding obligation of Transferee, enforceable against Transferee in accordance with its terms and otherwise in form and substance reasonably acceptable to the Remaining Party (with reasonable and customary assumptions and qualifications).

3. Representations and Warranties.

a. By its execution hereof, each of Transferor, Transferee, Borrower, Administrative Agent, Security Trustee and Sole Lender (for the purposes of this Section, each a "Novation Party") hereby represents and warrants to the other parties hereto, on the Effective Date and Novation Date, as follows:

i. Each such Novation Party is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

ii. Such Novation Party has the right, power and authority and has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement in accordance with its terms; and

iii. This Agreement has been duly executed and delivered by its duly authorized officer, and constitutes the legal, valid and binding obligation of such Novation Party, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

b. By its execution hereof, the Administrative Agent represents and warrants to Transferor and Transferee, on the Effective Date and Novation Date, that Lender is the sole Lender under the Credit Agreement and no additional Lender consent is required to amend the Credit Agreement, to release Transferor under the Guaranty, to novate the Guaranty to Transferee, or to take any other action contemplated by this Agreement.

4. Miscellaneous.

a. Acknowledgment. Each Remaining Party acknowledges that Transferor will merge with Merger Sub on the Novation Date; but Transferee will not be party to such merger and, as a consequence of the occurrence of the Novation Date, Transferee will be bound by the Guaranty, so the merger of Transferor and Merger Sub will not require compliance with Section 10 of the Guaranty, and, to the extent compliance is required by Section 10 of the Guaranty because such merger is a condition precedent to the Novation Date, the applicable Remaining Party hereby confirms Transferor's compliance with the requirements of such Section.

b. Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof other than Section 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York. Without limiting the foregoing, the terms of Sections 9.2 and 9.3 of the Guaranty shall be incorporated herein by reference, *mutatis mutandis*.

c. Counterparts; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

d. Severability. If any provision of this Amendment is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

e. Loan Document. This Agreement shall constitute a “Loan Document” under and as defined in the Credit Agreement.

f. Entirety. This Agreement represents the entire agreement of the parties hereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the transactions contemplated herein.

g. Further Assurances. Each party hereto agrees to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by another party for carrying out the purposes of this Agreement.

h. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

i. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TRANSFEROR:

BRISTOW GROUP INC.

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Vice President and Treasurer

BORROWER:

BRISTOW AIRCRAFT LEASING LIMITED
as BORROWER

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Manager

TRANSFEREE:

ERA GROUP INC.

By: /s/ Chris Bradshaw
Name: Chris Bradshaw
Title: President & CEO

REMAINING PARTY:

LOMBARD NORTH CENTRAL PLC,
as SECURITY TRUSTEE

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

LOMBARD NORTH CENTRAL PLC,
as ADMINISTRATIVE AGENT

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

LOMBARD NORTH CENTRAL PLC,
as SOLE LENDER

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

CONDITIONAL NOVATION AGREEMENT

THIS CONDITIONAL NOVATION AGREEMENT, dated as of May 29, 2020 (this "Agreement"), is entered into among BRISTOW GROUP INC., a Delaware corporation ("Transferor"), ERA GROUP INC., a Delaware corporation ("Transferee"), BRISTOW U.S. LEASING LLC, a Delaware limited liability company ("Borrower"), LOMBARD NORTH CENTRAL PLC, in its capacity as administrative agent for the Lenders under the Credit Agreement (as hereafter defined) ("Administrative Agent"), LOMBARD NORTH CENTRAL PLC, in its capacity as security trustee for the Lenders under the Credit Agreement (as hereinafter defined) ("Security Trustee"), and LOMBARD NORTH CENTRAL PLC, as sole lender ("Sole Lender"; the Administrative Agent, Security Trustee, and Sole Lender, collectively the "Remaining Party").

RECITALS

WHEREAS, Transferor executed and delivered to the Remaining Party that certain Guaranty, dated as of December 19, 2016 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Guaranty"), which is made in respect of that certain Term Loan Credit Agreement, dated as of November 11, 2016 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Borrower, Administrative Agent, Security Trustee, and the financial institutions named therein as lenders (capitalized words used herein but not otherwise defined have the meaning assigned to such terms in the Guaranty);

WHEREAS, upon the consummation of that certain Agreement and Plan of Merger, dated January 23, 2020, by and among Transferee, Ruby Redux Merger Sub, Inc., a Delaware corporation ("Merger Sub"), and Transferor (the "Merger Agreement"), Transferor desires to transfer by novation to Transferee, and Transferee agrees to accept (on the terms set forth herein) the transfer by novation of all the rights and obligations of Transferor under and in respect of the Guaranty, in exchange for Transferee's assumption of the same obligations; and

WHEREAS, the parties hereto desire to enter into this Agreement as of the date hereof (the "Effective Date") prior to the date of the consummation of the transaction contemplated by the Merger Agreement (the "Novation Date"), in order to establish the process for and conditions under which such novations shall occur;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby irrevocably agree as follows:

1. Novation and Transfer. With effect from and including the Novation Date:

    a. Transferor transfers by novation to Transferee, and Transferee accepts the transfer by novation of all the rights, duties and obligations of Transferor, and the Remaining Party accepts Transferee as its sole counterparty with respect the Guaranty.

    b. Transferee hereby agrees to be bound by the Guaranty in accordance with its terms and conditions as if Transferee had at all times been a party to the Guaranty in place of Transferor.

    c. Transferee hereby (i) makes all representations, warranties, covenants and agreements made by Transferor in, and (ii) assumes all obligations, duties, and liabilities of Transferor under (including all such obligations, duties and liabilities arising prior to the Novation Date) the Guaranty as if Transferee had at all times been a party to the Guaranty.

d. Transferor and the Remaining Party each releases and discharges the other from further obligations or liabilities under or with respect to the Guaranty (to the extent arising under the Guaranty) and their respective rights against each other thereunder are cancelled.

e. For all purposes of the Credit Agreement and the other Loan Documents, the "Guarantor" shall mean Transferee.

2. Conditions to Effective Date and Novation Date; Effectiveness Under Guaranty.

a. The Effective Date of this Agreement is subject to the receipt by the parties hereto of counterparts of this Agreement executed by Transferor, Transferee and the Remaining Party.

b. The Novation Date of this Agreement is subject to the occurrence of the Effective Date, the consummation of the Merger Agreement, and the satisfaction (or waiver) of the following conditions precedent:

i. Receipt by the Administrative Agent of a certificate signed by the officer of Transferee certifying as to the consummation and effectiveness of the Merger Agreement; and

ii. Receipt by the Administrative Agent of an opinion of Transferee's counsel confirming that the Guaranty is the legal, valid and binding obligation of Transferee, enforceable against Transferee in accordance with its terms and otherwise in form and substance reasonably acceptable to the Remaining Party (with reasonable and customary assumptions and qualifications).

3. Representations and Warranties.

a. By its execution hereof, each of Transferor, Transferee, Borrower, Administrative Agent, Security Trustee and Sole Lender (for the purposes of this Section, each a "Novation Party") hereby represents and warrants to the other parties hereto, on the Effective Date and Novation Date, as follows:

i. Each such Novation Party is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

ii. Such Novation Party has the right, power and authority and has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement in accordance with its terms; and

iii. This Agreement has been duly executed and delivered by its duly authorized officer, and constitutes the legal, valid and binding obligation of such Novation Party, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

b. By its execution hereof, the Administrative Agent represents and warrants to Transferor and Transferee, on the Effective Date and Novation Date, that Lender is the sole Lender under the Credit Agreement and no additional Lender consent is required to amend the Credit Agreement, to release Transferor under the Guaranty, to novate the Guaranty to Transferee, or to take any other action contemplated by this Agreement.

4. Miscellaneous.

a. Acknowledgment. Each Remaining Party acknowledges that Transferor will merge with Merger Sub on the Novation Date; but Transferee will not be party to such merger and, as a consequence of the occurrence of the Novation Date, Transferee will be bound by the Guaranty, so the merger of Transferor and Merger Sub will not require compliance with Section 10 of the Guaranty, and, to the extent compliance is required by Section 10 of the Guaranty because such merger is a condition precedent to the Novation Date, the applicable Remaining Party hereby confirms Transferor's compliance with the requirements of such Section.

b. Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof other than Section 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York. Without limiting the foregoing, the terms of Sections 9.2 and 9.3 of the Guaranty shall be incorporated herein by reference, *mutatis mutandis*.

c. Counterparts; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

d. Severability. If any provision of this Amendment is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

e. Loan Document. This Agreement shall constitute a “Loan Document” under and as defined in the Credit Agreement.

f. Entirety. This Agreement represents the entire agreement of the parties hereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the transactions contemplated herein.

g. Further Assurances. Each party hereto agrees to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by another party for carrying out the purposes of this Agreement.

h. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

i. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TRANSFEROR:

BRISTOW GROUP INC.

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Vice President and Treasurer

BORROWER:

BRISTOW U.S. LEASING LLC
as BORROWER

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Manager

TRANSFEREE:

ERA GROUP INC.

By: /s/ Chris Bradshaw
Name: Chris Bradshaw
Title: President & CEO

REMAINING PARTY:

LOMBARD NORTH CENTRAL PLC,
as SECURITY TRUSTEE

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

LOMBARD NORTH CENTRAL PLC,
as ADMINISTRATIVE AGENT

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

LOMBARD NORTH CENTRAL PLC,
as SOLE LENDER

By: /s/ Richard Waters
Name: Richard Waters
Title: Attorney

CONDITIONAL NOVATION AND AMENDMENT AGREEMENT

THIS CONDITIONAL NOVATION AND AMENDMENT AGREEMENT, dated as of June 10, 2020 (this "Agreement"), is entered into among BRISTOW GROUP INC., a Delaware corporation ("Transferor"), ERA GROUP INC., a Delaware corporation ("Transferee"), BRISTOW U.S. LLC, a Louisiana limited liability company, as borrower ("Borrower"), MACQUARIE BANK LIMITED, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), MACQUARIE BANK LIMITED, in its capacity as the security agent for the Lenders (in such capacity, the "Security Agent"), and MACQUARIE LEASING LLC, as sole Lender ("MCQ Leasing") (each of MCQ Leasing, Administrative Agent and Security Agent, a "Remaining Party" and collectively, the "Remaining Parties").

RECITALS

WHEREAS, Transferor executed and delivered to the Remaining Parties and all other Lenders from time to time party to the Credit Agreement (as hereafter defined) that certain Parent Guaranty, dated as of March 7, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, including by the Omnibus Amendment dated as of October 31, 2019, the "Guaranty"), which is made in respect of that certain Term Loan Credit Agreement, dated as of February 1, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, including by the First Amendment to Term Loan Credit Agreement dated as of March 7, 2017, the Second Amendment to Term Loan Credit Agreement and Limited Waiver dated as of August 14, 2018 and the Omnibus Amendment dated as of October 31, 2019, the "Existing Credit Agreement", as amended hereby the "Amended Credit Agreement"), among Borrower, Administrative Agent, Security Agent, and the lenders from time to time party thereto (capitalized words used herein but not otherwise defined have the meaning assigned to such terms (whether by reference to another document or otherwise) in the Guaranty);

WHEREAS, Borrower, Administrative Agent and Security Agent entered into that certain Insurance Supplemental Agreement, dated as of February 1, 2017 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Existing Insurance Supplemental Agreement", as amended hereby, the "Amended Insurance Supplemental Agreement");

WHEREAS, Borrower, Administrative Agent, and Security Agent entered into that certain Maintenance, Operations, and Assignment Supplemental Agreement, dated as of February 1, 2017 (as amended, restated supplemented, replaced or otherwise modified from time to time, including by the Omnibus Amendment dated as of October 31, 2019, the "Existing Maintenance Supplemental Agreement", as amended hereby, the "Amended Maintenance Supplemental Agreement"; and, together with the Amended Credit Agreement and Amended Insurance Supplemental Agreement, the "Amended Loan Documents");

WHEREAS, upon the consummation of that certain Agreement and Plan of Merger, dated January 23, 2020, by and among Transferee, Ruby Redux Merger Sub, Inc., a Delaware corporation ("Merger Sub"), and Transferor (the "Merger Agreement"), (1) Transferor desires to transfer by novation to Transferee, and Transferee agrees to accept (on the terms set forth herein) the transfer by novation of all the rights and obligations of Transferor under and in respect of the Guaranty, in exchange for Transferee's assumption of the same obligations and (2) Transferee and the Remaining Parties desire to amend the Existing Credit Agreement, the Existing Insurance Supplemental Agreement, and the Existing Maintenance Supplemental Agreement as more fully described on Schedule 1; and

WHEREAS, the parties hereto desire to enter into this Agreement as of the date hereof (the "Effective Date") prior to the date of the consummation of the transaction contemplated by the Merger Agreement (such date, as confirmed by written notice to the Remaining Parties in the form set forth in Schedule 2 hereto, the "Novation Date"), in order to establish the process for and conditions under which such novations and amendments shall occur;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby irrevocably agree as follows:

1. Novation and Transfer. With effect from and including the Novation Date:

    a. Transferor releases each Remaining Party from all duties and obligations to Transferor, regardless of whether such rights, duties, liabilities or obligations occurred or existed prior to, or occur or exist after, the Novation Date, and the Transferor accepts that it has no further rights with respect to the Guaranty against each such Remaining Party.

    b. Each Remaining Party releases the Transferor from the Transferor's obligations, duties and liabilities to the Remaining Parties under the Guaranty and each Remaining Party agrees that it has no further rights against the Transferor under the Guaranty.

    c. Transferee hereby assumes all obligations, duties, and liabilities of Transferor under (including all such obligations, duties and liabilities arising prior to the Novation Date) the Guaranty as if Transferee had at all times been a party to the Guaranty.

    d. Each Remaining Party accepts the assumption by the Transferee of the obligations and liabilities under or with respect to the Guaranty (to the extent arising under the Guaranty) and each Remaining Party acknowledges that its obligations, duties and liabilities under or with respect to the Guaranty are owed to the Transferee.

    e. Each Remaining Party agrees not to assert against the Transferee any claim occurring prior to the Novation Date which it may have or have had against the Transferor under the Guaranty prior to the Novation Date.

2. Amendments. With effect from and including the Novation Date, the Transferee, the Borrower and the Remaining Parties hereby agree to amend each of the Existing Credit Agreement, the Existing Insurance Supplemental Agreement and the Existing Maintenance Supplemental Agreement as set forth in Schedule 1 attached hereto.

3. Conditions to Effective Date and Novation Date; Effectiveness Under Guaranty.

    a. The Effective Date of this Agreement is subject to the receipt by the parties hereto of counterparts of this Agreement executed by Transferor, Transferee and each Remaining Party.

    b. The novation, transfer and amendments set out in Sections 1 and 2 above are subject to the occurrence of the Effective Date, the consummation of the Merger Agreement, and the satisfaction (or waiver) of the following conditions precedent:

i. Receipt by the Administrative Agent of a certificate signed by an officer of Transferee certifying (1) as to the consummation and effectiveness of the Merger Agreement pursuant to the terms thereof, and (2) that the terms of the Merger Agreement on the Novation Date relating to the ownership structure of each of the Transferee and the Merger Sub are the same as those filed by Transferee with the United States Securities and Exchange Commission (the "SEC") on January 23, 2020 (the "filing date"), except that, to the extent that any terms of the Merger Agreement on the Novation Date that differ from those filed by Transferee with the SEC on the filing date, such differences not to include any terms specified in clause (2) above, such changes do not affect the ownership of Transferor, Transferee or Borrower and are not otherwise materially adverse to the interests of the Remaining Parties as compared to those filed by Transferee with the SEC on the filing date; and

ii. Receipt by the Administrative Agent of an opinion of Transferee's counsel confirming that the Guaranty is the legal, valid and binding obligation of Transferee substantially in the form provided to the Remaining Parties prior to the Effective Date or otherwise in form and substance reasonably acceptable to the Remaining Parties (with reasonable and customary assumptions, exceptions and qualifications).

4. Representations and Warranties.

a. To induce the Remaining Parties to enter into this Agreement, each of Transferor, Transferee and Borrower (for the purposes of this Section, each a "Bristow Party") hereby represents and warrants to the Remaining Parties as follows:

i. Each such Bristow Party is duly organized and validly existing under the laws of the jurisdiction of its organization or incorporation and, if relevant under such laws, in good standing;

ii. Such Bristow Party has the right, power and authority and has taken all necessary corporate or other action to authorize the execution, delivery and performance of this Agreement in accordance with its terms;

iii. The execution, delivery and performance by such Bristow Party of this Agreement (1) do not require any consent or approval or, registration or filing with, or any action by, any Governmental Authority, (2) will not violate any Requirements of Law applicable to such Bristow Party or any judgment, order or ruling of any Governmental Authority, (3) will not violate or result in a default under any indenture, material agreement or other material instrument binding on such Bristow Party or any of its assets or give rise to a right thereunder to require any payment to be made by such Bristow Party, and (4) will not result in the creation or imposition of any Lien on any asset of such Bristow Party prohibited under the Loan Documents;

iv. After giving effect to this Agreement, the representations and warranties contained in the Loan Documents are true and correct in all material respects (or, in the case of any such representation or warranty under the Loan Documents already qualified as to materiality, in all respects), except to the extent that such representations and warranties specifically refer to an earlier date (for the avoidance of doubt, any information heretofore delivered to a Remaining Party specifically describing the business, properties or affairs of the Transferor and as to which any representation or warranty was made in the Loan Documents shall not be deemed to be information describing the business, properties or affairs of the Transferee), and no Default or Event of Default has occurred and is continuing as of the date hereof; and

v. This Agreement has been duly executed and delivered by its duly authorized officer, and constitutes the legal, valid and binding obligation of such Bristow Party, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

b. By its execution hereof, the Administrative Agent represents and warrants to Transferor and Transferee that MCQ Leasing is the [sole] Lender under the Existing Credit Agreement and no additional Lender consent is required to amend the Existing Credit Agreement, the Existing Insurance Supplemental Agreement and the Existing Maintenance Supplemental Agreement, to release Transferor under the Guaranty, to novate the Guaranty to Transferee, or to take any other action contemplated by this Agreement.

5. Effect of Amendment. Except as set forth expressly herein, all terms of the Existing Credit Agreement, the Existing Insurance Supplemental Agreement, the Existing Maintenance Supplemental Agreement and the other Loan Documents shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the parties thereto. The execution, delivery and effectiveness of this Agreement shall not, except as expressly provided herein, (i) operate as a waiver of any right, power or remedy of the Lenders under the Existing Credit Agreement, the Existing Insurance Supplemental Agreement, the Existing Maintenance Supplemental Agreement or any other Loan Document or (ii) constitute a waiver of any provision of the Amended Loan Documents.

6. Costs and Expenses. The Borrower agrees to pay on demand all reasonable, out-of-pocket costs and expenses of the Administrative Agent, Security Agent and Lenders in connection with the preparation, execution and delivery of this Agreement, including, without limitation, the reasonable and documented fees and out-of-pocket expenses of outside counsel with respect thereto.

7. Miscellaneous.

a. Governing Law; Jurisdiction. This Agreement shall be construed in accordance with and be governed by the law (without giving effect to the conflict of law principles thereof other than Section 5-1401 and 5-1402 of the New York General Obligations Law) of the State of New York. Without limiting the foregoing, the terms of Section 11 of the Guaranty shall be incorporated herein by reference, *mutatis mutandis*.

b. Counterparts; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

c. Severability. If any provision of this Agreement is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

d. Loan Document. Upon its effectiveness pursuant to the terms hereof, this Agreement shall constitute a "Loan Document" for all purposes of the Amended Loan Documents.

e. Entirety. This Agreement represents the entire agreement of the parties hereto, and supersede all prior agreements and understandings, oral or written, if any, including any commitment letters or correspondence relating to the transactions contemplated herein.

f. Further Assurances. Each party hereto agrees to take such further actions and to execute, acknowledge and deliver all such further documents as are reasonably requested by another party for carrying out the purposes of this Agreement.

g. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.

h. Amendment. This Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TRANSFEROR:

BRISTOW GROUP INC.

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Vice President and Treasurer

BORROWER:

BRISTOW U.S. LLC,
as Borrower

By: /s/ Geoffrey L. Carpenter
Name: Geoffrey L. Carpenter
Title: Manager

TRANSFEREE:

ERA GROUP INC.

By: /s/ Chris Bradshaw
Name: Chris Bradshaw
Title: President & CEO

REMAINING PARTIES:

MACQUARIE BANK LIMITED,
as Security Agent

By: /s/ Peter Burton
Name: Peter Burton
Title: Attorney

By: /s/ Matthew Chapman
Name: Matthew Chapman
Title: Attorney

MACQUARIE BANK LIMITED,
as Administrative Agent

By: /s/ Peter Burton
Name: Peter Burton
Title: Attorney

By: /s/ Matthew Chapman
Name: Matthew Chapman
Title: Attorney

MACQUARIE LEASING LLC,
as sole Lender

By: /s/ Sarah Johnston
Name: Sarah Johnston
Title: Attorney

By: /s/ Greg Allen A'slinger
Name: Greg Allen A'slinger
Title: Attorney

SCHEDULE 1

AMENDMENTS TO EXISTING CREDIT AGREEMENT

The following amendments will be made to the Existing Credit Agreement on the Novation Date:

SECTION REF.	**DESCRIPTION**	**AMENDED PROVISION**
Existing Credit Agreement - Section 1.1	Definition of "Guarantor" shall be deleted and replaced with the following:	"Guarantor" shall mean Bristow Group Inc. (formerly known as Era Group Inc.)
Existing Credit Agreement - Section 1.1	The following definition of "Intermediate Owner" shall be added in the appropriate place alphabetically:	"Intermediate Owner" shall mean Bristow Holdings U.S. Inc. (formerly known as Bristow Group Inc.)
Existing Credit Agreement - Section 1.1	Definition of "Loan Party" shall be deleted and replaced with the following:	"Loan Party" shall mean, collectively or individually, the Borrower, the Intermediate Owner and the Guarantor, as the context requires.
Existing Credit Agreement - Section 1.1	Definition of "Material Adverse Effect" shall be deleted and replaced with the following:	"Material Adverse Effect" shall mean, with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singularly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences whether or not related, (i) a material adverse change in, or a material adverse effect on the business, assets, liabilities (actual or contingent), operations, or condition (financial or otherwise) of the Guarantor and its Subsidiaries, taken as a whole, or the Intermediate Owner and its Subsidiaries, taken as a whole, or (ii) a material impairment on the ability of the Borrower or of the Guarantor, to perform any of their respective material obligations under the Loan Documents or consummate the transactions described herein.
Existing Credit Agreement - Section 1.1	Definition of "Parent Guaranty" shall be deleted and replaced with the following:	"Parent Guaranty" means the Guaranty Agreement dated the Funding Date and otherwise amended and novated following the Funding Date, by the Guarantor in favor of the Lenders, the Security Agent and the Administrative Agent.
Existing Credit Agreement - Section 1.1	Definition of "Relevant Default" shall be deleted and replaced with the following:	"Relevant Default" means (i) a Default by the Borrower in respect of any payment obligation hereunder or (ii) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the Borrower, Intermediate Owner or the Guarantor or its debts, or any substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or (B) the appointment of a custodian, trustee, receiver, liquidator or other similar official for the Borrower, the Intermediate Owner or the Guarantor or for a substantial part of its assets.
Existing Credit Agreement - Section 8.1	Subsection (g) shall be deleted and replaced by the following:	(g) the Borrower, the Intermediate Owner or the Guarantor (whether as primary obligor or as guarantor or other surety) shall fail to make payments when due on any Indebtedness which individually or in the aggregate the principal amount thereof exceeds $50,000,000, or breach of any covenant contained in any agreement relating to such Indebtedness causing or permitting the acceleration of such Indebtedness after the giving of notice and the expiration of any applicable grace period;

SECTION REF.	DESCRIPTION	AMENDED PROVISION
Existing Credit Agreement - Section 8.1	Subsection (i) shall be deleted and replaced by the following:	(i) Borrower, the Intermediate Owner or the Guarantor shall (i) commence a voluntary case or other proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a custodian, trustee, receiver, liquidator or other similar official of it or any substantial part of its property, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (i) of this Section 8.1(i), (iii) apply for or consent to the appointment of a custodian, trustee, receiver, liquidator or other similar official for the Borrower, the Intermediate Owner or the Guarantor or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take any board action for the purpose of effecting any of the foregoing;
Existing Credit Agreement - Section 8.1	Subsection (j) shall be deleted and replaced by the following:	(j) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower, the Intermediate Owner or the Guarantor or its debts, or any substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency or other similar law now or hereafter in effect or (ii) the appointment of a custodian, trustee, receiver, liquidator or other similar official for the Borrower, the Intermediate Owner or the Guarantor or for a substantial part of its assets, and in any such case, such proceeding or petition shall remain undismissed for a period of 60 days or an order or decree approving or ordering any of the foregoing shall be entered;
Existing Credit Agreement - Section 8.1	Subsection (k) shall be deleted and replaced by the following:	(k) the Borrower, the Intermediate Owner or the Guarantor shall become unable to pay, shall admit in writing its inability to pay, or shall fail to pay generally, its debts as they become due;
Existing Credit Agreement - Section 8.1	Subsection (m) shall be deleted and replaced by the following:	(m) any final judgment or order for the payment of money in excess of $50,000,000 (but excluding any portion thereof that is subject to insurance coverage within applicable policy limits and where the insurer has not denied or contested coverage) is rendered against the Borrower, the Intermediate Owner or the Guarantor, which judgments, orders, fines, penalties, awards or impositions remain in effect for 30 days without being satisfied, discharged, stayed, deferred, or vacated;

AMENDMENT TO EXISTING INSURANCE SUPPLEMENTAL AGREEMENT

The following amendment will be made to the Existing Insurance Supplemental Agreement on the Novation Date:

SECTION REF.	**DESCRIPTION**	**AMENDED PROVISION**
Existing Insurance Supplemental Agreement – Clause (f)	Existing Insurance Supplemental Agreement - Clause (f) shall be deleted and replaced by the following:	Self-Insurance. The Borrower (or any of its Affiliates, on its behalf) may self-insure (by deductible, premium adjustment, or risk retention arrangement of any kind) the insurance required to be maintained hereunder pursuant to the Guarantor's global aviation placement, subject to an aggregate limit of $5,000,000.00. For the avoidance of doubt, the term "Guarantor's global aviation placement" set forth in this clause (f) of the Insurance Supplemental Agreement shall include Guarantor's global aviation placement and/or Intermediate Owner's global aviation placement, whether separate or combined, applicable to the Aircraft. The Borrower agrees to give the Security Agent prompt notice of any damage to or loss of, the Aircraft, or any part thereof.

AMENDMENT TO EXISTING MAINTENANCE SUPPLEMENTAL AGREEMENT

The following amendment will be made to the Existing Maintenance Supplemental Agreement on the Novation Date:

SECTION REF.	DESCRIPTION	AMENDED PROVISION
Existing Maintenance Supplemental Agreement – Section 2(l)	The following Amended Provision shall be added after the last sentence in Section 2(l), as a new paragraph:	The Borrower, or any successor or assign, covenants that if a new or modified Maintenance Program Agreement is entered into in order to combine the aircraft fleets of Intermediate Owner and Parent, upon request by the Administrative Agent and to the extent not prohibited by a confidentiality agreement, Borrower shall (or shall cause its Affiliate to) promptly provide to the Administrative Agent summaries of the Maintenance Program Agreement; provided, that the Administrative Agent acknowledges that (i) a Maintenance Provider may require that the Administrative Agent and other relevant Finance Parties enter into a non-disclosure agreement as a condition to the Administrative Agreement and other relevant Finance Parties receiving a copy of the related Maintenance Program Agreement, (ii) a Maintenance Provider may require that certain provisions of the related Maintenance Program Agreement be redacted, and (iii) a Maintenance Provider may refuse to permit Borrower (or Borrower's Affiliate) to disclose to the Administrative Agent and other relevant Finance Parties the related Maintenance Program Agreement; and provided, further, however that Borrower may redact certain provisions of the related Maintenance Program Agreement which Borrower reasonably considers confidential as it relates to certain business or economic terms and conditions or as it relates to aircraft other than the Aircraft, notwithstanding that the relevant Maintenance Provider has not required redaction of such provisions. Notwithstanding anything to the contrary contained herein, provided that Borrower has used commercially reasonable efforts to comply with its obligations under this Section 2(l), the failure by Borrower to provide the Administrative Agent and other relevant Finance Parties with summaries of a Maintenance Program Agreement shall not constitute a Default or an Event of Default. Each of the Administrative Agent and Borrower agrees (and shall cause its Affiliate to) comply with the terms of and provisions of the Maintenance Program Agreement in regard to any owner and operator side letters, acknowledgments or consents required to be provided by the parties to the Maintenance Provider in respect of the Maintenance Program Agreement and to provide signed copies of any such owner and operator side letters, acknowledgements or consents to the other party as were provided at the time of the initial closing on this Loan Agreement.

SCHEDULE 2

FORM OF CONFIRMATION OF NOVATION DATE

[___], 2020

Macquarie Bank Limited
Level 5, 50 Martin Place
Sydney NSW 2000
Australia
Attention: Jonathan Watkinson, Peter Burton
E-mail: jonathan.watkinson@macquarie.com, peter.burton@macquarie.aero

Macquarie Leasing LLC
Two Embarcadero Center
Suite #200
San Francisco, CA 94111
Attention: John Petkovic, Sarah Johnston
E-mail: john.petkovic@macquarie.aero, sarah.johnston@macquarie.aero

Re: Confirmation of Novation Date

Ladies & Gentlemen:

Reference is hereby made to the Conditional Novation and Amendment Agreement dated as of [___], 2020 by and among Transferor, as transferor, Transferee, as transferee, Borrower, as borrower, Macquarie Bank Limited, as administrative agent, Macquarie Bank Limited, as security agent and Macquarie Leasing LLC, as lender (the "**Conditional Novation**") pertaining to the novation and amendment of each of the Existing Credit Agreement, the Existing Insurance Supplemental Agreement and the Existing Maintenance Supplemental Agreement (each as defined in the Conditional Novation). Any and all initially capitalized terms used herein shall have the meanings ascribed thereto in the Conditional Novation, unless specifically defined herein.

In accordance with the Conditional Novation, the undersigned hereby confirm that the transaction contemplated by the Merger Agreement has occurred today, _____, 2020, which such date shall be the "Novation Date" for all purposes of the Conditional Novation.

[SIGNATURE PAGE FOLLOWS]

Sincerely,

BRISTOW HOLDINGS U.S. INC.,
f/k/a Bristow Group Inc.

By: _____
Name:
Title:

BRISTOW GROUP INC.,
f/k/a Era Group Inc.

By: _____
Name:
Title:

BRISTOW U.S. LLC,
as Borrower

By: _____
Name:
Title:

Exhibit 10.12

INDEMNIFICATION AGREEMENT

This Indemnification Agreement, dated as of **[_____]**, 2020 (this "Agreement"), is made by and between Bristow Group Inc., a Delaware corporation (the "Company"), and **[_____]** ("Indemnitee").

RECITALS:

A. Section 141 of the Delaware General Corporation Law provides that the business and affairs of a corporation shall be managed by or under the direction of its board of directors.

B. By virtue of the managerial prerogatives vested in the directors of a Delaware corporation, directors act as fiduciaries of the corporation and its stockholders.

C. Thus, it is critically important to the Company and its stockholders that the Company be able to attract and retain the most capable persons reasonably available to serve as directors of the Company.

D. In recognition of the need for corporations to be able to induce capable and responsible persons to accept positions in corporate management, Delaware law authorizes (and in some instances requires) corporations to indemnify their directors and officers, and further authorizes corporations to purchase and maintain insurance for the benefit of their directors and officers.

E. Both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against officers and directors of public companies in today's environment.

F. The Delaware courts have recognized that indemnification by a corporation serves the dual policies of (1) allowing corporate officials to resist unjustified lawsuits, secure in the knowledge that, if vindicated, the corporation will bear the expense of litigation, and (2) encouraging capable persons to serve as corporate directors and officers, secure in the knowledge that the corporation will absorb the costs of defending their honesty and integrity.

G. Under Delaware law, a director's right to be reimbursed for the costs of defense of criminal actions, whether such claims are asserted under state or federal law, does not depend upon the merits of the claims asserted against the director and is separate and distinct from any right to indemnification the director may be able to establish.

H. Indemnitee is, or will be, a director or officer of the Company and his or her willingness to serve in such capacity is predicated, in substantial part, upon the Company's willingness to indemnify him or her in accordance with the principles reflected above, to the fullest extent permitted by the laws of the State of Delaware, and upon the other undertakings set forth in this Agreement.

I. Therefore, in recognition of the need to provide Indemnitee with substantial protection against personal liability, in order to procure Indemnitee's continued service as a director or officer of the Company and to enhance Indemnitee's ability to serve the Company in an effective manner, and in order to provide such protection pursuant to express contract rights (intended to be enforceable irrespective of, among other things, any amendment to the Company's certificate of incorporation or bylaws (collectively, the "Constituent Documents"), any change in the composition of the Company's Board of Directors (the "Board") or any change-in-control or business combination transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancement of Expenses to Indemnitee as set forth in this Agreement and for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

J. In light of the considerations referred to in the preceding recitals, it is the Company's intention and desire that the provisions of this Agreement be construed liberally, subject to their express terms, to maximize the protections to be provided to Indemnitee hereunder.

AGREEMENT:

NOW, THEREFORE, the parties hereby agree as follows:

1. Certain Definitions. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "Change in Control" means the occurrence after the date of this Agreement of any of the following events:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing 25% or more of the Company's then outstanding Voting Securities unless the change in relative Beneficial Ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors;

(ii) the consummation of a reorganization, merger or consolidation, unless immediately following such reorganization, merger or consolidation, all of the Beneficial Owners of the Voting Securities of the Company immediately prior to such transaction beneficially own, directly or indirectly, more than 50% of the combined voting power of the outstanding Voting Securities of the entity resulting from such transaction;

(iii) during any period of two consecutive years, not including any period prior to the execution of this Agreement, individuals who at the beginning of such period constituted the Board (including for this purpose any new directors whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved) cease for any reason to constitute at least a majority of the Board; or

(iv) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

(b) "Claim" means (i) any threatened, asserted, pending or completed claim, demand, action, suit or proceeding, whether civil, criminal, administrative, arbitrative, investigative or other, and whether made pursuant to federal, state or other law; and (ii) any inquiry or investigation, whether made, instituted or conducted, by the Company or any other Person, including without limitation any federal, state or other governmental entity, that Indemnitee determines might lead to the institution of any such claim, demand, action, suit or proceeding. For the avoidance of doubt, the Company intends indemnity to be provided hereunder in respect of acts or failure to act prior to, on or after the date hereof.

(c) "Controlled Affiliate" means any corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit, that is directly or indirectly controlled by the Company. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity or enterprise, whether through the ownership of voting securities, through other voting rights, by contract or otherwise; provided that direct or indirect beneficial ownership of capital stock or other interests in an entity or enterprise entitling the holder to cast 15% or more of the total number of votes generally entitled to be cast in the election of directors (or persons performing comparable functions) of such entity or enterprise shall be deemed to constitute control for purposes of this definition.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Claim in respect of which indemnification is sought by Indemnitee.

(e) "Expenses" means attorneys' and experts' fees and expenses and all other costs and expenses paid or payable in connection with investigating, defending, being a witness in or participating in (including on appeal), or preparing to investigate, defend, be a witness in or participate in (including on appeal), any Claim.

(f) "Indemnifiable Claim" means any Claim based upon, arising out of or resulting from (i) any actual, alleged or suspected act or failure to act by Indemnitee in his or her capacity as a director, officer, employee or agent of the Company or as a director, officer, employee, member, manager, trustee or agent of any other corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit, as to which Indemnitee is or was serving at the request of the Company, (ii) any actual, alleged or suspected act or failure to act by Indemnitee in respect of any business, transaction, communication, filing, disclosure or other activity of the Company or any other entity or enterprise referred to in clause (i) of this sentence, or (iii) Indemnitee's status as a current or former director, officer, employee or agent of the Company or as a current or former director, officer, employee, member, manager, trustee or agent of the Company or any other entity or enterprise referred to in clause (i) of this sentence or any actual, alleged or suspected act or failure to act by Indemnitee in connection with any obligation or restriction imposed upon Indemnitee by reason of such status. In addition to any service at the actual request of the Company, for purposes of this Agreement, Indemnitee shall be deemed to be serving or to have served at the request of the Company as a director, officer, employee, member, manager, agent, trustee or other fiduciary of another entity or enterprise if Indemnitee is or was serving as a director, officer, employee, member, manager, agent, trustee or other fiduciary of such entity or enterprise and (A) such entity or enterprise is or at the time of such service was a Controlled Affiliate, (B) such entity or enterprise is or at the time of such service was an employee benefit plan (or related trust) sponsored or maintained by the Company or a Controlled Affiliate, or (C) the Company or a Controlled Affiliate (by action of the Board, any committee thereof or the Company's Chief Executive Officer ("CEO") (other than as the CEO him or herself)) caused or authorized Indemnitee to be nominated, elected, appointed, designated, employed, engaged or selected to serve in such capacity.

(g) "Indemnifiable Losses" means any and all Losses relating to, arising out of or resulting from any Indemnifiable Claim; provided, however, that Indemnifiable Losses shall not include Losses incurred by Indemnitee in respect of any Indemnifiable Claim (or any matter or issue therein) as to which Indemnitee shall have been adjudged liable to the Company, unless and only to the extent that the Delaware Court of Chancery or the court in which such Indemnifiable Claim was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such Expenses as the court shall deem proper.

(h) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company (or any subsidiary of the Company) or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements) or (ii) any other named (or, as to a threatened matter, reasonably likely to be named) party to the Indemnifiable Claim giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(i) "Losses" means any and all Expenses, damages, losses, liabilities, judgments, fines, penalties (whether civil, criminal or other) and amounts paid or payable in settlement, including without limitation all interest, assessments and other charges paid or payable in connection with or in respect of any of the foregoing.

(j) "Person" means any individual, entity, or group, within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended.

(k) "Standard of Conduct" means the standard for conduct by Indemnitee that is a condition precedent to indemnification of Indemnitee hereunder against Indemnifiable Losses relating to, arising out of or resulting from an Indemnifiable Claim. The Standard of Conduct is (i) good faith and reasonable belief by Indemnitee that his or her action was in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, that Indemnitee had no reasonable cause to believe that his or her conduct was unlawful, or (ii) any other applicable standard of conduct that may hereafter be substituted under Section 145(a) or (b) of the Delaware General Corporation Law or any successor to such provision(s).

2. Indemnification Obligation. Subject only to Section 7 and to the proviso in this Section, the Company shall indemnify, defend and hold harmless Indemnitee, to the fullest extent permitted or required by the laws of the State of Delaware in effect on the date hereof or as such laws may from time to time hereafter be amended to increase the scope of such permitted indemnification, against any and all Indemnifiable Claims and Indemnifiable Losses; provided, however, that, except as provided in Sections 4 and 23, Indemnitee shall not be entitled to indemnification pursuant to this Agreement in connection with any Claim initiated by Indemnitee against the Company or any director or officer of the Company unless the Company has joined in or consented to the initiation of such Claim. The Company acknowledges that the foregoing obligation may be broader than that now provided by applicable law and the Company's Constituent Documents and intends that it be interpreted consistently with this Section and the recitals to this Agreement.

3. Advancement of Expenses. Indemnitee shall have the right to advancement by the Company prior to the final disposition of any Indemnifiable Claim of any and all Expenses relating to, arising out of or resulting from any Indemnifiable Claim paid or incurred by Indemnitee or which Indemnitee determines in good faith are reasonably likely to be paid or incurred by Indemnitee and as to which Indemnitee's counsel provides supporting documentation. Without limiting the generality or effect of any other provision hereof, Indemnitee's right to such advancement is not subject to the satisfaction of any Standard of Conduct. Without limiting the generality or effect of the foregoing, within five business days after any request by Indemnitee that is accompanied by supporting documentation for specific Expenses to be reimbursed or advanced, the Company shall, in accordance with such request (but without duplication), (a) pay such Expenses on behalf of Indemnitee, (b) advance to Indemnitee funds in an amount sufficient to pay such Expenses, or (c) reimburse Indemnitee for such Expenses; provided that Indemnitee shall repay, without interest any amounts actually advanced to Indemnitee that, at the final disposition of the Indemnifiable Claim to which the advance related, were in excess of amounts paid or payable by Indemnitee in respect of Expenses relating to, arising out of or resulting from such Indemnifiable Claim. In connection with any such payment, advancement or reimbursement, at the request of the Company, Indemnitee shall execute and deliver to the Company an undertaking, which need not be secured and shall be accepted without reference to Indemnitee's ability to repay the Expenses, by or on behalf of the Indemnitee, to repay any amounts paid, advanced or reimbursed by the Company in respect of Expenses relating to, arising out of or resulting from any Indemnifiable Claim in respect of which it shall have been determined, following the final disposition of such Indemnifiable Claim and in accordance with Section 7, that Indemnitee is not entitled to indemnification hereunder.

4. Indemnification for Additional Expenses. Without limiting the generality or effect of the foregoing, the Company shall indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, shall reimburse Indemnitee for, or advance to Indemnitee, within five business days of such request accompanied by supporting documentation for specific Expenses to be reimbursed or advanced, any and all Expenses paid or incurred by Indemnitee or which Indemnitee determines in good faith are reasonably likely to be paid or incurred by Indemnitee in connection with any Claim made, instituted or conducted by Indemnitee for (a) indemnification or reimbursement or advance payment of Expenses by the Company under any provision of this Agreement, or under any other agreement or provision of the Constituent Documents now or hereafter in effect relating to Indemnifiable Claims, and/or (b) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless in each case of whether Indemnitee ultimately is determined to be entitled to such indemnification, reimbursement, advance or insurance recovery, as the case may be; provided, however, that Indemnitee shall return, without interest, any such advance of Expenses (or portion thereof) which remains unspent at the final disposition of the Claim to which the advance related.

5. Partial Indemnity. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Indemnifiable Loss but not for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

6. Procedure for Notification. To obtain indemnification under this Agreement in respect of an Indemnifiable Claim or Indemnifiable Loss, Indemnitee shall submit to the Company a written request therefor, including a brief description (based upon information then available to Indemnitee) of the nature of such Indemnifiable Claim or Indemnifiable Loss which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. If, at the time of the receipt of such request, the Company has directors' and officers' liability insurance in effect under which coverage for such Indemnifiable Claim or Indemnifiable Loss is potentially available, the Company shall give prompt written notice of such Indemnifiable Claim or Indemnifiable Loss to the applicable insurers in accordance with the procedures set forth in the applicable policies. The Company shall provide to Indemnitee a copy of such notice delivered to the applicable insurers and, upon Indemnitee's request, copies of all subsequent correspondence between the Company and such insurers regarding the Indemnifiable Claim or Indemnifiable Loss, in each case substantially concurrently with the delivery thereof by the Company. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. The failure by Indemnitee to timely notify the Company of any Indemnifiable Claim or Indemnifiable Loss shall not relieve the Company from any liability hereunder unless, and only to the extent that, the Company did not otherwise learn of such Indemnifiable Claim or Indemnifiable Loss and such failure results in forfeiture by the Company of substantial defenses, rights or insurance coverage.

7. Determination of Right to Indemnification.

(a) To the extent that Indemnitee shall have been successful on the merits or otherwise in defense of any Indemnifiable Claim or any portion thereof or in defense of any issue or matter therein, including without limitation dismissal without prejudice, Indemnitee shall be indemnified against all Indemnifiable Losses relating to, arising out of or resulting from such Indemnifiable Claim in accordance with Section 2 and no Standard of Conduct Determination (as defined in Section 7(b)) shall be required.

(b) To the extent that the provisions of Section 7(a) are inapplicable to an Indemnifiable Claim that shall have been finally disposed of, any determination of whether Indemnitee has satisfied the applicable Standard of Conduct (a "Standard of Conduct Determination") shall be made as follows: (i) if a Change in Control shall not have occurred, or if a Change in Control shall have occurred but Indemnitee shall have requested that the Standard of Conduct Determination be made pursuant to this clause (i), (A) by a majority vote of the Disinterested Directors, even if less than a quorum of the Board, (B) if such Disinterested Directors so direct, by a majority vote of a committee of Disinterested Directors designated by a majority vote of all Disinterested Directors, or (C) if there are no such Disinterested Directors, or if a majority of the Disinterested Directors so direct, by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee; and (ii) if a Change in Control shall have occurred and Indemnitee shall not have requested that the Standard of Conduct Determination be made pursuant to clause (i), by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee. Indemnitee shall cooperate with reasonable requests of the individual or firm making such Standard of Conduct Determination, including providing to such Person documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination without incurring any unreimbursed cost in connection therewith. The Company shall indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, shall reimburse Indemnitee for, or advance to Indemnitee, within five business days of such request accompanied by supporting documentation for specific costs and expenses to be reimbursed or advanced, any and all costs and expenses (including attorneys' and experts' fees and expenses) incurred by Indemnitee in so cooperating with the Person making such Standard of Conduct Determination.

(c) The Company shall use its reasonable efforts to cause any Standard of Conduct Determination required under Section 7(b) to be made as promptly as practicable. If (i) the Person empowered or selected under Section 7 to make the Standard of Conduct Determination shall not have made a determination within 30 calendar days after the later of (A) receipt by the Company of written notice from Indemnitee advising the Company of the final disposition of the applicable Indemnifiable Claim (the date of such receipt being the "Notification Date") and (B) the selection of an Independent Counsel, if such determination is to be made by Independent Counsel, that is permitted under the provisions of Section 7(e) to make such determination, and (ii) Indemnitee shall have fulfilled his or her obligations set forth in the second sentence of Section 7(b), then Indemnitee shall be deemed to have satisfied the applicable Standard of Conduct; provided that such 30-day period may be extended for a reasonable time, not to exceed an additional 30 calendar days, if the Person making such determination in good faith requires such additional time for the obtaining or evaluation or documentation and/or information relating thereto.

(d) If (i) Indemnitee shall be entitled to indemnification hereunder against any Indemnifiable Losses pursuant to Section 7(a), (ii) no determination of whether Indemnitee has satisfied any applicable standard of conduct under Delaware law is a legally required condition precedent to indemnification of Indemnitee hereunder against any Indemnifiable Losses, or (iii) Indemnitee has been determined or deemed pursuant to Section 7(b) or (c) to have satisfied the applicable Standard of Conduct, then the Company shall pay to Indemnitee, within five business days after the later of (x) the Notification Date in respect of the Indemnifiable Claim or portion thereof to which such Indemnifiable Losses are related, out of which such Indemnifiable Losses arose or from which such Indemnifiable Losses resulted and (y) the earliest date on which the applicable criterion specified in clause (i), (ii) or (iii) above shall have been satisfied, an amount equal to the amount of such Indemnifiable Losses. Nothing herein is intended to mean or imply that the Company is intending to use Section 145(f) of the Delaware General Corporation Law to dispense with a requirement that Indemnitee meet the applicable Standard of Conduct where it is otherwise required by such statute.

(e) If a Standard of Conduct Determination is required to be, but has not been, made by Independent Counsel pursuant to Section 7(b)(i), the Independent Counsel shall be selected by the Board or a Board Committee, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Standard of Conduct Determination is required to be, or to have been, made by Independent Counsel pursuant to Section 7(b)(ii), the Independent Counsel shall be selected by Indemnitee, and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either case, Indemnitee or the Company, as applicable, may, within five business days after receiving written notice of selection from the other, deliver to the other a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not satisfy the criteria set forth in the definition of "Independent Counsel" in Section 1(h), and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the Person so selected shall act as Independent Counsel. If such written objection is properly and timely made and substantiated, (i) the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit and (ii) the non-objecting party may, at its option, select an alternative Independent Counsel and give written notice to the other party advising such other party of the identity of the alternative Independent Counsel so selected, in which case the provisions of the two immediately preceding sentences and clause (i) of this sentence shall apply to such subsequent selection and notice. If applicable, the provisions of clause (ii) of the immediately preceding sentence shall apply to successive alternative selections. If no Independent Counsel that is permitted under the foregoing provisions of this Section 7(e) to make the Standard of Conduct Determination shall have been selected within 30 calendar days after the Company gives its initial notice pursuant to the first sentence of this Section 7(e) or Indemnitee gives its initial notice pursuant to the second sentence of this Section 7(e), as the case may be, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person or firm selected by the Court or by such other person as the Court shall designate, and the person or firm with respect to whom all objections are so resolved or the person or firm so appointed will act as Independent Counsel. In all events, the Company shall pay all of the actual and reasonable fees and expenses of the Independent Counsel incurred in connection with the Independent Counsel's determination pursuant to Section 7(b).

