As filed with the Securities and Exchange Commission on December 17, 2012

File No. 001-35701

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Amendment No. 1
to
FORM 10
GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934

ERA GROUP INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	**72-1455213** (IRS Employer Identification No.)
818 Town & Country Blvd. **Suite 200** **Houston, Texas** (Address of Principal Executive Offices)	**77024** (Zip Code)

Registrant's telephone number, including area code:
281-606-4900

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

Title of each Class to be so Registered	**Name of Each Exchange on Which Each Class is to be Registered**
Common stock, par value $0.01	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   Accelerated filer

Non-accelerated filer ☒   Smaller reporting company

**INFORMATION INCLUDED IN INFORMATION STATEMENT
AND INCORPORATED BY REFERENCE IN FORM 10**

CROSS-REFERENCE SHEET BETWEEN INFORMATION STATEMENT AND ITEMS OF FORM 10

This Registration Statement on Form 10 (the "Form 10") incorporates by reference information contained in the Information Statement filed as Exhibit 99.1 hereto (the "Information Statement"). The cross-reference table below identifies where the items required by Form 10 can be found in the Information Statement.

Item No.	Item Caption	Location in Information Statement
1.	Business	"Summary," "Risk Factors" and "Business"
1A.	Risk Factors	"Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements"
2.	Financial Information	"Summary—Summary Consolidated Financial Data," "Capitalization," "Selected Historical Financial Data," "Unaudited Pro Forma Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operation"
3.	Properties	"Business—Facilities"
4.	Security Ownership of Certain Beneficial Owners and Management	"Security Ownership of Certain Beneficial Owners and Management"
5.	Directors and Executive Officers	"Management"
6.	Executive Compensation	"Executive Compensation"
7.	Certain Relationships and Related Transactions, and Director Independence	"Risk Factors," "Management" and "Certain Relationships and Related Party Transactions"
8.	Legal Proceedings	"Business—Legal Proceedings"
9.	Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters	"Summary," "Risk Factors," "The Spin-Off," "Capitalization," "Dividend Policy" and "Description of Our Capital Stock"
10.	Recent Sales of Unregistered Securities	"Recent Sales of Unregistered Securities"
11.	Description of Registrant's Securities to be Registered	"Description of Our Capital Stock"
12.	Indemnification of Directors and Officers	"Indemnification and Limitation of Liability of Directors and Officers"
13.	Financial Statements and Supplementary Data	"Summary—Summary Consolidated Financial Data," "Selected Historical Financial Data," "Unaudited Pro Forma Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Index to Financial Statements" including the Financial Statements
14.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	"Changes in Accountants"

ITEM 15. Financial Statements and Exhibits

(a) Financial Statements

See "Index to Combined Financial Statements" beginning on page F-1 of the Information Statement.

(b) Exhibits.

The following documents are filed as exhibits hereto:

Exhibit Index	Exhibit Description
2.1 **	Form of Distribution Agreement between SEACOR Holdings Inc. and Era Group Inc.
3.1 **	Form of Amended and Restated Certificate of Incorporation of Era Group Inc.
3.2 **	Form of Amended and Restated Bylaws of Era Group Inc.
4.1 *	Form of Common Stock Certificate of Era Group Inc.
4.2	Registration Rights Agreement, dated as of December 7, 2012, among Era Group Inc., the guarantors named therein and Deutsche Bank Securities Inc., on behalf of itself and the other initial purchasers named therein (filed as Exhibit 4.1 to SEACOR Holding Inc.'s current report on Form 8-K filed with the SEC on December 7, 2012 and incorporated by reference herein (File No. 333-175942)).
4.3 ***	Indenture, dated as of December 7, 2012, among Era Group Inc., the guarantors named therein and Wells Fargo Bank, National Association
10.1 ***	Form of Amended and Restated Transition Services Agreement between SEACOR Holdings Inc. and Era Group Inc.
10.2 **	Form of Tax Matters Agreement between SEACOR Holdings Inc. and Era Group Inc.
10.3 **	Form of Employee Matters Agreement between SEACOR Holdings Inc. and Era Group Inc.
10.4 **	Era Group Inc. 2012 Share Incentive Plan.
10.5 ***	Form of Stock Option Grant Agreement pursuant to the Era Group Inc. 2012 Share Incentive Plan.
10.6 ***	Form of Restricted Stock Grant Agreement pursuant to the Era Group Inc. 2012 Share Incentive Plan.
10.7	Agreement, dated as of December 22, 2011, for a U.S. $350,000,000 Senior Secured Revolving Credit Facility by and among Era Group Inc., Wells Fargo Securities, LLC, JPMorgan Chase Bank, N.A., Deutsche Bank Securities Inc., Suntrust Robinson Humphrey, Inc. and other financial institutions identified on Schedule A thereto (filed as Exhibit 10.25 to SEACOR Holdings Inc.'s annual report on Form 10-K filed with the SEC on February 24, 2012 and incorporated by reference herein (File No.: 001-12289)).
10.8	Separation and Consulting Agreement dated as of November 28, 2011 (filed as Exhibit 10.7 to Amendment No. 4 to Era Group Inc.'s Registration Statement on Form S-1 filed with the SEC on March 9, 2012 and incorporated by reference herein (File No. 333-175942)).
10.9 **	Separation and Consulting Agreement dated as of September 30, 2012.
10.10 **	Form of Indemnification Agreement between Era Group Inc. and individual officers and directors.
10.11 ***	Form of Era Group Inc. Management Incentive Plan
10.12 ***	Form of Series B Exchange Agreement between SEACOR Holdings Inc. and Era Group Inc.
16.1 **	Letter re Changes in Accountants.
21.1 **	List of subsidiaries of Era Group Inc.
99.1 ***	Preliminary Information Statement of Era Group Inc., subject to completion, dated December [ ], 2012.