8. Presumption of Entitlement. It is the intention of the parties that this Agreement provide Indemnitee with rights to indemnification that are as favorable as may be permitted by Delaware law and the public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event that there is any question as to whether the Indemnitee is entitled to indemnification under this Agreement. Notwithstanding any other provision hereof, in making any Standard of Conduct Determination, the Person making such determination shall presume that Indemnitee has satisfied the applicable Standard of Conduct, if Indemnitee has submitted a request for indemnification in accordance with Section 6 of this Agreement, and the Company may overcome such presumption only by its adducing clear and convincing evidence to the contrary. Any Standard of Conduct Determination that is adverse to Indemnitee may be challenged by the Indemnitee in the Court of Chancery of the State of Delaware. No determination by the Company (including by its directors or any Independent Counsel) that Indemnitee has not satisfied any applicable Standard of Conduct shall be a defense to any Claim by Indemnitee for indemnification or reimbursement or advance payment of Expenses by the Company hereunder or create a presumption that Indemnitee has not met any applicable Standard of Conduct.

9. No Other Presumption. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere or its equivalent, will not create a presumption that Indemnitee did not meet any applicable Standard of Conduct or that indemnification hereunder is otherwise not permitted.

10. Reliance as Safe Harbor. For purposes of any Standard of Conduct Determination, Indemnitee shall be deemed to have complied with the Standard of Conduct if Indemnitee's action is based on the records or books of account of the Company or a Controlled Affiliate, including financial statements, or on information supplied to Indemnitee by the directors, officers or employees of the Company or a Controlled Affiliate in the course of their duties, or on the advice of legal counsel for the Company or a Controlled Affiliate or on information or records given or reports made to the Company or a Controlled Affiliate by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Company or a Controlled Affiliate. The provisions of this Section 10 shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the Standard of Conduct.

11. Actions of Others. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company or a Controlled Affiliate shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

12. Non Exclusivity. The rights of indemnification and to receive advancement of Expenses as provided to Indemnitee hereunder will be in addition to any other rights Indemnitee may have under the Constituent Documents, a vote of stockholders, a resolution of directors or the substantive laws of the Company's jurisdiction of incorporation, any other contract or otherwise (collectively, "Other Indemnity Provisions"); provided, however, that (a) to the extent that Indemnitee otherwise would have any greater right to indemnification under any Other Indemnity Provision, Indemnitee will without further action be deemed to have such greater right hereunder, and (b) to the extent that any change is made to any Other Indemnity Provision which permits any greater right to indemnification than that provided under this Agreement as of the date hereof, Indemnitee will be deemed to have such greater right hereunder. The Company may not, without the consent of Indemnitee, adopt any amendment to any of the Constituent Documents the effect of which would be to deny, diminish or encumber Indemnitee's right to indemnification under this Agreement or any Other Indemnity Provision.

13. Liability Insurance and Funding. For the duration of Indemnitee's service as a director and/or officer of the Company and for not less than six years thereafter, the Company shall use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof) to cause to be maintained in effect policies of directors' and officers' liability insurance providing coverage for Indemnitee that is at least as favorable in scope and amount to that provided by the Company's current policies of directors' and officers' liability insurance. Upon request, the Company shall provide Indemnitee or his or her counsel with a copy of all directors' and officers' liability insurance applications, binders, policies, declarations, endorsements and other related materials. In all policies of directors' and officers' liability insurance obtained by the Company, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits, subject to the same limitations, as are accorded to the Company's directors and officers most favorably insured by such policy. Notwithstanding the foregoing, the Company may, but shall not be required to, create a trust fund, grant a security interest or use other means, including without limitation a letter of credit, to ensure the payment of such amounts as may be necessary to satisfy its obligations to indemnify and advance expenses pursuant to this Agreement.

14. Subrogation. In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the related rights of recovery of Indemnitee against other Persons (other than Indemnitee's successors), including any entity or enterprise referred to in clause (i) of the definition of "Indemnifiable Claim" in Section 1(f). Indemnitee shall execute all papers reasonably required to evidence such rights (all of Indemnitee's reasonable Expenses, including attorneys' fees and charges, related thereto to be reimbursed by or, at the option of Indemnitee, advanced by the Company).

15. No Duplication of Payments. The Company shall not be liable under this Agreement to make any payment to Indemnitee in respect of any Indemnifiable Losses to the extent Indemnitee has otherwise already actually received payment (net of Expenses incurred in connection therewith) under any insurance policy, the Constituent Documents and Other Indemnity Provisions or otherwise (including from any entity or enterprise referred to in clause (i) of the definition of "Indemnifiable Claim" in Section 1(f)) in respect of such Indemnifiable Losses otherwise indemnifiable hereunder.

16. Defense of Claims. Subject to the provisions of applicable policies of directors' and officers' liability insurance, the Company shall be entitled to participate in the defense of any Indemnifiable Claim or to assume or lead the defense thereof with counsel reasonably satisfactory to the Indemnitee; provided that if Indemnitee determines, after consultation with counsel selected by Indemnitee, that (a) the use of counsel chosen by the Company to represent Indemnitee would present such counsel with an actual or potential conflict, (b) the named parties in any such Indemnifiable Claim (including any impleaded parties) include both the Company and Indemnitee and Indemnitee shall conclude that there may be one or more legal defenses available to him or her that are different from or in addition to those available to the Company, (c) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, or (d) Indemnitee has interests in the claim or underlying subject matter that are different from or in addition to those of other Persons against whom the Claim has been made or might reasonably be expected to be made, then Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel in respect of any particular Indemnifiable Claim for all indemnitees in Indemnitee's circumstances) at the Company's expense. The Company shall not be liable to Indemnitee under this Agreement for any amounts paid in settlement of any threatened or pending Indemnifiable Claim effected without the Company's prior written consent. The Company shall not, without the prior written consent of the Indemnitee, effect any settlement of any threatened or pending Indemnifiable Claim which the Indemnitee is or could have been a party unless such settlement solely involves the payment of money and includes a complete and unconditional release of the Indemnitee from all liability on any claims that are the subject matter of such Indemnifiable Claim. Neither the Company nor Indemnitee shall unreasonably withhold its consent to any proposed settlement; provided that Indemnitee may withhold consent to any settlement that does not provide a complete and unconditional release of Indemnitee.

17. Successors, Binding Agreement and Survival.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement shall be binding upon and inure to the benefit of the Company and any successor to the Company, including without limitation any Person acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "Company" for purposes of this Agreement), but shall not otherwise be assignable or delegable by the Company.

(b) This Agreement shall inure to the benefit of and be enforceable by the Indemnitee's personal or legal representatives, executors, administrators, heirs, distributees, legatees and other successors.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 17(a) and 17(b). Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder shall not be assignable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by the Indemnitee's will or by the laws of descent and distribution, and, in the event of any attempted assignment or transfer contrary to this Section 17(c), the Company shall have no liability to pay any amount so attempted to be assigned or transferred.

(d) For the avoidance of doubt, this Agreement shall survive and continue even though Indemnitee may have terminated his or her service as a director, officer, employee, agent or fiduciary of the Company or as a director, officer, employee, member, manager, trustee or agent of any other corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit, as to which Indemnitee is or was serving at the request of the Company.

18. Notices. For all purposes of this Agreement, all communications, including without limitation notices, consents, requests, demands or approvals, required or permitted to be given hereunder must be in writing and shall be deemed to have been duly given when hand delivered or dispatched by electronic facsimile or other electronic transmission (with receipt thereof orally confirmed), or one business day after having been sent for next day delivery by a nationally recognized overnight courier service, addressed to the Company (to the attention of the Secretary of the Company) and to Indemnitee at the applicable address shown on the signature page hereto, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

19. Enforcement. The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director of the Company.

20. Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by and construed in accordance with the substantive laws of the State of Delaware, without giving effect to the principles of conflict of laws of such State. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the Chancery Court of the State of Delaware for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement, waive all procedural objections to suit in that jurisdiction, including without limitation objections as to venue or inconvenience, agree that service in any such action may be made by notice given in accordance with Section 18 and also agree that any action instituted under this Agreement shall be brought only in the Chancery Court of the State of Delaware.

21. Validity. If any provision of this Agreement or the application of any provision hereof to any Person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other Person or circumstance shall not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent, and only to the extent, necessary to make it enforceable, valid or legal. In the event that any court or other adjudicative body shall decline to reform any provision of this Agreement held to be invalid, unenforceable or otherwise illegal as contemplated by the immediately preceding sentence, the parties thereto shall take all such action as may be necessary or appropriate to replace the provision so held to be invalid, unenforceable or otherwise illegal with one or more alternative provisions that effectuate the purpose and intent of the original provisions of this Agreement as fully as possible without being invalid, unenforceable or otherwise illegal.

22. Miscellaneous. No provision of this Agreement may be waived, modified, supplemented or discharged unless such waiver, modification, supplement or discharge is agreed to in writing signed by Indemnitee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party that are not set forth expressly in this Agreement.

23. Legal Fees and Expenses. It is the intent of the Company that Indemnitee not be required to incur legal fees and or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder. Accordingly, without limiting the generality or effect of any other provision hereof, if it should reasonably appear to Indemnitee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other Person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to improperly deny, or to improperly recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, the Company irrevocably authorizes the Indemnitee from time to time to retain counsel of Indemnitee's choice, at the expense of the Company as hereafter provided, to advise and represent Indemnitee in connection with any such interpretation, enforcement or defense, including without limitation the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other Person affiliated with the Company, in any jurisdiction. Without limiting the generality or effect of any other provision hereof or respect to whether Indemnitee prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for any and all attorneys' and related fees and expenses actually and reasonably incurred by Indemnitee in connection with any of the foregoing.

24. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Claim in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Claim; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

25. Certain Interpretive Matters. Unless the context of this Agreement otherwise requires, (a) "it" or "its" or words of any gender include each other gender, (b) words using the singular or plural number also include the plural or singular number, respectively, (c) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement, (d) the terms "Article," "Section," "Annex" or "Exhibit" refer to the specified Article, Section, Annex or Exhibit of or to this Agreement, (e) the terms "include," "includes" and "including" will be deemed to be followed by the words "without limitation" (whether or not so expressed), and (f) the word "or" is disjunctive but not exclusive. Whenever this Agreement refers to a number of days, such number will refer to calendar days unless business days are specified and whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time or by a particular date that ends or occurs on a non-business day, then such period or date will be extended until the immediately following business day. As used herein, "business day" means any day other than Saturday, Sunday or a United States federal holiday.

26. Entire Agreement. This Agreement and the Constituent Documents constitute the entire agreement, and supersede all prior agreements and understandings, both written and oral, between the parties hereto with respect to the subject matter of this Agreement. Any prior agreements or understandings between the parties hereto with respect to indemnification are hereby terminated and of no further force or effect.

27. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together shall constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Indemnitee has executed and the Company has caused its duly authorized representative to execute this Agreement as of the date first above written.

BRISTOW GROUP INC.

By:
Name:
Title:

INDEMNITEE

Name:

Address:

[Signature Page to Indemnification Agreement]

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Bristow Group Inc.:

We consent to the incorporation by reference in the registration statement No. 333-214402 on Form S-8 and No. 333-231879 on Form S-3 of Bristow Group Inc. (formerly Era Group Inc.) of our report dated June 11, 2020, with respect to the consolidated balance sheets of Bristow Group Inc. and subsidiaries as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the related consolidated statements of operations, comprehensive income (loss), cash flows, and stockholders' investment and redeemable noncontrolling interest for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) and for each of the two-year period ended March 31, 2019 (Predecessor), and the related notes (collectively, the consolidated financial statements), which report appears in the Form 8-K of Bristow Group Inc. dated June 17, 2020.

Our report refers to the change in the basis of presentation. The Company's consolidated financial statements as of March 31, 2020 and for the Successor period have been prepared in conformity with Accounting Standards Codification 852, Reorganizations, with the Company's assets, liabilities and a capital structure having carrying amounts not comparable with prior periods.

Our report refers to a change in accounting principle for leases as of April 1, 2019 due to the adoption of Accounting Standards Update (ASU) No. 2016-02, Leases (Topic 842), and subsequent amendments thereto.

/s/ KPMG LLP

Houston, Texas
June 17, 2020

Exhibit 99.1

Bristow Group Inc. and Subsidiaries

Consolidated Financial Statements

For the fiscal year ended March 31, 2020

KPMG LLP
811 Main Street
Houston, TX 77002

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Bristow Group Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Bristow Group Inc. and subsidiaries (the Company) as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the related consolidated statements of operations, comprehensive income (loss), cash flows, and stockholders' investment and redeemable noncontrolling interest for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) and for each of the years in the two-year period ended March 31, 2019 (Predecessor), and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), and the results of its operations and its cash flows for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) and for each of the years in the two-year period ended March 31, 2019 (Predecessor), in conformity with U.S. generally accepted accounting principles.

Basis of Presentation

As discussed in Note 1 to the consolidated financial statements, on October 8, 2019, the United States Bankruptcy Court for the Southern District of Texas entered an order confirming the Company's amended plan for reorganization under Chapter 11 of the Bankruptcy Code, which became effective on October 31, 2019. Accordingly, the accompanying consolidated financial statements as of March 31, 2020 and for the Successor period have been prepared in conformity with Accounting Standards Codification 852, *Reorganizations*, for the Successor as a new reporting entity with assets, liabilities and a capital structure having carrying amounts not comparable with prior periods as described in Note 1.

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for leases as of April 1, 2019 due to the adoption of Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842), and subsequent amendments thereto.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

KPMG LLP is a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2003.

Houston, Texas
June 11, 2020

BRISTOW GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
	(In thousands, except per share amounts)			
Gross revenue:				
Operating revenue from non-affiliates	$ 444,402	$ 692,305	$ 1,259,529	$ 1,317,295
Operating revenue from affiliates	23,323	30,614	48,378	56,142
Reimbursable revenue from non-affiliates	18,038	34,304	61,755	60,538
	485,763	757,223	1,369,662	1,433,975
Operating expense:				
Direct cost	370,741	574,216	1,079,747	1,123,287
Reimbursable expense	17,683	33,023	59,482	59,346
Pre-petition restructuring charges	—	13,476	—	—
Depreciation and amortization	28,238	70,864	124,899	124,042
General and administrative	71,413	88,555	182,113	184,987
	488,075	780,134	1,446,241	1,491,662
Loss on impairment	(9,591)	(62,101)	(117,220)	(91,400)
Loss on disposal of assets	(451)	(3,768)	(27,843)	(17,595)
Earnings from unconsolidated affiliates, net of losses	7,262	6,589	4,317	18,699
Operating loss	(5,092)	(82,191)	(217,325)	(147,983)
Interest expense, net	(22,302)	(127,836)	(110,076)	(77,060)
Reorganization items, net	(7,232)	(617,973)	—	—
Loss on sale of subsidiaries	—	(55,883)	—	—
Change in fair value of preferred stock derivative liability	184,140	—	—	—
Other expense, net	(9,956)	(3,501)	(8,898)	(2,957)
Income (loss) before provision for income taxes	139,558	(887,384)	(336,299)	(228,000)
Benefit (provision) for income taxes	(482)	51,178	161	30,891
Net income (loss)	139,076	(836,206)	(336,138)	(197,109)
Net (income) loss attributable to noncontrolling interests	152	(208)	(709)	2,425
Net income (loss) attributable to Bristow Group	$ 139,228	$ (836,414)	$ (336,847)	$ (194,684)
Earnings (loss) per common share:				
Basic	$ 10.10	$ (23.29)	$ (9.42)	$ (5.52)
Diluted	$ (2.19)	$ (23.29)	$ (9.42)	$ (5.52)
Cash dividends declared per common share	$ —	$ —	$ —	$ 0.07

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
			(In thousands)	
Net income(loss)	$ 139,076	$ (836,206)	$ (336,138)	$ (197,109)
Other comprehensive income (loss):				
Currency translation adjustments	(16,428)	22,952	(36,382)	25,927
Pension liability adjustment, net of tax (benefit) provision of zero, zero, ($1.6 million), and ($2.6 million), respectively	6,389	—	(5,291)	12,333
Unrealized gain (loss) on cash flow hedges, net of tax (benefit) provision of zero, zero, $0.1 million and ($0.1 million), respectively	1,410	(682)	(42)	(346)
Total comprehensive income (loss)	130,447	(813,936)	(377,853)	(159,195)
Net (income) loss attributable to noncontrolling interests	152	(208)	(709)	2,425
Currency translation adjustments attributable to noncontrolling interests	(12)	52	(180)	4,269
Total comprehensive (income) loss attributable to noncontrolling interests	140	(156)	(889)	6,694
Total comprehensive income (loss) attributable to Bristow Group	$ 130,587	$ (814,092)	$ (378,742)	$ (152,501)

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands)

	Successor	Predecessor
	March 31, 2020	March 31, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	$ 196,662	$ 178,055
Restricted cash	2,459	—
Accounts receivable from non-affiliates	166,038	203,631
Accounts receivable from affiliates	14,645	13,160
Inventories	82,419	121,308
Assets held for sale	32,401	5,350
Prepaid expenses and other current assets	29,527	44,009
Total current assets	524,151	565,513
Investment in unconsolidated affiliates	110,058	118,203
Property and equipment – at cost:		
Land and buildings	160,069	244,273
Aircraft and equipment	741,245	2,497,622
	901,314	2,741,895
Less – Accumulated depreciation and amortization	(24,560)	(907,715)
	876,754	1,834,180
Right-of-use assets	305,962	—
Goodwill	—	18,436
Other assets	128,336	116,267
Total assets	$ 1,945,261	$ 2,652,599
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	$ 52,110	$ 99,573
Accrued wages, benefits and related taxes	42,852	48,151
Income taxes payable	1,743	3,646
Other accrued taxes	4,583	6,729
Deferred revenue	12,053	11,932
Accrued maintenance and repairs	31,072	24,337
Accrued interest	832	17,174
Current portion of operating lease liabilities	81,484	—
Other accrued liabilities	25,510	38,679
Short-term borrowings and current maturities of long-term debt	45,739	1,418,630
Total current liabilities	297,978	1,668,851
Long-term debt, less current maturities	515,385	8,223
Accrued pension liabilities	17,855	25,726
Preferred stock embedded derivative	286,182	—
Other liabilities and deferred credits	4,490	26,229
Deferred taxes	22,775	111,203
Long-term operating lease liabilities	224,595	—
Commitments and contingencies (Note 11)		
Mezzanine equity preferred stock: $.0001 par value, 6,824,582 issued and outstanding as of March 31, 2020	149,785	—
Stockholders' investment:		
Predecessor common stock, $.01 par value, authorized 90,000,000; outstanding: 35,918,916 as of March 31, 2019 (exclusive of 1,291,441 treasury shares)	—	386
Predecessor additional paid-in capital	—	862,020
Predecessor retained earnings	—	455,598
Predecessor accumulated other comprehensive loss	—	(327,989)
Predecessor treasury shares, at cost (2,756,419 shares)		(184,796)
Successor common stock, $.0001 par value, authorized 90,000,000; outstanding: 11,235,566 as of March 31, 2020	1	—
Successor additional paid-in capital	295,897	—
Successor retained earnings	139,228	—
Successor accumulated other comprehensive loss	(8,641)	—
Total Bristow Group stockholders' investment	426,485	805,219
Noncontrolling interests	(269)	7,148
Total stockholders' investment	426,216	812,367
Total liabilities, mezzanine equity and stockholders' investment	$ 1,945,261	$ 2,652,599

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31,	
			2019	2018
			(In thousands)	
Cash flows from operating activities:				
Net income (loss)	$ 139,076	$ (836,206)	$ (336,138)	$ (197,109)
Adjustments to reconcile loss to net cash provided by operating activities:				
Depreciation and amortization	43,741	70,864	124,899	124,042
Deferred income taxes	(4,866)	(62,476)	(14,454)	(49,334)
Write-off of deferred financing fees	—	4,038	—	2,969
Discount amortization on long-term debt	5,890	1,563	6,337	1,701
Reorganization items, net	(16,254)	552,304	—	—
Loss on disposal of assets	451	3,768	27,843	17,595
Loss on impairment	9,591	62,101	117,220	91,400
Loss on sale of subsidiaries	—	55,883	—	—
Deferral of lease payments	—	285	5,094	3,991
Beneficial conversion feature on DIP Loan	—	56,870	—	—
DIP Claim Liability	—	15,000	—	—
Change in fair value of preferred stock derivative liability	(184,140)	—	—	—
Stock-based compensation	2,412	1,871	6,382	10,436
Equity in earnings from unconsolidated affiliates less than (in excess of) dividends received	(1,184)	(1,776)	3,806	(4,754)
Increase (decrease) in cash resulting from changes in:				
Accounts receivable	24,097	(10,247)	19,197	(32,459)
Inventories	(2,856)	(605)	(7,473)	(2,154)
Prepaid expenses and other assets	(483)	(1,226)	1,543	11,913
Accounts payable	(15,823)	(13,861)	4,487	(3,385)
Accrued liabilities	(3,966)	23,745	(55,058)	6,070
Other liabilities and deferred credits	(5,199)	(20,761)	(13,122)	(466)
Net cash used in operating activities	(9,513)	(98,866)	(109,437)	(19,544)
Cash flows from investing activities:				
Capital expenditures	(36,115)	(41,574)	(40,902)	(46,287)
Deposits on assets held for sale	4,500	—	—	—
Proceeds from asset dispositions	13,845	5,314	13,813	48,740
Proceed from sale of consolidated affiliate	—	—	965	—
Proceeds from OEM cost recoveries	—	—	—	94,463
Cash transferred in sale of subsidiaries, net of cash received	—	(22,458)	—	—
Net cash provided by (used in) investing activities	(17,770)	(58,718)	(26,124)	96,916
Cash flows from financing activities:				
Proceeds from borrowings	—	225,585	470	896,874
Debt issuance costs	—	(14,863)	(2,599)	(20,560)
Repayment of debt and debt redemption premiums	(25,132)	(366,750)	(61,052)	(671,567)
Purchase of 4½% Convertible Senior Notes call option	—	—	—	(40,393)
Proceeds from issuance of warrants	—	—	—	30,259
Partial prepayment of put/call obligation	—	(1,323)	(54)	(49)
Dividends paid to noncontrolling interest	—	—	(580)	(331)
Common stock dividends paid	—	—	—	(2,465)
Issuance of common stock	—	385,000	2,830	—
Repurchases for tax withholdings on vesting of equity awards	—	—	(2,157)	(2,740)
Net cash provided by (used in) financing activities	(25,132)	227,649	(63,142)	189,028
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1,010	2,406	(3,465)	17,167
Net increase (decrease) in cash, cash equivalents and restricted cash	(51,405)	72,471	(202,168)	283,567
Cash, cash equivalents and restricted cash at beginning of period	250,526	178,055	380,223	96,656
Cash, cash equivalents and restricted cash at end of period	$ 199,121	$ 250,526	$ 178,055	$ 380,223

The accompanying notes are an integral part of these consolidated financial statements.

BRISTOW GROUP INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' INVESTMENT AND REDEEMABLE NONCONTROLLING INTEREST
(In thousands, except share amounts)

		Total Bristow Group Stockholders' Investment							
	Redeemable Noncontrolling Interest	Common Stock (Shares)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Stockholders' Investment
March 31, 2017	$ 6,886	35,213,991	$ 379	$ 809,995	$ 991,340	$ (328,277)	$(184,796)	$ 5,025	$ 1,293,666
Issuance of common stock	—	312,634	3	9,805	—	—	—	—	9,808
Acquisition of noncontrolling interest	(6,121)	—	—	6,121	—	—	—	—	6,121
Reclassification from redeemable noncontrolling interests to noncontrolling interests	(835)	—	—	—	—	—	—	835	835
Equity component of 4½% Convertible Senior Notes issued	—	—	—	36,778	—	—	—	—	36,778
Purchase of 4½% Convertible Senior Notes call option	—	—	—	(40,393)	—	—	—	—	(40,393)
Proceeds from issuance of warrants	—	—	—	30,259	—	—	—	—	30,259
Common stock dividends ($0.07 per share)	—	—	—	—	(2,465)	—	—	—	(2,465)
Distributions paid to noncontrolling interests	—	—	—	—	—	—	—	(49)	(49)
Dividends paid to noncontrolling interest	—	—	—	—	—	—	—	(331)	(331)
Currency translation adjustments	4,163	—	—	—	—	—	—	106	106
Net income (loss)	(4,093)	—	—	—	(194,684)	—	—	1,667	(193,017)
Other comprehensive income	—	—	—	—	—	42,183	—	—	42,183
March31,2018	—	35,526,625	382	852,565	794,191	(286,094)	(184,796)	7,253	1,183,501
Issuance of common stock	—	392,291	4	8,863	—	—	—	—	8,867
Adoption of new accounting pronouncement[1].	—	—	—	—	(1,746)	—	—	—	(1,746)
Tax impact of warrants and options issued	—	—	—	592	—	—	—	—	592
Distributions paid to noncontrolling interests	—	—	—	—	—	—	—	(54)	(54)
Dividends paid to noncontrolling interest	—	—	—	—	—	—	—	(580)	(580)
Currency translation adjustments	—	—	—	—	—	—	—	(180)	(180)
Net income (loss)	—	—	—	—	(336,847)	—	—	709	(336,138)
Other comprehensive loss	—	—	—	—	—	(41,895)	—	—	(41,895)
March 31, 2019	—	35,918,916	386	862,020	455,598	(327,989)	(184,796)	7,148	812,367
Issuance of common stock	—	—	—	1,871	—	—	—	—	1,871
Sale of subsidiaries	—	—	—	—	—	—	—	(5,612)	(5,612)
Distributions paid to noncontrolling interests	—	—	—	—	—	—	—	(1,323)	(1,323)
Beneficial conversion feature on DIP Loan	—	—	—	56,870	—	—	—	—	56,870
Currency translation adjustments	—	—	—	—	—	—	—	52	52
Net income (loss)	—	—	—	—	(836,414)	—	—	208	(836,206)
Other comprehensive income	—	—	—	—	—	22,322	—	—	22,322
Cancellation of Predecessor equity	—	(35,918,916)	(386)	(920,761)	380,816	305,667	184,796	—	(49,868)
October 31, 2019 (Predecessor)	$ —	—	$ —	$ —	$ —	$ —	$ —	$ 473	$ 473

	Mezzanine equity preferred stock	Total Bristow Group Stockholders' Investment						
		Common Stock (Shares)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Stockholders' Investment
Issuance of Successor common and preferred stock	$ 618,921	11,235,535	$ 1	$ 294,670	$ —	$ —	$ —	$ 294,671
October 31, 2019 (Successor)	618,921	11,235,535	1	294,670	—	—	(105)	294,566
Issuance of stock	1,186	31	—	1,227	—	—	—	1,227
Initial reclassification of embedded derivative to long-term liability	(470,322)	—	—	—	—	—	—	—
Currency translation adjustments	—	—	—	—	—	—	(12)	(12)
Net income (loss)	—	—	—	—	139,228	—	(152)	139,076
Other comprehensive loss	—	—	—	—	—	(8,641)	—	(8,641)
March 31, 2020 (Successor)	$ 149,785	$ 11,235,566	$ 1	$ 295,897	$ 139,228	$ (8,641)	$ (269)	$ 426,216

(1) Cumulative-effect adjustment upon the adoption of new accounting guidance related to current and deferred income taxes for intra-entity transfer of assets other than inventory. For further details, see Note 1.

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 — OPERATIONS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

Bristow Group Inc., a Delaware corporation (together with its consolidated entities, unless the context requires otherwise, "Bristow Group," "Bristow" or the "Company"), is the leading provider of industrial aviation services to the worldwide offshore energy industry based on the number of aircraft operated. With a fleet of 315 aircraft as of March 31, 2020 (Successor), including 105 held by unconsolidated affiliates, the Company and its affiliates conduct major transportation operations in the North Sea, Nigeria and the U.S. Gulf of Mexico, and in most of the other major offshore energy producing regions of the world, including Australia, Brazil, Canada, Guyana and Trinidad. It provides commercial search and rescue ("SAR") services in Canada, Guyana, Norway, Trinidad and the United States. It provides public sector SAR services in the U.K. on behalf of the Maritime & Coastguard Agency. It also provides regional fixed wing scheduled and charter services in Nigeria through its consolidated affiliate Bristow Helicopters (Nigeria) Ltd. and Australia through its consolidated affiliate, Capiteq Limited, operating under the name of Airnorth. These operations support its primary industrial aviation services operations in those markets, creating a more integrated logistics solution for its customers.

Basis of Presentation

The consolidated financial statements include the accounts of the Company after elimination of all significant intercompany accounts and transactions. Investments in affiliates in which the Company has a majority voting interest and entities that meet the criteria of Variable Interest Entities ("VIEs") of which the Company is the primary beneficiary are consolidated. See discussion of VIEs in Note 6. The Company applies the equity method of accounting for investments in entities if it has the ability to exercise significant influence over an entity that (a) does not meet the variable interest entity criteria or (b) meets the variable interest entity criteria, but for which the Company is not deemed to be the primary beneficiary. The Company applies the cost method of accounting for investments in other entities if it does not have the ability to exercise significant influence over the unconsolidated affiliate. These investments in private companies are carried at cost and are adjusted only for capital distributions and other-than-temporary declines in value. Dividends from cost method investments are recognized in earnings from unconsolidated affiliates, net of losses, when paid.

The Company's fiscal year ends March 31, and the Company refers to fiscal years based on the end of such period. Therefore, the fiscal year ended March 31, 2020 is referred to as fiscal year 2020.

Emergence from Voluntary Reorganization under Chapter 11

On May 11, 2019 (the "Petition Date"), Bristow Group Inc. and certain of its subsidiaries, BHNA Holdings Inc., Bristow Alaska Inc., Bristow Helicopters Inc., Bristow U.S. Leasing LLC, Bristow U.S. LLC, BriLog Leasing Ltd. and Bristow Equipment Leasing Ltd. (together, the "Debtors"), filed voluntary petitions (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Bankruptcy Court") seeking relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). The Debtors' Chapter 11 Cases were jointly administered under the caption In re: Bristow Group Inc., et al., Main Case No. 19-32713. During the pendency of the Chapter 11 Cases, the Debtors continued to operate their businesses and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. On October 8, 2019, the Bankruptcy Court entered an order confirming the Amended Joint Chapter 11 Plan of Reorganization of Bristow Group Inc. and its Debtor Affiliates (as modified, the "Plan"). The effective date of the Plan (the "Effective Date") occurred on October 31, 2019.

Upon the Company's emergence from bankruptcy, the Company adopted fresh-start accounting in accordance with provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") No. 852, "Reorganizations" ("ASC 852"), which resulted in the Company becoming a new entity for financial reporting purposes on the Effective Date. Upon the adoption of fresh-start accounting, the Company's assets and liabilities were recorded at their fair values as of the fresh-start reporting date, October 31, 2019. As a result of the adoption of fresh-start accounting, the Company's consolidated financial statements subsequent to October 31, 2019 may not be comparable to its consolidated financial statements prior to October 31, 2019. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

References to "Successor" or "Successor Company" relate to the financial position and results of operations of the reorganized Company subsequent to October 31, 2019. References to "Predecessor" or "Predecessor Company" relate to the financial position and results of operations of the Company prior to, and including, October 31, 2019. See Note 2 for further details on the Chapter 11 Cases and the Plan.

Summary of Significant Accounting Policies

Use of Estimates — The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates. Areas where accounting estimates are made by management include:

- Allowances for doubtful accounts;
- Inventory allowances;
- Property and equipment;
- Goodwill, intangible and other long-lived assets;
- Pension benefits;
- Derivatives;
- Contingent liabilities; and
- Taxes.

Cash, Cash Equivalents and Restricted Cash — The Company's cash equivalents include funds invested in highly-liquid debt instruments with original maturities of 90 days or less. As of March 31, 2020 (Successor), restricted cash consisted of $0.8 million reserved for post-emergence bankruptcy related payments and $1.7 million related to Norway payroll withholding taxes.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that add up to the total of such amounts shown in the consolidated statements of cash flows (in thousands).

	Successor	Predecessor	
	March 31, 2020	October 31, 2019	March 31, 2019
Reconciliation of cash, cash equivalents and restricted cash as shown in the statements of cash flows:			
Cash and cash equivalents	$ 196,662	$ 202,079	$ 178,055
Restricted cash	2,459	48,447	—
Total cash, cash equivalents and restricted cash	$ 199,121	$ 250,526	$ 178,055

Accounts Receivable — Trade and other receivables are stated at net realizable value. The Company grants short-term credit to its customers, primarily major integrated, national and independent oil and gas companies. The Company establishes allowances for doubtful accounts on a case-by-case basis when a determination is made that the required payment is unlikely to occur. In establishing these allowances, the Company considers a number of factors, including its historical experience, change in its customers' financial position and restrictions placed on the conversion of local currency into U.S. dollars, as well as disputes with customers regarding the application of contract provisions to its services.

As of March 31, 2020 (Successor), the allowance for doubtful accounts for non-affiliates was $0.4 million, which was recorded during the five months ended March 31, 2020 (Successor) and primarily related to a customer in the U.S. Gulf of Mexico. As of March 31, 2019 (Predecessor), the allowance for doubtful accounts for non-affiliates was $1.6 million and primarily related to the amounts due from a customer in Australia.

The following table is a rollforward of the allowance for doubtful accounts from non-affiliates (in thousands):

	Successor		Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Balance – beginning of period	$ —	$ 1,617	$ 3,304	$ 4,498
Additional allowances	368	25	1,073	1,463
Write-offs and collections	—	—	(2,760)	(2,657)
Sale of subsidiaries[1]	—	(851)	—	—
Fresh-start accounting adjustments[2]	—	(791)	—	—
Balance – end of period	$ 368	$ —	$ 1,617	$ 3,304

(1) As the result of the sale of Eastern Airways International Limited ("Eastern Airways"), Aviashelf Aviation Co. ("Aviashelf"), Bristow Helicopters Leasing Limited ("BHLL") and Sakhalin Bristow Air Services Ltd, the Company wrote off allowance for doubtful accounts for non-affiliates by $0.9 million. For more details, see "*Loss on Sale of Subsidiaries*" below.

(2) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted allowance for doubtful accounts to fair value at the Effective Date.

As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), there were no allowances for doubtful accounts related to accounts receivable due from affiliates.

Inventories — Inventories are stated at the lower of moving average cost or net realizable value and consist primarily of spare parts utilized for maintaining the Company's global fleet of aircraft. As of March 31, 2020 (Successor), the inventory allowance was $0.1 million. As of March 31, 2019 (Predecessor), inventories were net of allowances of $19.4 million. As discussed under "*— Impairment of Assets"*, the Company performed a review of its H225 aircraft related inventory and Eastern Airways inventory and recorded impairment charges of $8.9 million and $0.3 million, respectively, to record the inventories at the lower of moving average cost or net realizable value during fiscal year 2019 (Predecessor).

In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted inventory to its fair value of $81.2 million at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

The following table is a rollforward of the allowance related to dormant, obsolete and excess inventory (in thousands):

	Successor		Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Balance – beginning of period	$ —	$ 19,448	$ 26,030	$ 21,514
Additional allowances	62	551	2,140	6,355
Inventory disposed and scrapped	—	(811)	(7,427)	(3,353)
Fresh start accounting adjustments	—	(19,143)	—	—
Foreign currency effects	—	(45)	(1,295)	1,514
Balance – end of period	$ 62	$ —	$ 19,448	$ 26,030

During the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), the Company increased the allowance for inventory by $0.1 million, $0.6 million, $2.1 million and $6.4 million, respectively, as a result of its periodic assessment of inventory that was dormant or obsolete within its operational fleet of aircraft and the recognition of reserves for the end of aircraft fleet lives. For discussion of impairment of inventories, see "Impairment of Assets" below. The impairment of inventories is included in loss on impairment and additional allowances are included in direct costs on the consolidated statements of operations.

Prepaid Expenses and Other Current Assets — As of March 31, 2019 (Predecessor), prepaid expenses and other current assets included the short-term portion of contract acquisition and pre-operating costs totaling $9.8 million related to the SAR contracts in the U.K. and two customer contracts in Norway, which were recoverable under the contracts and will be expensed over the terms of the contracts. The Company recorded expense of $6.9 million, $10.1 million and $11.4 million for the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively, related to these contracts. In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the short-term portion of contract acquisition and pre-operating costs by $8.8 million to its fair value of zero at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

Property and Equipment — Property and equipment are stated at cost. Property and equipment includes construction in progress, primarily consisting of progress payments on aircraft purchases, in-process aircraft modification, equipment and facility construction, of $7.8 million and $51.7 million as of March 31, 2020 (Successor) and 2019 (Predecessor), respectively. Interest costs applicable to the construction of qualifying assets are capitalized as a component of the cost of such assets. There were no aircraft progress payments in construction in progress as of March 31, 2020 (Successor).

Consistent with the Company's policy to review useful lives and residual value when changes in circumstances indicate a change in estimate may be required, upon emergence from Chapter 11, the Company performed a review of useful lives and residual values. As a result of this review, the Company made certain changes to the useful lives and residual values of aircraft and related equipment. No material changes were made to non-aircraft property, plant and equipment useful lives and residual values. The Company's previous policy stated that estimated useful lives of aircraft generally range from 5 to 15 years, and the residual value used in calculating depreciation of aircraft generally ranged from 30% to 50% of cost. The Company's revised policy will generally utilize a 30 year useful life from the date of manufacture of an aircraft for used aircraft and the in-service date for new aircraft and a residual value range of 5% to 25% of cost. In certain circumstances, the useful lives of aircraft are limited by a 30,000 flight hour restriction on the airframe of an aircraft imposed by certain aircraft manufacturers. These changes in useful lives reflect the Company's view of expected operating conditions and the economic environment, which suggest the Company will utilize its aircraft for longer than it has historically. The changes in residual values reflect the change made to useful lives and the current expectations of fair market value to be achieved at the time of eventual disposal, based on historical sales data during the decline in the oil and gas industry.

The Company capitalizes betterments and improvements to its aircraft and depreciates such costs over the remaining useful lives of the aircraft. Betterments and improvements increase the life or utility of an aircraft.

For further details on property and equipment, see Note 7.

Goodwill — Goodwill is recorded when the cost of acquired businesses exceeds the fair value of the identifiable net assets acquired. Goodwill is not amortized but is assessed for impairment annually as of March 31 or when events or changes in circumstances indicate that a potential impairment exists. Impairment of goodwill is the condition that exists when the carrying value of a reporting unit that includes goodwill exceeds its carrying value. A goodwill impairment loss is recognized for the amount that the carrying value of a reporting unit, including goodwill, exceeds fair value, limited to the total amount of goodwill allocated to that reporting unit.

The Company no longer has goodwill associated with any reporting units as of March 31, 2020 (Successor).

Goodwill related to the Predecessor Company's Asia Pacific reporting unit was as follows (in thousands):

	Total
March 31, 2018 (Predecessor)	$ 19,907
Foreign currency translation	(1,471)
March 31, 2019 (Predecessor)	18,436
Foreign currency translation	(932)
Impairments	(17,504)
October 31, 2019 (Predecessor)	$ —

For the purposes of performing an impairment assessment of goodwill, the Company evaluates whether there are reporting units below the reporting segment it discloses for segment reporting purposes by assessing whether its regional management typically reviews results and whether discrete financial information exists at a lower level.

During the three months ended September 30, 2019 (Predecessor), the Company noted an overall reduction in expected operating results for Airnorth, resulting from continued cost pressure combined with less than expected passenger and route fulfillment. The Company concluded the fair value of goodwill for Airnorth could have fallen below its carrying value and performed an interim impairment test of goodwill for Airnorth as of September 30, 2019 (Predecessor), concluding the estimated fair value of Airnorth was below its carrying value. The Company recorded an impairment charge of $17.5 million reflected in loss on impairment on the statement of operations for the seven months ended October 31, 2019 (Predecessor).

The Company estimated the fair value of Airnorth using a combination of the income and market approaches, requiring the Company to use significant unobservable inputs, representative of a Level 3 fair value measurement, including assumptions related to future performance, such as projected demand for services and rates.

The income approach was based on a discounted cash flow model using projected future cash flows based on the Company's estimates of future rates for services, utilization, operating costs, capital requirements, growth rates and terminal values. Forecasted rates and utilization take into account current market conditions and anticipated business outlook, both of which were impacted by the adverse changes in the offshore energy and mining business environment. Operating costs were forecasted using a combination of historical average operating costs and expected future costs. Capital requirements included cash outflows for new aircraft, infrastructure and improvements, as necessary, based on management's estimates of future capital costs driven by expected market demand in future periods. A terminal period was used to reflect the Company's estimate of stable, perpetual growth. The future cash flows were discounted using a market-participant risk-adjusted weighted average cost of capital for the reporting unit. These assumptions were derived from unobservable inputs and reflect management's judgments and assumptions.

The market approach was based upon the application of price-to-earnings multiples to management's estimates of future earnings adjusted for a control premium. Management's earnings estimates were derived from unobservable inputs that require significant estimates, judgments and assumptions as described in the income approach.

During the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), the Company did not evaluate the estimated fair value of its reporting units compared to its market capitalization because the reporting units with goodwill did not represent a significant portion of its business.

Other Intangible Assets — Intangible assets with finite useful lives are amortized over their estimated useful lives to their estimated residual values. The residual value of an intangible asset is generally assumed to be zero, with certain limited exceptions. Finite lived intangible assets are reviewed for impairment when indicators of impairment are present. Indicators of impairment for finite lived intangible assets are the same as those for impairment of long-lived assets. For finite lived intangible assets, an impairment loss is recognized if the carrying amount of the asset exceeds the undiscounted cash flows projected to be generated by the asset. If the finite lived intangible asset is impaired, then the amount of the impairment is calculated as the excess of the asset's carrying amount over its fair value. After an impairment loss is recognized, the adjusted carrying amount of the intangible asset will be its new accounting basis. After adjusting the carrying amount for impairment loss, the Company's policy requires the reevaluation of the useful life of that asset.

Intangible assets by type were as follows for the Successor Company (in thousands):

	U.K. SAR customer contract	PBH	Total
	Gross Carrying Amount		
Additions [1]	$ 58,000	$ 76,838	$ 134,838
Translation	(2,294)	(2,517)	$ (4,811)
March 31, 2020 (Successor)	$ 55,706	$ 74,321	$ 130,027
	Accumulated Amortization		
October 31, 2019 (Successor)	$ —	$ —	$ —
Amortization expense	(3,251)	(15,503)	(18,754)
March 31, 2020 (Successor)	$ (3,251)	$ (15,503)	$ (18,754)
Weighted average remaining contractual life, in years	7.0	16.9	10.7

(1) In connection with the Company's emergence from bankruptcy and in accordance with ASC 852, the Company recognized customer contract intangibles of $58.0 million related to U.K. SAR and $76.8 million related to power-by-the-hour ("PBH") contracts. The amortization expense for the U.K. SAR contract is recorded in depreciation and amortization on the consolidated financial statements and the amortization expense for the PBH contracts is recorded in maintenance expense included in direct costs on the consolidated financial statements.

Future amortization expense of intangible assets for each of the years ending March 31 (Successor) is as follows (in thousands):

2021 [1]	$ 24,207
2022 [1]	15,956
2023 [1]	15,909
2024 [1]	15,767
2025 [1]	15,767
Thereafter [1]	23,667
	$ 111,273

(1) The portion of future amortization expense that will be included in maintenance expense is $16.7 million for fiscal year 2021, $8.5 million for fiscal year 2022, $8.4 million for fiscal year 2023, $8.3 million for fiscal year 2024, $8.3 million for fiscal year 2025 and $8.7 million thereafter.

Intangible assets by type were as follows for the Predecessor Company (in thousands):

	Client relationships [1]	Trade name and trademarks [1]	Internally developed software [1]	Licenses [1]	Total
	Gross Carrying Amount				
March 31, 2018	$ 12,777	$ 4,878	$ 1,107	$ 755	$ 19,517
Foreign currency translation	(98)	(259)	(13)	(2)	(372)
March 31, 2019	12,679	4,619	1,094	753	19,145
Foreign currency translation	(33)	(11)	—	—	(44)
October 31, 2019 (Predecessor)	$ 12,646	$ 4,608	$ 1,094	$ 753	$ 19,101
	Accumulated Amortization				
March 31, 2018	$ (11,372)	$ (1,213)	$ (915)	$ (719)	$ (14,219)
Impairments	—	(2,933)	(72)	—	(3,005)
Amortization expense	(234)	(142)	(107)	(34)	(517)
March 31, 2019	(11,606)	(4,288)	(1,094)	(753)	(17,741)
Amortization expense	(90)	—	—	—	(90)
October 31, 2019	(11,696)	(4,288)	(1,094)	(753)	(17,831)
Fresh-start accounting adjustment [2]	(950)	(320)	—	—	(1,270)
October 31, 2019 (Predecessor)	$ (12,646)	$ (4,608)	$ (1,094)	$ (753)	$ (19,101)

[1] The Bristow Norway and Eastern Airways acquisitions, completed in October 2008 and February 2014, respectively, included in the Europe Caspian region, resulted in intangible assets for client contracts, client relationships, trade names and trademarks, internally developed software and licenses. On May 10, 2019, the Company sold Eastern Airways. The Airnorth acquisition completed in January 2015, included in its Asia Pacific region, resulted in intangible assets for client contracts, client relationships and trade name and trademarks. For discussion of impairment of long-lived assets, including purchased intangibles subject to amortization, see "*Impairment of Assets.*"

[2] In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the intangible assets of $1.3 million to its fair value of zero at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

In addition to the other intangible assets described above, other assets included the long-term portion of contract acquisition and pre-operating costs totaling $37.1 million as of March 31, 2019 (Predecessor), related to the SAR contracts in the U.K. and two customer contracts in Norway, which were recoverable under the contracts and were being expensed over the terms of the contracts. In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the long-term portion of contract acquisition and pre-operating costs by $31.2 million to its fair value of zero at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

Contingent Liabilities — The Company establishes reserves for estimated loss contingencies when it believes a loss is probable and the amount of the loss can be reasonably estimated. The Company's contingent liability reserves relate primarily to potential tax assessments, litigation, personal injury claims and environmental liabilities and are adjusted as a result of changes in facts or circumstances that become known or changes in previous assumptions with respect to the likelihood or amount of loss. Such revisions are based on information that becomes known or circumstances that change after the reporting date for the previous period through the reporting date of the current period. Should the outcome differ from the Company's assumptions and estimates or other events result in a material adjustment to the accrued estimated reserves, revisions to the estimated reserves for contingent liabilities would be required to be recognized. Legal costs are expensed as incurred.

Proceeds from casualty insurance settlements in excess of the carrying value of damaged assets are recognized in gain (loss) on disposal of assets when the Company has received proof of loss documentation or are otherwise assured of collection of these amounts.

Revenue Recognition — See Note 5 for a discussion of revenue recognition.

Pension Benefits — See Note 14 for a discussion of the Company's accounting for pension benefits.

Maintenance and Repairs — The Company generally charges maintenance and repair costs, including major aircraft component overhaul costs, to earnings as the costs are incurred. However, certain major aircraft components, such as engines and transmissions, are maintained by third-party vendors under contractual agreements also referred to as PBH maintenance agreements. Under these agreements, the Company is charged an agreed amount per hour of flying time related to maintenance, repair and overhaul of the parts and components covered. The costs charged under these contractual agreements are recognized in the period in which the flight hours occur. To the extent that the Company has not yet been billed for costs incurred under these arrangements, these costs are included in accrued maintenance and repairs on its consolidated balance sheets. From time to time, the Company receives credits from its original equipment manufacturers as settlement for additional labor and maintenance expense costs incurred for aircraft performance issues. The Company records these credits as a reduction in maintenance expense when the credits are utilized in lieu of cash payments for purchases or services. The cost of certain major overhauls on owned fixed-wing aircraft operated by Eastern Airways and Airnorth are capitalized when incurred and depreciated over the period until the next expected major overhaul. The cost of major overhauls on leased fixed-wing aircraft operated by Eastern Airways and Airnorth are charged to maintenance and repair costs when incurred.

Taxes — The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based upon temporary differences between the carrying amount and tax basis of the Company's assets and liabilities and measured using enacted tax rates and laws that will be in effect when the differences are expected to reverse. The effect on deferred income tax assets and liabilities of a change in the tax rates is recognized in income in the period in which the change occurs. The Company records a valuation reserve when it believes that it is more-likely-than-not that any deferred income tax asset created will not be realized.

The Company recognizes deferred income tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize its deferred income taxes assets in the future in excess of their net recorded amount, the Company would adjust the valuation allowance.

The Company recognizes tax benefits attributable to uncertain tax positions when it is more-likely-than-not that a tax position will be sustained upon examination by the authorities. The benefit from a position that has surpassed the more-likely-than-not threshold is the largest amount of benefit that is more than 50% likely to be realized upon settlement. The Company recognizes interest and penalties accrued related to unrecognized tax benefits as a component of benefit (provision) for income taxes in its statement of operations.

Foreign Currency — In preparing the Company's financial statements, it must convert all non-U.S. dollar currencies to U.S. dollars. Balance sheet information is presented based on the exchange rate as of the balance sheet date, and statement of operations information is presented based on the average foreign currency exchange rate for the period. The various components of stockholders' investment are presented at their historical average exchange rates. The resulting difference after applying the different foreign currency exchange rates is the foreign currency translation adjustment, which is reported in stockholders' investment as accumulated other comprehensive gains or losses. Foreign currency transaction gains and losses are recorded in other income (expense), net in the Company's statement of operations and result from the effect of changes in exchange rates on transactions denominated in currencies other than a company's functional currency, including transactions between consolidated companies. An exception is made where an intercompany loan or advance is deemed to be of a long-term investment nature, in which instance foreign currency transaction gains or losses are included as currency translation adjustments and are reported in stockholders' investment as accumulated other comprehensive gains or losses. Changes in foreign currency exchange rates could cause significant changes in the Company's financial position and results of operations in the future.

Other income (expense), net, in the Company's consolidated statements of operations includes foreign currency transaction gains and losses as shown in the following table. Earnings from unconsolidated affiliates, net of losses, are also affected by the impact of changes in foreign currency exchange rates on the reported results of the Company's unconsolidated affiliate, primarily the impact of changes in the Brazilian real to U.S. dollar exchange rate on earnings for its affiliate in Brazil, as shown in the following table (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Foreign currency transaction losses	(11,577)	(1,327)	(5,163)	(2,580)
Foreign currency transaction gains (losses) from earnings from unconsolidated affiliates, net of losses	(115)	(1,123)	(4,163)	(1,956)

Derivative Financial Instruments — See Note 10 for a discussion of the Company's accounting for derivative financial instruments.

Incentive Compensation — See Note 14 for a discussion of the Company's accounting for incentive compensation arrangements.

Interest Income (Expense), Net — Interest expense, net consisted of the following (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Interest income	$ 662	$ 822	$ 3,424	$ 677
Interest expense [1][2][3]	(22,964)	(128,658)	(113,500)	(77,737)
Interest expense, net	$ (22,302)	$ (127,836)	$ (110,076)	$ (77,060)

(1) Interest expense for the seven months ended October 31, 2019 (Predecessor) includes $56.9 million of non-cash interest expense related to the beneficial conversion feature on the DIP Facility (as defined herein) and $15.0 million of non-cash interest expense related to the DIP claim liability. See Note 3 for further details on the DIP beneficial conversion feature.

(2) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted debt to its respective fair value of $586.4 million at the Effective Date by $57.7 million, which represents the discount from par value of the debt. Interest expense for the five months ended March 31, 2020 (Successor) includes discount amortization of $5.9 million. See Notes 3 and 8 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

(3) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company wrote-off all deferred financing fees as of October 31, 2019 (Predecessor). Therefore, interest expense for the five months ended March 31, 2020 (Successor) does not include any amortization of deferred financing fees. See Notes 3 and 8 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

Other Income (Expense), Net — Other income (expense), net primarily includes the foreign currency transaction gains and losses described under "Foreign Currency" above and pension-related costs (which includes interest costs, amortization of pension-related costs from prior periods and the gains or losses on plan assets).

Redeemable Noncontrolling Interest — Redeemable noncontrolling interest was related to put arrangements whereby the noncontrolling interest holders could require the Company to redeem the remaining shares of Eastern Airways (prior to repurchasing the remaining 40% of the outstanding shares in January 2018 as discussed in Note 6) at a formula-based amount that is not considered fair value (the "redemption amount"). Redeemable noncontrolling interest was adjusted each period for comprehensive income, dividends attributable to the noncontrolling interest and changes in ownership interest, if any, such that the noncontrolling interest represented the proportionate share of Eastern Airways' equity (the "carrying value"). Additionally, at each period end, the Company was required to compare the redemption amount to the carrying value of the redeemable noncontrolling interest and record the redeemable noncontrolling interest at the higher of the two amounts, with a corresponding charge or credit directly to retained earnings. While this charge or credit did not impact net income (loss), it did result in a reduction or increase of income (loss) available to common shareholders in the calculation of earnings (loss) per share. In January 2018, the Company acquired the remaining 40% of the outstanding shares of Eastern Airways for nominal consideration, resulting in a reduction of $6.1 million to redeemable noncontrolling interest and a corresponding increase to additional paid-in capital on its consolidated balance sheet.

Mezzanine Preferred Stock — Because the New Preferred Stock (as defined herein) issued under the Plan may be redeemed in certain circumstances outside of the sole control of the Company (including at the option of the holder), but it is not mandatorily redeemable, the New Preferred Stock has been classified as mezzanine equity and initially recognized at fair value of $618.9 million as of October 31, 2019 (Successor). This amount was reduced by the fair value of the bifurcated derivative liability as of October 31, 2019 (Successor) of $470.3 million, resulting in an initial value of $148.6 million.

Redeemable equity securities that are not currently redeemable, but are probable of becoming redeemable should be accreted to their redemption values. The Company assessed whether the New Preferred Stock is probable of becoming cash redeemable. An event outside the holder's control may prevent an instrument from becoming otherwise redeemable, and in such circumstances, the probability that an intervening event will occur should be considered in determining whether an instrument is probable of becoming redeemable (and thus whether subsequent measurement is required). The Company determined that it is not probable that the New Preferred Stock will become cash redeemable as the Company expects that (1) settlement events outside of the holder's control are more probable than not of occurring prior to a potential cash redemption date, (2) upon occurrence of these events, the Company controls the ability to settle the New Preferred Stock using shares of New Common Stock (as defined herein), and (3) it is probable that the Company will have sufficient authorized, unissued shares of New Common Stock (in other words, it is not probable that the Company would be unable to settle in shares upon the occurrence of a triggering event). The Company continues to monitor the likelihood of any circumstance that would require the Company to settle the New Preferred Stock using cash. If it becomes probable that the New Preferred Stock will become cash redeemable, the Company will accrete to redemption value using an appropriate method. For further details, see Note 15.

Impairment of Assets

Loss on impairment includes the following (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Impairment of property and equipment[1]	$ —	$ 42,022	$ 104,939	$ —
Impairment of inventories	—	—	9,276	5,717
Impairment of investment in unconsolidated affiliates	9,591	2,575	—	85,683
Impairment of intangibles	—	—	3,005	—
Impairment of goodwill	—	17,504	—	—
	$ 9,591	$ 62,101	$ 117,220	$ 91,400

(1) Includes impairment of $42.0 million for H225 aircraft for the seven months ended October 31, 2019 (Predecessor). Includes impairment of $87.5 million for H225 aircraft and $17.5 million for Eastern Airways aircraft and equipment for the nine months ended December 31, 2018 (Predecessor).

For details on the Company's analysis of impairment of property and equipment, inventories, investment in unconsolidated affiliates, goodwill and other long-lived assets, see discussion below.

On March 31, 2020, Brent crude oil prices closed at $20.51 per barrel, declining from $61.14 per barrel on December 31, 2019. A gradual decline occurred from December 31, 2019 to the first week of March 2020. The decline accelerated the first week of March 2020 from ~$50 per barrel to the mid-$30's per barrel and further downward volatility continued in April 2020. A combination of factors led to this decline, including an increase in low-priced oil from Saudi Arabia supplied into the market coupled with Russia's position to abstain from participating in the supply reduction agreement with the Organization of the Petroleum Countries and the reduction in demand for oil due to the coronavirus disease, COVID-19 ("COVID-19").

COVID-19 has resulted in a global crisis with the majority of countries closing off international travel and instituting other measures, including, among other things, reducing or eliminating public gatherings by placing limits on such events, shuttering non-essential stores and services, encouraging voluntary quarantines and imposing involuntary quarantines, in an effort to reduce and slow the spread of COVID-19. The long-term impact of COVID-19 on the global economy is not yet known, but it has had and is likely to have a significant influence on economic activity in the near-term. Financial markets have experienced significant volatility and energy companies have experienced a significant decline as a result of COVID-19.

The Company has implemented several measures at its bases, in conjunction with its customers and based upon guidance from local public health authorities, to help protect employees and customers, including, but not limited to, measures to restrict access to sites, medical screenings/questionnaires prior to all flights, enhanced sanitization of aircraft and equipment, modification of aircraft and special protocols on travel and passenger transport, and is also monitoring developments to modify actions as appropriate. Many of the Company's employees are deemed "essential" in the regions in which they operate and are therefore allowed to continue conducting business notwithstanding guidance or orders of general applicability issued by governments requiring businesses to close, persons to shelter in place, borders to close and other actions of that nature. In addition, the Company has developed and is offering its customers COVID-19 medevac transport in certain regions. The Company cannot estimate the impact such measures and the reduced demand for oil and gas will have on its financial results at this time; however, the effects could be significant.

Property and equipment — As a result of the aforementioned global events, the Company performed an analysis of certain asset groups under ASC 360-10 as of March 31, 2020 (Successor), including the Airnorth, Humberside Airport and oil and gas asset groups.

During the quarter ended March 31, 2020 (Successor), the Australian government implemented significant travel restrictions within Australia and to and from Australia, severely impacting Airnorth operations in addition to the reduction in general aviation activity due to COVID-19 concerns. As a result, the Company made significant changes to the near-term forecasted Airnorth cash flows, which are considered, along with the future uncertainty of longer-term forecasted cash flows, to be an indicator of impairment for the Airnorth asset group. The Company estimated future undiscounted cash flows to test the recoverability of the Airnorth asset group, requiring the Company to use significant unobservable inputs, including assumptions related to projected demand for services and rates. Given the uncertainty of the future forecasted cash flows, the Company prepared a probability weighted scenario analysis. The analysis resulted in a determination that the Airnorth asset group was recoverable based on the comparison of the undiscounted cash flows to the carrying value of the asset group at March 31, 2020 (Successor). The Company will continue to monitor the impacts of the COVID-19 global pandemic on Airnorth operations and update this analysis should changes in facts and circumstances indicate a potential lack of recoverability in future periods.

The Company's Humberside Airport operations were similarly impacted by the COVID-19 global pandemic during the quarter ended March 31, 2020 (Successor). Humberside Airport is an airport located near Humberside, England, which provides airport and related services to global and regional airlines. As a result of COVID-19, a significant customer temporarily suspended flight services into the airport, in addition to the decline in general aviation activity being experienced by all airlines and airports globally. The Company has made significant changes to the near-term forecasted Humberside Airport cash flows, which are considered, along with the future uncertainty of longer-term forecasted cash flows, to be an indicator of impairment for the Humberside Airport asset group. The Company estimated future undiscounted cash flows to test the recoverability of the Humberside Airport asset group, requiring the Company to use significant unobservable inputs, including assumptions related to projected demand for services and rates. Given the uncertainty of the future forecasted cash flows, the Company prepared a probability weighted scenario analysis. The analysis resulted in a determination that the Humberside Airport asset group was recoverable based on the comparison of the undiscounted cash flows to the carrying value of the asset group at March 31, 2020 (Successor). The Company will continue to monitor the impacts of the COVID-19 global pandemic on the Humberside Airport operations and update this analysis should changes in facts and circumstances indicate a potential lack of recoverability in future periods.

The Company's oil and gas operations have experienced a reduction in flight hours during the quarter ended March 31, 2020 (Successor) and the Company expects to continue to experience a reduction in flight hours and aircraft on contract in future periods as a result of the aforementioned global events. As a result, the Company made changes to the near-term forecasted oil and gas cash flows, which are considered, along with the future uncertainty of longer-term forecasted cash flows, to be an indicator of impairment for the oil and gas asset group. The Company estimated future undiscounted cash flows to test the recoverability of the oil and gas asset group, requiring the Company to use significant unobservable inputs, including assumptions related to projected demand for services and rates. Given the uncertainty of the future forecasted cash flows, the Company prepared a scenario analysis providing for several potential estimated impacts in order to ensure the reasonableness of the Company's undiscounted cash flow analysis. The analysis resulted in a determination that the oil and gas asset group was recoverable based on the comparison of the undiscounted cash flows to the carrying value of the asset group at March 31, 2020 (Successor). The Company will continue to monitor the impacts of the COVID-19 global pandemic and changes in the global energy markets on oil and gas operations and update this analysis should changes in facts and circumstances indicate a potential lack of recoverability in future periods.

Prior to the three months ended September 30, 2018 (Predecessor), the Company had been actively marketing its H225 aircraft with the expectation of a substantial return of the aircraft to oil and gas service. However, market conditions and more significantly, the development of alternative opportunities outside of the Company's traditional oil and gas service for its H225 aircraft and its decision to pursue those opportunities during the three months ended September 30, 2018 (Predecessor), indicated a substantial return to oil and gas service within its operations was not likely. Therefore, during the three months ended September 30, 2018 (Predecessor), the Company concluded that cash flows associated with its H225 helicopters were largely independent from the cash flows associated with the remainder of the Company's oil and gas related property and equipment (the "oil and gas asset group") and should be tested for impairment as a stand-alone asset group. In accordance with ASC 360-10, the Company performed an impairment analysis for its stand-alone H225 asset group ("H225 asset group") and determined the forecasted cash flows over the remaining useful life of the asset group were insufficient to recover the carrying value of the asset group. The Company determined the fair value of the H225 asset group to be $116.4 million and recorded an impairment charge of $87.5 million. In addition, the Company performed a review of its H225 aircraft related inventory and recorded an impairment charge of $8.9 million to record the inventory at the lower of cost or net realizable value. These impairments are included in the Corporate and other region in Note 16. The inputs used in fair value estimates were from Level 3 of the fair value hierarchy discussed in Note 9.

Changes in the Company's forecasted cash flows during the three months ended September 30, 2018 (Predecessor) indicated the need for the performance of a recoverability analysis for the airline related assets of Eastern Airways. In accordance with ASC 360-10, the Company estimated future undiscounted cash flows to test the recoverability of the airline related assets of Eastern Airways for potential impairment, requiring the Company to use significant unobservable inputs including assumptions related to projected demand for services and rates. The Company concluded the estimated future undiscounted cash flows were below the carrying value for its airline related assets of Eastern Airways as of September 30, 2018 (Predecessor) and determined the fair value of the asset group to be $20.5 million, resulting in an impairment charge of $17.5 million. As part of the impairment review of the airline assets of Eastern Airways, the Company also recorded impairments of $3.0 million related to the remaining intangible assets and $0.3 million related to inventory. These impairments are included in the Europe and Caspian region in Note 16. The inputs used in the fair value estimates were from Level 3 of the fair value hierarchy discussed in Note 9.

In September 2019 (Predecessor), the Company identified a potential further decline in the fair value of the H225 asset group based on market transactions for the aircraft and as a result, in accordance with ASC 360-10, performed an impairment analysis for the H225 asset group. The Company determined the forecasted cash flows over the remaining useful life of the H225 asset group were insufficient to recover the carrying value of the H225 asset group. The Company determined the fair value of the H225 asset group to be $61.2 million and recorded an impairment charge of $42.0 million in the three months ended September 30, 2019 (Predecessor). The inputs used in the fair value estimates were from Level 2 of the fair value hierarchy discussed in Note 9.

Inventories — During fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), the Company recorded impairment charges of $9.3 million and $5.7 million, respectively, to write-down certain spare parts within inventories to net realizable value. As discussed above, in fiscal year 2019 (Predecessor), the Company performed a review of its H225 aircraft related inventory and recorded an impairment charge of $8.9 million to record the inventory at the lower of cost or net realizable value and as part of its impairment review of the airline assets of Eastern Airways, the Company also recorded impairment of $0.3 million. The impairment charges in fiscal year 2018 (Predecessor) were recorded to impair inventory used in the Company's training fleet at Bristow Academy, Inc. ("Bristow Academy") ($1.2 million) and its fixed wing operations at Eastern Airways ($4.5 million) as a result of changes in expected future utilization of aircraft within those operations.

Investment in Unconsolidated Affiliates — The Company performs regular reviews of each unconsolidated affiliate investee's financial condition, the business outlook for its products and services and its present and projected results and cash flows. When an investee has experienced consistent declines in financial performance or difficulties raising capital to continue operations, and when the Company expects the decline to be other-than-temporary, the investment is written down to fair value. Actual results may vary from estimates due to the uncertainty regarding the projected financial performance of investees, the severity and expected duration of declines in value and the available liquidity in the capital markets to support the continuing operations of the investees in which the Company has investments.

As a result of the aforementioned global events, the Company considered whether its investments in unconsolidated affiliates experienced an other-than-temporary impairment under the guidance provided in ASC 323, Investments — Equity Method and Joint Ventures, during the quarter ended March 31, 2020 (Successor), including its equity method investees Cougar Helicopters Inc. ("Cougar") and Líder Táxi Aéreo S.A. ("Líder") and cost method investee Petroleum Air Services ("PAS").

Despite the aforementioned global events, the Company did not determine an other-than-temporary impairment had occurred for its investments in Cougar and PAS. While Cougar has made revisions to its near-term forecasted results, its forecast indicates a return of activity levels in future periods, sustaining the value of the investee over an extended period of time into the future. PAS has continued to experience positive results, including the distribution in March 2020 (Successor) of the largest dividend payment received by the Company. Based on the facts and circumstances at March 31, 2020 (Successor) surrounding these two investees, the Company does not believe there has been a permanent and expected sustained reduction to the operations and results of these investees.

In March 2020 (Successor), the Company recorded a $9.6 million impairment to its investment in Líder. Líder indicated it experienced a decline in activity as a result of the aforementioned events and also indicated an expected decline in future business opportunities in its market as a result of the decline in oil prices leading to the Company's evaluation of the investment for other-than-temporary impairment. In connection with the pending merger with Era, the Company may be required to dispose of its investment in Líder. This fact indicates the Company may not be able to hold the investment in Líder for the time period required to experience a recovery in the financial results of Líder necessary to assert there has been no other-than-temporary impairment in the investment at March 31, 2020 (Successor). The Company estimated the fair value of its investment in Líder as of March 31, 2020 (Successor) using the income approach, requiring the Company to use significant unobservable inputs, representative of a Level 3 fair value measurement, including assumptions related to the future performance of the investment, such as projected demand for services and rates. The income approach was based on a discounted cash flow model, utilizing projected future cash flows based on estimates of future rates for services, utilization, operating costs, capital requirements, growth rates and terminal values. Forecasted rates and utilization consider current market conditions and the Company's anticipated business outlook, both of which have been impacted by the adverse changes in the offshore energy business environment from the current downturn. Operating costs were forecasted using a combination of historical average operating costs and expected future costs, including cost reduction initiatives. Capital requirements were based on management's estimates of future capital costs resulting from expected market demand in future periods and included cash outflows for new aircraft, infrastructure and improvements, as necessary. A terminal period was used to reflect the Company's estimate of stable, perpetual growth. The future cash flows were discounted using a market-participant risk-adjusted weighted average cost of capital.

The Company owns a 17.2% investment in Sky Future Partners Limited ("Sky Future Partners"), a provider of drone-based inspection services to the global industrial markets. Given the negative evolution of Sky Future Partners' liquidity forecast during the three months ended September 30, 2019 (Predecessor) and the expected impact on continued operations and future opportunities, the Company determined the investment to be other-than-temporarily impaired as of September 30, 2019 (Predecessor). During the three months ended September 30, 2019 (Predecessor), the Company recorded a $2.6 million impairment to its investment in Sky Future Partners in the Corporate and other region. The carrying value of this investment is zero as of December 31, 2019 (Successor).

The fair value of Sky Future Partners was estimated using the income approach. The estimate of fair value includes unobservable inputs, representative of Level 3 fair value measurement, including assumptions related to future performance, such as projected demand for services.

In fiscal year 2018 (Predecessor), the Company recorded an $85.7 million impairment to its investment in Líder. In fiscal year 2018 (Predecessor), Líder's management significantly decreased their future financial projections as a result of tender awards announced by their largest client, Petrobras. This significant decline in future forecasted results, coupled with previous declines in financial results, triggered the Company's review of the investment for potential other-than-temporary impairment as of March 31, 2018 (Predecessor).

The Company estimated the fair value of its investment in Líder as of March 31, 2018 (Predecessor) using a combination of the income and market approaches, requiring the Company to use significant unobservable inputs, representative of a Level 3 fair value measurement, including assumptions related to the future performance of the investment, such as projected demand for services and rates.

The income approach was based on a discounted cash flow model, utilizing projected future cash flows based on estimates of future rates for services, utilization, operating costs, capital requirements, growth rates and terminal values. Forecasted rates and utilization consider current market conditions and the Company's anticipated business outlook, both of which have been impacted by the adverse changes in the offshore energy business environment from the current downturn. Operating costs were forecasted using a combination of historical average operating costs and expected future costs, including cost reduction initiatives. Capital requirements were based on management's estimates of future capital costs resulting from expected market demand in future periods and included cash outflows for new aircraft, infrastructure and improvements, as necessary. A terminal period was used to reflect the Company's estimate of stable, perpetual growth. The future cash flows were discounted using a market-participant risk-adjusted weighted average cost of capital.

The market approach was based upon the application of price-to-earnings multiples to management's estimates of future earnings. Management's earnings estimates were derived from unobservable inputs that require significant estimates, judgments and assumptions as described in the income approach.

Goodwill — See discussion of goodwill impairment under "*Summary of Significant Accounting Policies — Goodwill*" above.

During the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), the Company did not evaluate the estimated fair value of its reporting units compared to its market capitalization because the reporting units with goodwill did not represent a significant portion of its business.

Loss on Sale of Subsidiaries

Loss on sale of subsidiaries includes the following (in thousands):

	Predecessor
	Seven Months Ended October 31, 2019
Sale of Eastern Airways	$ (46,852)
Sale of Aviashelf and Bristow Helicopters Leasing Limited	(9,031)
	$ (55,883)

Eastern Airways

Bristow Helicopters Limited ("Bristow Helicopters"), a subsidiary of Bristow Group, together with its legal and financial advisors, pursued various transactions to exit the Eastern Airways business, which made negative contributions to the Company's operating income in each of the last three fiscal years, including pursuing a sales process with several third parties over an extended period. On May 10, 2019 (Predecessor), Bristow Helicopters completed the sale of all of the shares of Eastern Airways to Orient Industrial Holdings Limited ("OIHL"), an entity affiliated with Mr. Richard Lake, a director of Bristow Helicopters, pursuant to a Sale and Purchase Agreement (the "EAIL Purchase Agreement"). Pursuant to the EAIL Purchase Agreement and related agreements, Bristow Helicopters contributed approximately £17.1 million to Eastern Airways as working capital and OIHL acquired Eastern Airways. Bristow Helicopters retained its controlling ownership of the shares in Humberside International Airport Limited that it previously held through Eastern Airways. Certain intercompany balances between Bristow Helicopters and Eastern Airways were also written off. As a result of the transaction, OIHL now owns and operates Eastern Airways, which had previously operated as a separate unit within Bristow Group, and Bristow Helicopters maintains its controlling interest in Humberside Airport, from which Bristow Helicopters provides U.K. SAR services.

The EAIL Purchase Agreement contained customary representations and warranties. OIHL agreed to certain covenants with respect to non-solicitation of directors, officers or employees of Bristow Helicopters for a period of 12 months. Pursuant to the terms of the EAIL Purchase Agreement, Bristow Helicopters has the right to appoint an observer to the board of directors of Eastern Airways for an initial period of 12 months following the sale. Eastern Airways also agreed to provide certain transition services for a minimum of 12 months from the date of the completion of the transaction.

The loss on the sale of Eastern Airways for the seven months ended October 31, 2019 (Predecessor) of $46.9 million includes the write-off of net assets of $35.0 million and write-off of cumulative translation adjustment of $11.9 million.

Aviashelf and Bristow Helicopters Leasing Limited

As of March 31, 2019 (Predecessor), Bristow Aviation Holdings Limited ("Bristow Aviation") had an indirect 48.5% interest in Aviashelf Aviation Co. ("Aviashelf"), a Russian helicopter company. Additionally, the Company owned 60% of two U.K. joint venture companies, BHLL and Sakhalin Bristow Air Services Ltd. These two U.K. companies lease aircraft to Aviashelf, which held the client contracts for the Company's Russian operations. Aviashelf was consolidated based on the ability of certain consolidated subsidiaries of Bristow Aviation to control the vote on a majority of the shares of Aviashelf, rights to manage the day-to-day operations of the company, which were granted under a shareholders' agreement, and the Company's ability to acquire an additional 8.5% interest in Aviashelf under a put/call option agreement. In April 2019 (Predecessor), the Company sold its 60% ownership interest in BHLL for $1.4 million. In June 2019 (Predecessor), the Company sold its 48.5% ownership interest in Aviashelf for $2.6 million. In August 2019 (Predecessor), the Company exercised its call option to acquire an 8.5% interest in Aviashelf and subsequently sold that interest for $0.4 million.

The loss on the sale of Aviashelf and BHLL for the seven months ended October 31, 2019 (Predecessor) of $9.0 million includes the loss on sale of net assets of $1.8 million and write-off of cumulative translation adjustment of $7.2 million.

Columbia Helicopters

On February 11, 2019, the Company announced its agreement to acquire Columbia Helicopters, Inc. ("Columbia") had been terminated by mutual agreement of the parties. The Company also paid a $20 million termination fee in February 2019 related to the Columbia acquisition, which is included as general and administrative expense in its consolidated statements of operations for fiscal year 2019 (Predecessor). Upon termination of the acquisition agreement, the financing agreements related to the acquisition also terminated pursuant to their respective terms.

Recent Accounting Pronouncements

The Company considers the applicability and impact of all accounting standard updates ("ASUs"). ASUs not listed below were assessed and determined to be either not applicable or are expected to have minimal impact on the Company's consolidated financial position or results of operations.

Adopted

In February 2016, the FASB issued accounting guidance ASC 842, *Leases,* which replaces ASC 840, *Leases,* the existing accounting standards for lease accounting. ASC 842 requires lessees to recognize most leases on their balance sheets and makes targeted changes to lessor accounting. Additionally, ASC 842 requires a modified retrospective transition approach for all leases existing at, or entered into after the date of initial application, with an option to use certain transition relief. The guidance was updated in March 2018 to include an amendment that allows the Company to consider the beginning of the period of adoption as the effective date of initial application of the standard. The Company implemented this accounting standard with an effective date of April 1, 2019 (Predecessor). Based on the FASB transition guidance, the Company does not have to apply the disclosure requirement to periods prior to adoption. The Company elected the package of practical expedients to not re-evaluate existing lease contracts or lease classifications and therefore will not make changes to those leases already recognized on the consolidated balance sheet under ASC 840 until the leases are fully amortized, amended or modified. In addition, the Company did not reassess initial direct costs for any existing leases and elected the short-term lease exception provided for in the standard and therefore will only recognize right-of-use assets ("ROU assets") and lease liabilities for leases with a term greater than one year. The Company elected the practical expedient to not separate lease and non-lease components for all asset classes.

The Company completed a system implementation and has updated its accounting policies to meet the standard's requirements. On April 1, 2019 (Predecessor), the adoption of this accounting standard resulted in recording ROU assets of $281.0 million and an increase in lease liabilities of $285.3 million on the Company's consolidated balance sheet with no material impact on its consolidated statements of operations and consolidated statements of cash flows. For further information on leases, see Note 12.

In February 2018, the FASB issued new accounting guidance on income statement reporting of comprehensive income, specifically pertaining to reclassification of certain tax effects from accumulated other comprehensive income to retained earnings. This pronouncement is effective for fiscal years, and for interim periods within those years, beginning after December 15, 2018, with early adoption permitted. The Company adopted this accounting guidance on April 1, 2019 (Predecessor). The Company did not elect to reclassify certain tax effects from accumulated other comprehensive income to retained earnings.

In June 2018, the FASB issued an amendment to the accounting guidance related to accounting for employee share-based payments which clarifies that an entity should recognize excess tax benefits in the period in which the amount of the deduction is determined. This amendment is effective for annual periods beginning after December 15, 2018, and is applied prospectively to changes in terms or conditions of awards occurring on or after the adoption date. The Company adopted this accounting guidance on April 1, 2019 (Predecessor) with no impact to its financial statements.

Not Yet Adopted

In August 2018, the FASB modified the disclosure requirements on fair value measurements. The amendment modifies, removes and adds several disclosure requirements on fair value measurements in ASC 820, Fair Value Measurement. The amendment is effective for fiscal years ending after December 15, 2021 for public business entities and early adoption is permitted. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its disclosure requirements.

In August 2018, the FASB modified disclosure requirements for employers that sponsor defined benefit pension plans. Certain disclosure requirements were removed and certain disclosure requirements were added. The amendment also clarifies disclosure requirements for projected benefit obligations and accumulated benefit obligations in excess of respective plan assets. The amendment is effective beginning in the Company's fiscal year 2021 financial statements and early adoption is permitted. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its disclosure requirements.

In August 2018, the FASB issued new accounting guidance that addresses the accounting for implementation costs associated with a hosted service. The guidance provides that implementation costs be evaluated for capitalization using the same criteria as that used for internal-use software development costs, with amortization expense being recorded in the same income statement expense line as the hosted service costs and over the expected term of the hosting arrangement. The amendment is effective beginning in the Company's fiscal year 2021 financial statements and early adoption is permitted. The guidance will be applied either retrospectively or prospectively to all implementation costs incurred after the date of adoption. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its financial statements.

In October 2018, the FASB amended the guidance for determining whether a decision-making fee is a variable interest. The amendments require organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety (as currently required in generally accepted accounting principles). Therefore, these amendments likely will result in more decision makers not consolidating VIEs. This amendment is effective beginning in the Company's fiscal year 2021 financial statements and early adoption is permitted. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its disclosure requirements.

In December 2019, the FASB issued new guidance to simplify the accounting for income taxes, which eliminates certain exceptions for recognizing deferred taxes for investments, performing intraperiod allocation and calculating income taxes in interim periods. This ASU also includes guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. ASU 2019-12 is effective for annual and interim periods in fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company is currently assessing the impact of ASU 2019-12 on its consolidated financial statements.

In January 2020, the FASB issued new accounting guidance to clarify certain interactions between the guidance to account for certain equity securities under Topic 321, 323 and 815, and improve current GAAP by reducing diversity in practice and increasing comparability of accounting. The amendments in this ASU are effective for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its financial statements.

In March 2020, the FASB issued codification improvements to financial instruments, which makes improvements to financial instruments guidance. The standard is effective immediately for certain amendments and for fiscal years beginning after December 15, 2019. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its financial statements.

In March 2020, the FASB issued new accounting guidance related to reference rate reform. The pronouncement provides optional guidance for a limited period of time to ease the potential burden of accounting for reference rate reform. This guidance is effective for all entities as of March 12, 2020 through December 31, 2022. The Company has not yet adopted this accounting guidance and is currently evaluating the effect this accounting guidance will have on its financial statements.

Note 2 — REORGANIZATION

On the Petition Date, the Debtors filed the Chapter 11 Cases in the Bankruptcy Court seeking relief under Chapter 11 of the Bankruptcy Code. On October 8, 2019, the Bankruptcy Court entered an order confirming the Plan and on October 31, 2019, in accordance with the terms of the Plan and such confirmation order, the Plan became effective and the Debtors emerged from bankruptcy.

Restructuring Support Agreement

On May 10, 2019, the Company entered into an initial Restructuring Support Agreement (the "Initial RSA") with (i) certain holders of the Company's 8.75% Senior Secured Notes due 2023 (the "8.75% Senior Secured Notes") and (ii) the guarantors of the 8.75% Senior Secured Notes (the "Secured Guarantors"), to support a restructuring of the Company. On June 27, 2019, the Company entered into an amendment and restatement of the Initial RSA and on July 24, 2019, the Company entered into a second amendment and restatement thereof (as so amended and restated, the "Second Amended RSA").

Upon emergence, the Company implemented the provisions of the Second Amended RSA in accordance with the Plan on the Effective Date as follows:

- The 8.75% Senior Secured Notes were cancelled and holders thereof received (a) payment in full in cash of any accrued and unpaid pre- and post-petition interest at the non-default contract rate (except to the extent otherwise paid as adequate protection pursuant to the cash collateral order and not recharacterized or otherwise avoided but not including any make-whole or prepayment premium), (b) after giving effect to the payment in clause (a), cash in an amount equal to 97% of such holder's allowed claims in respect of the 8.75% Senior Secured Notes and (c) rights to participate in the Rights Offering (as defined below).

- The Company's 6¼% Senior Notes due 2022 (the "6¼% Senior Notes") and 4½% Convertible Senior Notes due 2023 (the "4½% Convertible Senior Notes" and, together with the 6¼% Senior Notes, the "Unsecured Notes"), together with the associated indentures (the "Unsecured Notes Claims"), were cancelled and a holder of allowed claims in respect of Unsecured Notes Claims received (a) if such holder was a 4(a)(2) Eligible Holder (as defined in the Plan), its pro rata share of (x) an unsecured equity pool and (y) rights to participate in the Rights Offering, (b) if such holder was not a 4(a)(2) Eligible Holder, either (x) its pro rata share of an unsecured equity pool and rights to participate in the Rights Offering or (y) its pro rata share of the GUC Cash Distribution Amount (as defined in the Plan).

- The Predecessor Company's financing facility (the "DIP Facility") under the DIP Credit Agreement (as defined below) was refinanced and replaced with the Term Loan Agreement (as defined below), which was subsequently amended and extended (refer to Note 8 for credit agreement definitions and further details regarding the credit agreements).

- Claims under the DIP Facility were settled with the issuance of new common stock, par value $0.0001, of the Company, as reorganized pursuant to the Plan (the "New Common Stock"), and new preferred stock, par value $0.0001, of the Company, as reorganized pursuant to the Plan (the "New Preferred Stock" and, together with the New Common Stock, the "New Stock"), equal to the principal and Equitization Consent Fee (as defined below). The lenders under the DIP Credit Agreement also received a fee equal to 10% of the amount of the DIP Facility of $150 million paid in New Stock (the "Equitization Consent Fee"). In accordance with the DIP Credit Agreement, the DIP Facility matured on the Effective Date; the principal balance and the accreted Equitization Consent Fee were converted into 3,490,010 shares of New Common Stock and 634,269 shares of New Preferred Stock.

- Trade vendor claims were paid in full or otherwise continue as impaired. General unsecured creditors were impaired and received a distribution on account of their claims in the form of New Stock or cash.

- The Predecessor Company's common stock, par value $0.01 per share ("Predecessor Common Stock"), and all options, warrants, rights, restricted stock units or other securities or agreements to acquire Predecessor Common Stock, were cancelled as of the Effective Date.
- The Company amended and restated its certificate of incorporation and its bylaws.
- The Company appointed new members to the Successor Company's board of directors to replace directors of the Predecessor Company.
- The Predecessor's equity award agreements under prior incentive plans, and the awards granted pursuant thereto, were extinguished, canceled and discharged.
- The Compensation Committee of the Board of Directors of the Company (the "Board") authorized the MIP (as defined below) which granted awards in New Stock.
- A $385 million Rights Offering was issued for new equity of the Successor. Pursuant to the Rights Offering, eligible participants purchased their pro rata share of 58.22% of the total number of shares of New Stock issued (except for the New Stock issued under the MIP). The Rights Offering was backstopped by certain parties for a commitment premium that was paid with an additional 5.83% of the New Stock (except for the New Stock issued under the MIP), or 1,059,211 shares of New Preferred Stock.
- The Company issued:
    - approximately 1,300,000 shares of New Common Stock to holders of the 8.75% Senior Secured Notes;
    - approximately 9,900,000 shares of New Common Stock to holders of the Unsecured Notes and holders of General Unsecured Claims (as defined in the Plan);
    - approximately 900,000 shares of New Preferred Stock to holders of the 8.75% Senior Secured Notes; and
    - approximately 5,900,000 shares of New Preferred Stock to holders of the Unsecured Notes.

See Notes 8 and 15 for further information regarding the Company's Successor and Predecessor debt and equity instruments.

Backstop Commitment Agreement

On July 24, 2019, the Company entered into the Backstop Commitment Agreement (the "Backstop Commitment Agreement") with the other parties thereto (the "Commitment Parties"), pursuant to which the Commitment Parties agreed to backstop a total $385 million new money rights offering (the "Rights Offering") of New Stock. In accordance with the Plan and certain Rights Offering procedures filed as part of the Plan, the Company granted a group of holders representing approximately 99.3% of the 8.75% Senior Secured Notes, the Secured Guarantors and a group of holders representing approximately 73.6% of the Unsecured Notes, including certain Commitment Parties who are holders of the Unsecured Notes (the "Unsecured Commitment Parties") or holders of the Secured Notes (the "Secured Commitment Parties"), and holders of certain other unsecured claims (collectively with the holders of the Unsecured Notes, the "Unsecured Claims"), the right to purchase shares of New Stock (the "Rights Offering Shares"), which were comprised of 91.825% of New Common Stock and 8.175% of New Preferred Stock, for an aggregate purchase price of, in the case of the Unsecured Claims, $347.5 million (the "Unsecured Rights Offering Amount") and, in the case of the holders of the Secured Notes, $37.5 million (the "Secured Rights Offering Amount" and, together with the Unsecured Rights Offering Amount, the "Rights Offering Amount"). Under the Backstop Commitment Agreement, the Commitment Parties agreed to purchase any Rights Offering Shares that were not duly subscribed for pursuant to the Rights Offering (the "Unsubscribed Shares") at the Per Equity Share Purchase Price (as defined in the Backstop Commitment Agreement).

Under the Backstop Commitment Agreement, the Debtors agreed to pay (i) on the earlier of the closing date of the transactions contemplated by the Backstop Commitment Agreement or the termination of the Backstop Commitment Agreement, a backstop commitment fee (the "Backstop Commitment Fee") in, at the election of the Commitment Parties, New Stock equal to 10% of (a) the Unsecured Rights Offering Amount to the Unsecured Commitment Parties and (b) the Secured Rights Offering Amount to the Secured Commitment Parties and (ii) both as promptly as reasonably practicable after entry of the BCA Approval Order (as defined in the Backstop Commitment Agreement) and on a monthly basis thereafter, all reasonably incurred and documented professional fees of the Commitment Parties. The Backstop Commitment Fee was paid in New Stock to the Commitment Parties pro rata based on the amount of their respective backstop commitments.

The rights to purchase Rights Offering Shares (excluding Unsubscribed Shares) in the Rights Offering were issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to section 1145 of the Bankruptcy Code. A portion of the New Common Stock issued in the Rights Offering was issued in reliance upon such exemption, and a portion of the New Common Stock and all of the New Preferred Stock were issued in reliance upon the exemption from registration under the Securities Act provided by Section 4(a)(2) thereof or another available exemption from registration thereunder. The offer and sale of the Unsubscribed Shares purchased by the Commitment Parties pursuant to the Backstop Commitment Agreement were made in reliance upon the exemption from registration under the Securities Act provided by Section 4(a)(2) thereof or another available exemption from registration thereunder. As a condition to the closing of the transactions contemplated by the Backstop Commitment Agreement, the Company entered into a registration rights agreement with certain Commitment Parties requiring the Company, subject to the terms and conditions thereof, to register the Commitment Parties' securities under the Securities Act. The Rights Offering closed on October 10, 2019.

The Commitment Parties' commitments to backstop the Rights Offering and the other transactions contemplated by the Backstop Commitment Agreement were conditioned upon satisfaction of all applicable conditions set forth therein. The Rights Offering Shares were issued pursuant to the Rights Offering and the Backstop Commitment Agreement on the Effective Date.

Note 3 — FRESH-START ACCOUNTING

Upon the Company's emergence from the Chapter 11 Cases, the Company qualified for and adopted fresh-start accounting in accordance with the provisions set forth in ASC 852 as (i) the Reorganization Value of the Company's assets immediately prior to the date of confirmation was less than the post-petition liabilities and allowed claims, and (ii) the holders of the existing voting shares of the Predecessor entity received less than 50% of the voting shares of the emerging entity. Refer to Note 2 for the terms of the Plan. Fresh-start accounting requires the Company to present its assets, liabilities and equity as if it were a new entity upon emergence from bankruptcy. The new entity is referred to as "Successor" or "Successor Company." However, the Company will continue to present financial information for any periods before adoption of fresh-start accounting for the Predecessor Company. The Predecessor and Successor companies may lack comparability, as required in ASC 205, Presentation of Financial Statements ("ASC 205"). Therefore, "black-line" financial statements are presented to distinguish between the Predecessor and Successor companies.

Adopting fresh-start accounting results in a new financial reporting entity with no beginning retained earnings as of the fresh-start reporting date. Upon the application of fresh-start accounting, the Company allocated the Reorganization Value (the fair value of the Successor Company's total assets) to its individual assets based on their estimated fair values. The Reorganization Value is intended to represent the approximate amount a willing buyer would value the Company's assets immediately after the reorganization.

Reorganization Value is derived from an estimate of Enterprise Value, or the fair value of the Company's long-term debt, stockholders' equity and working capital. The Enterprise Value approved by the Bankruptcy Court as of the Effective Date was $1.25 billion. The Enterprise Value was derived from an independent valuation using an asset based methodology of financial information, considerations and projections, applying a combination of the income, cost and market approaches as of the fresh-start reporting date of October 31, 2019.

See further discussion below under "Fresh-start accounting adjustments" for the specific assumptions used in the valuation of the Company's various assets.

Although the Company believes the assumptions and estimates used to develop the estimate of Enterprise Value and Reorganization Value are reasonable and appropriate, different assumptions and estimates could materially impact the analysis and resulting conclusions. The assumptions used in estimating these values are inherently uncertain and require judgment.

The following table reconciles the Company's estimated Enterprise Value to the estimated fair value of the Successor's Common Stock as of October 31, 2019 (in millions):

Enterprise Value	$	1,250
Plus: Cash, cash equivalents and restricted cash		251
Less: Fair value of debt		(586)
Total Implied Equity		915
Less: Successor Preferred Stock [1]		(619)
Implied value of Successor Common Stock [2]	$	296

[1] At emergence, $470 million share settled redemption feature embedded derivative was bifurcated from issued Successor Preferred Stock and reclassified to preferred stock embedded derivative on the consolidated balance sheet. See Note 9 for further information.

[2] Difference between $294.7 million shown on the October 31, 2019 consolidated balance sheet is a result of rounding.

The following table reconciles the Company's Enterprise Value to its Reorganization Value as of October 31, 2019 (in millions):

Enterprise Value	$	1,250
Plus: Cash, cash equivalents and restricted cash		251
Plus: Current Liabilities and other, noninterest bearing		209
Plus: Other Long-term Liabilities, noninterest bearing (including Deferred Tax Liability)		409
Total Reorganization Value	$	2,119

Consolidated Balance Sheet

The following table illustrates the effects on the Company's consolidated balance sheet due to the reorganization and fresh-start accounting adjustments. The explanatory notes following the table below provide further details on the adjustments, including the Company's assumptions and methods used to determine fair value for its assets and liabilities. Amounts included in the table below are rounded to thousands.

	As of October 31, 2019				
	Predecessor Company	*Reorganization Adjustments*		*Fresh-Start Adjustments*		**Successor Company**
Current assets:						
Cash and cash equivalents	$ 139,278	$ 62,801	*(1)*	$ —		$ 202,079
Restricted cash	23,761	24,686	*(2)*	—		48,447
Accounts receivable from non-affiliates	201,950	(3,034)	*(3)*	—		198,916
Accounts receivable from affiliates	15,926	—		(1,298)	*(12)*	14,628
Inventories	116,926	—		(35,766)	*(13)*	81,160
Prepaid expenses and other current assets	47,283	(3,322)	*(4)*	(13,415)	*(14)*	30,546
Total current assets	545,124	81,131		(50,479)		575,776
Investment in unconsolidated affiliates	112,932	—		7,039	*(15)*	119,971
Property and equipment – at cost:						
Land and buildings	238,967	—		(74,225)	*(16)*	164,742
Aircraft and equipment	2,432,045	—		(1,665,136)	*(17)*	766,909
	2,671,012	—		(1,739,361)		931,651
Less – Accumulated depreciation and amortization	(970,731)	—		970,731	*(18)*	—
	1,700,281	—		(768,630)		931,651
Right-of-use assets	325,764	—		3,263	*(19)*	329,027
Other assets	91,179	213		70,897	*(20)*	162,289
Total assets	$ 2,775,280	$ 81,344		$ (737,910)		$ 2,118,714
Current liabilities:						
Accounts payable	$ 74,170	$ 10,448	*(5)*	$ (2,377)	*(21)*	$ 82,241
Accrued wages, benefits and related taxes	40,657	—		—		40,657
Income taxes payable	2,988	—		—		2,988
Other accrued taxes	8,223	—		—		8,223
Deferred revenue	9,187	—		(321)	*(22)*	8,866
Accrued maintenance and repairs	31,303	—		—		31,303
Accrued interest	21,213	(20,111)	*(6)*	—		1,102
Current portion of operating lease liabilities	83,008	—		(8,497)	*(23)*	74,511
Other accrued liabilities	50,070	(15,417)	*(7)*	(718)	*(24)*	33,935
Short-term borrowings and current maturities of long-term debt	955,009	(926,556)	*(8)*	8,627	*(25)*	37,080
Total current liabilities	1,275,828	(951,636)		(3,286)		320,906
Long-term debt, less current maturities	75,167	525,301		(51,186)	*(25)*	549,282
Accrued pension liabilities	18,623	—		14,891	*(26)*	33,514
Preferred stock embedded derivative	—	470,322	*(10)*	—		470,322
Other liabilities and deferred credits	7,701	—		(3,110)	*(27)*	4,591
Deferred taxes	54,009	93,245	*(28)*	(104,025)	*(28)*	43,229
Long-term operating lease liabilities	244,566	—		9,139	*(23)*	253,705
Total liabilities not subject to compromise	1,675,894	137,232		(137,577)		1,675,549
Liabilities subject to compromise	624,867	(624,867)	*(9)*	—		—
Total liabilities	2,300,761	(487,635)		(137,577)		1,675,549
Commitments and contingencies (Note 11)						
Mezzanine equity:						
Preferred stock	—	148,599	*(10)*	—		148,599
Stockholders' investment:						—
Predecessor common stock, $.01 par value	386	(386)	*(11)*	—		—
Predecessor additional paid-in capital	920,761	(920,761)	*(11)*	—		—
Predecessor retained earnings	52,136	524,687	*(11)*	(576,823)	*(30)*	—
Predecessor accumulated other comprehensive loss	(314,439)	337,373	*(11)*	(22,934)	*(30)*	—
Predecessor Treasury shares	(184,796)	184,796	*(11)*	—		—
Successor Common stock	—	1	*(10)*	—		1
Successor Additional paid-in capital	—	294,670	*(10)*	—		294,670
Total Bristow Group stockholders' investment	474,048	420,380		(599,757)		294,671
Noncontrolling interests	471	—		(576)	*(29)*	(105)
Total stockholders' investment	474,519	420,380		(600,333)		294,566
Total liabilities, mezzanine equity and stockholders' investment	$ 2,775,280	$ 81,344		$ (737,910)		$ 2,118,714

Reorganization adjustments

(1) The table below details cash payments as of October 31, 2019, pursuant to the terms of the Plan described in Note 2 (in thousands):

Equity Rights Offering Proceeds	$	385,000
Release of funds from Restricted Cash		6,972
Payments to 8.75% Senior Secured Notes due 2023 for principal and interest		(270,939)
Payment of DIP interest		(1,098)
Payments for 2019 Term Loan Amendment Fee		(563)
Reserve for Professional Fee Escrow		(30,669)
Payment of Unsecured 4(a)(2) Cash Pool Funding		(7,000)
Payments for Transaction Expenses		(11,867)
Payments to Indenture Trustee		(989)
Payment of Executive Key Employee Incentive Plan		(3,432)
Payments for Prepetition Trade Cures		(2,614)
Total	$	62,801

(2) Represents the Reserve for Professional Fee Escrow of $30.7 million plus the remainder of the Disputed Claims Cash Reserve under the Plan of $0.9 million offset by a $6.9 million release of restricted cash related to the DIP Facility.