* To be filed by amendment.
** Previously filed.
*** Filed herewith.

SIGNATURE

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Era Group Inc.

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: Chief Executive Officer

Dated: December 17, 2012

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** Previously filed.
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Exhibit 4.3

ERA GROUP INC.

AND THE GUARANTORS NAMED ON THE SIGNATURE PAGES HERETO

7.750% SENIOR NOTES DUE 2022

....

INDENTURE

Dated as of December 7, 2012

....

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

CROSS-REFERENCE TABLE

Section of Trust Indenture Act of 1939		*Section(s) of Indenture*
§ 310	(a)(1)	7.10
	(a)(2)	7.10
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(a)(5)	7.10
	(b)	7.08, 7.10
§ 311	(a)	7.11
	(b)	7.11
§ 312	(a)	2.06
	(b)	12.03
	(c)	12.03
§ 313	(a)	7.06
	(b)	7.06
	(c)	7.06
	(d)	7.06
§ 314	(a)	4.03, 4.04
	(b)	Not Applicable
	(c)(1)	12.04
	(c)(2)	12.04
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	12.05
§ 315	(a)	7.01(b)
	(b)	7.05
	(c)	7.01(a)
	(d)	7.01(c)
	(d)(1)	7.01(c)(1)
	(d)(2)	7.01(c)(2)
	(d)(3)	7.01(c)(3)
	(e)	6.11
§ 316	(a)(1)(A)	6.05
	(a)(1)(B)	6.04
	(a)(2)	Not Applicable
	(a)(last sentence)	2.10
	(b)	6.07
§ 317	(a)(1)	6.08
	(a)(2)	6.09
	(b)	2.05
§ 318	(a)	12.01

Note: This Cross Reference Table shall not, for any purpose, be deemed to be a part of the Supplemental Indenture.

TABLE OF CONTENTS

This INDENTURE, dated as of December 7, 2012 (this "*Indenture*"), is entered into among Era Group Inc., a Delaware corporation (the "*Company*"), the Guarantors listed on the signature pages hereto and Wells Fargo Bank, National Association, a national banking association organized under the laws of the United States of America, as trustee (the "*Trustee*").

RECITALS

WHEREAS, all things necessary to make this Indenture a valid and legally binding indenture and agreement according to its terms have been done;

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, the parties hereto agree, subject to the terms and conditions hereinafter set forth, as follows for the benefit of the Trustee and the Holders (as defined herein):

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01 *Definitions*.

"*Additional Assets*" means:

(1) any Productive Assets;

(2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary;

provided, *however*, that any such Restricted Subsidiary described in clause (2) or (3) above is primarily engaged in any business conducted by the Company or any of its Subsidiaries or joint ventures on the Initial Issuance Date (or any business that is reasonably similar, complementary or related to the foregoing or developments, extensions or expansions of the foregoing).