(3) Represents the write-off of the value added tax receivable in relation to the rejected aircraft purchase contract with Airbus Helicopters S.A.S. (“Airbus”) for 22 large aircraft in October 2019.

(4) Represents the write-off of the prepaid asset related to the Predecessor’s directors and officers tail coverage insurance policy.

(5) Represents the accrual for success fees of $14.0 million, partially offset by trade cure payments of $2.6 million and other miscellaneous accruals of $0.9 million.

(6) Represents the settlement of the DIP Facility accrued interest of $16.1 million and the 8.75% Senior Secured Notes accrued interest of $4.0 million.

(7) Represents reversal of the $19.3 million Backstop Obligation Reserve plus $0.3 million miscellaneous adjustments, partially offset by accrual for ABL Facility (as defined herein) fees of $2.2 million and a reclassification of the deferred compensation plan of $2.0 million.

(8) The table below reflects the settlement and write-off of the short-term debt and current maturities (in thousands):

Settlement of the 8.75% Senior Secured Notes due 2023	$	275,182
Settlement of DIP Facility		150,000
Settlement of remaining 8.75% Senior Secured Notes due 2023 [(1)]		(8,255)
Write-off of unamortized discount on the 8.75% Senior Secured Notes due 2023		1,641
Reinstated Milestone Omnibus Agreement		(17,313)
Reclassification from short-term borrowings and current maturities of long-term debt to long-term debt, less current maturities		525,301
	$	926,556

[(1)] Represents the difference between the amount outstanding on the 8.75% Senior Secured Notes and the cash paid to settle the 8.75% Senior Secured Notes.

(9) Liabilities subject to compromise consisted of the following (in thousands):

6¼% Senior Notes due 2022 principal and accrued interest [1]	$	415,894
4½% Convertible Senior Notes due 2023 principal and accrued interest [2]		146,627
Accrued lease termination costs [3]		43,049
Milestone Omnibus Agreement [4]		17,313
Deferred compensation plan		1,984
Liabilities subject to compromise	$	624,867

[1] Includes $401.5 million of principal and $14.4 million of interest accrued through May 11, 2019.

[2] Includes $143.8 million of principal and $2.9 million of interest accrued through May 11, 2019.

[3] Relates to ten aircraft leases rejected in June 2019, including nine S-76C+s and one S-76D.

[4] Includes costs related to the return of four leased H225s on May 6, 2019 and includes lease termination costs, deferred lease costs previously included as short-term debt on the consolidated balance sheet and additional lease return costs.

(10) Represents the discharge of debt through the issuance of New Stock. Pursuant to the Plan, Class 4 (Secured Notes Claim holders), Class 8 (Unsecured Notes Claim holders), and Class 12 (General Unsecured Claim holders) received cash and subscription rights to the New Stock issued pursuant to the Rights Offering in full satisfaction and settlement of claims. Any subscription right not exercised by these parties was purchased by the Commitment Parties. Further, Class 8 and Class 12 received New Stock as part of the Unsecured Equity Pool and DIP claim holders received New Stock in full satisfaction and settlement of DIP claims. The following is the calculation of the total pre-tax gain and corresponding impact on additional paid-in capital ("APIC") on the discharge of debt (in thousands):

Liabilities subject to compromise (see footnote above for further details)	$	624,867
Less amounts reinstated:		
Milestone Omnibus Agreement		(17,313)
Deferred Compensation Plan		(1,984)
Total liabilities subject to compromise settled at emergence		605,570
Plus 8.75% Senior Secured Notes due 2023		275,182
Plus proceeds from Rights Offering		385,000
Shares issued to participants in Rights Offering and to compromised creditor classes:		
Equity issued pursuant to Rights Offering and Unsecured Equity Pool [1]		(727,139)
Less cash paid to settle claims:		
Cash paid out [2]		(273,022)
Total pre-tax gain	$	265,591
Settlement of DIP Claims through issuance of New Stock		
DIP Claims plus interest accrued		165,000
DIP Equitization Allocation New Stock plus Consent Fee [1]		(186,453)
APIC Predecessor [3]	$	(21,453)

[1] Successor Equity Issued

[2] The cash paid was used to settle 97% of the 8.75% Senior Secured Notes principal balance (Class 4) and the payments made to Unsecured Notes Claim holders (Class 8) and General Unsecured Claim holders (Class 12).

(3) Pursuant to the DIP Credit Agreement, the DIP claims and the Equitization Consent Fee were settled with New Stock. The difference between the "DIP claims plus accrued interest" and "DIP Equitization Allocation New Stock plus Consent Fee" does not flow through the income statement but is a direct adjustment to the Predecessor APIC.

Successor New Stock		
Equity Issued pursuant to Rights Offering		
Common Stock, $.01 par value [b]	$	1
Preferred Stock Mezzanine Equity [a]		523,973
Additional paid in capital [c]		153,897
Equity Issued Unsecured Equity Pool		
Common Stock, $.01 par value [b]		—
Additional paid in capital [c]		49,268
Total New Stock issued to participants in Rights Offering and to compromised creditor classes	$	727,139
New Stock Issued for settlement of DIP Claims		
Common Stock, $.01 par value [b]		—
Preferred Stock Mezzanine Equity [a]		94,948
Additional Paid in Capital [c]		91,505
Total New Stock issued for settlement of DIP Claims	$	186,453
Total New Stock Issued		913,592
[a] Total Preferred Stock Mezzanine Equity		618,921
[b] Total Common Stock par value		1
[c] Total Additional Paid in Capital		294,670
New Preferred Stock		618,921
Less: Share-settled Redemption Feature Embedded Derivative		(470,322)
Total Equity at Emergence	$	148,599

(11) Represents the cancellation of the Predecessor common stock and related components of the Predecessor equity.

Fresh-start accounting adjustments

(12) Represents the adjustments to accounts receivable from affiliate caused by the write-off of revenue previously being straight-lined for which the Company has no future performance obligations.

(13) Represents the valuation adjustments applied to the Company's inventory, which consists of aircraft parts, kit parts, work in process and fuel. The fair value of the inventory was estimated using the cost approach.

(14) Represents the write-off of the Predecessor's unamortized debt issuance costs as of October 31, 2019 as well as the adjustment to prepaid rent resulting from the change in the Company's fair value of leases. See footnotes 19 and 25 for further details. This balance also represents the fair value adjustment of the Company's short-term portion of contract acquisition and pre-operating costs by $8.8 million to its fair value of zero at the Effective Date.

(15) Represents the valuation adjustments to the Company's equity method investments in Cougar and Líder, and cost method investment in PAS to fair value. The fair value for the unconsolidated investments was based on a combination of the income approach and the market approach. The income approach includes consideration of a market participant discount rate and cash flow projections prepared by their management. The Guideline Public Company Method relies on valuation multiples from reasonably similar Guideline Public Companies.

(16) Represents the fair value adjustment to the Company's land and buildings. The fair value was determined using the direct valuation method of the cost approach of certain owned properties with all other owned properties and related site improvements valued using the indirect method of the cost approach. Concurrently, the income approach and market approach were considered in the context of the Company's economic obsolescence analysis as part of the application of the cost approach.

(17) Represents the valuation adjustment to the Company's aircraft and equipment fair value. The cost approach was the primary valuation method utilized to determine fair value. Concurrently, the income approach was considered in the context of the Company's economic obsolescence analysis as part of the application of the cost approach. Certain assets, specifically those aircraft classified as held for sale as of December 31, 2019 (Successor), were valued utilizing the market approach, based on preliminary sales offers for those assets. The key assumptions used were market conditions and third party market data, locational considerations and aircraft interchangeability, asset age, current flight hours and operational status and earning potential of the overall business.

(18) Represents the elimination of the Predecessor's accumulated depreciation in accordance with fresh-start accounting requirements and revaluation of the corresponding assets described in footnotes 16 and 17 above.

(19) Reflects the valuation adjustments to the Company's ROU assets based on the recalculated operating lease liabilities adjusted for the fair value of any favorable or unfavorable lease term.

(20) Primarily reflects the valuation adjustments to intangible assets and deferred tax asset. The Company's intangible assets consist of PBH contracts, in which aircraft maintenance is covered by the manufacturer in exchange for a fee per flight hour, and a U.K. SAR customer contract. The fair value of the PBH contracts was determined using a cost approach in which the estimated prior accrued payments were discounted using the weighted average cost of capital for each business over the vendor's remaining non-cancelable term of the contract. The fair value of the PBH contracts related to non-UK aircraft was further reduced based on the economic obsolescence rate applied to the corresponding aircraft. The U.K. SAR customer contract was fair valued using the multi-period excess earnings method of the income approach.

(21) Primarily reflects the write-off of short-term portion of contract acquisition and pre-operating costs related to two customer contracts in Norway of $2.2 million and various other miscellaneous costs of $0.2 million.

(22) Reflects the write-off of deferred revenue related to contracts in which the Company was no longer obligated to provide future services.

(23) Reflects the adjustment to the Company's lease assumptions (i.e. discount rate) to record its lease obligations as of the Effective Date and the corresponding adjustment to its short-term lease liability. To estimate the market rent, comparable closed leases and current lease listing were analyzed. Market rent growth was based on published survey data.

(24) Primarily reflects the write-off of long-term portion of contract acquisition and pre-operating costs related to two customer contracts in Norway.

(25) Reflects the valuation adjustments to the Lombard Debt, Macquarie Debt, PK Air Debt and Airnorth Debt (each as defined herein). The fair value for these debt instruments was determined by considering the future cash flows of the instruments based on the contractual interest rates and then discounted back to Day 1, based on the implied market yield and the Company's credit rating as of the Effective Date. When fair valuing the debt, credit spreads, a term-matched risk-free rate associated with each payment based on interpolating the U.S. Constant Maturity Treasury Curve, yield volatility (ranging from 30% to 35%) and call schedule (ranging from 100.25% to 103.5%) were utilized. All of the Predecessor's unamortized debt issuance costs of $15.2 million were written off as of October 31, 2019. Refer to Note 8 for definitions of and further information regarding debt instruments.

(26) Reflects the valuation adjustment to the Company's pension liabilities. The fair value was determined by updating the pension plan assumptions and calculations as of the Effective Date.

(27) Represents the write-off of long-term deferred revenue as no performance obligations remained for the Successor.

(28) Represents the adjustments to deferred tax liability.

(29) Reflects the portion of the valuation adjustments to land, buildings and equipment applicable to noncontrolling interest.

(30) Represents the cumulative impact of the fresh-start accounting adjustments discussed above and the cancellation of the Predecessor's retained earnings and accumulated other comprehensive loss.

Reorganization Items

Reorganization items represent (i) expenses or income incurred subsequent to the Petition Date as a direct result of the Plan, (ii) gains or losses from liabilities settled, and (iii) fresh-start accounting adjustments and are recorded in "Reorganization items" in the Company's unaudited consolidated statements of operations. The following table summarizes the net reorganization items (in thousands):

	Successor	Predecessor
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019
Gain on settlement of liabilities subject to compromise	$ —	$ 265,591
Fresh-start accounting adjustments	—	(686,116)
Reorganization professional fees and other	(7,232)	(197,448)
Loss on reorganization items	$ (7,232)	$ (617,973)

Cash paid for reorganization items for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor) was $21.3 million and $66.0 million, respectively.

Note 4 — TRANSACTIONS

Merger Agreement

On January 23, 2020, Bristow entered into an Agreement and Plan of Merger (as amended April 22, 2020, the "Merger Agreement") with Era Group Inc., a Delaware corporation ("Era"), and Ruby Redux Merger Sub, Inc., a Delaware corporation and a direct wholly owned subsidiary of Era ("Merger Sub"), pursuant to which Merger Sub will merge with and into Bristow, with Bristow continuing as the surviving corporation and direct wholly owned subsidiary of Era (the "Merger"). Following the Merger, Era intends to change its name to Bristow Group Inc. (the "Combined Company"), and its common stock is expected to be listed on either the New York Stock Exchange or the Nasdaq Stock Market, as determined by Era (after consultation with the Company's Chairman of the Board).

On the terms and subject to the conditions set forth in the Merger Agreement, the consideration payable to holders of outstanding New Common Stock (including holders of any shares issued as a result of the conversion of New Preferred Stock and certain shares of New Common Stock held in reserve) outstanding immediately prior to the closing will be converted into the right to receive a number of shares of common stock, par value $0.01 per share, of the Combined Company ("Combined Company Common Stock") equal to the product of (i) 77% multiplied by (ii) the quotient of (x) the number of shares of Era common stock outstanding immediately prior to the Merger, calculated on fully-diluted basis, divided by (y) 23% (the "Aggregate Merger Consideration"). Each holder of New Common Stock, other than holders of dissenting shares, shall be entitled to receive, for each share of New Common Stock, a number of shares of Combined Company Common Stock equal to the Aggregate Merger Consideration divided by the number of shares of New Common Stock outstanding immediately prior to the Merger (including any shares issued as a result of the conversion of New Preferred Stock, any shares underlying Bristow options or restricted stock units and certain shares of New Common Stock held in reserve) (the "Per Share Merger Consideration"), plus the cash value of any fractional shares of Combined Company Common Stock that would otherwise be payable.

Holders of restricted stock units under the MIP will be entitled to receive restricted stock units in the Combined Company equal to the number of Bristow restricted stock units held, multiplied by the Per Share Merger Consideration, and subject to the same restrictions. Holders of stock options under the MIP will receive options to purchase shares of Combined Company Common Stock equal to the number of shares of New Common Stock held multiplied by the Per Share Merger Consideration, with the exercise prices adjusted accordingly.

The Merger Agreement contains customary representations and warranties from each of Bristow and Era, and each party has agreed to customary covenants, including, among others, covenants relating to (1) the conduct of its business prior to the closing, (2) the use of reasonable best efforts to consummate the Merger and obtain all required consents and approvals, including regulatory approvals, (3) the preparation and filing of a registration statement on Form S-4 (the "S-4 Registration Statement") by Era to register the Aggregate Merger Consideration and a joint proxy statement for the special meetings or approval by written consent, as applicable, of stockholders of Bristow and Era, (4) holding a meeting or approval by written consent, as applicable, of stockholders of each company to obtain their requisite approvals in connection with the Merger, including, among other approvals, the approval by Era stockholders of the issuance of shares of Combined Company Common Stock in the Merger (the "Stock Issuance") and an amendment to the certificate of incorporation of Era to increase the number of authorized shares of Combined Company Common Stock (the "Charter Amendment"), and (5) subject to certain exceptions, the recommendation of the board of directors of each of Bristow and Era that such approvals be provided.

The Merger Agreement also prohibits Bristow and Era from soliciting competing acquisition proposals, except that, subject to customary exceptions and limitations, prior to receiving stockholder approval, either party may provide information to, and negotiate with, a third party that makes an unsolicited acquisition proposal if the board of directors of Bristow or Era, as applicable, determines, after considering any adjustments to the Merger Agreement proposed by the other party following good faith negotiations during a three business day matching period, that such acquisition proposal would reasonably be expected to result in a superior proposal and failure to take such actions would be reasonably likely to be inconsistent with its fiduciary duties under applicable law. The board of directors of each of Bristow and Era is also permitted to change its recommendation prior to the vote of its stockholders if such board of directors determines in good faith (after consultation with its respective outside counsel and financial advisor) that an acquisition proposal constitutes a superior proposal. Additionally, the board of directors of each of Bristow and Era is permitted to change its recommendation prior to the vote of its stockholders in response to certain intervening events.

Each of Bristow's and Era's obligation to consummate the Merger is subject to the satisfaction or waiver of certain conditions, including, among others, (1) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Act ("HSR Act") or any other antitrust law, (2) the absence of any governmental order or law prohibiting the consummation of the Merger, (3) adoption of the Merger Agreement by holders of a majority of the outstanding shares of New Common Stock and New Preferred Stock voting on an as-converted basis, plus one "Major Holder" (as defined in Bristow's stockholders' agreement and which, as of the date hereof, refers to each of the signatories to the voting agreements described below), (4) the approval of the Stock Issuance and Charter Amendment by Era's stockholders, (5) the effectiveness of the registration statement for Combined Company Common Stock to be issued in the Merger and the authorization for listing of those shares on the New York Stock Exchange or Nasdaq Stock Market, as applicable, (6) the absence of a material adverse effect on the other party, (7) the accuracy of the other party's representations and warranties, subject to customary materiality qualifiers and (8) compliance of the other party with its respective covenants under the Merger Agreement in all material respects. Era's obligation to consummate the Merger is also subject to (x) the conversion of all shares of New Preferred Stock into New Common Stock, and (y) the termination of Bristow's stockholders' agreement. Bristow's obligation to consummate the Merger is also subject to the receipt of a tax opinion from Bristow's counsel.

The Merger Agreement contains certain termination rights for each of Bristow and Era, including if (1) the Merger is not consummated by October 23, 2020 (as it may be extended, the "End Date"), which date will be extended automatically until January 23, 2021, if all conditions precedent, other than the expiration of the waiting period under the HSR Act, have been satisfied or are capable of being satisfied, (2) there is a law or order permanently enjoining or otherwise prohibiting the consummation of the Merger, (3) the required approval of the stockholders of Bristow or Era is not obtained, (4) there has been an intentional material breach of the no-solicitation covenant by the other party, or (5) there has been a material breach of the covenants or representations and warranties by the other party that is not cured such that the applicable closing conditions are not satisfied. In addition, among other reasons, (a) Bristow may terminate the Merger Agreement in the event that Era's board of directors changes its recommendation in favor of Era stockholders' approval of the Stock Issuance and the Charter Amendment and (b) Era may terminate the Merger Agreement in the event that Bristow's board of directors changes its recommendation in favor of Bristow stockholders' approval of the Merger.

If the Merger Agreement is terminated (1) (i) because (A) the approval of the Era stockholders is not obtained, (B) Bristow terminates the Merger Agreement due to a material uncured breach by Era or (C) either party terminates the Merger Agreement after the Merger has not been consummated by the End Date at a time when Bristow could have terminated the agreement because of a material uncured breach by Era or a change in the recommendation by Era's board of directors to the Era stockholders, (ii) an alternative transaction had been publicly announced prior to the Era stockholder meeting and such proposal has not been withdrawn or expired at least 5 days prior to the meeting and (iii) and within 12 months of such termination, Era has entered into a definitive agreement with respect to an alternative sale transaction, which transaction is thereafter consummated; or (2) by Bristow before the approval of Era's stockholders is obtained because Era's board of directors has changed its recommendation, then Era will be required to pay Bristow a termination fee of $9,000,000.

If the Merger Agreement is terminated (1) (i) because (A) the approval of the Bristow stockholders is not obtained, (B) Era terminates the Merger Agreement due to a material uncured breach by Bristow or (C) either party terminates the Merger Agreement after the Merger has not been consummated by the End Date at a time when Era could have terminated the agreement because of a material uncured breach by Bristow or a change in the recommendation by Bristow's board of directors to the Bristow stockholders, (ii) an alternative transaction has been publicly announced prior to the Bristow stockholder meeting and such proposal has not been withdrawn or expired at least 5 days prior to the meeting and (iii) and within 12 months of such termination, Bristow has entered into a definitive agreement with respect to an alternative sale transaction, which transaction is thereafter consummated; or (2) by Era before the approval of Bristow's stockholders is obtained because Bristow's board of directors has changed its recommendation, then Bristow will be required to pay Era a termination fee of $9,000,000.

In addition, each party will be obligated to reimburse the other party's expenses in an amount not to exceed $4,000,000 if the Merger Agreement is terminated because of the failure to obtain the required approval of such party's stockholders and a termination fee is otherwise not payable to the other party pursuant to the terms and conditions of the Merger Agreement.

In connection with the Merger, on February 6, 2020, Era and Bristow each filed a premerger notification and report form under the HSR Act with the Antitrust Division of the Department of Justice and the Federal Trade Commission. On March 11, 2020, Era re-filed its HSR premerger notification and report form. On April 10, 2020, the waiting period with respect to the HSR Act expired.

The expiration of the waiting period under the HSR Act satisfies a condition to the closing of the Merger. The closing of the Merger remains subject to other customary closing conditions, including the approval of the merger by Bristow's stockholders and the approval of the issuance of the shares in the merger by Era's stockholders.

Voting Agreements

In connection with the execution of the Merger Agreement, on January 23, 2020, Bristow and Era entered into individual voting agreements with certain significant stockholders of Bristow (collectively, the "Significant Stockholders" and such agreements, the "Voting Agreements"), pursuant to which (i) each Significant Stockholder has agreed, among other things, to, as promptly as practicable following effectiveness of the S-4 Registration Statement, deliver a duly executed consent in favor of the Merger and adoption of the Merger Agreement and (ii) Era has agreed to negotiate in good faith a registration rights agreement that will be entered into with each such Significant Stockholder.

Each Voting Agreement shall terminate upon the earliest of (a) the effective time of the Merger, (b) any amendment to the Merger Agreement made without such Significant Stockholder's consent that reduces the amount or changes the form of the Aggregate Merger Consideration, adversely affects the tax consequences of such Significant Stockholder, changes certain governance rights set forth in the Merger Agreement or extends the End Date beyond January 23, 2021 and (c) the termination of the Merger Agreement in accordance with its terms. On May 7, 2020 and May 8, 2020, the Significant Stockholders delivered their consents in favor of the Merger and adoption of the Merger Agreement.

Conditional Novation Agreement

In connection with the entry into the Merger Agreement, Era, Bristow, certain subsidiaries of Bristow and PK AirFinance S.à r.l. ("PK AirFinance") entered into a conditional novation agreement, pursuant to which Era agreed, effective upon closing of the Merger, to replace Bristow as the parent guarantor under the $230 million credit agreement, dated as of July 17, 2017, among Bristow Equipment Leasing Ltd., the several banks, other financial institutions and other lenders from time to time party thereto and PK AirFinance, as agent and security trustee (as amended, the "PK Credit Agreement").

Note 5 — REVENUE RECOGNITION

Revenue Recognition

In general, the Company recognizes revenue when a service is provided or a good is sold to a customer and there is a contract. At contract inception, the Company assesses the goods and services promised in its contracts with customers and identifies all performance obligations for each distinct promise that transfers a good or service (or bundle of goods or services) to the customer. To identify the performance obligations, the Company considers all goods or services promised in the contract, whether explicitly stated or implied based on customary business practices. Revenue is recognized when control of the identified distinct goods or services has been transferred to the customer, the transaction price is determined and allocated to the satisfied performance obligations and the Company has determined that collection has occurred or is probable of occurring.

A majority of the Company's revenue from contracts with customers is currently generated through two types of contracts: helicopter services and fixed wing services. Each contract type has a single distinct performance obligation as described below.

Helicopter services — The Company's customers — major integrated, national and independent offshore energy companies — charter its helicopters primarily to transport personnel between onshore bases and offshore production platforms, drilling rigs and other installations. To a lesser extent, the Company's customers also charter its helicopters to transport time-sensitive equipment to these offshore locations. The customers for SAR services include both the oil and gas industry and governmental agencies. Revenue from helicopter services is recognized when the performance obligation is satisfied over time based on contractual rates as the related services are performed.

A performance obligation arises under contracts with customers to render services and is the unit of account under the new accounting guidance for revenue. Operating revenue from the Company's oil and gas segment is derived mainly from fixed-term contracts with its customers, a substantial portion of which is competitively bid. A small portion of its oil and gas customer revenue is derived from providing services on an "ad-hoc" basis. Its fixed-term contracts typically have original terms of one year to seven years (subject to provisions permitting early termination by its customers). The Company accounts for services rendered separately if they are distinct and the service is separately identifiable from other items provided to a customer and if a customer can benefit from the services rendered on its own or with other resources that are readily available to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. Within this contract type for helicopter services, the Company determined that each contract has a single distinct performance obligation. These contracts include a fixed monthly rate for a particular model of aircraft, and flight hour services, which represents the variable component of a typical contract with a customer. Rates for these services vary depending on the type of services provided and can be based on a per flight hour, per day, or per month basis. Variable charges within its flight services contracts are not effective until a customer-initiated flight order is received and the actual hours flown are determined; therefore, the associated flight revenue generally cannot be reasonably and reliably estimated beforehand. A contract's standalone selling prices are determined based upon the prices that the Company charges for services rendered. Revenue is recognized as performance obligations are satisfied over time, by measuring progress towards satisfying the contracted services in a manner that best depicts the transfer of services to the customer, which is generally represented by a period of 30 days or less. The Company typically invoices customers on a monthly basis and the term between invoicing and when the payment is due is typically between 30 and 60 days. In order to offset potential increases in operating costs, long-term contracts may provide for periodic increases in the contractual rates charged for services. The Company recognizes the impact of these rate escalations when estimable and applicable, which generally includes written acknowledgment from the customers that they are in agreement with the amount of the rate escalation. Cost reimbursements from customers are recorded as reimbursable revenue with the related reimbursed costs recorded as reimbursable expense on the Company's consolidated statements of operations.

Taxes collected from customers and remitted to governmental authorities are reported on a net basis in the Company's financial statements. Thus, the Company excludes taxes imposed on the customer and collected on behalf of governmental agencies to be remitted to these agencies from the transaction price in determining the revenue related to contracts with a customer.

Fixed wing services — Airnorth provides fixed wing transportation services through regular passenger transport (scheduled airline service with individual ticket sales) and charter services. A performance obligation arises under contracts with customers to render services and is the unit of account under the new accounting guidance for revenue. Within fixed wing services, the Company determined that each contract has a single distinct performance obligation. Revenue is recognized over time at the earlier of the period in which the service is provided or the period in which the right to travel expires, which is determined by the terms and conditions of the ticket. Ticket sales are recorded within deferred revenue in accordance with the above policy. Both chartered and scheduled airline service revenue is recognized net of passenger taxes and discounts.

Contract Assets, Liabilities and Receivables

The Company generally satisfies performance of contract obligations by providing helicopter and fixed wing services to its customers in exchange for consideration. The timing of performance may differ from the timing of the customer's payment, which results in the recognition of a contract asset or a contract liability. A contract asset exists when the Company has a contract with a customer for which revenue has been recognized (i.e., services have been performed), but customer payment is contingent on a future event (i.e. satisfaction of additional performance obligations). These contract assets are transferred to receivables when the right to consideration becomes unconditional. Contract liabilities relate to deferred revenue in which advance consideration is received from customers for contracts where revenue is recognized on future performance of services.

As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), receivables related to services performed under contracts with customers were $148.3 million and $164.7 million, respectively. All receivables from non-affiliates and affiliates are broken out further in the consolidated balance sheets. During the five months ended March 31, 2020 (Successor), the Company recognized $4.9 million of revenue from outstanding contract liabilities. During the seven months ended October 31, 2019 (Predecessor) and fiscal year 2019 (Predecessor), the Company recognized $8.5 million and $12.4 million of revenue from outstanding contract liabilities, respectively. Contract liabilities related to services performed under contracts with customers was $4.9 million and $10.0 million as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), respectively. Contract liabilities are primarily generated by fixed wing services where customers pay for tickets in advance of receiving the Company's services and advanced payments from helicopter services customers. There were no contract assets as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor).

There was no significant revenue recognized from satisfied performance obligations related to prior periods (for example, due to changes in transaction price) for the five months ended March 31, 2020 (Successor). There was no significant revenue recognized from satisfied performance obligations related to prior periods for the seven months ended October 31, 2019 (Predecessor) and $2.7 million was recognized for fiscal year 2019 (Predecessor).

Revenue from third party customers

Total revenue related to third party customers is as follows (in thousands):

	Successor	Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019
Revenue:			
Operating revenue from non-affiliates	$ 443,716	$ 691,360	$ 1,239,117
Operating revenue from affiliates	8,413	12,015	23,099
Reimbursable revenue from non-affiliates	18,038	34,304	61,755
Revenue from Contracts with Customers	470,167	737,679	1,323,971
Other revenue from non-affiliates	686	945	20,412
Other revenue from affiliates	14,910	18,599	25,279
Total Revenue	$ 485,763	$ 757,223	$ 1,369,662

Remaining Performance Obligations

Remaining performance obligations represent firm contracts for which work has not been performed and future revenue recognition is expected. The table below discloses (1) the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period and (2) the expected timing to recognize this revenue (in thousands):

	Remaining Performance Obligations (Successor)					
	Fiscal Year Ending March 31,					
	2021	2022	2023	2024	2025 and thereafter	Total
Outstanding Service Revenue:						
Helicopter contracts	$ 365,809	$ 186,528	$ 177,716	$ 133,455	$ 136,239	$ 999,747
Fixed-wing contracts	1,080	—	—	—	—	1,080
Total remaining performance obligation revenue	$ 366,889	$ 186,528	$ 177,716	$ 133,455	$ 136,239	$ 1,000,827

Although substantially all of the Company's revenue is under contract, due to the nature of the business, the Company does not have significant remaining performance obligations as its contracts typically include unilateral termination clauses that allow its customers to terminate existing contracts with a notice period of 30 to 365 days. The table above includes performance obligations up to the point where the parties can cancel existing contracts. Any applicable cancellation penalties have been excluded. As such, the Company's actual remaining performance obligation revenue is expected to be greater than what is reflected above. In addition, the remaining performance obligation disclosure does not include expected consideration related to performance obligations of a variable nature (i.e., flight services) as they cannot be reasonably and reliably estimated.

Other Considerations and Practical Expedients

The Company was awarded a government contract to provide SAR services for all of the U.K., which commenced in April 2015. The Company previously incurred costs related to this contract that generate or enhance the resources used to fulfill the performance obligation within the contract and the costs are expected to be recoverable. These contract acquisition and pre-operating costs qualified for capitalization. These capitalized contract acquisition and pre-operating costs related to the U.K. SAR contract and two customer contracts in Norway were capitalized and amortized by the Predecessor Company prior to implementation of fresh-start accounting. See Notes 1 and 3 for further details.

The Company incurs incremental direct costs for obtaining contracts through sales commissions paid to ticket agents to sell seats on regular public transportation flights for its fixed-wing services only. The Company will utilize the practical expedient allowed by the FASB that permits expensing the incremental costs of obtaining a contract when incurred, if the amortization period of the contract asset that would otherwise have been recognized is one year or less.

In addition, the Company applied the invoice practical expedient that allows the recognition of revenue in the amount to which the Company has the right to invoice the customer and corresponds directly with the value to the customer of the Company's performance completed to date.

Note 6 — VARIABLE INTEREST ENTITIES AND OTHER INVESTMENTS IN SIGNIFICANT AFFILIATES

VIEs

A VIE is an entity that either (i) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support or (ii) has equity investors who lack the characteristics of a controlling financial interest. A VIE is consolidated by its primary beneficiary. The primary beneficiary has both the power to direct the activities that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive benefits from the entity that could potentially be significant to the VIE. If the Company determines that it has operating power and the obligation to absorb losses or receive benefits, the Company consolidates the VIE as the primary beneficiary, and if not, the Company does not consolidate.

As of March 31, 2020 (Successor), the Company had interests in five VIEs of which the Company was the primary beneficiary, which are described below, and had no interests in VIEs of which the Company was not the primary beneficiary.

Bristow Aviation Holdings Limited — The Company owns 49% of Bristow Aviation's common stock and a significant amount of its subordinated debt. Bristow Aviation is incorporated in England and, through its subsidiaries, holds all the outstanding shares in Bristow Helicopters. Bristow Aviation's subsidiaries provide industrial aviation services to customers primarily in the U.K., Norway, Australia, Nigeria and Trinidad and fixed wing services primarily in the U.K. and Australia. Bristow Aviation is organized with three different classes of ordinary shares having disproportionate voting rights. The Company, Caledonia Investments plc ("Caledonia") and a European Union investor (the "E.U. Investor") owned 49%, 46% and 5%, respectively, of Bristow Aviation's total outstanding ordinary shares, although Caledonia had voting control over the E.U. Investor's shares.

In addition to the Company's ownership of 49% of Bristow Aviation's outstanding ordinary shares, in May 2004, the Company acquired eight million shares of deferred stock, essentially a subordinated class of stock with no voting rights, from Bristow Aviation for £1 per share ($14.4 million in total). The Company also has £91.0 million ($112.8 million) principal amount of subordinated unsecured loan stock (debt) of Bristow Aviation bearing interest at an annual rate of 13.5% and payable semi-annually. Payment of interest on such debt has been deferred since its incurrence in 1996. Deferred interest accrues at an annual rate of 13.5% and aggregated $2.7 billion as of March 31, 2020 (Successor).

The Company's operations in the U.K. are subject to the Civil Aviation Act 1982 and other similar English and E.U. statutes and regulations. The Company carries persons and property in its aircraft pursuant to an operating license issued by the Civil Aviation Authority (the "CAA"). The holder of an operating license must meet the ownership and control requirements of Council Regulation 2407/92. To operate under this license, the company through which the Company conducts operations in the U.K., Bristow Helicopters, must be owned directly or through majority ownership by E.U. nationals, and must at all times be effectively controlled by them. The Company's ownership of 49% of the ordinary shares of Bristow Aviation, the entity that owns Bristow Helicopters, is to comply with these restrictions. Caledonia, the Company and the E.U. Investor also entered into a put/call agreement under which, upon giving specified prior notice, the Company had the right to buy all the Bristow Aviation shares held by Caledonia and the E.U. Investor, who, in turn, each had the right to require the Company to purchase such shares. As discussed above, under current English law, the Company would be required, in order for Bristow Aviation to retain its operating license, to find a qualified E.U. investor to own any Bristow Aviation shares the Company has the right to acquire under the put/call agreement. In addition, the put/call agreement limits the Company's ability to exercise the put/call option through a requirement to consult with the CAA in the U.K. regarding the suitability of the new holder of the Bristow Aviation shares. The put/call agreement does not contain any provisions should the CAA not approve the new E.U. investor. However, the Company would work diligently to find an E.U. investor suitable to the CAA. The amount by which the Company could purchase the shares of the other investors holding 51% of the equity of Bristow Aviation is fixed under the terms of the call option, and the Company has reflected this amount on the consolidated balance sheets as noncontrolling interest. On March 14, 2019, the E.U. Investor provided notice of his intent to exercise his right to require the Company or a qualified E.U. investor to purchase his Bristow Aviation shares for £100,000. In addition, on April 29, 2019, Caledonia provided notice of its intent to exercise its right to require the Company or a qualified E.U. investor to purchase its Bristow Aviation shares for £920,000, under the Company's put/call agreement with this stockholder. As a result, in September 2019 and October 2019, 5% and 46%, respectively, of such shares were purchased by Impigra Aviation Holdings Limited ("Impigra"), a qualified E.U. investor, with proceeds from two loans received from Bristow Holdings Company Ltd. III ("BHC III"), a Bristow subsidiary. Impigra, is a British company owned 100% by U.K. Bristow employees and now owns 51% of the ordinary shares of Bristow Aviation. There was no material change to the Bristow Aviation shareholders' agreement or the put/call agreement which Impigra is now a party to. Impigra is also a VIE that the Company consolidates as the primary beneficiary and the Company eliminates the loans discussed above in consolidation. Brexit is anticipated to require a qualified U.K. investor rather than a qualified E.U. investor. Impigra is expected to meet the requirements to satisfy a qualified U.K. investor requirement.

Furthermore, the call option provides a mechanism whereby the economic risk for the other investor is limited should the financial condition of Bristow Aviation deteriorate. The call option price is the nominal value of the ordinary shares held by the noncontrolling shareholder (£1.0 million as of March 31, 2020 (Successor)) plus an annual guaranteed rate of return less any prepayments of such call option price and any dividends paid on the shares concerned. The Company can elect to pre-pay the guaranteed return element of the call option price wholly or in part without exercising the call option. No dividends have been paid by Bristow Aviation. The Company has accrued the annual return due to the other shareholder at a rate of sterling LIBOR plus 3% by recognizing noncontrolling interest expense on its consolidated statements of operations, with a corresponding increase in noncontrolling interest on its consolidated balance sheets. Prepayments of the guaranteed return element of the call option are reflected as a reduction in noncontrolling interest on its consolidated balance sheets. The other investor has an option to put its shares in Bristow Aviation to the Company. The put option price is calculated in the same way as the call option price except that the guaranteed rate for the period to April 2004 was 10% per annum. If the put option is exercised, any pre-payments of the call option price are set off against the put option price.

Changes in the balance for the noncontrolling interest associated with Bristow Aviation are as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Balance – beginning of fiscal year	$ 1,332	$ 1,253	$ 1,358	$ 1,226
Payments to noncontrolling interest shareholders	—	(37)	(54)	(49)
Noncontrolling interest expense	21	31	55	50
Currency translation	(62)	85	(106)	131
Balance – end of fiscal year	$ 1,291	$ 1,332	$ 1,253	$ 1,358

Bristow Aviation and its subsidiaries are exposed to similar operational risks and are therefore monitored and evaluated on a similar basis by management. Accordingly, the financial information reflected on the Company's consolidated balance sheets and statements of operations for Bristow Aviation and subsidiaries is presented in the aggregate, including intercompany amounts with other consolidated entities, as follows (in thousands):

	Successor	Predecessor
	March 31, 2020	March 31, 2019
Assets		
Cash and cash equivalents	$ 110,385	$ 83,499
Restricted cash	1,686	—
Accounts receivable	297,962	307,864
Inventories	55,166	85,977
Prepaid expenses and other current assets	27,851	36,646
Total current assets	493,050	513,986
Investment in unconsolidated affiliates	575	3,087
Property and equipment, net	285,142	281,944
Right-of-use assets	54,333	—
Goodwill	—	18,436
Other assets	196,996	229,902
Total assets	$ 1,030,096	$ 1,047,355
Liabilities		
Accounts payable	$ 497,867	$ 442,187
Accrued liabilities	91,220	113,905
Accrued interest	2,697,878	2,399,704
Current maturities of long-term debt	7,904	85,287
Total current liabilities	3,294,869	3,041,083
Long-term debt, less current maturities	441,665	384,369
Accrued pension liabilities	17,855	25,726
Other liabilities and deferred credits	—	4,810
Deferred taxes	—	37,063
Long-term operating lease liabilities	38,228	—
Total liabilities	$ 3,792,617	$ 3,493,051

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Revenue	$ 413,885	$ 663,047	$ 1,221,344	$ 1,241,223
Operating loss	(14,083)	45,505	(41,148)	(65,254)
Net loss	(166,698)	(193,867)	(347,056)	(322,752)

Bristow Helicopters Nigeria Ltd. — Bristow Helicopters Nigeria Ltd. ("BHNL") is a joint venture in Nigeria in which Bristow Helicopters owns a 48% interest, a Nigerian company owned 100% by Nigerian employees owns a 50% interest and an employee trust fund owns the remaining 2% interest as of March 31, 2020 (Successor). BHNL provides industrial aviation services to customers in Nigeria.

In order to be able to bid competitively for services in the Nigerian market, the Company was required to identify local citizens to participate in the ownership of entities domiciled in the region. However, these owners do not have extensive knowledge of the aviation industry and have historically deferred to the Company's expertise in the overall management and day-to-day operation of BHNL (including the establishment of operating and capital budgets and strategic decisions regarding the potential expansion of BHNL's operations). The Company has also historically provided subordinated financial support to BHNL and will need to continue to do so unless and until BHNL acquires sufficient equity to permit itself to finance its activities without that additional support from the Company. As the Company has the power to direct the most significant activities affecting the economic performance and ongoing success of BHNL and hold a variable interest in the entity in the form of the Company's equity investment and working capital infusions, the Company consolidates BHNL as the primary beneficiary. The employee-owned Nigerian entity referenced above purchased a 19% interest in BHNL in December 2013 with proceeds from a loan received from BGI Aviation Technical Services Nigeria Limited ("BATS"). In July 2014, the employee-owned Nigerian entity purchased an additional 29% interest with proceeds from a loan received from Bristow Helicopters (International) Limited ("BHIL"). In April 2015, Bristow Helicopters purchased an additional 8% interest in BHNL and the employee-owned Nigerian entity purchased an additional 2% interest with proceeds from a loan received from BHIL. Both BATS and BHIL are wholly-owned subsidiaries of Bristow Aviation. The employee-owned Nigerian entity is also a VIE that the Company consolidates as the primary beneficiary and the Company eliminates the loans discussed above in consolidation.

BHNL is an indirect subsidiary of Bristow Aviation; therefore, financial information for this entity is included within the amounts for Bristow Aviation and its subsidiaries presented above.

Pan African Airlines Nigeria Ltd. — Pan African Airlines Nigeria Ltd. ("PAAN") is a joint venture in Nigeria with local partners in which the Company owns an interest of 50.17%. PAAN provides industrial aviation services to customers in Nigeria.

The activities that most significantly impact PAAN's economic performance relate to the day-to-day operation of PAAN, setting the operating and capital budgets and strategic decisions regarding the potential expansion of PAAN's operations. Throughout the history of PAAN, the Company's representation on the board and secondment to PAAN of its managing director has enabled the Company to direct the key operational decisions of PAAN (without objection from the other board members). The Company has also historically provided subordinated financial support to PAAN. As the Company has the power to direct the most significant activities affecting the economic performance and ongoing success of PAAN and holds a variable interest in the form of the Company's equity investment and working capital infusions, the Company consolidates PAAN as the primary beneficiary. However, as long as the Company owns a majority interest in PAAN, the separate presentation of financial information in a tabular format for PAAN is not required.

Other Significant Affiliates — Consolidated

In addition to the VIEs discussed above, the Company consolidates the entities described below, which were less than 100% owned during the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and/or fiscal year 2018 (Predecessor).

Airnorth — As of March 31, 2020 (Successor), Bristow Helicopters Australia Pty Ltd. ("Bristow Helicopters Australia") had a 100% interest in Airnorth, a regional fixed wing operator based in Darwin, Northern Territory, Australia with both scheduled and charter services that focus primarily on the energy and mining industries in northern and western Australia as well as international service to Dili, Timor-Leste. Airnorth's fleet consists of 13 aircraft and its customer base includes many energy companies to which Bristow Group provides helicopter transportation services. In January 2015 (Predecessor), Bristow Helicopters Australia acquired an 85% interest in Airnorth, for cash of A$30.3 million ($24.0 million). In November 2015 (Predecessor), the Company purchased the remaining 15% of the outstanding shares of Airnorth for A$7.3 million ($5.3 million) through the exercise of a call option resulting in a reduction of $5.5 million to redeemable noncontrolling interests and an increase of $2.6 million to additional paid-in capital on its consolidated balance sheet. The terms of the purchase agreement for Airnorth included a potential earn out consideration of up to A$17.0 million ($13.0 million) to be paid over four years based in part on the achievement of specified financial performance thresholds and continued employment by the selling shareholders. A portion of the first year earn-out payment of $1.5 million was paid during fiscal year 2016 (Predecessor) as Airnorth achieved agreed performance targets. Airnorth did not achieve the performance targets for the second year through fourth year earn-out payments.

Eastern Airways — As of March 31, 2019 (Predecessor), Bristow Helicopters had a 100% interest in Eastern Airways, a regional fixed wing operator based at Humberside Airport located in North Lincolnshire, England with both charter and scheduled services targeting U.K oil and gas industry transportation. In February 2014, Bristow Helicopters acquired a 60% interest in Eastern Airways. In January 2018 (Predecessor), Bristow Helicopters acquired the remaining 40% of the outstanding shares of Eastern Airways for nominal consideration. As part of the acquisition, Bristow Helicopters entered into agreements with the other shareholders of Eastern Airways that grant Bristow Helicopters the right to buy all of the Eastern Airways shares (and grant them the right after seven years to require Bristow Helicopters to buy all of their shares) and include transfer restrictions and other customary provisions.

The third-party noncontrolling interest holders, prior to the Company's acquisition on the noncontrolling interest, held a written put option, which allowed them to sell their noncontrolling interest to Bristow Helicopters at any time after the end of the seventh year after acquisition. In addition to the written put option, Bristow Helicopters held a perpetual call option to acquire the noncontrolling interest at any time. Under each of these alternatives, the exercise price was based on a contractually defined multiple of cash flows formula (the "Eastern Redemption Value"), which is not a fair value measurement, and payable in cash. As the written put option was redeemable at the option of the noncontrolling interest holders, and not solely within Bristow Helicopters control, the noncontrolling interest in Eastern Airways was classified in redeemable noncontrolling interests between the stockholders' investment and liabilities sections of the consolidated balance sheets. The initial carrying amount of the noncontrolling interest was the fair value of the noncontrolling interest as of the acquisition date.

The noncontrolling interest was adjusted each period for comprehensive income and dividends attributable to the noncontrolling interest and changes in Bristow Helicopters' ownership interest in Eastern Airways, if any. An additional adjustment to the carrying value of the noncontrolling interest may have been required if the Eastern Redemption Value exceeded the current carrying value. Changes in the carrying value of the noncontrolling interest related to a change in the Eastern Redemption Value were recorded against permanent equity and did not affect net income. While there was no impact on net income, the redeemable noncontrolling interest impacted the Company's calculation of earnings per share. Utilizing the two-class method, the Company adjusted the numerator of the earnings per share calculation to reflect the changes in the excess, if any, of the Eastern Redemption Value over the greater of (1) the noncontrolling interest carrying amount or (2) the fair value of the noncontrolling interest on a quarterly basis.

Changes in the balance for the redeemable noncontrolling interest related to Eastern Airways were as follows (in thousands):

	Predecessor
Balance as of March 31, 2017	6,886
Noncontrolling interest expense	(4,093)
Currency translation	4,163
Acquisition of remaining 40% of Eastern Airways	(6,121)
Reclassification to noncontrolling interest	(835)
Balance as of March 31, 2018	$ —

Prior to the Company's acquisition of the remaining 40% outstanding shares in fiscal year 2018, Eastern Airways was consolidated based on the rights to manage the day-to-day operations of the company which were granted under a shareholders' agreement and the Company's ability to buy all of their Eastern Airways shares under a put/call agreement.

Bristow Helicopters, together with its legal and financial advisors, pursued various transactions to exit the Eastern Airways business, which made negative contributions to Bristow's adjusted EBITDA in each of the last three fiscal years, including pursuing a sales process with several third parties over an extended period. On May 10, 2019, Bristow Helicopters completed the sale of all of the shares of Eastern Airways to OIHL, an entity affiliated with Mr. Richard Lake, pursuant to the EAIL Purchase Agreement. Pursuant to the EAIL Purchase Agreement and related agreements, Bristow Helicopters contributed approximately £17.1 million to Eastern Airways as working capital, OIHL acquired Eastern Airways, Bristow Helicopters retained its controlling ownership of the shares in Humberside International Airport Limited that it previously held through Eastern Airways and certain intercompany balances between Bristow Helicopters and Eastern Airways were written off. As a result of the transaction, OIHL now owns and operates Eastern Airways, which had previously operated as a separate unit within Bristow Group, and Bristow Helicopters maintains its controlling interest in Humberside Airport, from which Bristow Helicopters provides U.K. SAR services.

The EAIL Purchase Agreement contained customary representations and warranties. OIHL agreed to certain covenants with respect to non-solicitation of directors, officers or employees of Bristow Helicopters for a period of 12 months. Pursuant to the terms of the EAIL Purchase Agreement, Bristow Helicopters has the right to appoint an observer to the board of directors of Eastern Airways for an initial period of 12 months following the sale. Eastern Airways also agreed to provide certain transition services for a minimum of 12 months from the date of the completion of the transaction.

The loss on the sale of Eastern Airways for the seven months ended October 31, 2019 (Predecessor) of $46.9 million includes the write-off of net assets of $35.0 million and write-off of cumulative translation adjustment of $11.9 million.

Aviashelf — As of March 31, 2019 (Predecessor), Bristow Aviation had an indirect 48.5% interest in Aviashelf, a Russian helicopter company. Additionally, the Company owned 60% of two U.K. joint venture companies, BHLL and Sakhalin Bristow Air Services Ltd. These two U.K. companies lease aircraft to Aviashelf, which held the client contracts for the Company's Russian operations. Aviashelf was consolidated based on the ability of certain consolidated subsidiaries of Bristow Aviation to control the vote on a majority of the shares of Aviashelf, rights to manage the day-to-day operations of the company, which were granted under a shareholders' agreement, and the Company's ability to acquire an additional 8.5% interest in Aviashelf under a put/call option agreement. In April 2019 (Predecessor), the Company sold its 60% ownership interest in BHLL for $1.4 million. In June 2019 (Predecessor), the Company sold its 48.5% ownership interest in Aviashelf for $2.6 million. In August 2019 (Predecessor), the Company exercised its call option to acquire an 8.5% interest in Aviashelf and subsequently sold that interest for $0.4 million.

The loss on the sale of Aviashelf and BHLL for the seven months ended October 31, 2019 (Predecessor) of $9.0 million includes the loss on sale of net assets of $1.8 million and write-off of cumulative translation adjustment of $7.2 million.

Other Significant Affiliates — Unconsolidated

The Company has investments in other significant unconsolidated affiliates as described below.

Cougar — The Company owns a 25% voting interest and a 40% economic interest in Cougar, the largest offshore energy and SAR helicopter service provider in Canada. Cougar's operations are primarily focused on serving the offshore oil and gas industry off Canada's Atlantic coast and in the Arctic. Cougar operates eight helicopters leased from Bristow on a long-term basis. The Company also leases maintenance and SAR facilities located in St. John's, Newfoundland and Labrador and Halifax, Nova Scotia to Cougar on a long-term basis. The investment in Cougar is accounted for under the equity method. As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the investment in Cougar was $54.5 million and $58.0 million, respectively, and is included on the Company's consolidated balance sheets in investment in unconsolidated affiliates. Due to timing differences in financial reporting requirements, the Company records its share of Cougar's financial results in earnings from unconsolidated affiliates on a three-month delay.

In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the investment in Cougar to its fair value of $54 million at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

Líder — The Company owns an approximate 20% voting interest and a 41.9% economic interest in Líder, a provider of helicopter and executive aviation services in Brazil. Líder's fleet has 39 helicopters and 20 fixed wing aircraft (including owned and managed aircraft). The investment in Líder is accounted for under the equity method. As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the investment in Líder was $22.0 million and $50.8 million, respectively, and is included in the Company's consolidated balance sheets in investment in unconsolidated affiliates. As discussed in Note 1, the Company recorded a $9.6 million impairment to its investment in Líder in the five months ended March 31, 2020 (Successor) and an $85.7 million impairment to its investment in Líder in fiscal year 2018 (Predecessor).

In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the investment in Líder to its fair value of $32.6 million at the Effective Date. Additionally as of the Effective Date, due to timing differences in financial reporting requirements, the Company elected to record its share of Líder's financial results in earnings from unconsolidated affiliates on a three-month delay. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

PAS — The Company has a 25% interest in PAS, an Egyptian corporation that provides helicopter and fixed wing transportation to the offshore energy industry in Egypt. Additionally, spare fixed wing capacity is chartered to tourism operators. PAS owns 45 aircraft. PAS is accounted for under the cost method as the Company is unable to exert significant influence over PAS operations.

In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted the investment in PAS to its fair value of $33.0 million at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

Other — Historically, in addition to the expansion of its business through purchases of new and used aircraft, the Company has also established new joint ventures with local partners or purchased significant ownership interests in companies with ongoing helicopter operations, particularly in countries where it has no operations or its operations are limited in scope, and it continues to evaluate similar opportunities which could enhance its operations. Where the Company believes that it is probable that an equity method investment will result, the costs associated with such investment evaluations are deferred and included in investment in unconsolidated affiliates on the consolidated balance sheets. For each investment evaluated, an impairment of deferred costs is recognized in the period in which the Company determines that it is no longer probable an equity method investment will result. As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the Company had no amounts in investment in unconsolidated affiliates in the process of being evaluated.

The Company's percentage of economic ownership and investment balances for the unconsolidated affiliates are as follows (in thousands):

	Successor	Predecessor	Successor	Predecessor
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Cost Method:				
PAS	25%	25%	$ 33,000	$ 6,286
Equity Method:				
Cougar [1]	40%	40%	54,483	58,047
Líder [1]	41.9%	41.9%	22,000	50,784
Other			575	3,086
Total			$ 110,058	$ 118,203

[1] The Company had a 25% voting interest in Cougar and an approximate 20% voting interest in Líder as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor).

Earnings from unconsolidated affiliates were as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Dividends from entities accounted for under the cost method:				
PAS	$ 2,968	$ —	$ 2,518	$ 2,518
Earnings, net of losses, from entities accounted for under the equity method:				
Cougar	3,593	6,538	4,100	9,084
Líder	453	(438)	(2,059)	7,179
Other	248	489	(242)	(82)
	4,294	6,589	1,799	16,181
Total	$ 7,262	$ 6,589	$ 4,317	$ 18,699

The Company received zero, $0.2 million, $0.2 million and $0.4 million of dividends from its investments accounted for under the equity method during the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively.

A summary of combined financial information of unconsolidated affiliates accounted for under the equity method is set forth below (unaudited, in thousands):

	Successor	Predecessor
	March 31, 2020	March 31, 2019
Current assets	$ 144,603	$ 152,438
Non-current assets	254,807	274,401
Total assets	$ 399,410	$ 426,839
Current liabilities	$ 97,689	$ 106,658
Non-current liabilities	141,936	160,082
Equity	159,785	160,099
Total liabilities and equity	$ 399,410	$ 426,839

	Successor	Predecessor		
	Five Months Ended March 31,	Seven Months Ended October 31,	Fiscal Year Ended March 31,	
	2020	2019	2019	2018
			(Unaudited)	
Revenue	$ 37,303	$ 158,823	$ 254,617	$ 298,731
Gross profit	$ 8,153	$ 13,034	$ 47,894	$ 46,717
Net income	$ 2,989	$ 5,684	$ (7,115)	$ 13,285

Note 7 — PROPERTY AND EQUIPMENT, ASSETS HELD FOR SALE AND OEM COST RECOVERIES

The Company made capital expenditures as follows:

	Successor	Predecessor		
	Five Months Ended March 31,	Seven Months Ended October 31,	Fiscal Year Ended March 31,	
	2020	2019	2019	2018
Number of aircraft delivered:				
Medium [1]	—	—	1	5
SAR aircraft	2	2	—	—
Total aircraft	2	2	1	5
Capital expenditures (in thousands):				
Aircraft and related equipment [2]	$ 35,767	$ 38,386	$ 35,315	$ 32,418
Other	348	3,188	5,587	13,869
Total capital expenditures	$ 36,115	$ 41,574	$ 40,902	$ 46,287

(1) During fiscal year 2019, the Company purchased an aircraft that was not on order that was previously leased.

(2) During the seven months ended October 31, 2019 (Predecessor), the Company took delivery of two U.K. SAR configured AW189 and during the five months ended March 31, 2020 (Successor), the Company took delivery of an additional two U.K. SAR configured AW189. During fiscal year 2019, the Company did not make any progress payments for aircraft to be delivered in future periods. During fiscal year 2018 (Predecessor), the Company spent $2.3 million on progress payments for aircraft to be delivered in future periods.

As of March 31, 2018 (Predecessor), the Company revised the salvage values of certain aircraft to reflect its expectation of future sales values given the Company's disposal plans for those aircraft. The Company recorded additional depreciation expense of $2.0 million during the period of April 1, 2019 through October 31, 2019 (Predecessor). No additional depreciation for these aircraft was recorded subsequent to October 31, 2019 due to fresh-start accounting.

As of the Effective Date, the Company revised the estimated useful lives and estimated salvage values of its aircraft used in determining depreciation. The Company's revised policy generally utilizes a 30 year useful life from the date of manufacture of an aircraft for used aircraft and the in-service date for new aircraft and a residual value range of 5% to 25% of cost. For additional details on the revised policy, see "*Summary of Significant Accounting Policies — Property and equipment—*" in Note 1.

The Company evaluates its asset groups for impairment whenever facts or circumstances indicate the carrying value of an asset group may not be recoverable.

The following table presents details on the aircraft sold or disposed of and impairments on assets held for sale:

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
		(In thousands, except for number of aircraft)		
Number of aircraft sold or disposed of	5	3	8	11
Proceeds from sale or disposal of assets	$ 13,845	$ 5,314	$ 13,813	$ 48,740
Deposits on assets held for sale	$ 4,500	$ —	$ —	$ —
Loss from sale or disposal of assets [1]	$ 451	$ 3,768	$ 4,995	$ 1,742
Number of aircraft impaired	—	14	5	8
Impairment charges on aircraft held for sale [1] [2]	$ —	$ —	$ 8,149	$ 15,853
Impairment charges on property and equipment [3]	$ —	$ 42,022	$ 104,939	$ —
Contract termination costs [1] [4]	$ —	$ —	$ 14,699	$ —
Fresh-start accounting adjustment [5]	$ —	$ 768,630	$ —	$ —

(1) Included in loss on disposal of assets on the consolidated statements of operations.

(2) Includes a $6.5 million impairment of the Bristow Academy disposal group for fiscal year 2018 (Predecessor).

(3) Includes $42.0 million impairment related to H225s for the seven months ended October 31, 2019 (Predecessor). Includes an $87.5 million impairment related to H225s and a $17.5 million impairment related to Eastern Airways assets for fiscal year 2019 (Predecessor), included in loss on impairment on the consolidated statements of operations. See "*Impairment of Assets*" in Note 1 for further details.

(4) Includes $11.7 million of progress payments and $2.3 million of capitalized interest for an aircraft purchase contract that was terminated in fiscal year 2019 (Predecessor). Additionally, $0.5 million of progress payments and $0.2 million of capitalized interest for aircraft options were terminated in fiscal year 2019 (Predecessor). For further details, see Note 11.

(5) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted property and equipment by $768.6 million to its fair value of $931.7 million at the Effective Date. See Note 3 for further details on the impact of fresh-start accounting on the Company's consolidated financial statements.

In addition to capital expenditures and sale or disposal of assets, the following items impacted property and equipment during fiscal year 2019 (Predecessor):

- In connection with the $87.5 million impairment of H225 aircraft, the Company revised its salvage values for each H225 aircraft. In accordance with accounting standards, the Company recognized the change in depreciation due to the reduction in carrying value and revision of salvage values on a prospective basis over the remaining life of the aircraft. This resulted in an additional $3.0 million of depreciation expense during fiscal year 2019 (Predecessor) and resulted in an increase of depreciation expense of $2.9 million for the seven months ended October 31, 2019 (Predecessor).

- The Company revised the salvage values of certain aircraft to reflect its expectation of future sales values given its disposal plans for those aircraft. The Company recorded additional depreciation expense of $1.4 million during fiscal year 2019 (Predecessor).

- The Company transferred two aircraft and other properties to held for sale and reduced property and equipment by $1.5 million. In addition, the Company transferred three aircraft out of held for sale, as they were determined to no longer meet the criteria for held for sale classification, and increased property and equipment by $8.2 million.

In addition to capital expenditures and sale or disposal of assets, the following items impacted property and equipment during fiscal year 2018 (Predecessor):

- The Company transferred four aircraft to held for sale and reduced property and equipment by $9.3 million.

During fiscal years 2020, 2019 and 2018, the Company saw a deterioration in market sales for aircraft resulting mostly from an increase in idle aircraft and reduced demand across the offshore energy market. While other markets exist for certain aircraft model types, including utility, firefighting, government, VIP transportation and tourism, the market for certain aircraft model types slowed. As a result of these market changes, changes in estimated salvage values of its fleet of operational aircraft and other changes in the timing of exiting certain aircraft from its operations, the Company recorded impairments and additional depreciation expense discussed above. For further details, see Note 1 for a discussion on impairments of property and equipment.

Assets Held for Sale

Assets held for sale are classified as current assets on the Company's consolidated balance sheets and recorded at the lower of the carrying amount or fair value less costs to sell and are no longer depreciated. As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the Company had 15 and 3 aircraft, for $32.4 million and $5.4 million, classified as held for sale, respectively, as well as various smaller assets of a less significant nature. As presented in the table above, the Company recorded impairment charges of zero, $8.1 million and $15.9 million to reduce the carrying value of 14, 5 and 8 aircraft held for sale during the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor). These impairment charges were included in loss on disposal of assets in the consolidated statements of operations.

The impairment charges recorded on held for sale aircraft related primarily to older aircraft model types the Company's management decided to dispose of earlier than originally anticipated in addition to the impact of changes in expected sales prices in the aircraft aftermarket resulting from the oil and gas market downturn.

On November 1, 2017, the Company sold its 100% interest in Bristow Academy, including all of its aircraft, for a minimum of $1.5 million to be received over a maximum of four years with potential additional consideration based on Bristow Academy's financial performance. The sale of this non-core business resulted in total charges recorded in the fiscal year 2018 of $7.2 million, which resulted from the combined loss on the sale and related impairment of assets included in loss on disposal of assets on the consolidated statement of operations. During fiscal year 2019, the Company received $1.2 million for full settlement of any potential consideration. Bristow Academy is included in Corporate and other in Note 16.

OEM Cost Recoveries

During fiscal year 2018 (Predecessor), the Company reached agreements with original equipment manufacturers ("OEM") to recover approximately $136.0 million related to ongoing aircraft issues, of which $125.0 million was realized during fiscal year 2018 (Predecessor) and $11.0 million was recovered during the three months ended June 30, 2018 (Predecessor). To reflect the amount realized from these OEM cost recoveries during fiscal year 2018 (Predecessor), the Company recorded a $94.5 million decrease in the carrying value of certain aircraft in its fleet through a decrease in property and equipment – at cost, reduced rent expense by $16.6 million and recorded a deferred liability of $13.9 million, included in other accrued liabilities and other liabilities and deferred credits, related to a reduction in rent expense to be recorded in future periods, of which $7.9 million was recognized during fiscal year 2019 (Predecessor). The Company determined the realized portion of the cost recoveries related to a long-term performance issue with the aircraft, requiring a reduction of carrying value for owned aircraft and a reduction in rent expense for leased aircraft. During the seven months ended October 31, 2019 (Predecessor), the Company returned the remaining four leased aircraft and recognized all of the remaining deferred liability related to the leased aircraft of $6.0 million as a reduction in rent expense. For the owned aircraft, the Company allocated the $94.5 million as a reduction in carrying value by reducing the historical acquisition value of each affected aircraft on a pro-rata basis utilizing the historical acquisition value of the aircraft.

During fiscal year 2019 (Predecessor), the Company recovered the remaining $11.0 million in OEM cost recoveries by agreeing to net certain amounts previously accrued for aircraft leases and capital expenditures against those recoveries. During fiscal year 2019 (Predecessor), the Company recorded a $7.6 million increase in revenue and a $2.1 million decrease in direct cost. The Company realized the remaining $1.3 million recovery during fiscal year 2019 (Predecessor). The increase in revenue relates to compensation for lost revenue in prior periods from the late delivery of aircraft and the decreases in direct cost over fiscal year 2019 relate to costs the Company incurred.

There were no OEM cost recoveries during the five months ended March 31, 2020 (Successor).

Note 8 — DEBT

Debt consisted of the following (in thousands):

	Successor	Predecessor
	March 31, 2020	March 31, 2019
8.75% Senior Secured Notes [1]	$ —	$ 347,400
4½% Convertible Senior Notes [1]	—	112,944
6¼% Senior Notes [1]	—	401,535
Term Loan	61,500	—
Lombard Debt [2]	136,180	183,450
Macquarie Debt [2]	148,165	171,028
PK Air Debt [2]	207,326	212,041
Airnorth Debt [2]	7,618	11,058
Humberside Debt	335	—
Other Debt	—	9,168
Unamortized debt issuance costs [3]	—	(21,771)
Total debt	561,124	1,426,853
Less short-term borrowings and current maturities of long-term debt	(45,739)	(1,418,630)
Total long-term debt	$ 515,385	$ 8,223

(1) These notes were settled in accordance with the Plan. See Note 2 for further details.

(2) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted debt to its aggregate respective fair value at the Effective Date by a reduction of $57.7 million. The adjustments as of December 31, 2019 were as follows: $30.0 million for the Lombard Debt, $11.7 million for the Macquarie Debt, $13.3 million for the PK Air Debt and $0.7 million for the Airnorth Debt.

(3) All unamortized debt issuance costs were written off as of October 31, 2019 (Predecessor).

Classification of Debt — As discussed in Note 1, on the Petition Date, the Debtors filed the Chapter 11 Cases in the Bankruptcy Court seeking relief under Chapter 11 of the Bankruptcy Code. The Debtors' Chapter 11 Cases were jointly administered under the caption In re: Bristow Group Inc., et al., Main Case No. 19-32713. During the pendency of the Chapter 11 Cases, the Debtors continued to operate their businesses and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. The Chapter 11 Cases and other defaults under the Company's debt agreements resulted in the debt being classified as current as of March 31, 2019 (Predecessor).

Waiver of Defaults — Prior to the Petition Date and during the Chapter 11 Cases, the Company entered into waiver letters with respect to certain of its debt agreements, including the PK Credit Agreement; the term loan credit agreement, dated as of February 1, 2017, among Bristow U.S. LLC, the several banks, other financial institutions and other lenders from time to time party thereto and Macquarie Bank Limited, as administrative agent and as security agent (as amended, the "Macquarie Credit Agreement"); the ABL Facility; the term loan credit agreement, dated as of November 11, 2016, among Bristow Aircraft Leasing Limited ("BALL"), as borrower, the lenders from time to time party thereto and Lombard North Central plc, as administrative agent and as security trustee (the "BALL Lombard Credit Agreement"); the term loan credit agreement, dated as of November 11, 2016, among Bristow U.S. Leasing LLC, as borrower, the lenders from time to time party thereto and Lombard North Central plc, as administrative agent and as security trustee (the "BULL Lombard Credit Agreement"); and certain other secured equipment financings and leases. Pursuant to such waiver letters, the Company received waivers of certain breaches, defaults, events of default or cross-defaults under such debt agreements. As discussed below under "— *Events of Default*," the filing of the Chapter 11 Cases constituted an event of default under the PK Credit Agreement, the BULL Lombard Credit Agreement and the Macquarie Credit Agreement.

Events of Default — The filing of the Chapter 11 Cases constituted an event of default under the following instruments and agreements:

- the Third Supplemental Indenture, dated as of October 12, 2012, to the Indenture, dated as of June 17, 2008 (the "Base Indenture"), among the Company, the guarantors named therein and Wilmington Trust, National Association, as successor trustee to U.S. Bank National Association ("U.S. Bank"), and the Company's 6¼% Senior Notes issued thereunder;
- the Sixth Supplemental Indenture to the Base Indenture, dated as of December 18, 2017, among the Company, the guarantors named therein and Delaware Trust Company, as successor trustee to U.S. Bank, and the Company's 4½% Convertible Senior Notes issued thereunder;
- the Indenture, dated as of March 6, 2018, among the Company, the guarantors named therein and U.S. Bank, as trustee and collateral agent (the "Secured Indenture"), and the Company's 8.75% Senior Secured Notes issued thereunder;
- the PK Credit Agreement;
- the Macquarie Credit Agreement;
- the BULL Lombard Credit Agreement; and
- various aircraft operating leases and real estate leases.

The instruments and agreements described above provided that, as a result of the commencement of the Chapter 11 Cases, the financial obligations thereunder, including for the debt instruments any principal amount, together with accrued interest thereon, are immediately due and payable. However, any efforts to enforce payment of such financial obligations under such instruments and agreements were automatically stayed as a result of the filing of the Chapter 11 Cases and the holders' rights of enforcement in respect of such financial obligations were subject to the applicable provisions of the Bankruptcy Code.

8.75% Senior Secured Notes due 2023— On March 6, 2018, the Company issued and sold $350 million of 8.75% Senior Secured Notes in a private offering to eligible purchasers pursuant to Rule 144A and Regulation S under the Securities Act for proceeds of $346.6 million. The 8.75% Senior Secured Notes were initially fully and unconditionally guaranteed, jointly and severally, on a senior secured basis by certain of the Company's U.S. subsidiaries (the "Guarantor Subsidiaries") and were secured by first priority security interests on substantially all of the tangible and intangible personal property of Bristow Group Inc. and the Guarantor Subsidiaries (other than certain excluded assets) (the "Collateral") as collateral security for their obligations under the 8.75% Senior Secured Notes, subject to certain permitted encumbrances and exceptions. Certain of the security interests were granted in connection with the execution and delivery of the Secured Indenture, while security interests covering approximately 77 aircraft were granted within the periods described in the Secured Indenture.

The 8.75% Senior Secured Notes bore interest at a rate of 8.75% per year, payable semi-annually in arrears on March 1 and September 1 of each year, beginning on September 1, 2018. The 8.75% Senior Secured Notes would have matured on March 1, 2023, subject to earlier mandatory redemption if more than $125 million principal amount of the 6¼% Senior Notes plus the principal amount of any indebtedness incurred to refinance the 6¼% Senior Notes that matures or is required to be repaid prior to June 1, 2023 remains outstanding as of June 30, 2022.

On August 12, 2019, the Company commenced a tender offer (the "Tender Offer") to purchase for cash its outstanding 8.75% Senior Secured Notes, up to an aggregate principal amount that would not result in an aggregate purchase price (including accrued and unpaid interest to, but not including, the settlement date) that exceeded $75.0 million. On September 11, 2019, the Company completed the Tender Offer, purchasing $74.8 million aggregate principal amount of the 8.75% Senior Secured Notes for $74.8 million, plus accrued and unpaid interest of $0.2 million, using funds borrowed under the DIP Credit Agreement. Additionally, per the Plan, the holders of the 8.75% Senior Secured Notes claims received 97% of the outstanding balance in cash and the remaining 3% in rights to participate in the Rights Offering.

In accordance with the Plan, on the Effective Date, all outstanding obligations under the 8.75% Senior Secured Notes, including the Secured Indenture governing such obligations, were cancelled, except to the limited extent expressly set forth in the Plan. See Note 2 for further details.

4½% Convertible Senior Notes — On December 18, 2017, the Company issued and sold $143.8 million of 4½% Convertible Senior Notes. The 4½% Convertible Senior Notes were unsecured senior obligations and were jointly and severally guaranteed on a senior unsecured basis by the Guarantor Subsidiaries. The 4½% Convertible Senior Notes bore interest at a rate of 4.50% per year and interest was payable on June 1 and December 1 of each year, beginning on June 1, 2018. The 4½% Convertible Senior Notes would have matured on June 1, 2023 and could not be redeemed by the Company prior to maturity.

The 4½% Convertible Senior Notes were convertible into cash, shares of the Company's common stock or a combination of cash and shares of the Company's common stock, at the Company's election. The Company had initially elected combination settlement. The initial conversion price of the 4½% Convertible Senior Notes was approximately $15.64 (subject to adjustment in certain circumstances), based on the initial conversion rate of 63.9488 common shares per $1,000 principal amount of 4½% Convertible Senior Notes. Prior to December 1, 2022, the 4½% Convertible Senior Notes would have been convertible only upon the occurrence of certain events and during certain periods, and thereafter, until the close of business on the second scheduled trading day immediately preceding the maturity date.

Accounting standards require that convertible debt which may be settled in cash upon conversion (including partial cash settlement) be accounted for with a liability component based on the fair value of similar nonconvertible debt and an equity component based on the excess of the initial proceeds from the convertible debt over the liability component. Such excess represents proceeds related to the conversion option and is recorded as additional paid-in capital. The liability was recorded at a discount, which was amortized as additional non-cash interest expense over the term of the 4½% Convertible Senior Notes. The balance of the debt and equity components of the Company's 4½% Convertible Senior Notes prior to the settlement of the 4½% Convertible Senior Notes in accordance with the Plan were as follows (in thousands):

	March 31, 2019
Equity component - net carrying value [1]	$ 36,778
Debt component:	
Face amount due at maturity	$ 143,750
Unamortized discount	(30,806)
Debt component - net carrying value	$ 112,944

[1] Net of equity issuance costs of $1.0 million.

Prior to May 11, 2019, the remaining debt discount was amortized to interest expense over the term of the 4½% Convertible Senior Notes using the effective interest rate. The effective interest rate for April 1, 2019 to May 11, 2019 (Predecessor) was 11.0%. Interest expense related to the 4½% Convertible Senior Notes was as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Contractual coupon interest	$ —	$ 715	$ 6,475	$ 1,851
Amortization of debt discount	—	648	5,547	1,454
Total interest expense	$ —	$ 1,363	$ 12,022	$ 3,305

As of May 11, 2019, the Company determined that the 4½% Convertible Senior Notes were an allowed claim and therefore reclassified the balance to liabilities subject to compromise and discontinued accruing interest on these obligations. Contractual interest on the 4½% Convertible Senior Notes for the seven months ended October 31, 2019 (Predecessor) was $3.8 million, which is $3.1 million in excess of reported interest expense for the seven months ended October 31, 2019 (Predecessor). In connection with reclassifying the 4½% Convertible Senior Notes to liabilities subject to compromise, the Company wrote-off $30.2 million of unamortized discount and $2.3 million of deferred financing fees included in reorganization items, net on the consolidated statements of operations.

In accordance with the Plan, on the Effective Date, all outstanding obligations under the 4½% Convertible Senior Notes, including the indentures governing such obligations, were cancelled, except to the limited extent expressly set forth in the Plan. See Note 2 for further details.

Convertible Note Call Spread Overlay — Concurrent with the issuance of the 4½% Convertible Senior Notes, the Company entered into privately negotiated convertible note hedge transactions (the "Note Hedge Transactions") and warrant transactions (the "Warrant Transactions") with certain financial institutions (the "Option Counterparties"). These transactions represented a Call Spread Overlay, whereby the cost of the Note Hedge Transactions the Company purchased to cover the cash outlay upon conversion of the 4½% Convertible Senior Notes was reduced by the sales price of the Warrant Transactions. Each of these transactions is described below.

The Note Hedge Transactions cost an aggregate $40.4 million and were expected generally to reduce the potential dilution and/or offset the cash payments the Company was required to make in excess of the principal amount upon conversion of the 4½% Convertible Senior Notes in the event that the market price of the Company's common stock was greater than the strike price of the Note Hedge Transactions, which was initially $15.64 (subject to adjustment), corresponding approximately to the initial conversion price of the 4½% Convertible Senior Notes. The Note Hedge Transactions were accounted for by recording the cost as a reduction to additional paid-in capital.

The Company received proceeds of $30.3 million for the Warrant Transactions, in which it sold net-share-settled warrants to the Option Counterparties in an amount equal to the number of shares of the Company's common stock initially underlying the 4½% Convertible Senior Notes, subject to customary anti-dilution adjustments. The strike price of the warrants was $20.02 per share (subject to adjustment), which was 60% above the last reported sale price of the Company's common stock on the New York Stock Exchange on December 13, 2017. The Warrant Transactions could have had a dilutive effect to the Company's stockholders to the extent the market price per share of the Company's common stock, as measured under the terms of the Warrant Transactions, exceeded the applicable strike price of the warrants. The Warrant Transactions were accounted for by recording the proceeds received as additional paid-in capital.

The Note Hedge Transactions and the Warrant Transactions were separate transactions, in each case entered into by the Company with the Option Counterparties, and were not part of the terms of the 4½% Convertible Senior Notes and would not affect any holder's rights under the 4½% Convertible Senior Notes. The delisting of the Company's common stock from the New York Stock Exchange constituted an "Extraordinary Event" under the Note Hedge Transactions and the Warrant Transactions. As a result, the Note Hedge Transactions and the Warrant Transactions were cancelled on May 14, 2019. The payment obligations under the Note Hedge Transactions and the Warrant Transactions in connection with such cancellation are subject to the Chapter 11 Cases.

6¼% Senior Notes — On October 12, 2012, the Company completed an offering of $450 million of the 6¼% Senior Notes. The 6¼% Senior Notes were senior unsecured obligations and were jointly and severally guaranteed on a senior unsecured basis by the Guarantor Subsidiaries. Interest on the 6¼% Senior Notes was payable on April 15 and October 15 of each year and the 6¼% Senior Notes would have matured on October 15, 2022.

As of May 11, 2019, the Company determined that the 6¼% Senior Notes were an allowed claim and therefore reclassified the balance to liabilities subject to compromise and discontinued accruing interest on these obligations. Contractual interest on the 6¼% Senior Notes for the seven months ended October 31, 2019 (Predecessor) was $14.6 million, which is $11.9 million in excess of reported interest expense for the seven months ended October 31, 2019 (Predecessor). In connection with reclassifying the 6¼% Senior Notes to liabilities subject to compromise, the Company wrote-off $2.4 million of deferred financing fees included in reorganization items, net on the consolidated statements of operations.

In accordance with the Plan, on the Effective Date, all outstanding obligations under the 6¼% Senior Notes, including the indentures governing such obligations, were cancelled, except to the limited extent expressly set forth in the Plan. See Note 2 for further details.

Term Loan Agreement — On May 10, 2019, the Company, (together with its subsidiary BHC III as co-borrower) entered into a Term Loan Credit Agreement (the "Term Loan Agreement") with a syndicate of institutional lenders and investors, certain subsidiaries of the Company as guarantors, and Ankura Trust Company, LLC, as administrative agent (the "Term Loan Agent"), for a senior secured term loan of $75 million (the "2019 Term Loan").

Immediately upon entering into the Term Loan Agreement, and prior to the Petition Date, the Company and BHC III borrowed the full amount thereunder, the net proceeds of which were used for general corporate purposes, including to fund the working capital and liquidity requirements of the Company during the pendency of the Chapter 11 Cases. The full principal amount of the 2019 Term Loan is due May 10, 2022. At the Company's election, borrowings under the 2019 Term Loan bear interest at either (x) the Eurodollar Rate (as defined in the Term Loan Agreement) or (y) the Base Rate (as defined in the Term Loan Agreement), in each case, plus an applicable margin. The Term Loan Agreement contains customary pre-payment requirements.

The Term Loan Agreement contains customary negative covenants that, among other things, restrict, subject to certain exceptions, the Company's and its subsidiaries' incurrence of additional indebtedness or liens, mergers, dispositions of assets, investments, restricted payments, modifications to material agreements, transactions with affiliates and fundamental changes. In addition, prior to the entry into the Fifth Term Loan Amendment (as defined herein), the Term Loan Agreement required that, on the delivery of each Variance Report (as defined in the Term Loan Agreement), total operating disbursements and total receipts of the Company and its subsidiaries for certain specified periods would not exceed (with respect to disbursements) or be less than (with respect to total receipts) the aggregate amount forecasted therefor for such period by more (with respect to disbursements) or less (with respect to total receipts) than a specified percentage of the forecasted amount. The Term Loan Agreement also contains customary affirmative covenants and customary representations and warranties.

The Term Loan Agreement specifies certain customary events of default, including, among others, failure to pay principal or interest on the 2019 Term Loan when due, the breach of representations or warranties in any material respect, non-performance of other covenants and obligations, judgments, the occurrence of certain ERISA events and certain change of control events.

In connection with the Plan, on the Effective Date, the Company entered into Amendment No. 5 to the Term Loan Agreement (the "Fifth Term Loan Amendment"), by and among the Company, BHC III, the guarantors party thereto, the lenders party thereto and the Term Loan Agent. The Fifth Term Loan Amendment amended the Term Loan Agreement in order to, among other things, (i) increase the applicable margin in respect of all outstanding term loans to 8.00% in the case of Eurodollar Rate loans and 7.00% for Base Rate loans (with increases to 9.00% and 8.00%, respectively, with respect to all such term loans outstanding after the six-month anniversary of the Effective Date), (ii) release Bristow Helicopter Group Limited from all guaranty and collateral obligations in respect of the 2019 Term Loan, (iii) modify certain negative covenants to, among other things, allow for future aircraft-related financings and related liens and investments and (iv) delete certain provisions relating to the Chapter 11 Cases, in light of the occurrence of the Effective Date of the Plan, including the deletion of the requirements to (x) deliver Variance Reports and (y) ensure that total operating disbursements and total receipts of the Company and its subsidiaries for certain specified periods did not exceed (with respect to disbursements) or were not less than (with respect to total receipts) the aggregate amount forecasted therefor for such period by more (with respect to disbursements) or less (with respect to total receipts) than a specified percentage of the forecasted amount. Following entry into the Fifth Term Loan Amendment on the Effective Date, the 2019 Term Loan is secured by substantially all assets, subject to certain exceptions, of the Company and the domestic guarantors, including substantially all aircraft, and certain specified collateral of BHC III and the foreign guarantors, including pledges of the equity interest of certain of the Company's first tier foreign subsidiaries, BHC III and certain other specified foreign subsidiaries.

ABL Facility — On April 17, 2018, two of the Company's subsidiaries entered into an asset-backed revolving credit facility (the "ABL Facility"), which provides for commitments in an aggregate amount of $75 million, with a portion allocated to each borrower subsidiary, subject to an availability block of $15 million and a borrowing base calculated by reference to eligible accounts receivable. The maximum amount of the ABL Facility could have been increased from time to time to a total of as much as $100 million, subject to the satisfaction of certain conditions, and any such increase would be allocated among the borrower subsidiaries. The ABL Facility had a maturity date of five years from the date of entry into the ABL Facility, subject to certain early maturity triggers related to maturity of other material debt or a change of control of the Company. Amounts borrowed under the ABL Facility are secured by certain accounts receivable owing to the borrower subsidiaries and the deposit accounts into which payments on such accounts receivable are deposited. As of March 31, 2020 (Successor), there were no outstanding borrowings under the ABL Facility nor had the borrowers thereunder made any draws during the five months ended March 31, 2020 (Successor) or the seven months ended October 31, 2019 (Predecessor). Letters of credit issued under the ABL Facility in the aggregate face amount of $16.2 million were outstanding on March 31, 2020 (Successor).

The Company amended the ABL Facility pursuant to a letter agreement, dated effective as of November 7, 2018 and made by it and agreed to by Barclays Bank PLC, on behalf of the finance parties under the ABL Facility (the "First ABL Amendment"). The First ABL Amendment amended the ABL Facility to, among other things, provide that certain of the provisions, including covenants and events of default contained therein, will exclude unrestricted subsidiaries (as designated under the Secured Indenture) from the requirements and defaults thereunder.

The Company also amended the ABL Facility pursuant to a letter agreement effective as of February 19, 2019 and made by it and agreed to by Barclays Bank PLC, on behalf of the finance parties under the ABL Facility (the "Second ABL Amendment"). Under the Second ABL Amendment, the Company received a waiver of any Default (as defined in the ABL Facility) that would otherwise exist or occur under the ABL Facility as a result of (i) the Company's failure to provide its unaudited consolidated financial statements for the quarter ended December 31, 2018 within 45 days after the end of the quarter or (ii) certain representations and warranties not being correct when made due to the existence of any Default specified in the preceding clause (i); provided that the Company must provide such unaudited consolidated financial statements within 75 days after the end of the quarter. In addition, the Second ABL Amendment amended (i) the borrowing base determination provisions in the ABL Facility and (ii) the maturity date of the ABL Facility, which was previously five years from the date of the ABL Facility, to December 14, 2021 (in each case, subject to certain early maturity triggers related to maturity of other material debt or a change of control of us). The ABL Facility was further amended pursuant to a waiver letter on May 10, 2019 (the "First ABL Waiver") and a waiver letter on September 30, 2019 (the "Second ABL Waiver"). The First ABL Waiver provided that the maturity date of December 14, 2021 shall be subject to certain early maturity triggers related to a Change of Control of the Company (as such definition was amended by the First ABL Waiver) or the date on which the Company or its subsidiaries enter into or modify debt agreements that would materially adversely impact the ability to perform obligations under the ABL Facility, any security that is not permitted security is granted over the share capital or assets of either borrower or the Chapter 11 Cases are dismissed or converted to a case under Chapter 7 of the Bankruptcy Code. The Second ABL Waiver further extended the delivery dates (i) for the Company's audited consolidated financial statements for the fiscal year ended March 31, 2019 until October 31, 2019 and (ii) for the Company's unaudited consolidated financial statements for each of the fiscal quarters ended June 30, 2019 and September 30, 2019 until December 31, 2019.

On the Effective Date, the Company entered into an Amendment and Restatement, Confirmation and Waiver Agreement (the "ABL Amendment") to the ABL Facility (together with the ABL Amendment, the "Amended ABL"), by and among the Company, as parent, Bristow Norway AS and Bristow Helicopters, as borrowers and guarantors, the financial institutions from time to time party thereto, as lenders, and Barclays Bank PLC, in its capacity as agent and security trustee. The ABL Amendment amended the ABL Facility in order to, among other things, (i) make permanent certain waivers of defaults or events of default that were previously provided during the pendency of the Chapter 11 Cases, (ii) confirm the existing maturity date of April 17, 2023, (iii) provide that the maximum amount of the Amended ABL may be increased, subject to satisfaction of certain conditions, from time to time to a total of as much as $115 million from its current aggregate maximum of $100 million, and (iv) provide for the accession at a later date of Bristow U.S. LLC as a co-borrower under the Amended ABL and the addition of certain of its receivables to the borrowing base and the collateral for the Amended ABL.

On January 23, 2020, in connection with the Merger Agreement, the Company and Barclays Bank PLC executed a commitment letter to amend or replace the Amended ABL in order to, among other things, increase the maximum amount of commitments thereunder to $112.5 million and to extend the maturity date thereof to five years from closing of the amendment or replacement, subject to certain early maturity triggers related to maturity of other material debt. Such amendment or replacement is conditional, among other things, on the consummation of the Merger and would provide for Era to replace the Company as the parent guarantor thereunder. The Company cannot provide assurance that commitments will be increased. The current commitment letter extends to July 23, 2020, at which time an extension would be required.

Lombard Debt — On November 11, 2016, certain of the Company's subsidiaries entered into two, seven-year British pound sterling funded secured equipment term loans for an aggregate $200 million U.S. dollar equivalent with Lombard North Central Plc, a part of the Royal Bank of Scotland (the "Lombard Debt"). In December 2016, the first loan amount of $109.9 million (GBP 89.1 million) funded and the borrower prepaid scheduled principal payments of $4.5 million (GBP 3.7 million). The proceeds from this financing were used to finance the purchase by the borrower thereunder of three SAR aircraft utilized for the Company's U.K. SAR contract from a subsidiary. In January 2017, the second loan amount of $90.1 million (GBP 72.4 million) funded. The proceeds from this financing were used to finance the purchase by the borrower thereunder of five SAR aircraft utilized for the Company's U.K. SAR contract from a subsidiary. The borrowers' respective obligations under the financings are guaranteed by the Company, and each financing is secured by the aircraft purchased by the applicable borrower with the proceeds of its loan. The credit agreements governing the Lombard Debt include covenants, including requirements to maintain, register and insure the respective SAR aircraft secured thereunder, and restrictions on the respective borrower thereunder to incur additional liens on or sell the respective SAR aircraft secured thereunder (except to the Company and its subsidiaries). Borrowings under the financings bear interest at an interest rate equal to the ICE Benchmark Administration Limited LIBOR (or the successor thereto) plus 2.25% per annum. The weighted-average interest rate was 2.85% and 3.10% as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), respectively. The financing which funded in December 2016 matures in December 2023 and the financing which funded in January 2017 matures in January 2024.

Repayment of the Lombard Debt can be accelerated upon the occurrence of an Event of Default and Event of Loss (each defined in their respective Lombard Debt credit agreements), or if it becomes unlawful for the lenders to maintain its term loan. The Lombard Debt can be repaid at any time at the option of the Company.

As discussed in Note 3, on the Effective Date, the Successor Company reinstated the Lombard Debt at its fair value of $145.3 million by recording a discount of $30.6 million (from $175.9 million par) to be amortized over the remaining life of the Lombard Debt using the effective interest method. Additionally, the Lombard Debt contained certain features that require bifurcation; however, the fair value of such bifurcated derivatives was determined to be immaterial to the financial statements. The Company will continue to measure and if material, present on the balance sheet the bifurcated derivatives at their fair values, with any change in fair value reflected in earnings.

Macquarie Debt — On February 1, 2017, one of the Company's wholly-owned subsidiaries entered into the Macquarie Credit Agreement for a $200 million five-year secured equipment term loan with Macquarie Bank Limited (the "Macquarie Debt"). In conjunction with closing and funding under such term loan, the Company agreed to lease five helicopters for lease terms ranging from 60 to 63 months from Wells Fargo Bank Northwest, N.A., acting as owner trustee for Macquarie Aerospace Inc., an affiliate of Macquarie Bank Limited. The borrower's obligations under the Macquarie Credit Agreement are guaranteed by the Company and secured by 20 oil and gas aircraft. The financing funded on March 7, 2017. Borrowings under the financing bear interest at an interest rate equal to the ICE Benchmark Administration Limited LIBOR (or the successor thereto) plus 5.35% per annum. The interest rate was 6.93% and 7.87% as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), respectively.

The Macquarie Credit Agreement governing the Macquarie Debt includes covenants, including requirements to maintain, register and insure the respective aircraft secured thereunder, and restrictions on the respective borrower thereunder to incur additional liens on or sell the respective aircraft secured thereunder (except to the Company and its subsidiaries). The Macquarie Debt originally matured in March 2022.

The parties entered into an amendment to the Macquarie Credit Agreement (the "Macquarie Amendment") on the Effective Date. Among other things, the Macquarie Amendment (i) extended the maturity date of the loan made under the Macquarie Credit Agreement by 12 months to March 6, 2023, (ii) adjusted the loan amortization in accordance with the newly extended maturity date, (iii) confirmed that an event of default under four or more existing leases involving parties to the Macquarie Credit Agreement that remains unremedied after the applicable grace period for such an event of default will constitute an event of default under the Macquarie Credit Agreement and (iv) to the extent permitted by other debt instruments, provided for the collateralization of the obligations owed under such existing leases with the liens securing the Macquarie Credit Agreement. The Macquarie Debt can be accelerated upon an Event of Loss and Event of Default (each defined in the Macquarie Credit Agreement) or if it becomes unlawful for the lenders to maintain its term loan. The Macquarie Debt can be repaid at any time at the option of the Company.

As discussed in Note 3, on the Effective Date, the Successor Company reinstated the Macquarie Debt at its fair value of $151.5 million by recording a discount of $12.6 million (from $164.0 million par) to be amortized over the remaining life of the Macquarie Debt using the effective interest method. Additionally, the Macquarie Amendment contained features that would require bifurcation; however, the fair value of the derivative was determined to be immaterial to the financial statements. The Company will continue to measure and if material, present on the balance sheet the bifurcated derivatives at their fair values, with any changes in fair value reflected in earnings.

PK Air Debt — On July 17, 2017, a wholly-owned subsidiary Bristow Equipment Leasing Ltd., as borrower, entered into the PK Credit Agreement with PK AirFinance, as agent and security trustee, and PK Transportation Finance Ireland Limited ("PK Transportation"), as lender, and other lenders from time to time party thereto, which provided for commitments in an aggregate amount of up to $230 million to make up to 24 term loans (the "PK Air Debt"), each of which was made in respect of an aircraft pledged as collateral for all of the term loans. The term loans are also secured by a pledge of all shares of the borrower and any other assets of the borrower and are guaranteed by the Company. The financing funded in two tranches in September 2017.

Each term loan bears interest at an interest rate equal to, at the borrower's option, a floating rate of one-month LIBOR plus a margin of 5% per annum (the "Margin"), subject to certain costs of funds adjustments, determined two business days before the borrowing date of each term loan, or a fixed rate based on a notional interest rate swap of 12 30-day months in respect of such term loan with a floating rate of interest based on one-month LIBOR, plus the Margin. The weighted-average interest rate was 5.84% as of March 31, 2020 (Successor).

The borrower is required to repay each term loan on an annuity basis, payable monthly in arrears starting on the seventh month following the date of the borrowing of such term loan, and prior to the Omnibus Effective Date (as defined herein) with a final payment of 53% of the initial amount of such term loan due on the 70th month following the date of the borrowing of such term loan.

The PK Air Debt can be accelerated upon the occurrence of Events of Default, Mandatory Prepayment Events, Final Disposition (each defined in the PK Credit Agreement) or if it becomes unlawful for the lenders to maintain its term loan. The PK Air Debt can also be repaid at the Company's option at any time or upon the occurrence of a Market Disruption Event, a Restructuring Event, or Customer Contract Event (each defined in the PK Credit Agreement).

In connection with the PK Credit Agreement, the borrower guarantees certain of its direct parent's obligations under existing aircraft operating leases up to a capped amount.

On October 3, 2019, the Company entered into an Omnibus Agreement (the "Omnibus Agreement"), dated the same date, among Bristow Equipment Leasing Ltd., as borrower, PK Transportation, as lender, PK AirFinance, as agent for the lender and as security trustee for the MAG Agent and the MAG Parties (each as defined in the PK Credit Agreement), PK AirFinance and PK Transportation. Through the Omnibus Agreement, the PK Air Debt was reinstated in accordance with the Plan. Pursuant to the Omnibus Agreement, effective upon satisfaction of the conditions precedent set forth in the Omnibus Agreement (the "Omnibus Effective Date"), the PK Credit Agreement was amended to, among other things, extend the maturity date of the 24 loans made under the PK Credit Agreement by 18 months to January 27, 2025 and increase the principal amount of the loans in an aggregate amount of approximately $17.3 million. The Omnibus Agreement also updated the amortization schedule as of October 3, 2019 to provide that, among other things, only interest will be payable on the loans for the six months following the Omnibus Effective Date, with a balloon amount of approximately $104.2 million due on the maturity date. Each loan is secured by an aircraft which has been pledged as collateral for the loans. The Omnibus Effective Date occurred on October 3, 2019.

The Omnibus Agreement also provides that the Borrower Guarantee and Indemnity Cap (as defined in the PK Credit Agreement) will be reduced by the amount of increased principal when paid. In the Omnibus Agreement, PK Transportation also agreed to waive certain events of default arising from breaches of covenants in other agreements as a result of the Chapter 11 Cases and failure to provide its financial statements by their required due dates.

As mentioned in Note 3, on the Effective Date, the Successor Company reinstated the PK Air Debt to fair value of $206.1 million by recording a discount of $13.8 million (from $219.9 million par) to be amortized over the remaining life of the PK Air Debt using the effective interest method. Additionally, the PK Credit Agreement contains features that require bifurcation; however, the fair value of the derivatives was determined to be immaterial to the financial statements. The Company will continue to measure and if material, present on the balance sheet the bifurcated derivatives at their fair values, with any change in fair value reflected in earnings.

Debtor-in-Possession Credit Agreement — In connection with the Chapter 11 Cases, on August 26, 2019, the Company entered into the Super-priority Secured Debtor-in-Possession Credit Agreement (the "DIP Credit Agreement") among the Company, as lead borrower, BHC III, as co-borrower, the other Debtors and guarantors party thereto and other guarantors from time to time party thereto, the financial institutions or other entities from time to time party thereto, and Ankura Trust Company, LLC, as administrative agent and collateral agent. On August 27, 2019, the Company borrowed the full amount of the DIP Credit Agreement of $150 million at an 8.5% borrowing rate, with $37.5 million funded by holders of the 8.75% Senior Secured Notes and $112.5 million funded by holders of the Unsecured Notes, on the terms and subject to the conditions set forth in the DIP Credit Agreement. The Company borrowed the full amount, $75 million of which was used to pay down a portion of the 8.75% Senior Secured Notes discussed above and the remainder of which was to be used for general corporate purposes.

On the Effective Date, the Company repaid borrowings under the DIP Credit Agreement in exchange for New Stock, and the DIP Credit Agreement terminated pursuant to its terms. The DIP Facility included a contingent beneficial conversion feature which required measurement on October 31, 2019, the date the contingency was resolved upon emergence from Chapter 11. This resulted in the recognition of $56.9 million to the Predecessor Company's additional paid in capital and interest expense.

Airnorth Debt — Airnorth's outstanding debt includes an interest bearing term loan (the "Airnorth Debt") of $7.6 million as of March 31, 2020 (Successor). The term loan primarily relates to the purchase of aircraft, matures in April 2023 and bears interest at LIBOR plus a margin of 2.85%. The term loan has customary covenants, including certain financial covenants, and varying principal payments.

Humberside Debt — Humberside Airport was approved for a business loan fund by the Hull City Council for £600k. In June 2019, Humberside Airport drew down £300k to help finance the enhancement of the Humberside Airport security system. Interest is paid at a rate of 1.94% and £15,000 capital repayment is due on a quarterly basis until December 31, 2024.

Other Debt — As of March 31, 2019 (Predecessor), other debt included amounts related to the deferral of certain aircraft lease payments with monthly payments of $0.4 million beginning in June 2019 (Predecessor) and final payment due May 2021. These amounts were included in the Omnibus Agreement described above.

Other Matters — Aggregate annual maturities (which excludes unamortized discount of $50.7 million) for all debt for the next five fiscal years and thereafter are as follows (in thousands) and does not reflect the impact of Chapter 11 Cases or the characterization of debt as current:

	Successor
Fiscal year ending March 31	
2021	$ 45,739
2022	47,206
2023	240,693
2024	153,294
2025	124,852
	$ 611,784

Interest paid was $20.9 million, $41.4 million, $100.6 million and $78.1 million for the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively. Capitalized interest was zero, $0.2 million, $2.4 million and $3.4 million for the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively.