"*Additional Notes*" means the 7.750% Senior Notes due 2022 issued from time to time after the Initial Issuance Date under the terms of the Indenture in accordance with Sections 2.03, 2.15 and 4.09 hereof, as part of the same series as the Initial Notes.

"*Affiliate*" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"*Agent*" means any Registrar or Paying Agent.

"*Amended and Restated Transition Services Agreement"* means the amended and restated transition services agreement to be entered into between the Company and SEACOR in connection with the Spin-Off, substantially in the form filed as an exhibit to the Company's Registration Statement on Form 10 on October 12, 2012.

"*Applicable Premium*" means, with respect to a Note at any redemption date, the greater of:

(1) 1.00% of the principal amount of such Note; and

(2) the excess of:

(A) the present value at such redemption date of (i) the redemption price of such Note on December 15, 2017 (such redemption price being described in the table in Section 3.08(a), exclusive of any accrued and unpaid interest and Additional Amounts, if any) *plus* (ii) all required remaining scheduled interest payments due on such Note through December 15, 2017 (but excluding accrued and unpaid interest and Additional Amounts, if any, to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over

(B) the principal amount of such note on such redemption date, in each case, as calculated by the Company or on behalf of the Company by such Person as the Company shall designate.

"*Applicable Procedures*" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary or any direct or indirect participant therein that apply to such transfer or exchange.

"*Asset Sale*" means

(1) the sale, lease, conveyance or other disposition (a "*disposition*") of any properties or assets (other than in a Sale/Leaseback Transaction), excluding dispositions in the ordinary course of business; *provided* that the disposition of all or substantially all of the properties or assets of the Company and its Subsidiaries (on a consolidated basis) will not be an "Asset Sale" and will be governed by Section 5.01 and not Section 4.10; and

(2) the issuance of Equity Interests by any Restricted Subsidiary or the sale by the Company or any Restricted Subsidiary of Equity Interests in any Restricted Subsidiary (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary), whether, in the case of clause (1) or (2), in a single transaction or a series of related transactions, *provided* that such transaction or series of related transactions involves properties or assets having a Fair Market Value in excess of $25.0 million.

Notwithstanding the preceding, the following transactions will be deemed not to be Asset Sales:

(a) a disposition of damaged, obsolete or excess equipment or other properties or assets;

(b) a disposition of properties or assets by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to another Restricted Subsidiary;

(c) an issuance or sale of Equity Interests by a Restricted Subsidiary to the Company or to another Restricted Subsidiary;

(d) a disposition of cash or Cash Equivalents, hedging contracts or other financial instruments;

(e) a disposition of properties or assets that constitutes a Restricted Payment that is permitted by the Indenture or a Permitted Investment;

(f) a disposition of properties or assets in the ordinary course of business by the Company or any of its Restricted Subsidiaries to a Person that is an Affiliate of the Company or such Restricted Subsidiary and is engaged in any business conducted by the Company or any of its Subsidiaries or joint ventures on the Initial Issuance Date (or a business that is reasonably complementary, ancillary or related to the foregoing and developments, extensions and expansions of the foregoing), which

Person is an Affiliate solely because the Company or such Restricted Subsidiary has an Investment in such Person, *provided* that such transaction complies with Section 4.11;

(g) any charter or lease of any equipment or other properties or assets entered into in the ordinary course of business and with respect to which the Company or any Restricted Subsidiary thereof is the lessor, except any such charter or lease that provides for the acquisition of such properties or assets by the lessee during or at the end of the term thereof for an amount that is less than their Fair Market Value at the time the right to acquire such properties or assets occurs;

(h) any trade or exchange by the Company or any Restricted Subsidiary of equipment or other properties or assets for equipment or other properties or assets owned or held by another Person, *provided* that the Fair Market Value of the properties or assets traded or exchanged by the Company or such Restricted Subsidiary (together with any cash or Cash Equivalents) is reasonably equivalent to the Fair Market Value of the properties or assets (together with any cash or Cash Equivalents) to be received by the Company or such Restricted Subsidiary; *provided further* that any cash or Cash Equivalents received must be applied in accordance with Section 4.10;

(i) a disposition of inventory, accounts receivables or other current assets in the ordinary course of business or in connection with the compromise, settlement or collection thereof in bankruptcy or similar proceedings;

(j) the creation or perfection of a Lien permitted under the Indenture, and any disposition of assets resulting from the enforcement or foreclosure of any Permitted Lien;

(k) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims;

(l) any sale or other disposition of Equity Interests in, or Indebtedness of, an Unrestricted Subsidiary; and

(m) the abandonment or other disposition of patents, trademarks or other intellectual property that are, in the reasonable judgment of the Company, no longer economically practicable to maintain or useful in the conduct of the business of the Company and its Subsidiaries taken as a whole.

"*Attributable Indebtedness*" in respect of a Sale/Leaseback Transaction means, at the time of determination, the present value (discounted at the rate of interest set forth or implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended). As used in the preceding sentence, the "*net rental payments*" under any lease for any such period shall mean the sum of rental and other payments required to be paid with respect to such period by the lessee thereunder, excluding any amounts required to be paid by such lessee on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges. In the case of any lease that is terminable by the lessee upon payment of a penalty, such net amount shall be the lesser of the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the net amount determined assuming no such termination.

"*Bankruptcy Custodian*" means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

"*Bankruptcy Law*" means Title 11 of the United States Code, as may be amended from time to time, or any similar federal, state or foreign law for the relief of debtors.

"*Board of Directors*" means, for any Person, the board of directors or other governing body of such Person or, if such Person does not have such a board of directors or other governing body and is owned or managed by a single entity, the Board of Directors of such entity, or, in either case, any committee thereof duly authorized to act on behalf of such Board of Directors. Unless otherwise provided, "Board of Directors" means the Board of Directors of the Company.

"*Board Resolution*" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"*Broker-Dealer*" means any broker or dealer registered under the Exchange Act.

"*Business Day*" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City or at a place of payment.

"*Capital Lease Obligation*" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP in effect as of the Initial Issuance Date, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person

but, in each case, excluding any debt securities convertible or exchangeable into such equity.

"*Cash Equivalents*" means

(1) securities issued or directly and fully guaranteed or insured by the government of the United States or any other country whose sovereign debt has a rating of at least A3 from Moody's and at least A- from S&P or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition;

(2) certificates of deposit, demand deposits and time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank organized under the laws of any country that is a member of the Organization for Economic Cooperation and Development having capital and surplus in excess of $500 million (or the equivalent thereof in any other currency or currency unit);

(3) marketable general obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition thereof, having a credit rating of "A" or better from either S&P or Moody's;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1), (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (2) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings or investments, and, in each case, maturing within one year after the date of acquisition;

(6) deposits available for withdrawal on demand with any commercial bank not meeting the qualifications specified in clause (2) above, *provided* all such deposits do not exceed $3.0 million (or the equivalent thereof in any other currency or currency unit) in the aggregate at any one time;

(7) money market mutual funds substantially all of the assets of which are of the type described in the foregoing clauses (1) through (5) of this definition; and

(8) in the case of any Subsidiary of the Company organized or having its principal place of business outside the United States, investments denominated in the currency of the jurisdiction in which such Subsidiary is organized or has its principal place of business which are similar to the items specified in clauses (1) through (5) of this definition.

"*Change of Control*" means any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries (determined on a consolidated basis);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), other than SEACOR or any wholly-owned subsidiary of SEACOR directly or indirectly through one or more intermediaries, of more than 50% of the voting power of the outstanding Voting Stock of the Company; or

(4) if during any consecutive two year period more than a majority of the members of the Board of Directors are not Continuing Directors;

provided, *however*, that with respect to clauses (1) and (3) above, a transaction in which the Company becomes a direct or indirect wholly owned Subsidiary of another Person (other than a Person that is an individual) or directly or indirectly sells, transfers, conveys or otherwise disposes of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries (determined on a consolidated basis), to such Person or a direct or indirect wholly owned Subsidiary thereof shall not constitute a Change of Control if:

(a) the holders of the Voting Stock of the Company immediately prior to such transaction "beneficially own" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act), directly or indirectly through one or more intermediaries, at least a majority of the voting power of the outstanding Voting Stock of such Person immediately following the consummation of such transaction; and

(b) immediately following the consummation of such transaction, no "person" (as such term is defined above), other than such other Person (but including the holders of the Equity Interests of such other Person), "beneficially owns" (as such term is defined above), directly or indirectly through one or more intermediaries, more than 50% of the voting power of the outstanding Voting Stock of the Company.