Note 9 — FAIR VALUE DISCLOSURES

Assets and liabilities subject to fair value measurement are categorized into one of three different levels depending on the observability of the inputs employed in the measurement, as follows:

- Level 1 – observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs that reflect quoted prices for identical assets or liabilities in markets which are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – unobservable inputs reflecting the Company's own assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

Recurring Fair Value Measurements

The following table summarizes the financial instruments the Company had as of March 31, 2020 (Successor), valued at fair value on a recurring basis (in thousands):

	Successor				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance of March 31, 2020	Balance Sheet Classification
Derivative financial instrument	$ —	$ 2,747	$ —	$ 2,747	Prepaid expenses and other current assets
Rabbi Trust investments	2,327	—	—	2,327	Other assets
Total assets	$ 2,327	$ 2,747	$ —	$ 5,074	

The following table summarizes the financial instruments the Company had as of March 31, 2019 (Predecessor), valued at fair value on a recurring basis (in thousands):

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at March 31, 2019	Balance Sheet Classification
Derivative financial instrument	$ —	$ 1,845	$ —	$ 1,845	Prepaid expenses and other current assets
Rabbi Trust investments	2,544	—	—	2,544	Other assets
Total assets	$ 2,544	$ 1,845	$ —	$ 4,389	

Rabbi Trust Investments

The rabbi trust investments consist of cash and mutual funds whose fair value are based on quoted prices in active markets for identical assets and are designated as Level 1 within the valuation hierarchy. The rabbi trust holds investments related to the Company's non-qualified deferred compensation plan for the Company's senior executives. The derivative financial instruments consist of foreign currency put option contracts whose fair value is determined by quoted market prices of the same or similar instruments, adjusted for counterparty risk. See Note 10 for a discussion of the Company's derivative financial instruments.

New Preferred Stock Embedded Derivative

The following table provides a rollforward of the preferred stock embedded derivative Level 3 fair value measurements for the five months ended March 31, 2020 (Successor):

	Significant Unobservable Inputs (Level 3)
Derivative financial instruments:	
Balance October 31, 2019	$ 470,322
Change in fair value	(184,140)
Balance March 31, 2020	$ 286,182

The fair value of the New Preferred Stock embedded derivative relies on the income approach, which was derived from Level 3, unobservable inputs that require significant estimates, judgments and assumptions relating to the Company's equity volatility, capitalization tables, term to exit and equity value. See Notes 10 and 15 for further explanation of the compound embedded derivatives and New Preferred Stock.

The New Preferred Stock embedded derivative considers settlement scenarios that are further defined in Note 15. A number of the settlement scenarios requires a settlement premium. The specified premium depends on the timing of the liquidity event, ranging from a minimum of (a) 17% Internal Rate of Return (the "IRR") (b) 2.1x Multiple of Invested Capital (the "MOIC") and (c) 14% IRR if the liquidity event is prior to 3 years, to (y) a 2.1x MOIC and (z) 17% IRR if the liquidity event is in 5 years or more. At emergence, the fair value for the embedded derivative was determined using a "with" and "without" approach, first determining the fair value of the New Preferred Stock (inclusive of all bifurcated features) with the features and comparing it with the fair value of an instrument with identical terms of the New Preferred Stock without any of the bifurcated features (i.e., the preferred stock host).

The fair value of the New Preferred Stock was estimated using an option pricing method ("OPM") allocating the total equity value to the various classes of equity. As of March 31, 2020 (Successor), the Company assumed a term to exit of 3 years, a risk-free rate of 1.61%, volatility of 45%, a 10% weighting on a three-year exit scenario and a 90% weight on a nearer-term exit scenario. Without the redemption or conversion features, the holders of the New Preferred Stock would have the right to perpetual preferred with 10% paid-in-kind ("PIK") dividends, or the right to any upside value from conversion into common stock if the value exceeds the minimum return provided for under the Certificate of Designations (as defined herein). The Company will necessarily repay the Liquidation Preference (as defined in the Certificate of Designations) in cash upon an act of bankruptcy. Since the host is an instrument that accrues PIK dividends in perpetuity and includes no cash flows, the value of the right within the host to the Liquidation Preference plus accrued PIK dividends obligation is de minimis. The value of converting to common stock on the upside would be measured as the residual upon a liquidity event. Therefore, the fair value of the host was estimated as the value of the upside conversion into common shares, which was also estimated using the OPM.

Non-recurring Fair Value Measurements

The majority of the Company's non-financial assets, which include inventories, property and equipment, assets held for sale, goodwill and other intangible assets, are not required to be carried at fair value on a recurring basis. However, if certain triggering events occur such that a non-financial asset is required to be evaluated for impairment and deemed to be impaired, the impaired non-financial asset is recorded as its fair value.

There were no assets as of March 31, 2020 (Successor) valued at fair value on a non-recurring basis.

The following table summarizes the assets as of March 31, 2019 (Predecessor), valued at fair value on a non-recurring basis (in thousands):

	Predecessor				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2019	Total Loss for Fiscal Year 2019
Inventories [1]	$ —	$ —	$ 7,697	$ 7,697	$ 9,276
Assets held for sale [2]	—	—	5,350	5,350	8,149
Aircraft and equipment [1]	—	—	136,338	136,338	104,939
Other intangible assets [1]	—	—	—	—	3,005
Total assets	$ —	$ —	$ 149,385	$ 149,385	$ 125,369

[1] Fair value as of September 30, 2018.

[2] Fair value as of March 31, 2019.

The fair value of inventories using Level 3 inputs is determined by evaluating the current economic conditions for sale and disposal of spare parts, which includes estimates as to the recoverability of the carrying value of the parts based on historical experience with sales and disposal of similar spare parts, the expected time frame of sales or disposals, the location of the spare parts to be sold and the condition of the spare parts to be sold or otherwise disposed of. See Note 1 for further discussion of the impairment of inventories.

The fair value of aircraft and equipment, using Level 3 inputs, is determined using a market approach. The market approach consisted of a thorough review of recent market activity, available transaction data involving the subject aircraft, current demand and availability on the market. The Company also took into account the age, specifications, accrued hours and cycles, and the maintenance status of each subject aircraft.

The fair value of other intangible assets, using Level 3 inputs, is estimated using the income approach. The estimate of fair value includes unobservable inputs, including assumptions related to future performance, such as projected demand for services, rates, and levels of expenditures. For further details on other intangible assets and goodwill, see Note 1.

The fair value of assets held for sale using Level 3 inputs is determined through evaluation of expected sales proceeds for aircraft. This analysis includes estimates based on historical experience with sales, recent transactions involving similar assets, quoted market prices for similar assets and condition and location of aircraft to be sold or otherwise disposed of. See Note 7 for details on assets held for sale.

Fair Value of Debt

The fair value of the Company's debt has been estimated in accordance with the accounting standard regarding fair value. The fair value of the Company's long-term debt as of March 31, 2020 (Successor) is estimated based on consideration of future cash flows of the instruments based on the contractual interest rates and then discounted, based on the implied market yield and the Company's credit rating. The fair value of the Company's fixed rate long-term debt as of March 31, 2019 (Predecessor) was estimated based on quoted market prices and was not updated for any possible acceleration provisions in the Company's debt instruments.

In connection with the Company's emergence from bankruptcy and in accordance with ASC 852, the Company applied the provisions of fresh-start accounting to its consolidated financial statements on the Effective Date. As a result, the Company adjusted its debt to its respective fair value at the Effective Date by $57.7 million. See Note 3 for further details. The carrying and fair value of the Company's debt, excluding unamortized debt issuance costs, are as follows (in thousands):

	Successor		Predecessor	
	March 31, 2020		March 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
8.75% Senior Secured Notes (1)(2)	$ —	$ —	$ 347,400	$ 252,000
4½% Convertible Senior Notes (1)(3)	—	—	112,944	28,923
6¼% Senior Notes (1)	—	—	401,535	75,288
Term Loan	61,500	56,894	—	—
Lombard Debt (4)	136,180	122,165	183,450	183,450
Macquarie Debt (4)	148,165	138,133	171,028	171,028
PK Air Debt (4)	207,326	180,290	212,041	212,041
Airnorth Debt (4)	7,618	7,221	11,058	11,058
Humberside Debt	335	335	—	—
Other Debt	—	—	9,168	9,168
	$ 561,124	$ 505,038	$ 1,448,624	$ 942,956

(1) These debt instruments were settled in accordance with the Plan. See Note 8 for further details.

(2) The carrying value is net of unamortized discount of $2.6 million as of March 31, 2019 (Predecessor).

(3) The carrying value is net of unamortized discount of $30.8 million as of March 31, 2019 (Predecessor).

(4) In connection with the Company's emergence from bankruptcy and the application of ASC 852, the Company adjusted debt to its respective fair value at the Effective Date by a reduction of $57.7 million. The unamortized discounts as of March 31, 2020 (Successor) were as follows: $26.4 million for the Lombard Debt, $11.1 million for the Macquarie Debt, $12.6 million for the PK Air Debt and $0.6 million for the Airnorth Debt.

Other

The fair values of the Company's cash and cash equivalents, accounts receivable and accounts payable approximate their carrying value due to the short-term nature of these items.

Note 10 — DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

Embedded Derivatives

The Company has determined that the contingent redemption features upon a liquidation or deemed liquidation event, holder optional redemption, and fundamental transaction make-whole redemption features are required to be accounted for separately from the New Preferred Stock as derivative liabilities. The economic characteristics of the New Preferred Stock are considered more akin to a debt instrument because the shares are redeemable at the holder's option and the redemption value is significantly greater than the original issue price, the shares carry a fixed mandatory dividend (paid in kind), and specified rate of return. Such factors indicate the New Preferred Stock's most likely method of settlement is the exercise of a redemption feature rather than through conversion; therefore, the embedded features were analyzed against a debt-like host when determining if such features should require bifurcation. The Company determined that each of the redemption features described above must be bifurcated and accounted for separately from the New Preferred Stock because exercise of each feature would result in substantial premiums to the holder. See Note 15 for description of the New Preferred Stock.

ASC 815, Derivatives and Hedging does not permit an issuer to account separately for individual derivative terms and features embedded in hybrid financial instruments that require bifurcation and liability classification as derivative financial instruments. Rather, such terms and features must be combined and fair valued as a single compound embedded derivative. Accordingly, the Company recorded a compound derivative liability representing the combined fair value of redemption options described above. The Preferred Stock embedded derivative liability will be remeasured each period with changes in fair value recognized in earnings.

The following tables summarize the fair value of the compound derivative linked to the New Preferred Stock:

Derivatives not designated as hedging instruments	**Successor Five Months Ended March 31, 2020 Fair Value**
Preferred stock embedded derivative	$ 286,182
Total derivatives not designated as hedging instruments	$ 286,182

Total amounts of income and expense line items presented in the statement of financial performance in which the effects of fair value are recorded	**Successor Five Months Ended March 31, 2020 Change in fair value of preferred stock derivative liability**
Gain or (loss) on derivatives not designated as hedging instruments:	
Preferred stock embedded derivative	$ 184,140

Changes in the fair value of the New Preferred Stock derivative liability, carried at fair value, are reported as change in fair value of the Preferred Stock derivative liability in the consolidated statements of operations. For the five months ended March 31, 2020 (Successor), the Company recognized non-cash benefit of $184.1 million due to a decrease in the Preferred Stock derivative liability related to the embedded derivative in the New Preferred Stock.

The Company uses a binomial option pricing method to value the compound derivative. The option pricing method requires the development and use of assumptions. These assumptions include estimated volatility of the value of the Company's common stock, assumptions regarding possible conversion or early redemption dates, an appropriate risk-free interest rate, risky bond rate, and dividend yields. For further details on fair value, see Note 9.

Derivatives Designated as Hedging Instruments

From time to time, the Company enters into forward exchange contracts as a hedge against foreign currency asset and liability commitments and anticipated transaction exposures, including intercompany purchases. All derivatives are recognized as assets or liabilities and measured at fair value. The Company does not use financial instruments for trading or speculative purposes.

During fiscal year 2019 (Predecessor), the seven months ended October 31, 2019 (Predecessor) and the five months ended March 31, 2020 (Successor), the Company entered into foreign currency put option contracts of £5 million per month through February 2021 to mitigate a portion of the Company's foreign currency exposure. Upon emergence from bankruptcy, these derivatives were re-designated as cash flow hedges.

The designation of a derivative instrument as a hedge and its ability to meet relevant hedge accounting criteria determines how the change in fair value of the derivative instrument will be reflected in the consolidated financial statements. A derivative qualifies for hedge accounting if, at inception of the hedging relationship, the derivative is expected to be highly effective in offsetting the hedged item's underlying cash flows or fair value and the documentation requirements of the accounting standard for derivative instruments and hedging activities are fulfilled at the time the Company entered into the derivative contract. A hedge is designated as a cash flow hedge, fair value hedge, or a net investment in foreign operations hedge based on the exposure being hedged. The asset or liability value of the derivative will change in tandem with its fair value. For derivatives designated as cash flow hedges, the changes in fair value are recorded in accumulated other comprehensive income (loss). The derivative's gain or loss is released from accumulated other comprehensive income (loss) to match the timing of the effect on earnings of the hedged item's underlying cash flows.

The Company reviews the effectiveness of hedging instruments on a quarterly basis. The Company discontinues hedge accounting for any hedge that the Company no longer considers to be highly effective. Changes in fair value for derivatives not designated as hedges or those not qualifying for hedge accounting are recognized in current period earnings.

None of the Company's derivative instruments contain credit-risk-related contingent features. Counterparties to the Company's derivative contracts are high credit quality financial institutions.

The following table presents the balance sheet location and fair value of the portions of the Company's derivative instruments that were designated as hedging instruments as of March 31, 2020 (Successor) (in thousands):

	Derivatives designated as hedging instruments under ASC 815	Derivatives not designated as hedging instruments under ASC 815	Gross amounts of recognized assets and liabilities	Gross amounts offset in the Balance Sheet	Net amounts of assets and liabilities presented in the Balance Sheet
Prepaid expenses and other current assets	$ 2,747	$ —	$ 2,747	$ —	$ 2,747
Net	$ 2,747	$ —	$ 2,747	$ —	$ 2,747

The following table presents the balance sheet location and fair value of the portions of the Company's derivative instruments that were designated as hedging instruments as of March 31, 2019 (Predecessor) (in thousands):

	Derivatives designated as hedging instruments under ASC 815	Derivatives not designated as hedging instruments under ASC 815	Gross amounts of recognized assets and liabilities	Gross amounts offset in the Balance Sheet	Net amounts of assets and liabilities presented in the Balance Sheet
Prepaid expenses and other current assets	$ 1,845	$ —	$ 1,845	$ —	$ 1,845
Net	$ 1,845	$ —	$ 1,845	$ —	$ 1,845

The following table presents the impact that derivative instruments, designated as cash flow hedges, had on accumulated other comprehensive loss (net of tax) and consolidated statements of operations (in thousands):

	Successor	Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Financial statement location
Amount of income (loss) recognized in accumulated other comprehensive loss	$ —	$ (1,828)	Accumulated other comprehensive loss
Amount of income (loss) reclassified from accumulated other comprehensive loss into earnings	$ —	$ (1,146)	Statements of operations

The following table presents the impact that derivative instruments, designated as cash flow hedges, had on accumulated other comprehensive loss (net of tax) and consolidated statements of operations for fiscal year 2019 (Predecessor) (in thousands):

		Financial statement location
Amount of loss recognized in accumulated other comprehensive loss	$ (506)	Accumulated other comprehensive loss
Amount of loss reclassified from accumulated other comprehensive loss into earnings	$ (464)	Statement of operations

The Company estimates that $1.4 million of net losses in accumulated other comprehensive loss associated with its derivative instruments is expected to be reclassified into earnings within the next twelve months.

Note 11 — COMMITMENTS AND CONTINGENCIES

Aircraft Purchase Contracts — As of March 31, 2020 (Successor), the Company had no aircraft on order and no options to acquire additional aircraft. The following chart presents a rollforward of the Company's aircraft orders and options:

	Successor		Predecessor					
	Five Months Ended March 31,		Seven Months Ended October 31,		Fiscal Year Ended March 31,			
	2020		2019		2019		2018	
	Orders	Options	Orders	Options	Orders	Options	Orders	Options
Beginning of period	2	—	26	—	27	4	32	4
Aircraft delivered [1]	(2)	—	(2)	—	—	—	(5)	—
Aircraft rejected [2]	—	—	(22)	—	—	—	—	—
Cancelled order [3]	—	—	—	—	(1)	—	—	—
Expired options	—	—	—	—	—	(4)	—	—
End of period	—	—	2	—	26	—	27	4

(1) On July 25, 2019 (Predecessor), the Company entered into an amendment to its agreement for the purchase of four AW189 U.K. SAR configuration helicopters. Pursuant to the amendment, the parties mutually agreed to postpone the delivery dates for three helicopters to the second half of fiscal year 2020 and the first quarter of fiscal year 2021. The postponement in deliveries resulted in deferral of approximately $14.4 million in capital expenditures scheduled for fiscal years 2020 into fiscal year 2021. One of the four AW189s was purchased in August 2019, one was purchased in October 2019 and two were purchased ahead of schedule in December 2019.

(2) In October 2019 (Predecessor), the Bankruptcy Court approved the Company's agreement with Airbus to reject its aircraft purchase contract for 22 large aircraft.

(3) In December 2018 (Predecessor), a large aircraft order was terminated and the Company recorded contract termination costs of $14.0 million included in loss on disposal of assets on its consolidated statements of operations for amounts previously included in construction in progress on its consolidated balance sheets.

The Company periodically purchases aircraft for which it has no orders. During fiscal years 2020 and 2018, the Company did not purchase any aircraft for which it did not have an order. During fiscal year 2019, the Company purchased one aircraft that was not on order.

Employee Agreements — Approximately 69% of the Company's employees are represented by collective bargaining agreements and/or unions with 87% of these employees being represented by collective bargaining agreements and/or unions that have expired or will expire in one year. These agreements generally include annual escalations of up to 4.5%. Periodically, certain groups of employees who are not covered by a collective bargaining agreement consider entering into such an agreement.

Environmental Contingencies — The U.S. Environmental Protection Agency (the "EPA") has in the past notified the Company that it is a potential responsible party, or PRP, at three former waste disposal facilities that are on the National Priorities List of contaminated sites. Under the federal Comprehensive Environmental Response, Compensation and Liability Act, also known as the Superfund law, persons who are identified as PRPs may be subject to strict, joint and several liability for the costs of cleaning up environmental contamination resulting from releases of hazardous substances at National Priorities List sites. Although the Company has not yet obtained a formal release of liability from the EPA with respect to any of the sites, the Company believes that its potential liability in connection with the sites is not likely to have a material adverse effect on its business, financial condition or results of operations.

Other Purchase Obligations — As of March 31, 2020 (Successor), the Company had $39.8 million of other purchase obligations representing unfilled purchase orders for aircraft parts and non-cancelable PBH maintenance commitments. For further details on the non-cancelable PBH maintenance commitments, see Note 1.

Sikorsky Lawsuit — On January 8, 2019 (Predecessor), the Company filed suit in the District Court of Harris County, Texas against Sikorsky Aircraft Corporation ("Sikorsky") for breach of contract, unjust enrichment and conversion as a result of Sikorsky terminating a sales agreement after the Company sought to delay delivery of a helicopter and retaining the Company's $11.7 million deposit as liquidated damages. The Company is seeking a ruling that Sikorsky be required to return the deposit and provide an accurate calculation of its damages under the sales agreement. Bristow removed the claim to the Southern District of Texas bankruptcy court based on Sikorsky's decision to file a claim in bankruptcy related to this case. The Company filed an amended complaint on January 21, 2020, and defendants filed an answer on February 12, 2020. The Company expects a resolution in the next six to nine months.

Other Matters — Although infrequent, aircraft accidents have occurred in the past, and the related losses and liability claims have been covered by insurance subject to deductible, self-insured retention and loss sensitive factors.

On November 6, 2017, the Huntington National Bank ("Huntington") filed suit against the Company and Bristow U.S. LLC in the U.S. District Court for the Southern District of New York (the "Southern District of New York Court"). Huntington alleges violation of an addendum of a lease agreement for failure to arrange for the enrollment of the aircraft engines in a maintenance agreement and seeks approximately $2.5 million in damages. The Company submitted a counterclaim for approximately $100,000 of costs related to storage, maintenance and insurance of the aircraft following the expiration of the lease. On March 1, 2019, the Southern District of New York Court denied Huntington's motion for summary judgment. The Company initiated discovery; however, on May 16, 2019, the proceedings were stayed as a result of the Chapter 11 Cases. Huntington filed a claim in the bankruptcy proceedings for the damages alleged in its initial lawsuit and for damages allegedly incurred as a result of Bristow returning a second leased aircraft. The Company, Bristow U.S. LLC, and Huntington entered into a Settlement Agreement on October 17, 2019 that provides a framework for resolution of Huntington's claims with respect to both leased aircraft. The Bankruptcy Court approved the settlement on October 23, 2019. The parties continue to work on finalizing the settlement. A pre-trial conference before the Southern District of New York Court is scheduled for July 29, 2020, if the settlement has not been consummated by then.

Two purported class action complaints, *Kokareva v. Bristow Group Inc.*, Case No. 4:19-cv-0509 and *Lilienfield v. Bristow Group Inc.*, Case No. 4:19-cv-1064, were filed in the U.S. District Court for the Southern District of Texas (the "Southern District of Texas Court") on February 14, 2019 and March 21, 2019, respectively. The complaints, which also named Jonathan E. Baliff and L. Don Miller as defendants, alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 arising out of the Company's disclosures and alleged failure to make timely disclosure of inadequate monitoring control processes related to non-financial covenants within certain of its secured financing and lease agreements. On May 17, 2019, the Southern District of Texas Court appointed BRS Investor Group as Lead Plaintiff and consolidated both actions under *Kokareva v. Bristow Group Inc.*, Case No. 4:19-cv-0509. When the Company filed the Chapter 11 Cases on May 11, 2019, the litigation against the Company was automatically stayed. When the Company emerged from bankruptcy, all the claims against the Company were released, but the case is still proceeding against the individual defendants. Plaintiffs filed a Consolidated Amended Complaint on November 4, 2019, and the defendants filed a motion to dismiss on January 3, 2020. The Southern District of Texas Court had a hearing on the defendant's motion to dismiss on May 22, 2020 and the Southern District of Texas Court denied the motion to dismiss the same day. The case is now proceeding into discovery and the defendants intend to litigate vigorously against them.

On June 7, 2019, Marilyn DeVault filed a Stockholder Derivative Complaint against Thomas N. Amonett, Gaurdie Banister Jr., Ian A. Godden, Lori A. Gobillot, A. William Higgins, Thomas C. Knudson, Biggs C. Porter, Jonathan E. Baliff, Stephen A. King, Matthew Masters, David C. Gompert, Bruce H. Stover, L. Don Miller, and Brian J. Allman (the "Derivative Defendants") in the United States District Court for the District of Delaware. The complaint alleges breaches of fiduciary duties and violations of Section 10(b) of the Securities Exchange Act of 1934 arising out of Company disclosures and failing to have adequate monitoring control processes related to non-financial covenants within certain of the Company's secured financing and lease agreements. The complaint also alleges waste of corporate assets, gross mismanagement, and unjust enrichment. On July 19, 2019, the parties submitted a Joint Stipulation to stay the case pending the resolution of any motion to dismiss filed in the actions in the Southern District of Texas Court. Because the Southern District of Texas Court denied the motion to dismiss on May 22, 2020, the stay is now lifted, and the parties plan to contact the Southern District of Texas Court shortly regarding their next steps. Defendants intend to litigate vigorously against them.

The Company operates in jurisdictions internationally where it is subject to risks that include government action to obtain additional tax revenue. In a number of these jurisdictions, political unrest, the lack of well-developed legal systems and legislation that is not clear enough in its wording to determine the ultimate application, can make it difficult to determine whether legislation may impact the Company's earnings until such time as a clear court or other ruling exists. The Company operates in jurisdictions currently where amounts may be due to governmental bodies that the Company is not currently recording liabilities for as it is unclear how broad or narrow legislation may ultimately be interpreted. The Company believes that payment of amounts in these instances is not probable at this time, but is reasonably possible.

The Company is a defendant in certain claims and litigation arising out of operations in the normal course of business. In the opinion of management, uninsured losses, if any, will not be material to the Company's financial position, results of operations or cash flows.

Note 12 — LEASES

As discussed in Note 1, the Company adopted ASC 842 on a prospective basis on April 1, 2019 and used the effective date as the date of initial application. Therefore, prior period financial information has not been adjusted and continues to be reflected in accordance with the Company's historical accounting policies. The lease standard establishes a ROU model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months.

The Company elected to adopt the "package of practical expedients," which allows the Company to carry forward historical assessments of whether existing agreements contain a lease, classification of existing lease agreements and treatment of initial direct lease costs. The Company also elected to account for non-lease and lease components as a single lease component for all asset classes and exclude short-term leases (those with terms of 12 months or less) from balance sheet presentation.

The effects related to the adoption of this accounting standard are specified in Note 1.

Accounting Policy for Leases

The Company determines if an arrangement is a lease at inception. All of the Company's leases are operating leases and are recorded in ROU assets, accounts payable and operating lease liabilities in its consolidated balance sheet as of March 31, 2020 (Successor).

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligations to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date of a lease based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of lease payments. The Company's lease terms may include options to extend or terminate the lease. The lease term includes options to extend when the Company is reasonably certain to exercise the option. The Company is not, however, reasonably certain that the Company will exercise any option(s) to extend at commencement of a lease as each extension would be based on the relevant facts and circumstances at the time of the decision to exercise or not exercise an extension option, and as such, they have not been included in the remaining lease terms. The Company will evaluate the impact of lease extensions, if and when the exercise of an extension option is probable.

Overview

The Company has non-cancelable operating leases in connection with the lease of certain equipment, including leases for aircraft, and land and facilities used in its operations. The related lease agreements, which range from non-cancelable and month-to-month terms, generally provide for fixed monthly rentals, and can also include renewal options. The Company generally pays all insurance, taxes and maintenance expenses associated with these leases, and these costs are not included in the lease liability and are recognized in the period in which they are incurred.

The aircraft leases range from base terms of up to 180 months with renewal options of up to 60 months in some cases, include purchase options upon expiration and some include early purchase options. The leases contain terms customary in transactions of this type, including provisions that allow the lessor to repossess the aircraft and requires the Company to pay a stipulated amount if the Company defaults on its obligations under the agreements. The following is a summary of the terms related to aircraft leased under operating leases with original terms in excess of one year as of March 31, 2020 (Successor).

	Successor
End of Lease Term	**Number of Aircraft**
Fiscal year 2021 to fiscal year 2022	17
Fiscal year 2023 to fiscal year 2026	29
	46

Rent expense incurred is as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Rent expense under all operating leases	$ 50,061	$ 101,543	$ 192,316	208,691
Rent expense under operating leases for aircraft	$ 43,044	$ 88,599	$ 168,299	181,318

Operating leases as of March 31, 2020 (Successor) were as follows (in thousands, except years and percentages):

	Successor
Operating lease right-of-use assets	$ 305,962
Current portion of operating lease liabilities	81,484
Operating lease liabilities	224,595
Total operating lease liabilities	$ 306,079

	Successor	Predecessor
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019
Cash paid for operating leases	$ 48,967	$ 95,601
ROU assets obtained in exchange for lease obligations	$ 338,257	$ 256,242
Weighted average remaining lease term	4 years	5 years
Weighted average discount rate	6.27%	7.14%

As of March 31, 2020 (Successor), aggregate future payments under all non-cancelable operating leases that have initial terms in excess of one year, including leases for 46 aircraft, are as follows (in thousands):

	Successor		
	Aircraft	Other	Total
Fiscal year ending March 31,			
2021	$ 89,736	$ 7,680	$ 97,416
2022	77,229	6,435	83,664
2023	58,583	6,468	65,051
2024	46,005	6,086	52,091
2025	28,370	5,005	33,375
Thereafter	2,170	16,382	18,552
	$ 302,093	$ 48,056	$ 350,149

As of March 31, 2019 (Predecessor), aggregate future payments under all non-cancelable operating leases that have initial terms in excess of one year, including leases for 75 aircraft, are as follows (in thousands):

	Predecessor		
	Aircraft	Other	Total
Fiscal year ending March 31,			
2020	$ 121,516	$ 11,367	$ 132,883
2021	59,999	9,814	69,813
2022	39,035	8,797	47,832
2023	16,605	8,396	25,001
2024	5,086	8,513	13,599
Thereafter	—	29,256	29,256
	$ 242,241	$ 76,143	$ 318,384

The Company leases six S-92 model aircraft and one AW139 model aircraft from VIH Aviation Group Ltd., which is a related party due to common ownership of Cougar and paid lease fees of $5.5 million, $8.6 million, $16.1 million and $19.3 million during the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively. The Company leases a facility in Galliano, Louisiana from VIH Helicopters USA, Inc., another related party due to common ownership of Cougar, and paid lease fees of $0.1 million, $0.1 million, $0.2 million and $0.2 million in lease fees during the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively.

In April and May 2019 (Predecessor), the Company returned its remaining four H225 leased aircraft and paid $4.3 million in lease return costs. As of June 30, 2019 (Predecessor), the Company accrued an additional $2.8 million in lease return costs, $9.7 million in future rent and $9.4 million in deferred rent related to these four H225 lease returns. Also, the Company reduced its ROU assets by $11.9 million and operating lease liabilities by $12.4 million in connection with these lease returns during the three months ended June 30, 2019 (Predecessor). For further information regarding the Omnibus Agreement, see Note 8.

In June 2019 (Predecessor), the Company rejected ten aircraft leases, including nine S-76C+s and one S-76D, and recorded $26.0 million of lease termination costs, net. In September 2019 (Predecessor), the Company recorded an additional $4.2 million of lease termination costs to adjust its liabilities subject to compromise to the allowed claim. Also, in connection with these ten aircraft lease returns, the Company reduced its ROU assets by $18.6 million and operating lease liabilities by $20.2 million in the Predecessor period. On October 31, 2019 (Predecessor), as part of the Plan, the Company settled and paid these liabilities in full for $3.9 million.

In September 2019 (Predecessor), the Company rejected the lease for its corporate headquarters in Houston, Texas. As of September 30, 2019 (Predecessor), the Company recorded an allowed claim of $5.3 million, which was settled and paid in full for $0.6 million on October 31, 2019 (Predecessor), as part of the Plan. Also, in connection with the corporate lease rejection, as of September 30, 2019 (Predecessor), the Company reduced its ROU assets by $13.2 million and operating lease liabilities by $18.9 million.

In connection with the adoption of fresh-start accounting, the Company made the accounting policy election in accordance with ASC 805 to not recognize lease assets or liabilities upon emergence for any leases that have a remaining lease term of 12 months or less as of the Effective Date. Any ROU asset or lease liability that meets the criteria was written off by offsetting each other with any resulting gain or loss recognized as a fresh-start adjustment on the Predecessor's consolidated statements of operations. Any future lease expenses will be expensed on a straight-line basis over the lease term or for variable lease payments in the period in which the obligation for those payments is incurred. Further, the ROU asset was reduced on a net basis by $2.6 million for changes in fair value related to favorable or unfavorable lease terms with the offset recorded as reorganization expense, net in the Predecessor's consolidated statement of operations.

Note 13 — TAXES

The components of deferred tax assets and liabilities are as follows (in thousands):

	Successor	Predecessor
	March 31, 2020	March 31, 2019
Deferred tax assets:		
Foreign tax credits	$ 39,554	$ 39,554
State net operating losses	9,140	12,448
Net operating losses	68,919	102,074
Accrued pension liability	2,869	4,254
Accrued equity compensation	440	9,115
Interest expense limitation	33,567	17,852
Deferred revenue	375	511
Employee award programs	86	387
Employee payroll accruals	1,656	3,476
Inventories	6,853	1,263
Investment in unconsolidated affiliates	—	30,783
Convertible note	—	2,013
Capital loss carryover	—	4,200
Accrued expenses not currently deductible	9,000	6,339
Lease liabilities	22,369	—
Other	8,992	7,005
Valuation allowance - foreign tax credits	(39,554)	(39,554)
Valuation allowance - state	(9,140)	(12,448)
Valuation allowance - interest expense limitation	(11,603)	—
Valuation allowance	(58,264)	(76,212)
Total deferred tax assets	$ 85,259	$ 113,060
Deferred tax liabilities:		
Property and equipment	$ (38,299)	$ (136,175)
Inventories	(987)	(1,754)
Investment in unconsolidated affiliates	(23,112)	(27,595)
ROU asset	(21,552)	—
Intangibles	(18,539)	—
Deferred gain	—	(1,872)
Other	(5,545)	(4,872)
Total deferred tax liabilities	$ (108,034)	$ (172,268)
Net deferred tax liabilities	$ (22,775)	$ (59,208)

Companies may use foreign tax credits to offset the U.S. income taxes due on income earned from foreign sources. However, the credit that may be claimed for a particular taxable year is limited by the total income tax on the U.S. income tax return as well as by the ratio of foreign source net income in each statutory category to total net income. The amount of creditable foreign taxes available for the taxable year that exceeds the limitation (i.e., “excess foreign tax credits”) may be carried back one year and forward ten years. The Company has $39.6 million of excess foreign tax credits as of March 31, 2020 (Successor), of which $6.6 million will expire in fiscal year 2021, $4.0 million will expire in fiscal year 2022, $0.2 million will expire in fiscal year 2023, $15.6 million will expire in fiscal year 2024 and $13.2 million will expire in fiscal year 2025. As of March 31, 2020 (Successor), the Company has $0.5 million of net operating losses in the U.S., all of which will expire in fiscal year 2038. In addition, the Company has net operating losses in certain states totaling $147.8 million which will begin to expire in fiscal year 2022. The valuation adjustments related to the Company’s equity method investments discussed in Note 3 resulted in the write-off of the related deferred tax asset on October 31, 2019 (Predecessor) for such investments. As part of the Chapter 11 Cases, indebtedness related to the 4½% Convertible Senior Notes was cancelled, therefore the deferred tax asset was reduced to zero as of October 31, 2019 (Predecessor).

Certain limitations on the deductibility of interest expense pursuant to the Tax Cuts and Jobs Act (the "Act") became effective for Bristow on April 1, 2018. As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the Company had $159.8 million and $85.0 million gross disallowed U.S. interest expense carryforward, respectively. The disallowed interest expense can be carried forward indefinitely. As of March 31, 2020 (Successor), a valuation allowance has been recorded for a portion of the deferred tax asset related to interest expense limitations.

The realization of deferred income tax assets is dependent upon the generation of sufficient taxable income during future periods in which the temporary differences are expected to reverse. The valuation allowance is reviewed on a quarterly basis and if the assessment of the "more likely than not" criteria changes, the valuation allowance is adjusted accordingly. The valuation allowance continues to be applied against certain deferred income tax assets where the Company has assessed that the realization of such assets does not meet the "more likely than not" criteria. As of March 31, 2020 (Successor), valuation allowances were $58.0 million for foreign operating loss carryforwards, $9.1 million for state operating loss carryforwards, $11.6 million for interest expense limitation carryforwards, $0.2 million for charitable contribution carryforwards and $39.6 million for foreign tax credits.

The following table is a rollforward of the valuation allowance against the Company's deferred tax assets (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Balance – beginning of fiscal year	$ (124,700)	$ (128,214)	$ (71,987)	$ (74,727)
Additional allowances	(19,434)	(5,381)	(59,493)	(20,259)
Reversals and other changes	25,573	8,895	3,266	22,999
Balance – end of fiscal year	$ (118,561)	$ (124,700)	$ (128,214)	$ (71,987)

The components of loss before benefit (provision) for income taxes are as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Domestic	$ 163,866	$ (568,781)	$ (263,377)	$ (91,002)
Foreign	(24,308)	(318,603)	(72,922)	(136,998)
Total	$ 139,558	$ (887,384)	$ (336,299)	$ (228,000)

The provision (benefit) for income taxes consisted of the following (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Current:				
Domestic	$ (1,542)	$ 2,516	$ 1,337	$ 1,247
Foreign	6,572	9,178	15,313	13,607
	$ 5,030	$ 11,694	$ 16,650	$ 14,854
Deferred:				
Domestic	$ (5,072)	$ (49,634)	$ (16,523)	$ (39,079)
Foreign	524	(13,238)	(288)	(6,666)
	$ (4,548)	$ (62,872)	$ (16,811)	$ (45,745)
Total	$ 482	$ (51,178)	$ (161)	$ (30,891)

The reconciliation of the U.S. Federal statutory tax rate to the effective income tax rate for the (provision) benefit for income taxes is shown below:

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Statutory rate	21.0%	21.0%	21.0%	31.6%
Effect of U.S. tax reform	—%	—%	(3.5)%	9.9%
Net foreign tax on non-U.S. earnings	(4.2)%	(0.7)%	(0.3)%	0.8%
Benefit of foreign tax deduction in the U.S.	(0.2)%	—%	—%	—%
Foreign earnings indefinitely reinvested abroad	2.2%	(5.9)%	(4.4)%	(8.1)%
Change in valuation allowance	(0.4)%	(0.6)%	(15.2)%	1.1%
Foreign earnings that are currently taxed in the U.S.	0.8%	—%	(0.7)%	(33.0)%
Sales of subsidiaries	—%	(1.1)%	—%	—%
Effect of change in foreign statutory corporate income tax rates	—%	—%	0.4%	—%
Preferred stock embedded derivative	(27.7)%	—%	—%	—%
Contingent beneficial conversion feature	—%	(1.0)%	—%	—%
Impairment of foreign investments	1.4%	(0.6)%	—%	11.9%
Fresh start accounting and reorganization	6.7%	(3.6)%	—%	—%
Professional fees to be capitalized for tax	1.3%	(1.3)%	—%	—%
Changes in tax reserves	0.1%	—%	0.7%	(2.3)%
Other, net	(0.7)%	(0.4)%	2.0%	1.6%
Effective tax rate	0.3%	5.8%	—%	13.5%

In the five months ended March 31, 2020 (Successor), the Company's effective tax rate is 0.3% and includes (a) $11.1 million of tax expense for fresh start accounting and reorganization related expenses, (b) $38.7 million of tax benefit from the preferred stock embedded derivative and (c) $2.0 million of tax expense for impairment of its investment in unconsolidated affiliates.

In the seven months ended October 31, 2019 (Predecessor), the Company's effective tax rate is 5.8% and includes (a) $43.4 million of tax expense for fresh start accounting and reorganization related expenses, (b) $8.9 million of tax expense related to the contingent beneficial conversion feature, (c) $9.8 million of tax expense from the sale of foreign subsidiaries, (d) $5.3 million of tax expense for impairments and write-offs of certain investments and (d) $5.4 million of tax expense for an increase in valuation allowances.

In fiscal year 2019 (Predecessor), the Company's effective tax rate is 0.0% and includes (a) $51.0 million of tax expense for an increase in valuation allowances and (b) a reduction to its previously-recorded U.S. statutory tax rate reduction adjustment of $19.0 million offset by a one-time non-cash transition tax expense of $30.6 million.

On December 22, 2017, the president of the United States signed into law the Act. The Act includes numerous changes in existing U.S. tax law, including a permanent reduction in the U.S. federal corporate income tax rate from 35% to 21%. The rate reduction took effect on January 1, 2018. Further, the Act provided for a one-time "deemed repatriation" of accumulated foreign earnings of certain foreign corporations. Under GAAP, the Company's net deferred tax liabilities are required to be revalued during the period in which the new tax legislation is enacted. The Company completed its analysis of the income tax implications of the Act during the third quarter of fiscal year 2019. Pursuant to the issuance of additional guidance by the U.S. Internal Revenue Service related to the calculation of the one-time deemed repatriation tax, the Company adjusted its previously reported provisional amounts by recording an additional tax expense of $11.6 million related to remeasurement of deferred taxes offset by one-time mandatory deemed repatriation.

Certain provisions under the Act became applicable to the Company on April 1, 2018 and the Company's tax provision for fiscal year 2019 includes the tax implications of these provisions. These provisions include Global Intangible Low-Taxed Income, Base Erosions and Anti-Avoidance Tax, Foreign Derived Intangible Income and certain limitations on the deduction of interest expense and utilization of net operating losses.

In fiscal year 2018 (Predecessor), the Company's effective tax rate was 13.5% and includes: (i) tax benefit of $27.0 million related to the impairment of its investment in unconsolidated affiliates; (ii) tax impact of one-time transition tax on unrepatriated earnings of foreign subsidiaries under the Act of $52.9 million, which is partially offset by the utilization of foreign tax credits of $22.6 million; (iii) tax benefit of $53.0 million as a result of the revaluation of its net deferred tax liabilities; and (iv) tax benefit due to release of $22.8 million of foreign tax credit valuation allowances.

A portion of the Company's aircraft fleet is owned directly or indirectly by its wholly owned Cayman Island subsidiaries. The Company's foreign operations combined with its leasing structure provided a material benefit to the effective tax rates for fiscal years 2020, 2019 and 2018. Also, the Company's effective tax rates for fiscal years 2020, 2019 and 2018 benefited from the permanent investment outside the U.S. of foreign earnings, upon which no U.S. tax had been provided until the one-time transition tax on unrepatriated earnings of foreign subsidiaries under the Act.

The Company's operations are subject to the jurisdiction of multiple tax authorities, which impose various types of taxes on the Company, including income, value added, sales and payroll taxes. Determination of taxes owed in any jurisdiction requires the interpretation of related tax laws, regulations, judicial decisions and administrative interpretations of the local tax authority. As a result, the Company is subject to tax assessments in such jurisdictions including the re-determination of taxable amounts by tax authorities that may not agree with its interpretations and positions taken. The following table summarizes the years open by jurisdiction as of March 31, 2020 (Successor):

Jurisdiction	Years Open
U.S.	Fiscal year 2018 to present
U.K.	Fiscal year 2017 to present
Guyana	Fiscal year 2013 to present
Nigeria	Fiscal year 2012 to present
Trinidad	Fiscal year 2010 to present
Australia	Fiscal year 2016 to present
Norway	Fiscal year 2016 to present

The effects of a tax position are recognized in the period in which the Company determines that it is more-likely-than-not (defined as a more than 50% likelihood) that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. A tax position that meets the more-likely-than-not recognition threshold is measured as the largest amount of tax benefit that is greater than 50% likely of being recognized upon ultimate settlement.

The Company has analyzed filing positions in the federal, state and foreign jurisdictions where it is required to file income tax returns for all open tax years. The Company believes that the settlement of any tax contingencies would not have a significant impact on its consolidated financial position, results of operations or liquidity. In the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), the Company had a net (benefit) provision of $0.2 million, $(0.2) million, $(2.3) million and $5.4 million, respectively, of reserves for tax contingencies primarily related to non-U.S. income tax on foreign leasing operations. The Company's policy is to accrue interest and penalties associated with uncertain tax positions in its provision for income taxes. In the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), $0.2 million, $0.2 million, $0.0 million and $0.1 million, respectively, in interest and penalties were accrued in connection with uncertain tax positions.

As of March 31, 2020 (Successor) and March 31, 2019 (Predecessor), the Company had $4.3 million and $4.3 million, respectively, of unrecognized tax benefits, all of which would have an impact on its effective tax rate, if recognized.

The Company believes that it is reasonably possible that a decrease of up to $0.4 million in unrecognized tax benefits may be necessary within the coming year. In addition, the Company believes that it is reasonably possible that approximately $3.8 million of current other remaining unrecognized tax benefits may be recognized by the end of fiscal year 2023 as a result of a lapse of the statute of limitations.

The activity associated with unrecognized tax benefit is as follows (in thousands):

	Successor	Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal year ended March 31, 2019
Unrecognized tax benefits – beginning of period	$ 4,060	$ 4,337	$ 6,682
Increases for tax positions taken in prior periods	213	170	100
Decreases for tax positions taken in prior periods	—	(442)	(2,445)
Decrease related to statute of limitation expirations	(21)	(5)	—
Unrecognized tax benefits – end of period	$ 4,252	$ 4,060	$ 4,337

As of March 31, 2020 (Successor), the Company has aggregated approximately $102.1 million in unremitted earnings generated by foreign subsidiaries. The Company expects to indefinitely reinvest these earnings. Accordingly, the Company has not provided deferred taxes on these unremitted earnings. If the Company's expectations were to change, withholding and other applicable taxes incurred upon repatriation, if any, are not expected to have a material impact on its results of operations. Pursuant to the Act, the Company subjected a significant portion of its accumulated foreign earnings from certain foreign corporations to the one-time "deemed repatriation" tax. Any additional taxes due with respect to such earnings or the excess of the amount for financial reporting over the tax basis of our foreign investments would generally be limited to foreign and state taxes.

Income taxes paid were $7.6 million, $9.5 million, $19.4 million and $26.7 million during the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively.

As described in Note 2, elements of the Plan provided that certain secured and unsecured debt that the Company held was exchanged for New Common Stock and New Preferred Stock. Absent an exception, a debtor recognizes cancellation of indebtedness income ("CODI") upon discharge of its outstanding indebtedness for an amount of consideration that is less than its adjusted issue price. The Internal Revenue Code of 1986, as amended ("IRC"), provides that a debtor in a Chapter 11 bankruptcy case may exclude CODI from taxable income but must reduce certain of its tax attributes by the amount of any CODI realized as a result of the consummation of a plan of reorganization. The amount of CODI realized by a taxpayer is determined based on the fair market value of the consideration received by the creditors in settlement of outstanding indebtedness. As a result of the market value of equity upon emergence from the Chapter 11 Cases, the estimated amount of CODI is approximately $487.7 million, which reduced most of the value of the Company's net operating loss carryover, the entire capital loss carryover and partially reduced the tax basis in the Company's other assets. The actual reduction in tax attributes does not occur until the first day of the Company's tax year subsequent to the date of emergence, or April 1, 2020. The Company previously reported $93.8 million deferred tax expense for the seven months ended October 31, 2019 (Predecessor) related to the reduction of net operating losses, tax basis in fixed assets and other assets. The Company has updated its estimate during the fourth quarter and reported a $4.2 million deferred tax benefit for the five months ended March 31, 2020 (Successor) for total deferred tax expense of $89.6 million. Due to the uncertainty of the amounts and allocations of the reduction in tax attributes there may be changes in the amount of deferred taxes that should be recorded. The Company has estimated its attributes subject to reduction based on current results from operations and gains and losses from sale of assets. Although the Company believes the income tax estimates are reasonable, any changes in the anticipated results may have a material effect on the Company's results of operations.

IRC Section 382 provides an annual limitation with respect to the ability of a corporation to utilize its tax attributes, as well as certain built-in-losses, against future taxable income in the event of a change in ownership. Emergence from the Chapter 11 Cases resulted in a change in ownership for purposes of IRC Section 382. As part of the attribute reduction the Company reduced all but $0.5 million of its net operating losses, however certain future tax deductions available after the reduction for CODI are expected to be subject to an annual limitation under IRC Section 382.

Note 14 — EMPLOYEE BENEFIT PLANS

Defined Contribution Plans

The Bristow Group Inc. Employee Savings and Retirement Plan (the "Bristow Plan") covers certain of the Company's U.S. employees. Under the Bristow Plan, the Company matches each participant's contributions up to 3% of the employee's compensation. In addition, under the Bristow Plan, the Company contributes an additional 3% of the employee's compensation after the end of each calendar year.

Bristow Helicopters and Bristow International Aviation (Guernsey) Limited ("BIAGL") each have a defined contribution plan. These defined contribution plans replaced the defined benefit pension plans described below for future accruals.

The Company's contributions to its defined contribution plans were $8.5 million, $13.6 million, $22.2 million and $22.0 million for the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively.

Defined Benefit Plans

The defined benefit pension plans of Bristow Helicopters and BIAGL replaced by the defined contribution plans described above covered all full-time employees of Bristow Aviation and BIAGL employed on or before December 31, 1997. Both plans were closed to future accrual as of February 1, 2004. The defined benefits for employee members were based on the employee's annualized average last three years' pensionable salaries up to February 1, 2004, increasing thereafter in line with retail price inflation (prior to 2011) and consumer price inflation (from 2011 onwards), and subject to maximum increases of 5% per year over the period to retirement. Any valuation deficits are funded by contributions by Bristow Helicopters and BIAGL. Plan assets are held in separate funds administered by the plans' trustee (the "Plan Trustee"), which are primarily invested in equities and debt securities. For members of the two closed defined benefit pension plans, since January 2005, Bristow Helicopters contributes a maximum of 7% of a participant's non-variable salary, and since April 2006, the maximum employer contribution into the plan has been 7.35% for pilots. Each member is required to contribute a minimum of 5% of non-variable salary for Bristow Helicopters to match the contribution. In addition, there are three defined contribution plans for staff who were not members of the original defined benefit plans, two of which are closed to new members.

The following tables provide a rollforward of the projected benefit obligation and the fair value of plan assets, set forth the defined benefit retirement plans' funded status and provide detail of the components of net periodic pension cost calculated for the U.K. pension plans. The measurement date adopted is March 31. For the purposes of amortizing gains and losses, the 10% corridor approach has been adopted and assets are taken at fair market value. Any such gains or losses are amortized over the average remaining life expectancy of the plan members.

	Successor	Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019
		(In thousands)	
Change in benefit obligation:			
Projected benefit obligation (PBO) at beginning of period	$ 528,858	$ 504,076	$ 545,128
Service cost	594	29	655
Interest cost	4,109	6,705	12,984
Actuarial loss (gain)	(5,545)	34,618	9,702
Benefit payments and expenses	(11,394)	(13,882)	(28,593)
Plan amendments	—	—	3,020
Effect of exchange rate changes	(21,630)	(2,688)	(38,820)
Projected benefit obligation (PBO) at end of period	$ 494,992	$ 528,858	$ 504,076
Change in plan assets:			
Market value of assets at beginning of period	$ 495,343	$ 478,350	$ 508,375
Actual return on assets	6,827	24,633	18,121
Employer contributions	7,144	9,032	16,644
Benefit payments and expenses	(11,394)	(13,882)	(28,593)
Effect of exchange rate changes	(20,783)	(2,790)	(36,197)
Market value of assets at end of period	$ 477,137	$ 495,343	$ 478,350
Reconciliation of funded status:			
Accumulated benefit obligation (ABO)	$ 494,992	$ 528,858	$ 504,076
Projected benefit obligation (PBO)	$ 494,992	$ 528,858	$ 504,076
Fair value of assets	(477,137)	(495,343)	(478,350)
Net recognized pension liability	$ 17,855	$ 33,515	$ 25,726
Amounts recognized in accumulated other comprehensive loss	$ (6,389)	$ —	$ 219,232

	Successor		Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
			(In thousands)	
Components of net periodic pension cost:				
Service cost for benefits earned during the period	$ 594	$ 29	$ 655	$ 856
Interest cost on PBO	4,109	6,705	12,984	12,914
Expected return on assets	(5,735)	(5,610)	(17,118)	(21,184)
Amortization of unrecognized losses	—	—	8,001	8,151
Net periodic pension cost	$ (1,032)	$ 1,124	$ 4,522	$ 737

Service cost component is reported in the Company's statement of operations in direct cost. All other components of net periodic pension cost are reported in the other expenses, net.

The amount in accumulated other comprehensive loss as of March 31, 2020 (Successor) expected to be recognized as a component of net periodic pension cost in fiscal year 2021 is zero, net of tax, and represents amortization of the net actuarial losses.

In October 2018, the U.K. High Court ruled that the U.K. defined pension schemes will be required to equalize for the effect of unequal guaranteed minimum pensions ("GMPs") accrued between 1990 and 1997 by adjusting other non-GMP benefits. The Company recorded additional pension liability of $2.9 million as of December 31, 2018 (Predecessor) related to this ruling that will be recorded as additional service cost over the future service period of approximately 20 years.

Actuarial assumptions used to develop the components of the U.K. plans were as follows:

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Discount rate	1.90%	1.90%	2.60%	2.40%
Expected long-term rate of return on assets	2.80%	2.80%	3.62%	4.41%
Pension increase rate .	2.80%	2.80%	2.90%	3.00%

The Company utilizes a British pound sterling denominated AA corporate bond index as a basis for determining the discount rate for its U.K. plans. The expected rate of return assumptions have been determined following consultation with the Company's actuarial advisors. In the case of bond investments, the rates assumed have been directly based on market redemption yields at the measurement date, and those on other asset classes represent forward-looking rates that have typically been based on other independent research by investment specialists.

Under U.K. and Guernsey legislation, it is the Plan Trustee who is responsible for the investment strategy of the plans, although day-to-day management of the assets is delegated to a team of regulated investment fund managers. The Plan Trustee of the Bristow Staff Pension Scheme (the "Scheme") has the following three stated primary objectives when determining investment strategy:

(i) "funding objective" — to ensure that the Scheme is fully funded using assumptions that contain a modest margin for prudence. Where an actuarial valuation reveals a deficit, a recovery plan will be put in place which will take into account the financial covenant to the employer;

(ii) "stability objective" — to have due regard to the likely level and volatility of required contributions when setting the Scheme's investment strategy; and

(iii) "security objective" — to ensure that the solvency position of the Scheme (as assessed on a gilt basis) is expected to improve. The Plan Trustee will take into account the strength of the employer's covenant when determining the expected improvement in the solvency position of the Scheme.

The types of investments are held, and the relative allocation of assets to investments is selected, in light of the liability profile of the Scheme, its cash flow requirements, the funding level and the Plan Trustee's stated objectives. In addition, in order to avoid an undue concentration of risk, assets are diversified within and across asset classes.

In determining the overall investment strategy for the plans, the Plan Trustee undertakes regular asset and liability modeling (the "ALM") with the assistance of their U.K. actuary. The ALM looks at a number of different investment scenarios and projects both a range and a best estimate of likely return from each one. Based on these analyses, and following consultation with the Company, the Trustee determines the benchmark allocation for the plans' assets.

The market value of the plan's assets as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor) was allocated between asset classes as follows. Details of target allocation percentages under the Plan Trustee's investment strategies as of the same dates are also included.

Asset Category	Successor Target Allocation as of March 31, 2020	Predecessor Target Allocation as of March 31, 2019	Successor Actual Allocation as of March 31, 2020	Predecessor Actual Allocation as of March 31, 2019
Equity securities	25.3%	25.4%	23.0%	24.1%
Debt securities	25.0%	34.8%	27.1%	44.5%
Property	7.4%	7.4%	6.5%	6.1%
Other assets	42.3%	32.4%	43.4%	25.3%
Total	100.0%	100.0%	100.0%	100.0%

The following table summarizes, by level within the fair value hierarchy, the plan assets as of March 31, 2020 (Successor), which are valued at fair value (in thousands):

	Successor			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2020
Cash and cash equivalents	$ 8,680	$ —	$ —	$ 8,680
Cash plus	—	10,788	—	10,788
Equity investments - U.K.	992	—	—	992
Equity investments - Non-U.K.	1,488	—	—	1,488
Insurance Linked Securities	—	24,303	—	24,303
Illiquid credit	—	—	28,271	28,271
Diversified growth (absolute return) funds	868	40,919	—	41,787
Government debt securities	248	86,549	—	86,797
Corporate debt securities	1,612	—	—	1,612
Alternatives	—	41,167	—	41,167
Property debt	—	—	31,247	31,247
Multi asset credit	—	40,918	—	40,918
Insurance policies	—	—	159,087	159,087
Total investments	$ 13,888	$ 244,644	$ 218,605	$ 477,137

The following table summarizes, by level within the fair value hierarchy, the plan assets as of March 31, 2019 (Predecessor), which are valued at fair value (in thousands):

	Predecessor			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of March 31, 2019
Cash and cash equivalents	$ 26,191	$ —	$ —	$ 26,191
Cash plus	—	84,438	—	84,438
Equity investments - U.K.	—	2,476	—	2,476
Equity investments - Non-U.K.	—	1,303	—	1,303
Insurance Linked Securities	—	—	25,279	25,279
Illiquid credit	—	—	40,004	40,004
Diversified growth (absolute return) funds	—	86,001	—	86,001
Government debt securities	—	138,384	—	138,384
Corporate debt securities	—	74,274	—	74,274
Total investments	$ 26,191	$ 386,876	$ 65,283	$ 478,350

The investments' fair value measurement level within the fair value hierarchy is classified in its entirety based on the lowest level of input that is significant to the measurement. The fair value of assets using Level 2 inputs is determined based on the fair value of the underlying investment using quoted prices in active markets or other significant inputs that are deemed observable.

Estimated future benefit payments over each of the next five fiscal years from March 31, 2020 (Successor) and in the aggregate for the following five fiscal years after fiscal year 2025 are as follows (in thousands):

	Successor
Projected Benefit Payments by the Plans for Fiscal Years Ending March 31,	Payments
2021	$ 21,451
2022	21,823
2023	22,567
2024	22,815
2025	23,187
Aggregate 2026 - 2030	119,408

The Company expects to fund these payments with cash contributions to the plans, plan assets and earnings on plan assets. The current estimates of cash contributions for the Company's pension plans required for fiscal year 2021 (Successor) are expected to be $16.4 million.

Incentive Compensation

Prior to May 11, 2019, stock-based awards were made under the Bristow Group Inc. 2007 Long-Term Incentive Plan (the "2007 Plan"). A maximum of 10,646,729 shares of common stock were reserved. Awards granted under the 2007 Plan were in the form of stock options, stock appreciation rights, shares of restricted stock, other stock-based awards (payable in cash or common stock) or performance awards, or any combination thereof, and were made to outside directors, employees or consultants.

In June 2018 and 2017, the Compensation Committee of the Company's prior board of directors authorized the grant of stock options, time vested restricted stock and long-term performance cash awards to participating employees. Each of the stock options had a ten-year term and an exercise price equal to the fair market value (as defined in the 2007 Plan) of common stock on the grant date. The options would vest in annual installments of one-third each, beginning on the first anniversary of the grant date. Restricted stock grants vested at the end of three years. Performance cash awards granted in June 2017 and 2018 had two components. One half of each performance cash award would vest and pay out in cash three years after the date of grant at varying levels depending on the Company's performance in total shareholder return against a peer group of companies. The other half of each performance cash award would be earned based on absolute performance in respect of improved average adjusted earnings per share for the Company over the three-year performance period beginning on April 1, 2017 and 2018. The value of the performance cash awards was calculated on a quarterly basis by comparing the performance of the Company's common stock, including any dividends paid since the award date, against the peer group. The total value of the awards was recognized as compensation expense over a three-year vesting period with the recognition amount being adjusted quarterly. Compensation (benefit) expense related to the performance cash awards during the seven months ended October 31, 2019 (Successor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) was $(0.2) million, $(2.0) million and $1.5 million, respectively. Performance cash compensation (benefit) expense has been allocated to the Company's various regions.

Total share-based compensation expense related to the 2007 Plan, which includes stock options and restricted stock, was $1.9 million, $6.4 million and $10.4 million for the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively. Stock-based compensation expense is included in general and administrative expense in the consolidated statements of operations and has been allocated to the Company's various regions.

No stock-based compensation was awarded in fiscal year 2020 under the 2007 Plan. The 2007 Plan and all awards thereunder were cancelled effective upon emergence from bankruptcy on October 31, 2019 (Predecessor).

	Weighted Average Exercise Prices	Number of Shares
Outstanding at March 31, 2019 (Predecessor)	$ 26.49	3,217,723
Expired or forfeited	25.74	(130,023)
Cancelled	26.54	(3,087,700)
Outstanding at October 31, 2019 (Predecessor)	—	—

Stock options granted to employees under the 2004 and 2007 Plans vested ratably over three years on each anniversary from the date of grant and expired ten years from the date of grant.

The Company used a Black-Scholes option pricing model to estimate the fair value of share-based awards. The Black-Scholes option pricing model incorporates various assumptions, including the risk-free interest rate, volatility, dividend yield and the expected term of the options.

The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for a period equal to the expected term of the option. Expected volatilities are based on the historical volatility of shares of the Company's common stock, which had not been adjusted for any expectation of future volatility given uncertainty related to the future performance of its common stock at this time. The Company also uses historical data to estimate the expected term of the options within the option pricing model and groups of employees that have similar historical exercise behavior are considered separately for valuation purposes. The expected term of the options represents the period of time that the options granted are expected to be outstanding. Additionally, the Company recorded forfeitures based on actual forfeitures.

The following table shows the assumptions used to compute the stock-based compensation expense for stock option grants issued during fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor).

	Predecessor	
	Fiscal Year Ended March 31,	
	2019	2018
Risk free interest rate	2.76%	1.78%
Expected life (years)	5	5
Volatility	62.8%	56.1%
Dividend yield	—%	3.98%
Weighted average grant-date fair value of options granted	$ 6.71	$ 2.53

No options vested during the seven months ended October 31, 2019 (Predecessor). The total fair value of options vested during fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) was approximately $2.9 million and $4.7 million, respectively.

No options were exercised during the seven months ended October 31, 2019 (Predecessor). The total intrinsic value, determined as of the date of exercise, of options exercised during fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) was $0.3 million and zero, respectively. The total tax benefit attributable to options exercised during fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) was $0.1 million and zero, respectively.

The Company had restricted stock awards that cliff vest on the third anniversary from the date of grant provided the grantee was still employed by the Company, subject to its retirement policy. Restricted stock granted to non-employee directors under the 2003 Non-qualified Stock Option Plan for Non-employee Directors vested after six months.

The Company recorded compensation expense for restricted stock awards based on an estimate of the service period related to the awards, which was tied to the future performance of its stock over certain time periods under the terms of the award agreements. The estimated service period was reassessed quarterly. Changes in this estimate may cause the timing of expense recognized in future periods to accelerate. Compensation expense related to awards of restricted stock for the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) was $1.0 million, $4.0 million and $6.7 million, respectively.

The following is a summary of non-vested restricted stock:

	Units	Weighted Average Grant Date Fair Value per Unit
Non-vested as of March 31, 2019 (Predecessor)	860,362	$ 9.43
Forfeited	(18,788)	9.39
Cancelled	(841,574)	9.43
Non-vested as of October 31, 2019 (Predecessor)	—	—

During June 2017 and 2018, the Company awarded certain members of management phantom restricted stock, which would have paid out in cash after three years. The Company accounted for these awards as liability awards. As of March 31, 2019 (Predecessor), the Company had $0.2 million in other liabilities and deferred credits on its consolidated balance sheet. The Company recognized a benefit of $0.2 million for the seven months ended October 31, 2019 (Predecessor), $0.5 million in fiscal year 2019 (Predecessor) and an expense of $1.1 million in fiscal year 2018 (Predecessor) in general and administrative expense on its consolidated statement of operations related to these awards.

The Annual Incentive Compensation Plan provides for an annual award of cash bonuses to key employees based primarily on pre-established objective measures of performance. The accrued bonuses related to this plan were $3.9 million and $10.1 million during fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively. See "*Key Employee Incentive Plans*" below for further details on the cash bonuses for the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor).

Additionally, the Company has a non-qualified deferred compensation plan for senior executives (the "Deferred Compensation Plan"). Under the terms of the Deferred Compensation Plan, participants can elect to defer a portion of their compensation for distribution at a later date. Prior to December 31, 2018, the Company had the discretion to make annual tax deferred contributions to the Deferred Compensation Plan on the participants' behalf. The Company contributed $0.3 million and $0.1 million to the Deferred Compensation Plan for fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), respectively. Effective as of December 31, 2018, the Deferred Compensation Plan was amended to eliminate the Company's mandatory annual contributions to each participant's Employer Contribution Account (as such term is defined in the Deferred Compensation Plan), other than the Company's contributions allocated in calendar year 2018 but settled in calendar year 2019. The Company did not make any contributions to the Deferred Compensation Plan for the five months ended March 31, 2020 (Successor) or the seven months ended October 31, 2019 (Predecessor). The assets of the plan are held in a rabbi trust and are subject to the Company's general creditors. As of March 31, 2020 (Successor), the amount held in trust was $2.3 million.

Separation Agreements — In prior years, the Company offered voluntary separation programs ("VSPs") to certain employees as part of its ongoing efforts to improve efficiencies and reduce costs. Additionally, beginning in March 2015, the Company initiated involuntary separation programs ("ISPs") in certain regions. The expense related to the VSPs and ISPs is follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31,	Seven Months Ended October 31,	Fiscal Year Ended March 31,	
VSP:	2020	2019	2019	2018
Direct cost	$ —	$ —	$ —	$ 105
General and administrative		—	—	1,017
Total	$ —	$ —	$ —	$ 1,122
ISP:				
Direct cost	$ 104	$ 4,376	$ 7,125	$ 11,538
General and administrative	123	163	2,110	9,676
Total	$ 227	$ 4,539	$ 9,235	$ 21,214

Key Employee Incentive Plans

In connection with the Chapter 11 Cases, the Compensation Committee of the Board adopted on behalf of the Company an Executive Key Employee Incentive Plan (the "Executive KEIP") and a Non-Executive Key Employee Incentive Plan ("Non-Executive KEIP"), each approved by the Bankruptcy Court on August 22, 2019. The Executive KEIP is designed to incentivize ten of the Company's senior executives by providing a total potential cash award pool of approximately $3.1 million at threshold, $6.1 million at target and up to $12.3 million for exceeding target, and was contingent upon achievement of certain financial targets and safety metrics, and the timing of confirmation of the Plan by the Bankruptcy Court. The Non-Executive KEIP is designed to enhance retention of up to 183 other non-insider employees and provides a total potential cash award pool of approximately $7.7 million at threshold, $10.3 million at target and up to $15.4 million for exceeding target, with 50 percent of the payment contingent upon achievement of certain financial targets and safety metrics, and 50 percent of the payment being based on continued employment with the Company. The payments for the Executive KEIP are made on a quarterly basis with the first payment made in October 2019. The payments for the Non-Executive KEIP will be made quarterly with the first payment made in October 2019.

In addition to the key employee incentive plans approved by the Bankruptcy Court, the Company made retention payments in April and October 2019 (Predecessor) totaling $3.2 million to non-executives and retention payments in April 2019 (Predecessor) totaling $3.1 million to executives. The Company made payments for the management incentive plan of $3.5 million in May 2019 (Predecessor) for the first quarter of fiscal year 2020, $9.2 million in October 2019 (Predecessor) for the second quarter of fiscal year and $6.7 million in January 2020 (Successor) for the third quarter of fiscal year 2020 and accrued $8.4 million for the fourth quarter of fiscal year 2020 (Successor).

Management Incentive Plan

As of the Effective Date, the Compensation Committee of the Board adopted the 2019 Management Incentive Plan (the "MIP"). The MIP is an equity-based compensation plan for directors, officers and participating employees and other service providers of the Company and its affiliates, pursuant to which the Company may issue awards covering shares of the New Common Stock and New Preferred Stock. As adopted, the share reserve of the MIP was initially comprised of 473,218 shares of New Common Stock and 284,358 shares of New Preferred Stock, representing in the aggregate 4.0% of the Company's outstanding New Stock on a fully diluted basis. On December 6, 2019, the Board approved an increase to the share reserve of the MIP, bringing the total share reserve to 699,890 shares of New Common Stock and 323,664 shares of New Preferred Stock, which represents in the aggregate 5.0% of the Company's outstanding New Stock on a fully diluted basis.

During the five months ended March 31, 2020 (Successor), the Company awarded 313,681 shares of restricted common stock at an average grant date fair value of $25.50 and 188,869 shares of restricted preferred stock at an average grant date fair value of $89.99 under the MIP. Also, during the five months ended March 31, 2020 (Successor), 267,771 common stock options and 113,081 preferred stock options were granted under the MIP. Total stock-based compensation expense related to the MIP was $2.4 million for the five months ended March 31, 2020 (Successor). The following table shows the assumptions used to compute the stock-based compensation expense for stock options granted during the five months ended March 31, 2020 (Successor):

	Common Stock Options	Preferred Stock Options
Risk free interest rate	1.61% to 1.91%	1.61% to 1.66%
Expected life (years)	3 to 10 years	3 to 4 years
Volatility	44% – 45%	45% – 47%
Dividend yield	—%	—%
Weighted average exercise price of options granted	$36.37 per option	$36.37 per option
Weighted average grant-date fair value of options granted	$13.00 per option	$59.52 per option

Compensation expense related to the restricted common stock awards and common stock options was $0.8 million and $0.4 million, respectively, for the five months ended March 31, 2020 (Successor). Unrecognized stock-based compensation expense related to non-vested restricted common stock awards was approximately $7.1 million as of March 31, 2020 (Successor), relating to a total of 313,681 shares of unvested restricted common stock awards. Unrecognized stock-based compensation expense related to non-vested common stock options was approximately $3.8 million as of March 31, 2020 (Successor), relating to a total of 267,771 units of unvested common stock options. The Company expects to recognize this stock-based compensation expense over a weighted average period of approximately four years.

The restricted preferred stock awards and preferred stock options are accounted for as liability awards. The total value of the awards is recognized as compensation expense over a four-year vesting period with the recognition amount being adjusted quarterly. Compensation expense related to the restricted preferred stock awards and preferred stock options was $0.9 million and $0.3 million, respectively, for the five months ended March 31, 2020 (Successor).

No common stock options or preferred stock options were exercised, expired or forfeited during the five months ended March 31, 2020 (Successor). As of March 31, 2020 (Successor), 2,592 common stock options were exercisable at a price of $15.43 and no preferred stock options were exercisable. Restricted common stock awards and restricted preferred stock awards totaling 19,693 and 52,649, respectively, vested during the five months ended March 31, 2020 (Successor). No common stock awards and restricted stock awards were forfeited or expired during the five months ended March 31, 2020 (Successor).

Severance Plan and Participation Agreements

As of the Effective Date, the Company adopted the Amended and Restated 2019 Management Severance Benefits Plan for U.S. Employees (the "Severance Plan"), which provides severance benefits to certain key employees, which are categorized into five "tiers" based on job title or job grade level, including L. Don Miller (President and Chief Executive Officer), who is a Tier 1 participant, and each of Brian J. Allman (Senior Vice President and Chief Financial Officer), Robert Phillips (Senior Vice President, Americas), Alan Corbett (Senior Vice President, EAMEA) and Victoria Lazar (Senior Vice President, General Counsel and Corporate Secretary), all of whom are Tier 2 participants (collectively, the "Specified Officers") and those with a title of Vice President being Tier 3 participants. Each of the Tier 1, Tier 2 and Tier 3 participants will also be required to enter into a separate participation agreement to the Severance Plan (a "Participation Agreement"), which provides for certain enhanced benefits and imposes additional requirements in addition to the terms of the Severance Plan.

The Severance Plan provides participants with severance benefits in the event of a termination by the Company without Cause (as defined therein) or, in the case of Tier 1 through 3 participants, by the participant for Good Reason (as defined therein) (each, a "Qualifying Termination"), with such severance benefits consisting of the following for the Specified Officers:

(i) cash severance in the form of continued base salary payments for 24 months (Tier 1 participant) or 12 months (Tier 2 participant) post-termination; (ii) subsidized COBRA coverage for 18 months post-termination (both Tier 1 and 2 participants); (iii) outplacement services for 12 months post-termination (both Tier 1 and 2 participants); and (iv) if the Qualifying Termination occurs after fiscal year 2020, a pro-rata annual bonus for the year of termination based on actual performance (both Tier 1 and 2 participants).

For Tier 1 and 2 participants (i.e., all of the Specified Officers), the Severance Plan and Participation Agreements provide for enhanced severance benefits in the event that the Qualifying Termination occurs within the two-year period following a Change in Control (as defined therein), with such enhanced severance benefits consisting of the same severance benefits as described in the preceding paragraph, subject to the following enhancements: (i) the cash severance consists of an amount equal to 2.0x (Tier 1 participant) or 1.5x (Tier 2 participants) the sum of the participant's (x) base salary and (y) target bonus (initially 110% of base salary (Tier 1 participant) and 65% of base salary (Tier 2 participants, other than Mr. Allman, whose target bonus is initially 75% of base salary)), payable in installments over the 24-month (Tier 1 participant) or 18-month (Tier 2 participants) post-termination period; and (ii) the pro-rata annual bonus is based on target (as opposed to actual) performance. If the Qualifying Termination occurs after the date that the Compensation Committee of the Board determines annual compensation for fiscal year 2021, then the amount in clause (i)(y) above will equal to the greatest of (x) the Specified Officer's initial target bonus amount described above, (y) 100% of the Specified Officer's target bonus for the fiscal year in which the Qualifying Termination occurs and (z) 100% of the Specified Officer's target bonus for the prior fiscal year (excluding fiscal year 2020 and all prior years).

The Participation Agreements also subject Tier 1 through Tier 3 participants, including the Specified Officers, to restrictive covenants as a condition of participating therein, with such covenants consisting of the following: (i) 12-month (or, if longer, the length of the base salary continuation period) post-termination non-compete; (ii) 24-month post-termination non-solicitation/non-hire; (iii) assignment of inventions; and (iv) perpetual confidentiality and non-disparagement. The Participation Agreements also provide that the Severance Plan may not be amended in an adverse manner to the Tier 1 through Tier 3 participants during the three-year period following the Effective Date.

Note 15 — STOCKHOLDERS' INVESTMENT, EARNINGS PER SHARE AND ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Stockholders' Investment, Common Stock and Preferred Stock

Pursuant to the Plan, upon the Effective Date, all existing equity interests in the Company (Predecessor) were cancelled and discharged, including the options and restricted stock awards.

On the Effective Date, the Predecessor Common Stock, including options, warrants, rights, restricted stock units or other securities or agreements to acquire such Predecessor Common Stock, was cancelled pursuant to the Plan, and the Company (Successor) issued the following in accordance with the Plan:

- Approximately 1,300,000 shares of New Common Stock to holders of the 8.75% Senior Secured Notes;
- Approximately 9,900,000 shares of New Common Stock to holders of the Unsecured Notes and holders of General Unsecured Claims;
- Approximately 900,000 shares of New Preferred Stock to holders of the 8.75% Senior Secured Notes; and
- Approximately 5,900,000 shares of New Preferred Stock to holders of the Unsecured Notes.

The New Stock was issued under the Plan pursuant to exemptions from the registration requirements of the Securities Act under Section 1145 of the Bankruptcy Code and Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

On the Effective Date, the Company executed the Certificate of Designation of 13,000,000 shares of New Preferred Stock designated as "10.000% Series A Convertible Preferred Stock", by filing the certificate of designations relating to the New Preferred Stock (the "Certificate of Designations").

As of March 31, 2020 (Successor), there were 11,235,566 shares of New Common Stock and 6,824,582 shares of New Preferred Stock issued and outstanding.

At any time and from time to time following the Effective Date, each holder of shares of the New Preferred Stock shall have the right to convert all or any portion of such holder's shares of New Preferred Stock, at such holder's sole discretion, into a whole number of fully-paid and non-assessable shares of New Common Stock equal to (i) the Initial Liquidation Preference of $48.51 (as defined in the Certificate of Designations) divided by (ii) the conversion price of $36.37 (such amount, the "Conversion Return") and then multiplied by (iii) the number of shares of New Preferred Stock being converted (the "Converted Shares").

In addition, from time to time following the Effective Date, holders of a majority of the then-outstanding shares of New Preferred Stock, voting as a separate class, shall have the right to (i) convert all of the shares of New Preferred Stock into a number of shares of New Common Stock equal to (a) the Conversion Return multiplied by (b) the Converted Shares, or (ii) convert all of the shares of New Preferred Stock into substantially equivalent securities of one or more of the Company's domestic subsidiaries.

Dividends with respect to each share of New Preferred Stock accrue together with any previously declared but unpaid dividends in respect of the New Preferred Stock, and accumulate annually at ten percent (10.0%) for each year that such share is outstanding, to and including the dividend payment date with respect to such year. In the event of a breach by the Company, including, but not limited to, the failure by the Company to timely pay the holders any PIK Dividend (as defined below), the holders shall be entitled to an increase in the dividend rate by an increment of two percent (2.0%) per annum.

Holders shall be entitled to receive prior to any distributions made in respect of any junior stock in respect of the same year the amount that would have been payable if such dividend had been paid in cash (the "PIK Dividend Amount") to be paid by delivering to the holders a number of PIK shares equal to the quotient of (x) the applicable PIK Dividend Amount divided by (y) the New Preferred Stock purchase price (such dividend, a "PIK Dividend").

The Base Return Amount means, at the applicable date of determination, an amount equal to: (i) prior to the third anniversary of the Issue Date, an amount per share of the Initially Issued New Preferred Stock necessary to achieve, with respect to each such share of Initially Issued New Preferred Stock, the greater of (a) an IRR of 14% and (b) a 1.5x MOIC; (ii) on or after the third anniversary of the Issue Date, but prior to the fourth anniversary, an amount per share of the Initially Issued New Preferred Stock necessary, with respect to each such share to achieve the greater of (a) an IRR of 15% and (b) a 1.7x MOIC; (iii) on or after the fourth anniversary of the Issue Date, but prior to the fifth anniversary, an amount per share of Initially Issued New Preferred Stock necessary, with respect of each such share to achieve the greater of (a) an IRR of 16% and (b) 1.9x MOIC; or (iv) on or after the fifth anniversary of the Issue Date, an amount per share of Initially Issued New Preferred Stock equal to the greater of (a) an IRR of 17% and (b) a 2.1x MOIC.

In lieu of receiving the Liquidation Preference in cash (if applicable), each holder may elect to convert his or her shares of New Preferred Stock into shares of New Common Stock immediately prior to (and subject to the consummation of) a liquidation event or deemed liquidation event and share in the proceeds and other consideration with such conversion being sufficient to result in each holder receiving a number of shares of New Common Stock that would be economically equivalent to such holder receiving the Liquidation Preference in cash.

The New Preferred Stock will become redeemable at the holder's option on or after the fifth anniversary of the issuance date, at a price equal to the Liquidation Preference. Prior to the fifth anniversary of the issuance date, New Preferred Stock will become redeemable at the holder's option upon the occurrence of a breach of the Certificate of Designations but only during the continuation thereof or on or immediately prior to the consummation of any liquidation event or deemed liquidation event.

Upon a fundamental transaction, the Company shall have a call right to convert all of the then-outstanding shares of Preferred Stock (including any accrued and unpaid PIK Dividends thereon) into shares of New Common Stock immediately prior to and subject to the consummation of such fundamental transaction so that the holders share in the proceeds and other consideration of the fundamental transaction as holders of New Common Stock, with such conversion being sufficient to result in each holder receiving a number of shares of New Common Stock that would be economically equivalent to such holder receiving, as determined in good faith by the Board, (i) the Liquidation Preference, multiplied by the applicable make-whole redemption percentage plus (ii) if positive, the present value as of the call date of the expected amount of all remaining dividends that would accrue had the Company not exercised the call right between (inclusive of such dates) the call date and 5th anniversary of the issue date multiplied by the applicable make-whole redemption percentage.

Holders of New Preferred Stock are entitled to vote on an as-converted basis, giving hypothetical effect to the Conversion Return in the hypothetical conversion of New Preferred Stock to New Common Stock. The affirmative consent of the holders of a majority of the then-outstanding shares of New Preferred Stock, voting as a separate class, is required for certain matters related to New Preferred Stock.

As of March 31, 2020 (Successor), the New Preferred Stock had accumulated PIK Dividends of $3.78 per share and $25.8 million in the aggregate.

Because the New Preferred Stock may be redeemed in certain circumstances outside of the sole control of the Company (including at the option of the holder), but it is not mandatorily redeemable, the New Preferred Stock has been classified as mezzanine equity and initially recognized at fair value of $618.9 million as of October 31, 2019 (Successor). This amount has been reduced by the fair value of the bifurcated derivative liability as of October 31, 2019 (Successor) of $470.3 million, resulting in an initial value of $148.6 million.

Redeemable equity securities that are not currently redeemable, but are probable of becoming redeemable should be accreted to their redemption values. The Company assessed whether the New Preferred Stock is probable of becoming cash redeemable. An event outside the holder's control may prevent an instrument from becoming otherwise redeemable, and in such circumstances, the probability that an intervening event will occur should be considered in determining whether an instrument is probable of becoming redeemable (and thus whether subsequent measurement is required). The Company determined that it is not probable that the New Preferred Stock will become cash redeemable as the Company expects that (1) settlement events outside of the holder's control are more probable than not of occurring prior to a potential cash redemption date, and (2) upon occurrence of these events, the Company controls the ability to settle the New Preferred Stock using shares of New Common Stock, and (3) it is probable that the Company will have sufficient authorized, unissued shares of New Common Stock (in other words, it is not probable that the Company would be unable to settle in shares upon the occurrence of a triggering event). The Company continues to monitor the likelihood of any circumstance that would require the Company to settle the New Preferred Stock using cash. If it becomes probable that the New Preferred Stock will become cash redeemable, the Company will accrete to redemption value using an appropriate method.

The Company entered into an agreement to repurchase 142,721 shares of its New Common Stock and 98,784 shares of its New Preferred Stock at an aggregate purchase price of approximately $4.8 million in privately negotiated transactions (collectively, the "Repurchases"). The closing of the Repurchases is expected to occur immediately prior to the completion of the contemplated Merger and repurchased shares will be canceled.

The following is a summary of changes in outstanding shares of common stock:

	Shares	Weighted Average Price Per Share
Outstanding as of March 31, 2018 (Predecessor)	35,526,625	
Exercise of stock options	174,578	$ 16.21
Issuance of restricted stock	217,713	$ 6.93
Outstanding as of March 31, 2019 (Predecessor)	35,918,916	
Cancellation and discharged	(35,918,916)	
Outstanding as of October 31, 2019 (Predecessor)	—	
Issuance of Successor Common Stock	11,235,535	
Outstanding as of October 31, 2019 (Successor)	11,235,535	
Issuance of Successor Common Stock	31	$ 19.25
Outstanding as of March 31, 2020 (Successor)	11,235,566	

Dividends — In August 2017 (Predecessor), the Company suspended its quarterly dividend as part of a broader plan of reducing costs and improving liquidity. Prior to that, the Company paid quarterly dividends of $0.07 per share during the first quarter of fiscal year 2018 (Predecessor). For fiscal year 2018 (Predecessor), the Company paid dividends totaling $2.5 million to its stockholders. The declaration of future dividends is at the discretion of the Board and subject to the Company's results of operations, financial condition, cash requirements and other factors and restrictions under applicable law and its debt instruments. No dividends were paid out in the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor) and fiscal year 2019 (Predecessor).

Earnings per Share

Basic earnings per common share is computed by dividing income available to common stockholders by the weighted average number of shares of common stock outstanding during the period. The New Preferred Stock is not included on an if-converted basis under diluted earnings per common share because the conversion of the shares would be anti-dilutive. Diluted earnings per common share excludes options to purchase shares and restricted stock awards, which were outstanding during the period but were anti-dilutive, as follows:

	Predecessor		
	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Options:			
Outstanding	3,175,849	2,490,483	2,890,140
Weighted average exercise price	$ 26.58	$ 34.20	$ 38.77
Restricted stock awards:			
Outstanding	646,714	581,677	547,927
Weighted average price	$ 8.51	$ 9.33	$ 21.00

The following table sets forth the computation of basic and diluted earnings per share:

	Predecessor		
	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Loss (in thousands):			
Loss available to common stockholders – basic	$ (836,414)	$ (336,847)	$ (194,684)
Interest expense on assumed conversion of 4½% Convertible Senior Notes, net of tax [1]	—	—	—
Loss available to common stockholders	$ (836,414)	$ (336,847)	$ (194,684)
Shares:			
Weighted average number of common shares outstanding – basic	35,918,916	35,740,933	35,288,579
Assumed conversion of 4½% Convertible Senior Notes outstanding during period [1]	—	—	—
Net effect of dilutive stock options, restricted stock units and restricted stock awards based on the treasury stock method	—	—	—
Weighted average number of common shares outstanding – diluted [2]	35,918,916	35,740,933	35,288,579
Basic loss per common share	$ (23.29)	$ (9.42)	$ (5.52)
Diluted loss per common share	$ (23.29)	$ (9.42)	$ (5.52)

(1) Potentially dilutive shares issuable pursuant to the Warrant Transactions were not included in the computation of diluted income per share for the seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor) because to do so would have been anti-dilutive.

	Successor
	Five Months Ended March 31, 2020
Net income (in thousands):	
Net income attributable to Bristow Group	$ 139,228
Less: PIK dividends [1]	(25,788)
Income available to common stockholders – basic	$ 113,440
Add: PIK dividends	25,788
Less: Change in fair value of preferred stock derivative liability	$ (184,140)
Loss available to common stockholders – diluted	$ (44,912)
Shares:	
Weighted average number of common shares outstanding – basic	11,235,541
Net effect of dilutive stock options and restricted stock awards [2]	—
Preferred shares as converted basis	9,292,207
Weighted average number of common shares outstanding – diluted	20,527,748
Basic earnings per common share	$ 10.10
Diluted loss per common share	$ (2.19)

(1) See "*Stockholders' Investment, Common Stock and Preferred Stock*" above for further details on PIK Dividends.

(2) Potentially dilutive shares were not included in the calculation because to do so would have been anti-dilutive. See Note 14 for further details on stock options and restricted stock awards.

Accumulated Other Comprehensive Income (Loss)

The following table sets forth the changes in the balances of each component of accumulated other comprehensive income:

	Currency Translation Adjustments	Pension Liability Adjustments [1]	Unrealized loss on cash flow hedges [2]	Total
Balance as of March 31, 2017 (Predecessor)	$ (149,721)	$ (178,556)	$ —	$ (328,277)
Other comprehensive income (loss) before reclassification	30,196	3,713	(414)	33,495
Reclassified from accumulated other comprehensive loss .	—	8,620	68	8,688
Net current period other comprehensive income (loss)	30,196	12,333	(346)	42,183
Foreign currency exchange rate impact	40,459	(40,459)	—	—
Balance as of March 31, 2018 (Predecessor)	(79,066)	(206,682)	(346)	(286,094)
Other comprehensive loss before reclassification	(36,562)	(13,175)	(506)	(50,243)
Reclassified from accumulated other comprehensive loss	—	7,884	464	8,348
Net current period other comprehensive loss	(36,562)	(5,291)	(42)	(41,895)
Foreign currency exchange rate impact	(22,239)	22,239	—	—
Balance as of March 31, 2019 (Predecessor)	(137,867)	(189,734)	(388)	(327,989)
Other comprehensive income (loss) before reclassification	23,004	—	(1,828)	21,176
Reclassified from accumulated other comprehensive loss .	—	—	1,146	1,146
Net current period other comprehensive income (loss)	23,004	—	(682)	22,322
Foreign currency exchange rate impact	(1,551)	1,551	—	—
Balance as of October 31, 2019 (Predecessor) .	(116,414)	(188,183)	(1,070)	(305,667)
Fair value fresh-start adjustment	116,414	188,183	1,070	305,667
Balance as of October 31, 2019 (Predecessor)	$ —	$ —	$ —	$ —
Balance as of October 31, 2019 (Successor)	$ —	$ —	$ —	$ —
Net current period other comprehensive income (loss)	(16,440)	6,389	1,410	(8,641)
Balance as of March 31, 2020 (Successor)	$ (16,440)	$ 6,389	$ 1,410	$ (8,641)

(1) Reclassification of amounts related to pension liability adjustments were included as a component of net periodic pension cost. For further details on additional pension liability recorded during fiscal year 2019, see Note 14**.**

(2) Reclassification of amounts related to cash flow hedges were included as direct costs.

Note 16 — SEGMENT INFORMATION

The Company conducts its business in one segment: industrial aviation services. The industrial aviation services global operations are conducted primarily through two hubs that include four regions as follows: Europe Caspian, Africa, Americas and Asia Pacific. The Europe Caspian region comprises all of the Company's operations and affiliates in Europe and Central Asia, including Norway, the U.K. and Turkmenistan. The Africa region comprises all of the Company's operations and affiliates on the African continent, including Nigeria and Egypt. The Americas region comprises all of the Company's operations and affiliates in North America and South America, including Brazil, Canada, Guyana, Trinidad and the U.S. Gulf of Mexico. The Asia Pacific region comprises all of the Company's operations and affiliates in Australia and Southeast Asia. Prior to the sale of BHLL and Aviashelf during the seven months ended October 31, 2019 (Predecessor), the Company had operations in Sakhalin, Russia, which is included in the Asia Pacific region. Prior to the sale of Eastern Airways on May 10, 2019 (Predecessor), the Company had fixed wing operations in the Europe Caspian region.

The following tables show region information reconciled to consolidated totals, and prepared on the same basis as the Company's consolidated financial statements (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Region gross revenue from external customers:				
Europe Caspian	$ 284,844	$ 428,660	$ 791,204	$ 793,630
Africa	70,305	111,896	164,835	195,681
Americas	99,634	140,551	218,278	217,671
Asia Pacific	30,605	75,722	193,510	222,500
Corporate and other	375	394	1,835	4,493
Total region gross revenue	$ 485,763	$ 757,223	$ 1,369,662	$ 1,433,975
Intra-region gross revenue:				
Europe Caspian	$ 599	$ 1,719	$ 7,577	$ 5,655
Africa	—	122	—	—
Americas	2,038	1,911	5,100	8,995
Asia Pacific	1	73	58	—
Corporate and other	—	—	2	27
Total intra-region gross revenue	$ 2,638	$ 3,825	$ 12,737	$ 14,677
Consolidated gross revenue reconciliation:				
Europe Caspian	$ 285,443	$ 430,379	$ 798,781	$ 799,285
Africa	70,305	112,018	164,835	195,681
Americas	101,672	142,462	223,378	226,666
Asia Pacific	30,606	75,795	193,568	222,500
Corporate and other	375	394	1,837	4,520
Intra-region eliminations	(2,638)	(3,825)	(12,737)	(14,677)
Total consolidated gross revenue	$ 485,763	$ 757,223	$ 1,369,662	$ 1,433,975

(1) The above table represents disaggregated revenue from contracts with customers except for the following (in thousands):

	Successor	Predecessor	
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019
Region revenue from external customers:			
Europe Caspian	$ 535	$ 726	$ 20,037
Africa	—	—	—
Americas	14,971	18,627	30,799
Asia Pacific	20	191	274
Corporate and other	70	—	—
Total region revenue	$ 15,596	$ 19,544	$ 51,110

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31, 2019	2018
Earnings from unconsolidated affiliates, net of losses – equity method investments:				
Europe Caspian	$ 248	$ 168	$ 161	$ 191
Americas	4,046	6,100	2,041	16,263
Corporate and other	—	321	(403)	(273)
Total earnings from unconsolidated affiliates, net of losses – equity method investments	$ 4,294	$ 6,589	$ 1,799	$ 16,181
Consolidated operating income (loss) reconciliation:				
Europe Caspian	$ 19,334	$ 26,143	$ 12,874	$ 22,624
Africa	10,154	17,255	13,499	32,326
Americas (1)	9,762	13,391	3,530	(72,083)
Asia Pacific	(6,921)	(33,653)	(23,645)	(24,290)
Corporate and other	(36,970)	(101,559)	(195,740)	(88,965)
Loss on disposal of assets	(451)	(3,768)	(27,843)	(17,595)
Total consolidated operating income (loss) (2)	$ (5,092)	$ (82,191)	$ (217,325)	$ (147,983)
Capital expenditures:				
Europe Caspian	$ 30,888	$ 34,670	$ 11,957	$ 24,797
Africa	508	609	777	3,769
Americas	864	1,281	13,777	2,523
Asia Pacific	1,363	1,593	7,957	6,795
Corporate and other (3)	2,492	3,421	6,434	8,403
Total capital expenditures	$ 36,115	$ 41,574	$ 40,902	$ 46,287
Depreciation and amortization:				
Europe Caspian	$ 14,898	$ 28,155	$ 50,737	$ 48,854
Africa	2,274	10,829	16,113	13,705
Americas	4,168	16,654	28,300	27,468
Asia Pacific	3,836	7,463	16,735	19,695
Corporate and other	3,062	7,763	13,014	14,320
Total depreciation and amortization	$ 28,238	$ 70,864	$ 124,899	$ 124,042

	Successor	Predecessor
	March 31, 2020	March 31, 2019
Identifiable assets:		
Europe Caspian	$ 1,096,022	$ 1,070,863
Africa	235,165	325,502
Americas	319,015	661,266
Asia Pacific	166,229	255,136
Corporate and other (4)	128,830	339,832
Total identifiable assets	$ 1,945,261	$ 2,652,599

	Successor	Predecessor
	March 31, 2020	March 31, 2019
Investments in unconsolidated affiliates – equity method investments:		
Europe Caspian	$ 575	$ 375
Americas	76,483	108,831
Corporate and other	—	2,711
Total investments in unconsolidated affiliates – equity method investments	$ 77,058	$ 111,917

(1) Includes an impairment of the Company's investment in Líder of $9.6 million for the five months ended March 31, 2020 (Successor) and $85.7 million for fiscal year 2018 (Predecessor). For further details, see Note 1.

(2) Results for fiscal year 2019 (Predecessor) were positively impacted by a reduction to rent expense of $7.9 million (included in direct costs) impacting the Europe Caspian and Asia Pacific regions by $4.9 million and $3.0 million, respectively, related to OEM cost recoveries for ongoing aircraft issues. For further details, see Note 7.

(3) Includes $2.3 million of construction in progress payments that were not allocated to business units in fiscal year 2018 (Predecessor). There were no construction in progress payments made in the five months ended March 31, 2020 (Successor), the seven months ended October 31, 2019 (Predecessor) and fiscal year 2019 (Predecessor).

(4) Includes $7.8 million and $51.7 million of construction in progress within property and equipment on the Company's consolidated balance sheets as of March 31, 2020 (Successor) and March 31, 2019 (Predecessor). The balance as of March 31, 2020 (Successor) primarily represents aircraft modifications and other miscellaneous equipment, tooling and building improvements currently in progress. The balance as of March 31, 2019 (Predecessor) primarily represents progress payments on aircraft to be delivered in future periods. During the seven months ended October 31, 2019 (Predecessor), the Company rejected its aircraft purchase agreement with Airbus and wrote-off $30.6 million of construction in progress.

The Company attributes revenue to various countries based on the location where services are actually performed. Long-lived assets consist primarily of helicopters and fixed wing aircraft and are attributed to various countries based on the physical location of the asset at a given fiscal year-end. Information by geographic area is as follows (in thousands):

	Successor	Predecessor		
	Five Months Ended March 31, 2020	Seven Months Ended October 31, 2019	Fiscal Year Ended March 31 2019	2018
Gross revenue:				
United Kingdom	$ 178,702	$ 265,189	$ 515,854	$ 530,948
Norway	104,073	160,695	272,547	258,878
Nigeria	68,425	111,896	164,835	195,681
United States	43,901	60,440	105,243	103,047
Australia	30,606	70,144	170,461	199,264
Trinidad	18,563	32,896	52,463	53,144
Canada	21,139	27,479	43,970	50,714
Other countries	20,354	28,484	44,289	42,299
	$ 485,763	$ 757,223	$ 1,369,662	$ 1,433,975

	Successor March 31, 2020	Predecessor March 31, 2019
Long-lived assets:		
United Kingdom	$ 394,394	$ 600,714
Nigeria	114,219	255,989
United States	106,046	255,439
Norway	77,836	206,597
Australia	95,110	162,681
Canada	50,068	155,594
Trinidad	16,676	126,892
Other countries	14,622	18,560
Construction in progress	7,783	51,714
	$ 876,754	$ 1,834,180

During the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor), the Company conducted operations in over 10 countries. Due to the nature of the Company's principal assets, aircraft are regularly and routinely moved between operating areas (both domestic and foreign) to meet changes in market and operating conditions. During the five months ended March 31, 2020 (Successor), seven months ended October 31, 2019 (Predecessor), fiscal year 2019 (Predecessor) and fiscal year 2018 (Predecessor), one client accounted for 10% or more of the Company's consolidated gross revenue. During the five months ended March 31, 2020 (Successor) and the seven months ended October 31, 2019 (Predecessor), the Company's top ten customers accounted for 62% of consolidated gross revenue.

Note 17 — QUARTERLY FINANCIAL INFORMATION (Unaudited)

	Predecessor			Successor	
	Three Months Ended June 30[1]	Three Months Ended September 30[3]	One Month Ended October 31[5]	Two Months Ended December 31[5]	Three Months Ended March 31[7]
Fiscal year 2020	(In thousands, except per share amounts)				
Gross revenue	$ 333,176	$ 318,220	$ 105,827	$ 200,924	$ 284,839
Operating income (loss) [9]	(21,742)	(62,096)	1,647	(1,885)	(3,207)
Net income (loss) attributable to Bristow Group [9]	(169,246)	(162,974)	(504,194)	(152,512)	291,740
Earnings (loss) per share:					
Basic	$ (4.71)	$ (4.54)	$ (14.04)	$ (14.49)	$ 24.59
Diluted	$ (4.71)	$ (4.54)	$ (14.04)	$ (14.49)	$ (1.26)

	Predecessor			
	Fiscal Quarter Ended			
	Three Months Ended June 30[2]	Three Months Ended September 30[4]	Three Months Ended December 31[6]	Three Months Ended March 31[8]
Fiscal year 2019	(In thousands, except per share amounts)			
Gross revenue	$ 366,668	$ 349,343	$ 329,858	$ 323,793
Operating loss [9]	(3,555)	(129,448)	(30,919)	(53,403)
Net loss attributable to Bristow Group [9]	(31,865)	(143,947)	(85,699)	(75,336)
Loss per share:				
Basic	$ (0.89)	$ (4.02)	$ (2.39)	$ (2.10)
Diluted	$ (0.89)	$ (4.02)	$ (2.39)	$ (2.10)

(1) Operating loss, net loss and diluted loss per share for the fiscal quarter ended June 30, 2019 (Predecessor) included: (a) a negative impact of $91.4 million, $78.7 million and $2.19, respectively, from organizational restructuring costs resulting professional fees related to the Chapter 11 Cases, lease termination costs resulting from the rejection of ten aircraft leases, debt related expenses from write-offs of discounts and financing fees and separation programs across the Company's global organization designed to increase efficiency and reduce costs, (b) a negative impact of $56.3 million, $56.3 million and $1.57, respectively, on loss on sale of subsidiaries resulting from the sale of Eastern Airways, BHLL and Aviashelf and (c) negative impact of $10.8 million, $10.8 million and $0.30, respectively, from cost associated with the lease return costs of H225 aircrafts. Net loss and diluted loss per share for the fiscal quarter ended June 30, 2019 included: (a) a negative impact of $2.1 million and $0.06, respectively, related to the DIP Credit Agreement and (b) a negative impact of $0.7 million and $0.02, respectively, due to tax valuation allowances on deferred tax assets.