"*Change of Control Trigger Event*" means the occurrence of both a Change of Control and, during the period beginning on the earlier of (i) the date of the first public notice or announcement with respect to a Change of Control and (ii) the occurrence of a Change of Control, and, in either case, ending 90 days after the occurrence of such Change of Control, a Ratings Event.

"*Commission*" means the Securities and Exchange Commission.

"*Company*" means the Person named as the "Company" in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "Company" shall mean such successor Person; *provided*, *however*, that for purposes of any provision contained herein which is required by the TIA, "Company" shall also mean each other obligor (if any) on the Notes.

"*Consolidated Cash Flow*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus, to the extent deducted or excluded in calculating Consolidated Net Income for such period,

(1) Consolidated Income Taxes of such Person and its Restricted Subsidiaries;

(2) Consolidated Interest Expense of such Person and its Restricted Subsidiaries;

(3) depreciation and amortization expense (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) of such Person and its Restricted Subsidiaries;

(4) the amount of management, monitoring, consulting and advisory fees and related expenses paid to SEACOR (or any accruals relating to such fees and related expenses) during such period to the extent otherwise permitted by Section 4.11; and

(5) all other non-cash charges and non-cash write offs, including minority interest, of such Person and its Restricted Subsidiaries reducing Consolidated Net Income (excluding any such non-cash charge or write off to the extent that it represents an accrual of or reserve for cash expenditures in any future period or amortization of a prepaid cash expense that was paid in a prior period not included in the calculation), in each case, on a consolidated basis and determined in accordance with GAAP. Notwithstanding the preceding sentence, clauses (1), (2), (3), (4) and (5) relating to amounts of a Restricted Subsidiary of a Person will be added to Consolidated Net Income to compute Consolidated Cash Flow of such Person only to the extent (and in the same proportion) that the net income (loss) of such Restricted Subsidiary was included in calculating the Consolidated Net Income of such Person.

"*Consolidated Income Taxes*" means, with respect to any Person for any period, taxes imposed upon such Person or other payments required to be made by such Person by any governmental authority which taxes or other payments are calculated by reference to the income or profits of such Person or such Person and its Restricted Subsidiaries (to the extent such income or profits were included in computing Consolidated Net Income for such period), regardless of whether such taxes or payments are required to be remitted to any governmental authority.

"*Consolidated Interest Coverage Ratio*" means with respect to any Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Consolidated Interest Expense of such Person for such period; *provided, however*, that the Consolidated Interest Coverage Ratio shall be calculated giving pro forma effect to each of the following transactions as if each such transaction had occurred at the beginning of the applicable four quarter reference period:

(1) any incurrence, assumption, guarantee, repayment, repurchase, defeasance or redemption by such Person or any of its Restricted Subsidiaries of any Indebtedness (other than revolving credit borrowings unless permanently repaid) subsequent to the commencement of the period for which the Consolidated Interest Coverage Ratio is being calculated (the "*Calculation Period*") but prior to the date on which the event for which the calculation of the Consolidated Interest Coverage Ratio is made (the "*Calculation Date*");

(2) any disposition of any company, any business or any group of assets constituting an operating unit of a business (any such disposition, a "*Sale*") consummated subsequent to the beginning of the Calculation Period but prior to the Calculation Date then, the Consolidated Cash Flow for such period shall be reduced (if positive) or increased (if negative) by an amount equal to the Consolidated Cash Flow attributable to the assets that are the subject of such Sale and Consolidated Interest Expense shall be reduced by an amount equal to (A) the Consolidated Interest Expense attributable to any Indebtedness of the Company or any Restricted Subsidiary repaid, repurchased, redeemed, defeased or otherwise retired in connection with such Sale plus (B) if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense attributable to the Indebtedness of such Restricted Subsidiary to the extent the Company and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such Sale;

(3) if, since the beginning of the Calculation Period but prior to the Calculation Date, the Company or any Restricted Subsidiary (by merger, consolidation or otherwise) made an Investment in any Person that becomes a Restricted Subsidiary, or otherwise acquired any company, any business or any group of assets constituting an operating unit of a business (any such Investment or acquisition, a "*Purchase*"), Consolidated Cash Flow and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto (including the Incurrence of any related Indebtedness); and