(2) Operating loss, net loss and diluted loss per share for the fiscal quarter ended June 30, 2018 (Predecessor) included: (a) a negative impact of $1.7 million, $1.7 million and $0.05, respectively, from organizational restructuring costs resulting from separation programs across the Company's global organization designed to increase efficiency and reduce costs.

(3) Operating loss, net loss and diluted loss per share for the fiscal quarter ended September 30, 2019 (Predecessor) included: (a) a negative impact of $96.5 million, $83.8 million and $2.33, respectively, resulting from organizational restructuring costs related to professional fees related to the Chapter 11 Cases, H175 settlement charges from the rejection of the Company's aircraft purchase contract for the 22 H175 helicopters, Backstop Commitment Agreement estimated fees, lease termination costs resulting from the rejection of ten aircraft leases, debt related expenses related to its DIP Credit Agreement, separation programs across its global organization designed to increase efficiency and reduce costs, corporate lease termination cost offset by a termination credit from the rejection of four H225 aircraft and (b) a negative impact of $62.1 million, $53.3 million and $1.48, respectively, from the impairments of $42.0 million of the H225 aircrafts, $17.5 million of Airnorth goodwill and $2.6 million of its investment in Sky Future Partners, (c) offset by a positive impact of $0.4 million, $0.4 million and $0.01, respectively, resulting from the cash received from the sale of Aviashelf. Net loss and diluted loss per share for the fiscal quarter ended September 30, 2019 included: (a) a negative impact of $1.5 million and $0.04, respectively, from the write-off of a portion of the deferred financing fees and discount related to a portion of its 8.75% Senior Secured Notes and (b) a negative impact of $2.6 million and $0.07, respectively, due to tax valuation allowances on deferred tax assets.

(4) Operating loss, net loss and diluted loss per share for the fiscal quarter ended September 30, 2018 (Predecessor) included: (a) a negative impact of $2.7 million, $2.4 million and $0.07, respectively, from organizational restructuring costs resulting from separation programs across the Company's global organization designed to increase efficiency and reduce costs, (b) a negative impact of $1.2 million, $1.0 million and $0.03, respectively, due to transaction cost resulting from announced agreement to acquire Columbia and (c) a negative impact of $117.2 million, $101.1 million and $2.83, respectively, due to loss on impairment ($87.5 million on H225 aircraft, $8.9 million impairment of H225 inventory and $20.8 million of Eastern Airways asset). Net loss and diluted loss per share for the fiscal quarter ended September 30, 2018 included a negative impact of $10.3 million and $0.29, respectively, due to tax valuation allowances on deferred tax assets.

(5) Operating loss and net loss for the combined one month ended October 31, 2019 (Predecessor) and two months ended December 31, 2019 (Successor) included: (a) a negative impact of $448.1 million and $430.8 million, respectively, resulting from organizational restructuring costs relating to fresh-start accounting adjustments loss, professional fees related to emergence from Chapter 11, debt related expenses from write-offs of discounts and financing fees as well as fees incurred relating to the DIP Credit Agreement and the ABL Facility, write-off of corporate lease leasehold improvements offset by the gain on settlement of liabilities subject to compromise and the reversal of the Backstop Commitment Agreement, (b) a negative impact of $133.3 million and $133.3 million, respectively, from the fair value of preferred stock derivative liability, (c) a negative impact of $56.9 million and $56.9 million, respectively, resulting from conversion features in the DIP Facility triggered upon emergence from Chapter 11, (d) a negative impact of $15.0 million and $5.0 million, respectively, resulting from the DIP claims liability expense, (e) a negative impact of $10.0 million and $9.8 million, respectively, resulting from the non-cash amortization of PBH contract intangible assets, (f) a negative impact of $0.3 million and $0.3 million, respectively, resulting from transaction costs incurred as a result of the pending Merger with Era. Net loss for the combined one month ended October 31, 2019 (Predecessor) and two months ended December 31, 2019 (Successor) included: (a) a negative impact of $5.4 million due to tax valuation allowances on deferred tax assets.

(6) Operating loss, net loss and diluted loss per share for the fiscal quarter ended December 31, 2018 (Predecessor) included: (a) a negative impact of $2.4 million, $2.4 million and $0.07, respectively, from organizational restructuring costs resulting from separation programs across the Company's global organization designed to increase efficiency and reduce costs and (b) a negative impact of $7.2 million, $5.7 million and $0.16, respectively, due to transaction cost resulting from announced agreement to acquire Columbia. Net loss and diluted loss per share for the fiscal quarter ended December 31, 2018 included a negative impact of $45.2 million and $1.26, respectively, due to tax valuation allowances and the Act.

(7) Operating income and net income for the fiscal quarter ended March 31, 2020 (Successor) included: (a) a negative impact of $7.2 million and $5.7 million, respectively, resulting from professional fees related to post bankruptcy professional fees and organizational restructuring costs, (b) a negative impact of $6.0 million and $4.7 million, respectively, resulting from transaction costs incurred as a result of the pending Merger with Era, and (c) a negative impact of $5.5 million and $5.1 million, respectively, resulting from the non-cash amortization of PBH contract intangible assets. Net income for the fiscal quarter ended March 31, 2020 (Successor) included: (a) a positive impact of $317.5 million from the fair value of preferred stock derivative liability and (b) a negative impact of $0.1 million due to tax valuation allowances on deferred tax assets.

(8) Operating loss, net loss and diluted loss per share for the fiscal quarter ended March 31, 2019 (Predecessor) included: (a) a negative impact of $5.0 million, $4.5 million and $0.13, respectively, from organizational restructuring costs resulting from separation programs across the Company's global organization designed to increase efficiency and reduce costs, (b) a negative impact of $24.4 million, $19.3 million and $0.54, respectively, due to transaction cost resulting from announced agreement to acquire Columbia and (c) a negative impact of $1.0 million, $0.8 million and $0.02, respectively, due to CEO succession cost. Net loss and diluted loss per share for the fiscal quarter ended March 31, 2019 included a negative impact of $7.2 million and $0.20, respectively, due to tax valuation allowances and the Act.

(9) The fiscal quarters ended June 30, 2019 (Predecessor), September 30, 2019 (Predecessor), combined one month ended October 31, 2019 (Predecessor) and two months ended December 31, 2019 (Successor) and March 31, 2020 (Successor) included $(3.8) million, $(0.2) million, $0.1 million and $(0.3) million, respectively, in gain (loss) on disposal of assets included in operating income (loss), which impacted net income (loss) by $(3.7) million, $(0.2) million, $1.3 million and $(1.5) million, respectively. The loss on disposal of assets included the fiscal quarters ended June 30, 2019 (Predecessor) and September 30, 2019 (Predecessor) increased diluted loss per share by $0.10 and $0.00, respectively. The fiscal quarters ended June 30, 2018 (Predecessor), September 30 2018 (Predecessor), December 31, 2018 (Predecessor) and March 31, 2019 (Predecessor) included $1.7 million, $1.3 million, $16.0 million and $8.9 million, respectively, in loss on disposal of assets included in operating loss, which also increased net loss by $1.3 million, $1.4 million, $12.5 million and $7.3 million, respectively, and diluted loss per share by $0.04, $0.04, $0.35 and $0.20, respectively.

Exhibit 99.2

UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED FINANCIAL INFORMATION

The accompanying unaudited pro forma condensed combined consolidated financial information presents the combination of the historical consolidated financial statements of Era and the historical consolidated financial statements of Bristow, after giving effect to the transactions contemplated by the Agreement and Plan of Merger, as amended ("Merger Agreement") by and among Era Group Inc. ("Era"), Ruby Redux Merger Sub, Inc., a wholly owned subsidiary of Era ("Merger Sub"), and Bristow Group Inc. ("Bristow"), pursuant to which Merger Sub will merge with and into Bristow, with Bristow continuing as the surviving corporation and a direct wholly owned subsidiary of Era (the "Merger"), as further described in Note 1 of this "Unaudited Pro Forma Condensed Combined Consolidated Financial Information", and Bristow's reorganization and emergence from the Chapter 11 Cases, as further described in Note 8, and the Reverse Stock Split, pursuant to which the issued and outstanding shares of Era Common Stock, immediately prior to the closing of the Merger, were consolidated at a ratio of one share for every three shares outstanding (the "Reverse Stock Split" and, collectively, the "Transactions"). The Merger transaction was structured as a reverse triangular merger with Bristow merging into Merger Sub but Bristow was determined to be the accounting acquirer based upon the terms of the Merger Agreement and other considerations including that: (i) immediately following completion of the Merger, pre-Merger holders of Bristow Common Stock own 77% of the outstanding shares of Combined Company Common Stock and pre-Merger holders of Era Common Stock own 23% of the outstanding shares of Combined Company Common Stock and (ii) the board of directors of the Combined Company will initially consist of eight directors, including six Bristow designees. The Merger has been accounted for under the acquisition method of accounting under GAAP. Under the acquisition method of accounting for the purposes of the unaudited pro forma condensed combined financial information, management of Bristow and Era have determined a preliminary estimated purchase price for Era, as described in Note 5. Era's net tangible and intangible assets acquired, and liabilities assumed in connection with the Merger, were recorded at their acquisition date fair values. Any excess of the fair value of Era's identified net assets acquired over the estimated purchase price is recognized as a gain on bargain purchase.

Upon consummation of the Merger, Era changed its name to Bristow Group Inc., however unless otherwise noted herein, references to "Era" are to the entity named Era Group Inc. prior to the Merger and references to "Bristow" are to the entity named Bristow Group Inc. prior to the Merger. References to the "Combined Company" refer to the combined Era and Bristow after giving effect to the Merger.

Pro Forma Information

The unaudited pro forma condensed combined consolidated balance sheet as of March 31, 2020 is presented as if the Merger took place on March 31, 2020 and combines the historical balance sheets of Bristow and Era as of such date.

The unaudited pro forma condensed combined consolidated statement of operations for the twelve-months ended March 31, 2020 combines the historical consolidated financial information of Era and Bristow and is presented as if the Transactions occurred on March 31, 2019. Historically, Era had a December 31 year end. To calculate Era's historical consolidated statement of operations for twelve-months ended March 31, 2020, Era's management deducted Era's results of operations for its first quarter ended March 31, 2019 from its results of operations for twelve-months ended December 31, 2019 and added Era's results of operations for its first quarter ended March 31, 2020. See Notes 6 and 7 to the unaudited pro forma condensed combined consolidated financial information.

In the opinion of management, the pro forma adjustments reflected in the unaudited pro forma condensed combined consolidated financial information are based on events that are (i) directly attributable to each of the Transactions, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined consolidated statement of operations, expected to have a continuing impact on the Combined Company's results. The pro forma adjustments are based upon currently available information and certain assumptions and adjustments that management believes are reasonable as described in the accompanying notes. The unaudited pro forma condensed combined consolidated financial information is presented for informational purposes only and is not intended to present or be indicative of what the results of operations or financial position would have been had the Transactions occurred on the dates indicated, nor is it meant to be indicative of future results of operations or financial position for any future period or as of any future date. The unaudited pro forma condensed combined financial information and pro forma adjustments have been prepared based on preliminary estimates of fair value of assets acquired and liabilities assumed. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information and the Combined Company's future results of operations and financial position. The unaudited pro forma condensed combined consolidated financial information does not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies, or other savings or expenses that may result from the Merger.

The unaudited pro forma condensed combined consolidated financial information was based on and should be read in conjunction with Era's and Bristow's historical financial statements referenced below:

- Era's unaudited consolidated historical financial statements and related notes as of March 31, 2020 and for the quarters ended March 31, 2019 and 2020, included in Era's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2019 and March 31, 2020, and Era's audited consolidated historical financial statements for the year ended December 31, 2019, included in Era's Annual Report on Form 10-K for the year ended December 31, 2019, and

- Bristow's audited condensed consolidated historical financial statements and related notes as of March 31, 2020 and for the five months ended March 31, 2020 (Successor) and seven months ended October 31, 2019 (Predecessor).

Unaudited Pro Forma Condensed Combined Consolidated Balance Sheet
As of March 31, 2020
(in thousands)

	Bristow	Era [1]	Pro Forma Merger Adjustments	Pro Forma Combined
Current assets:				
Cash and cash equivalents	$ 196,662	$ 113,518	-	$ 310,180
Restricted cash	2,459	-	-	2,459
Accounts receivable from non-affiliates	166,038	42,015	-	208,053
Accounts receivable from affiliates	14,645	-	-	14,645
Assets held for sale	32,401	-	-	32,401
Prepaid expenses and other current assets	29,527	18,418	-	47,945
Inventories	82,419	19,941	(10,968)**(a)**	91,392
Total current assets	524,151	193,892	(10,968)	707,075
Investment in unconsolidated affiliates	110,058	-	-	110,058
Property and equipment - at cost:				
Land and buildings	160,069	-	15,759	175,828
Aircraft and equipment	741,245	893,585	(697,092)	937,738
	901,314	893,585	(681,333)	1,113,566
Less – Accumulated depreciation and amortization	(24,560)	(345,457)	345,457	(24,560)
	876,754	548,128	(335,876)**(b)**	1,089,006
Right-of-use assets	305,962	8,672	-	314,634
Intangible assets	-	-	-	-
Goodwill	-	-	-	-
Other assets	128,336	1,818	12,211**(c)**	142,365
Total assets	**$ 1,945,261**	**$ 752,510**	**$ (334,633)**	**$ 2,363,138**
Current liabilities:				
Accounts payable	$ 52,110	10,986	19,345**(d)**	82,441
Accrued wages, benefits and related taxes	42,852	6,565	-	49,417
Income taxes payable	1,743	2,297	-	4,040
Other accrued taxes	4,583	-	-	4,583
Deferred revenue	12,053	204	-	12,257
Accrued maintenance and repairs	31,072	1,489	-	32,561
Accrued interest	832	3,309	-	4,141
Current portion of operating lease liabilities	81,484	1,722	-	83,206
Other accrued liabilities	25,510	3,624	-	29,134
Short-term borrowings and current maturities of long-term debt	45,739	17,901	-	63,640
Total current liabilities	297,978	48,097	19,345	365,420
Long-term debt, less current maturities	515,385	142,004	2,084**(e)**	659,473
Accrued pension liabilities	17,855	-	-	17,855
Preferred stock embedded derivative	286,182	-	(286,182)**(f)**	-
Other liabilities and deferred credits	4,490	920	-	5,410
Deferred taxes	22,775	101,984	(72,004)**(g)**	52,755
Long-term operating lease liabilities	224,595	7,103	-	231,698
Commitments and contingencies				
Mezzanine equity preferred stock	149,785	-	(149,785)**(f)**	-
Redeemable noncontrolling interest	-	2,752	-	2,752
Stockholders' investment:				
Common stock	1	230	82**(h)**	313
Additional paid-in capital	295,897	452,701	91,294**(i)**	839,892
Retained earnings	139,228	7,463	49,789**(j)**	196,480
Accumulated other comprehensive loss	(8,641)	-	-	(8,641)
Treasury shares, at cost	-	(10,744)	10,744**(k)**	-
Total stockholders' investment before noncontrolling interests	426,485	449,650	151,909	1,028,044
Noncontrolling interests	(269)	-	-	(269)
Total stockholders' investment	426,216	449,650	151,909	1,027,775
Total liabilities, mezzanine equity and stockholders' investment	**$ 1,945,261**	**$ 752,510**	**$ (334,633)**	**$ 2,363,138**

(1)Refer to Note 4 for reconciliation to Era's historical as reported presentation.

See Notes to Unaudited Pro Forma Condensed Combined Consolidated Financial Statements

Unaudited Pro Forma Condensed Combined Consolidated Statement of Operations
For the Twelve Months Ended March 31, 2020
(in thousands)

	Bristow [1]	Era [2]	Pro Forma Merger Adjustments	Pro Forma Combined
Gross revenue:				
Operating revenue from non-affiliates	$ 1,135,426	$ 229,493	$ -	$ 1,364,919
Operating revenue from affiliates	52,275	-	-	52,275
Reimbursable revenue from non-affiliates	52,342	2,329	-	54,671
	1,240,043	231,822	-	1,471,865
Operating expense:				
Direct cost	944,290	154,085	-	1,098,375
Reimbursable expense	50,706	2,271	-	52,977
Depreciation and amortization	68,389	37,676	(12,398)**(a)**	93,667
General and administrative	161,569	42,148	(7,411)**(b)**	196,306
	1,224,954	236,180	(19,809)	1,441,325
Loss on impairment	(71,692)	(2,551)	-	(74,243)
Gain (loss) on disposal of assets	(4,219)	3,747	-	(472)
Earnings from unconsolidated affiliates, net of losses	13,851	-	-	13,851
Operating income (loss)	(46,971)	(3,162)	19,809	(30,324)
Interest expense, net	(125,563)	(10,368)	-	(135,931)
Loss on sale of subsidiaries	(55,883)	-	-	(55,883)
Gain on sale of equity investment	-	10,910	-	10,910
Fair value of embedded derivative	184,140	-	-	184,140
Other expense, net	(13,457)	(2,639)	-	(16,096)
Loss before benefit (provision) for income taxes	(57,734)	(5,259)	19,809	(43,184)
Provision for income taxes	(94,224)	(26)	-	(94,250)
Net loss	(151,958)	(5,285)	19,809	(137,434)
Net (income) loss attributable to noncontrolling interests	(56)	406	-	350
Net loss attributable to Bristow Group	$ (152,014)	$ (4,879)	$ 19,809	$ (137,084)
Loss per common share:				
Basic EPS	$ (15.82)	$ (0.70)		$ (4.38)
Diluted EPS	$ (16.38)	$ (0.70)		$ (4.38)
Weighted average number of shares outstanding:				
Basic	11,235,541	6,948,367		31,266,771**(c)**
Diluted	20,527,747	6,948,367		31,266,771**(c)**

(1) Refer to Note 8 for reconciliation to Bristow's historical as reported presentation
(2) Refer to Note 4 for reconciliation to Era's historical as reported presentation.

See Notes to Unaudited Pro Forma Condensed Combined Consolidated Financial Statements

NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED FINANCIAL INFORMATION

Note 1 – Description of the Transactions

On January 23, 2020 Era entered into the Merger Agreement, pursuant to which a wholly owned subsidiary of Era would merge with and into Bristow, with Bristow continuing as the surviving corporation and direct wholly owned subsidiary of Era. The Merger closed on June 11, 2020. Following the Merger, Era changed its name to Bristow Group Inc., and its common stock remains listed on the NYSE, but under the new ticker symbol "VTOL". Immediately following the completion of the Merger, pre-Merger holders of Bristow Common Stock (including pre-Merger holders of Bristow Preferred Stock) own 77% of the outstanding shares of the Combined Company Common Stock and pre-Merger holders of Era Common Stock own 23% of the outstanding shares of Combined Company Common Stock.

Note 2 – Basis of Presentation

The accompanying unaudited pro forma condensed combined consolidated financial information is prepared in accordance with Article 11 Regulation S-X and is intended to reflect the impact of both the Merger and Bristow's emergence from bankruptcy on Bristow's historical consolidated financial statements. The presentation of the unaudited pro forma balance sheet and statement of operations are based on the historical financial statements of the Combined Company.

The pro forma adjustments that are described in these notes are included only to the extent they are (i) directly attributable to the transactions described above, (ii) factually supportable and (iii) with respect to the statement of operations, expected to have a continuing impact on the consolidated results of Bristow.

The unaudited pro forma condensed combined consolidated financial information was prepared using the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations* ("ASC 805"). The acquisition method of accounting requires use of the fair value concepts defined in ASC 820, *Fair Value Measurement* ("ASC 820"). ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Fair value measurements can be highly subjective, and it is possible the application of reasonable judgment could develop different assumptions from those to prepare the pro forma adjustments resulting in a range of alternative estimates using the same facts and circumstances.

ASC 805 requires the determination of the accounting acquirer, the acquisition date, the fair value of assets and liabilities of the acquired and the resulting measurement of goodwill or gain on bargain purchase. Bristow has been identified as the acquirer for accounting purposes. As a result, Bristow has recorded the business combination in its financial statements and applied the acquisition method of accounting to account for Era's assets and liabilities acquired. Applying the acquisition method of accounting includes recording the identifiable assets acquired and liabilities assumed at their fair values, and recording a gain on bargain purchase for the excess of the net aggregate fair value of the identifiable assets acquired and liabilities assumed over the consideration transferred. For purposes of the unaudited pro forma condensed combined consolidated financial information, the fair values of Era's identifiable assets acquired, and liabilities assumed were based on preliminary estimates. The final determination of the fair values of assets acquired and liabilities assumed could result in material changes to the amounts presented in the unaudited pro forma condensed combined consolidated financial information and future results of operations and financial position.

Refer to Note 8 for additional information regarding Bristow's presentation.

Note 3 – Conforming Accounting Policies

During the preparation of the unaudited pro forma condensed combined consolidated financial information, Era performed an initial review of the accounting policies of Bristow to determine if differences in accounting policies require reclassification or adjustment.

Based on that initial review, Era does not believe there are any material differences between the accounting policies of the two companies, other than certain reclassifications necessary to conform to Bristow's financial statement presentation. These reclassifications are described in Note 4 below. When management completes its final review of Bristow's accounting policies, additional differences may be identified that, when conformed, could have had a material impact on the unaudited pro forma condensed combined consolidated financial information.

Note 4 – Era's Fiscal Year Presentation and Reclassifications

Presentation Adjustments

Era has historically prepared its combined consolidated financial statements on the basis of a fiscal year ending December 31. Upon completion of the Merger, Era changed its fiscal year end to March 31 to conform to the year end utilized by Bristow. Era's historical combined consolidated financial statements have been aligned to conform with Bristow's fiscal year ending March 31, 2020.

Era's statement of operations for the twelve-months ended March 31, 2020 was presented after giving effect to the Reverse Stock Split and was calculated as follows:

	Twelve Months Ended December 31, 2019	Deduct: Three Months Ended March 31, 2019	Add: Three Months Ended March 31, 2020	Twelve Months Ended March 31, 2020
Revenue:				
Operating revenues	$ 210,035	$ 47,830	$ 53,980	$ 216,185
Dry-leasing revenues	16,024	3,463	3,076	15,637
Total revenues	226,059	51,293	57,056	231,822
Costs and expenses:				
Operating	154,546	36,696	38,506	156,356
Administrative and general	38,278	8,875	12,745	42,148
Depreciation and amortization	37,619	9,450	9,507	37,676
Total costs and expenses	230,443	55,021	60,758	236,180
Gains (losses) on asset dispositions	3,657	(124)	(34)	3,747
Loss on impairment	(2,551)	-	-	(2,551)
Operating loss	(3,278)	(3,852)	(3,736)	(3,162)
Other income (expense):				
Interest income	3,487	752	749	3,484
Interest expense	(13,874)	(3,461)	(3,439)	(13,852)
Loss on sale of investments	(569)	-	-	(569)
Foreign currency losses	(472)	(126)	(1,704)	(2,050)
Loss on debt extinguishment	(13)	-	-	(13)
Other, net	(28)	(11)	10	(7)
Total other income (expense)	(11,469)	(2,846)	(4,384)	(13,007)
Loss before income tax expense and equity earnings	(14,747)	(6,698)	(8,120)	(16,169)
Total income tax expense (benefit)	(731)	(1,588)	(831)	26
Loss before equity earnings	(14,016)	(5,110)	(7,289)	(16,195)
Equity earnings (losses), net of tax	9,935	(975)	-	10,910
Net loss	(4,081)	(6,085)	(7,289)	(5,285)
Net loss attributable to noncontrolling interest in subsidiaries	488	142	60	406
Net income (loss) attributable to Era Group Inc.	$ (3,593)	$ (5,943)	$ (7,229)	$ (4,879)
Earnings (loss) per common share:				
Basic:	$ (0.51)	$ (0.84)	$ (1.05)	$ (0.70)
Diluted:	$ (0.51)	$ (0.84)	$ (1.05)	$ (0.70)
Basic Shares Outstanding	7,003,121	7,107,771	6,900,890	6,948,367
Diluted Shares Outstanding	7,003,572	7,107,771	6,900,890	6,948,367

Reclassifications

Certain reclassification adjustments have been made to conform Era's financial statement presentation to that of Bristow's as indicated in the tables below.

a) The reclassification adjustments to conform Era's balance sheet presentation to that of Bristow's balance sheet presentation has no impact on net assets and are summarized below:

Era Group Inc.
Consolidated Balance Sheet
(in thousands, except share amounts)

	March 31, 2020		
	Historical Era	**Reclassifications to Bristow Presentation**	**Historical Era As Presented**
Current assets:			
Cash and cash equivalents	$ 113,518	$ -	$ 113,518
Accounts receivable from non-affiliates	-	42,015	42,015
Trade, operating, net of allowance for doubtful accounts	34,102	(34,102)	-
Trade, dry-leasing	5,754	(5,754)	-
Tax receivables	2,159	(2,159)	-
Other	15,006	(15,006)	-
Prepaid expenses and other current assets	-	18,418	18,418
Prepaid expenses	3,412	(3,412)	-
Inventories	19,941	-	19,941
Total current assets	193,892	-	193,892
Property and equipment - at cost:			
Land and buildings	-	-	-
Aircraft and equipment	-	893,585	893,585
Helicopters	893,585	(893,585)	-
Machinery, equipment and spares	-	-	-
Construction in progress	-	-	-
Buildings and leasehold improvements	-	-	-
Furniture, fixtures, vehicles and other	-	-	-
	893,585	-	893,585
Less – Accumulated depreciation and amortization	(345,457)	-	(345,457)
	548,128	-	548,128
Right-of-use assets	-	8,672	8,672
Operating lease right-of-use	8,672	(8,672)	-
Intangible assets	92	(92)	-
Other assets	1,726	92	1,818
Total assets	**$ 752,510**	**$ -**	**$ 752,510**
Current liabilities:			
Accounts payable	$ -	$ 10,986	$ 10,986
Accrued wages, benefits and related taxes	-	6,565	6,565
Income taxes payable	-	2,297	2,297
Other accrued taxes	-	-	-
Deferred revenue	-	204	204
Accrued maintenance and repairs	-	1,489	1,489
Accrued interest	3,309	-	3,309
Current portion of operating lease liabilities	-	1,722	1,722
Other accrued liabilities	-	3,624	3,624
Short-term borrowings and current maturities of long-term debt	-	17,901	17,901
Accounts payable and accrued expenses	12,475	(12,475)	-
Accrued wages and benefits	6,565	(6,565)	-
Accrued income taxes	2,297	(2,297)	-
Accrued other taxes	1,539	(1,539)	-
Accrued contingencies	701	(701)	-
Current portion of long-term debt	17,901	(17,901)	-
Other current liabilities	3,310	(3,310)	-
Total current liabilities	48,097	-	48,097
Long-term debt, less current maturities	142,004	-	142,004
Operating lease liabilities	7,103	(7,103)	-
Other liabilities and deferred credits	-	920	920
Deferred taxes	101,984	-	101,984
Long-term operating lease liabilities	-	7,103	7,103
Deferred gains and other liabilities	920	(920)	-
Redeemable noncontrolling interest	2,752	-	2,752
Stockholders' investment:			
Common stock	230	-	230
Additional paid-in capital	452,701	-	452,701
Retained earnings	7,463	-	7,463
Accumulated other comprehensive loss	-	-	-
Treasury shares, at cost	(10,744)	-	(10,744)
Total stockholders' investment	449,650	-	449,650
Total liabilities and stockholders' investment	**$ 752,510**	**$ -**	**$ 752,510**

b) The reclassification adjustments to conform Era's statement of operations presentation to that of Bristow have no impact on net loss and are summarized below:

Era Group Inc.
Consolidated Statement of Operations
(in thousands)

	Year Ended March 31, 2020		
	Historical Era	**Reclassifications to Bristow Presentation**	**Historical Era As Presented**
Gross revenue:			
Operating revenue from non-affiliates	$ -	$ 229,493	$ 229,493
Reimbursable revenue from non-affiliates	-	2,329	2,329
Operating revenues	216,185	(216,185)	-
Dry-leasing revenues	15,637	(15,637)	-
	231,822	-	231,822
Operating expense:			
Direct cost	-	154,085	154,085
Reimbursable expense	-	2,271	2,271
Depreciation and amortization	37,676	-	37,676
General and administrative	42,148	-	42,148
Operating	156,356	(156,356)	-
	236,180	-	236,180
Loss on impairment	(2,551)	-	(2,551)
Gain (loss) on disposal of assets	3,747	-	3,747
Operating income (loss)	(3,162)	-	(3,162)
Interest expense, net	-	(10,368)	(10,368)
Interest income	3,484	(3,484)	-
Interest expense	(13,852)	13,852	-
Gain on sale of equity investment	-	10,910	10,910
Loss on sale of investments	(569)	569	-
Foreign currency gains (losses), net	(2,050)	2,050	-
Gain on debt extinguishment	(13)	13	-
Other expense, net	(7)	(2,632)	(2,639)
Income (loss) before benefit (provision) for income taxes and equity earnings	(16,169)	10,910	(5,259)
Benefit (provision) for income taxes	(26)	-	(26)
Net loss (before equity earnings)	(16,195)	10,910	(5,285)
Equity earnings, net of tax	10,910	(10,910)	-
Net loss	(5,285)	-	(5,285)
Net (income) loss attributable to noncontrolling interests	406	-	406
Net loss attributable to Era Group	$ (4,879)	$ -	$ (4,879)

Note 5 – Estimated Purchase Consideration and Preliminary Purchase Price Allocation

The estimated preliminary purchase price for the Merger (giving effect to the Reverse Stock Split) is calculated as follows (in thousands):

Preliminary estimated purchase price	
Estimated fair value of Era stock prior to Merger (i)	$ 106,440
Estimated fair value of accelerated Era restricted stock awards (ii)	1,900
Estimated preliminary purchase price	$ 108,340

i. Represents the estimated fair value of Common Stock in the Combined Company to be retained by Era Common Stockholders. The estimated preliminary purchase price was determined using the closing price of Era Common Stock (implied value of $15.48 per share) on June 11, 2020 (after giving effect to the Reverse Stock Split), the most recent date practicable prior to the preparation of this Current Report and is calculated based on the total number of shares of Era Common Stock outstanding as of June 11, 2020 after giving effect to the Reverse Stock Split of 6,875,945 shares. The estimated fair value does not reflect the share repurchase that occurred subsequent to balance sheet date as it was not directly attributable to the Merger.

ii. Represents the estimated fair value of Era restricted stock awards. Pursuant to the terms of Era's 2012 Share Incentive Plan and the applicable award agreements, stock options and restricted stock awards that were granted prior to January 22, 2020 will automatically vest upon the consummation of the transaction. No value was prescribed to stock options, as these awards have not been exercised due to Era's stock price. As of March 31, 2020, the number of Era's unvested restricted stock awards that will vest as part of Merger after giving effect to the Reverse Stock Split was estimated to be 122,712 shares.

The following summarizes the preliminary allocation of purchase consideration to the net assets acquired by Bristow as if the Merger had been completed on March 31, 2020.

Preliminary purchase consideration:		
Estimated purchase price	$	108,340
Assets acquired:		
Cash and cash equivalents		113,518
Accounts receivable from non-affiliates		42,015
Prepaid expenses and other current assets		18,418
Inventories		8,973
Property and equipment		212,252
Right-of-use assets		8,672
Other assets		14,029
Total assets acquired	$	417,877
Liabilities assumed:		
Accounts payable		20,797
Accrued wages, benefits and related taxes		6,565
Income taxes payable		2,297
Deferred revenue		204
Accrued maintenance and repairs		1,489
Accrued interest		3,309
Current portion of operating lease liabilities		1,722
Other accrued liabilities		3,624
Long-term operating lease liabilities		7,103
Deferred gains and other liabilities		920
Long-term debt		161,989
Deferred taxes		29,980
Redeemable noncontrolling interest		2,752
Total liabilities and reedemable noncontrolling interest assumed	$	242,751
Net assets acquired, excluding goodwill		175,126
Gain on bargain purchase	$	(66,786)

The combination resulted in a gain on bargain purchase because the estimated fair value of the identifiable net assets acquired exceeded the purchase consideration by $66.8 million. The allocation of estimated purchase price is preliminary as the purchase price allocation is subject to further adjustments as additional information becomes available and as additional analyses are performed. The purchase price allocation will remain preliminary until management determines the fair values of assets acquired and liabilities assumed. The final determination of purchase price allocation is anticipated to be completed as soon as practicable after completion of the Merger and will be based on the fair values of the assets acquired and liabilities assumed as of the Closing Date. The final amounts allocated to assets acquired and liabilities assumed could differ significantly from the amounts presented in the unaudited pro forma condensed combined financial statements.

Note 6 – Balance Sheet Adjustments related to the Merger

The pro forma adjustments included in the unaudited pro forma condensed combined consolidated balance sheet are as follows:

a) The adjustment in Inventories represents an adjustment of $11.0 million to decrease the value of Era's inventory to its preliminary fair value.

b) Represents the preliminary fair value adjustment to decrease the value of Era's Property and Equipment, net acquired from its historical book value of $548.1 million to its preliminary fair value of $212.3 million.

Asset Class	Estimated Preliminary Fair Value
Helicopters	$ 170,055
Machinery, equipment and spares	22,461
Construction in progress	2,868
Buildings and leasehold improvements	15,759
Furniture, fixtures, vehicles and other	1,109
Estimated fair value of property and equipment	**$ 212,252**
Book value of property and equipment, net	548,128
Net adjustment to property and equipment, net	**$ (335,876)**

c) The adjustment to Other Assets reflects the (i) the recognition of preliminary fair value associated with Power-by-the-Hour ("PBH") maintenance contracts acquired of $13.7 million, (ii) the elimination of debt issuance costs of $0.6 million related to Era's revolving credit facility because the asset has no economic value, and (iii) the elimination of deferred costs related to PBH maintenance contracts of $0.8 million.

d) The adjustment to Accounts Payable represents estimated transaction costs for legal and professional fees and severance costs to be paid in connection with the business combination of $9.5 million and $9.8 million by the Combined Company.

e) To reflect the elimination of unamortized debt issuance costs of $1.2 million and unamortized debt discount of $0.9 million related to Era's 7.750% Senior Notes.

f) To reflect the conversion of Bristow's Preferred Stock into shares of Bristow Common Stock.

g) The adjustment to Deferred Taxes reflects a decrease in deferred tax liabilities of $72.0 million based on the preliminary fair value adjustments discussed above. Preliminary deferred taxes have been estimated based on a tax rate of 21%.

h) To reflect the net adjustment to Common Stock, as follows (in thousands):

Post-Merger common stock, at par (includes preferred stock conversion)	$	311
Elimination of Era historical common stock		(230)
Acceleration of Era's restricted stock awards		1
Net adjustments to Common stock	$	82

i) To reflect the net adjustment to Additional Paid-in Capital, as follows (in thousands):

Estimated preliminary purchase price of additional paid-in capital	$	106,197
Preferred stock conversion		435,899
Reclass of Era historical treasury stock to additional paid-in capital		(10,744)
Elimination of Era historical additional paid-in capital		(452,701)
Elimination of Era historical treasury stock		10,744
Acceleration of Era's restricted stock awards		1,899
Net adjustments to Additional paid-in capital	$	91,294

j) To reflect the net adjustment to Retained Earnings, as follows (in thousands):

Elimination of Era historical retained earnings	$	3,713
Elimination of estimated transaction costs		(19,345)
Elimination of PBH deferred costs		(783)
Elimination of revolver unamortized debt issuance costs		(582)
Gain on bargain purchase		66,786
Net adjustment to Retained earnings	$	49,789

k) To reflect the elimination of Era's historical Treasury Shares.

Note 7 – Statement of Operations Adjustments related to the Merger

a) The adjustment to Depreciation and Amortization expense reflects (i) the removal of historical depreciation and amortization of $37.7 million and (ii) the addition of depreciation and amortization expense of $22.2 million based on the estimated preliminary fair values of the Land and Buildings and Aircraft and Equipment with estimated useful lives denoted in the table below, and incremental amortization of $3.1 million based on the estimated preliminary fair value of PBH maintenance contracts described in Note 6. The average remaining useful life of the PBH maintenance contracts is approximately 3 years.

Asset Class	Estimated Remaining Useful Life (in years)
Helicopters	2 - 28
Machinery, equipment and spares	1 - 3
Construction in progress	
Buildings and leasehold improvements	2 - 4
Furniture, fixtures, vehicles and other	1

b) Reflects the removal of $2.4 million and $5.0 million of legal and professional transaction costs incurred through year-end March 31, 2020 by Bristow and Era, respectively, in connection with the Merger.

c) The unaudited pro forma condensed combined consolidated basic and diluted net loss per share calculations are based on the combined basic and diluted weighted-average shares, after giving effect to the Reverse Stock Split and the Merger. The historical basic and diluted weighted average shares of Bristow are assumed to be replaced by the shares expected to be issued by Era to effect the Merger, as follows (in thousands, except per share amounts):

	Twelve Months Ended March 31, 2020
Pro forma weighted average shares (Basic)	
Historical weighted average Era shares outstanding (i)	6,948
Acceleration of Era's restricted stock awards (ii)	123
Newly issued shares of Era to Bristow	24,196
Acceleration of Era's stock options (iii)	-
Pro forma weighted average shares (Basic)	31,267
Pro forma weighted average shares (Diluted)	
Historical weighted average Era shares outstanding	6,948
Acceleration of Era's restricted stock awards (i)	123
Newly issued shares of Era to Bristow	24,196
Acceleration of Era's stock options (ii)	-
Pro forma weighted average shares (Diluted)	31,267
Pro forma basic net loss per share	
Pro forma net loss	$ (137,084)
Pro forma weighted average shares (basic)	31,267
Pro forma basic net loss per share	$ (4.38)
Pro forma diluted net loss per share	
Pro forma net loss	$ (137,084)
Pro forma weighted average shares (diluted)	31,267
Pro forma diluted net loss per share	$ (4.38)

(i) Historical Era shares outstanding and shares issued reflects the impact of the Reverse Stock Split.

(ii) Unvested restricted stock awards as of March 31, 2020, after giving effect to the Reverse Stock Split. Restricted stock awards will vest upon the close of the Merger and are included in pro forma basic EPS.

(iii) All Era stock options are fully vested but are out-of-the-money and they will not be exercised. The impact of the vested stock options was not included in the computation of basic or diluted pro forma weighted average shares because the effect would have been antidilutive due to the net loss.

Note 8 – Bristow's Adjustments related to the Adoption of Fresh-start Accounting

On October 31, 2019, the Joint Chapter 11 Plan of Reorganization of Bristow Group Inc. and its Debtor Affiliates pursuant to Chapter 11 of the United States Bankruptcy Code (the "Plan of Reorganization") became effective and Bristow emerged from bankruptcy. Upon emergence from bankruptcy, Bristow adopted fresh-start accounting in accordance with provisions of ASC 852, *Reorganizations* ("ASC 852") which resulted in Bristow becoming a new entity for financial reporting purposes. Upon the adoption of fresh-start accounting, Bristow's assets and liabilities were generally recorded at their fair values as of the fresh-start reporting date, October 31, 2019.

References to "Successor" or "Successor Company" relate to the financial position and results of operations of Bristow subsequent to the effective date of the Plan of Reorganization, October 31, 2019. References to "Predecessor" or "Predecessor Company" relate to the financial position and results of operations of Bristow prior to, and including, October 31, 2019.

Bristow Group, Inc.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Twelve Months Ended March 31, 2020

	Bristow Group Inc.	Reorganization Adjustments	Fresh Start and Other Adjustments	Pro Forma Predecessor Adjustments	Pro Forma Bristow Group Inc. as Presented
Gross Revenue:					
Operating revenue from non-affiliates	$ 1,136,707	$ -	$ (1,281)**(g)**	$ (1,281)	$ 1,135,426
Operating revenue from affiliates	53,937	-	(1,662)**(k)**	(1,662)	52,275
Reimbursable revenue from non-affiliates	52,342	-	-	-	52,342
	1,242,986	-	(2,943)	(2,943)	1,240,043
Operating expense:					
Direct cost	944,957	(6,440)**(a)**	5,773**(h)**	(667)	944,290
Reimbursable expense	50,706	-	-	-	50,706
Prepetition restructuring charges	13,476	(13,476)**(b)**	-	(13,476)	-
Depreciation and amortization	99,102	-	(30,713)**(i)**	(30,713)	68,389
General and administrative	159,968	1,601**(c)**	-	1,601	161,569
	1,268,209	(18,315)	(24,940)	(43,255)	1,224,954
Loss on impairment	(71,692)	-	-	-	(71,692)
Loss on disposal of assets	(4,219)	-	-	-	(4,219)
Earnings (losses) from unconsolidated affiliates, net of losses	13,851	-	-	-	13,851
Operating loss	(87,283)	18,315	21,997	40,312	(46,971)
Interest expense, net	(150,138)	32,602**(d)**	(8,027)**(j)**	24,575	(125,563)
Reorganization Items	(625,205)	(60,912)**(e)**	686,117**(e)**	625,205	(0)
Gain (loss) on sale of subsidiaries	(55,883)	-	-	-	(55,883)
Fair value of embedded derivative	184,140	-	-	-	184,140
Other income (expense), net	(13,457)	-	-	-	(13,457)
Income (Loss) before benefit (provision) for income taxes	(747,826)	(9,995)	700,087	690,092	(57,734)
Benefit (provision) for income taxes	50,696	2,099**(f)**	(147,019)**(f)**	(144,920)	(94,224)
Net gain/(loss)	$ (697,130)	$ (7,896)	$ 553,068	$ 545,172	$ (151,958)
Net (income) loss attributable to noncontrolling interests	(56)	-	-	-	(56)
Net income (loss) attributable to Bristow Group	$ (697,186)	$ (7,896)	$ 553,068	$ 545,172	$ (152,014)
Earnings per common share:					
Basic:	$ (64.35)				$ (15.82)
Diluted:	$ (64.35)				$ (16.38)
Basic Shares Outstanding	11,236				11,236
Diluted Shares Outstanding	11,236				20,528

(a) As part of the Chapter 11 proceedings, Bristow rejected certain aircraft leases and modified certain aircraft lease contracts. The following table summarizes the adjusted lease expense for the pro forma twelve months ended March 31, 2020:

	Pro Forma Twelve-months ended March 31, 2020
Modified lease contracts	$ (5,554)
Rejected lease contracts	(886)
Pro forma decrease in lease payments	$ (6,440)

(b) To reflect the elimination of expenses incurred in connection with Bristow's preparation to file bankruptcy totaling $13.5 million for the pro forma twelve months ended March 31, 2020. Because these items are directly attributable to Bristow's filing for bankruptcy, are included in the historical results and are not expected to have a continuing impact on Bristow's results they have been eliminated from the pro forma statement of operations.

(c) (i) Bristow's Board of Directors and employees of the Predecessor and Successor Companies were and are compensated through stock awards. The pro forma adjustment reflects an incremental compensation expense in the amount of $3.8 million related to restricted stock units and stock options issued by the Successor Company in October 2019 pursuant to the new Management Incentive Plan established in the Company's Plan of Reorganization. The Plan of Reorganization allowed for the Successor Company Board of Directors to set the specific terms of such awards. Compensation expense is recognized assuming the stock awards were granted on April 1, 2019, adjusted for actual compensation expense included in Bristow's historical expense related to the former Management Incentive Plan. The amount includes $5.7 million of compensation expense, less $1.9 million historical expense recorded. Refer to "Note 14 - Employee Benefit Plans" in the notes to Bristow's March 31, 2020 Consolidated Financial Statements for a summary of the awards and assumptions related to the plan.

(ii) As part of the Chapter 11 proceedings, Bristow rejected certain lease contracts and entered into new lease contracts including a new lease for the corporate headquarters. The change resulted in a $1.7 million reduction to lease expense recorded for the pro forma twelve month period ended March 31, 2020.

(iii) To reflect a reduction to Directors and Officers (D&O) liability insurance expense for the pro forma twelve months ended March 31, 2020 in the amount of $0.5 million. Due to the Chapter 11 proceedings and pursuant to the Plan of Reorganization, Bristow's insurance policy for the Predecessor Company was cancelled and replaced with the Successor Company's policy.

The adjustment reflect a total increase to general and administrative expenses of $1.6 million for the pro forma twelve months ended March 31, 2020.

(d) To reflect the elimination of actual historical interest expense and amortization of deferred financing fees recorded in accordance with the terms of Bristow's pre-petition debt that was either extinguished or reinstated upon emergence from bankruptcy pursuant to the Plan of Reorganization in the amount of $28.1 million. The adjustment also includes a decrease to net interest expense of $4.5 million related to interest recorded on the court approved debtor in possession (DIP) financing Bristow obtained while in bankruptcy. Please see "Note 9 - Debt" in the notes to Bristow's March 31, 2020 Consolidated Financial Statements for the complete terms of its debt agreements. The adjustment reflects a total decrease to interest expense of $32.6 million for the pro forma twelve months ended March 31, 2020.

(e) In connection with Bristow's Chapter 11 proceedings and emergence from bankruptcy, Bristow incurred certain expenses and recorded certain gains and losses as Reorganization items. Because these items are directly attributable to Bristow's emergence from bankruptcy, are included in the historical results and are not expected to have a continuing impact on the Combined Company's results, they have been eliminated from the pro forma statement of operations. Reorganization items for the pro forma twelve months ended March 31, 2020 are summarized as follows:

	Pro Forma Twelve-months ended March 31, 2020
Gain on settlement of liabilities subject to compromise	$ 265,591
Fresh-start accounting adjustments	(686,116)
Reorganization professional fees and other	(204,680)
Pro forma decrease in Reorganization expense, net	**$ (625,205)**

(f) To reflect the tax effect of the pro forma adjustments by applying the statutory rate as if the pro forma transactions had occurred as of April 1, 2019.

Fresh-start Accounting and Other Adjustments:

(g) To reflect the fresh start accounting adjustment for the write off of certain contracts recorded as deferred revenue in which Bristow was no longer obligated to provide services. The pro forma adjustment reduces revenue for the pro forma twelve month period by $1.3 million.

(h) To reflect an overall increase to Direct cost resulting from the application of fresh start accounting of $5.8 million. Direct costs increased due to amortization expense of $11.2 million related to an intangible asset recognized for Bristow's contracts in which maintenance is covered by the manufacturer in exchange for a fee per flight hour. The increase was offset by a decrease of $5.5 million due to the re-valuation and write off of certain contract costs with the application of fresh start accounting.

(i) To reflect a net decrease of $30.7 million to depreciation and amortization expense due to the application of fresh start accounting. The revised fair values of Bristow's aircraft and equipment resulted in a decrease to depreciation expense of $35.3 million for the pro forma twelve month period ended December 31, 2019. This decrease was offset by an increase in amortization expense related to a customer relationship intangible asset recognized upon emergence from bankruptcy of $4.6 million.

(j) Upon emergence from bankruptcy Bristow's reinstated debt agreements were fair valued with the application of fresh start accounting. The pro forma adjustment reflects the amortization of the discount recognized when recording the debt at fair value. The amortization of this discount utilizing the effective interest method resulted in an increase to interest expense of $8.0 million for the pro forma twelve months ended March 31, 2020.

(k) To reflect the fresh start accounting adjustment for the write off of certain contracts with affiliates. The pro forma adjustment reduces revenue for the pro forma twelve month period by $1.7 million.