(4) if, since the beginning of the Calculation Period but prior to the Calculation Date, any Person became a Restricted Subsidiary or was merged or consolidated with or into the Company or any Restricted Subsidiary, and such Person shall have discharged any Indebtedness or made any Sale or Purchase that would have required an adjustment pursuant to clause (1), (2) or (3) above if made by the Company or a Restricted Subsidiary since the beginning of the Calculation Period, Consolidated Cash Flow and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto;

provided further, *however*, that (A) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded and (B) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the referent Person or any of its Restricted Subsidiaries following the Calculation Date. For purposes of this definition, whenever pro forma effect is to be given to any calculation under this definition, the pro forma calculations will be determined in good faith by a responsible financial or accounting officer of the Company, including any pro forma expense and cost reductions that are projected by such officer in good faith to be realized within the 12-month period immediately following the Calculation Date. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any interest rate agreement applicable to such Indebtedness if such interest rate agreement has a remaining term as of the Calculation Date in excess of 12 months).

"*Consolidated Interest Expense*" means, with respect to any Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period net of any interest income of the Company and its Subsidiaries, whether paid or accrued

(including amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letters of credit securing financial obligations or bankers acceptance financings, and net payments (if any) pursuant to interest rate Hedging Obligations, but excluding amortization of debt issuance costs and the cumulative effect of any change in accounting principles or policies) to the extent deducted in calculating Consolidated Net Income, net of any interest income of the Company and its Restricted Subsidiaries; and

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period.

"*Consolidated Net Income*" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, *provided* that:

(1) the Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or its Restricted Subsidiaries;

(2) solely for purposes of determining the amount available for Restricted Payments under Section 4.07(a)(4)(C), the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, partners or members;

(3) the cumulative effect of a change in accounting principles shall be excluded;

(4) unrealized losses and gains with respect to Hedging Obligations shall be excluded;

(5) any charges relating to any premium or penalty paid, write off of deferred finance costs or other charges in connection with redeeming or retiring any Indebtedness prior to its Stated Maturity will be excluded;

(6) any fees, expenses or charges related to the offering of the notes and the Spin-Off shall be excluded;

(7) non-cash gains and losses due solely to fluctuations in currency values and the related tax effect shall be excluded;

(8) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards shall be excluded;

(9) extraordinary, non-recurring or unusual gains or losses (other than gains and losses from the sale of assets in the ordinary course of business and consistent with past practice) shall be excluded; and

(10) the effects of adjustments to the Company's consolidated financial statements pursuant to GAAP resulting from the application of purchase accounting in relation to any consummated transaction or the amortization or write of any amounts thereof shall be excluded.

"*Consolidated Net Tangible Assets*", as of any date of determination, means the consolidated total assets of the Company and its Restricted Subsidiaries determined in accordance with GAAP, less the sum of:

(1) all current liabilities (excluding the amount of those which are by their terms extendable or renewable at the option of the obligor to a date more than 12 months after the date as of which the amount is being determined); and

(2) all goodwill, trade names, trademarks, patents, organization expense, unamortized debt discount and expense and other similar intangibles properly classified as intangibles in accordance with GAAP.

"*Continuing Directors*" means, as of any date of determination, any member of the Board of Directors who (a) was a member of the Board of Directors on the Initial Issuance Date or (b) was nominated for election to the Board of Directors with the approval of, or whose election to the Board of Directors was ratified by, at least a majority of the Continuing Directors who were members of the Board of Directors at the time of such nomination or election.

"*Corporate Trust Office of the Trustee*" means the designated office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at 625 Marquette Avenue, 11th Floor, MAC N-9311-115, Minneapolis, Minnesota 55479, Attention: Era Group Inc. Account Manager, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the designated corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Company).

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Definitive Note*" means a Definitive Note registered in the name of the Holder thereof and issued in accordance with Section 2.07 of this Indenture, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.04 hereof as the initial Depositary, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provisions of the Indenture.

"*Designated Non-cash Consideration*" means the Fair Market Value of non-cash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event:

(1) matures (excluding any maturity as a result of an optional redemption by the issuer thereof) or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or other Disqualified Stock (excluding Capital Stock which is convertible or exchangeable solely at the option of the issuer thereof); or

(3) is redeemable at the option of the holder thereof, in whole or in part, in each case, on or prior to the date that is 91 days after the date on which the Notes mature;

provided that only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date shall be deemed to be Disqualified Stock. Notwithstanding the preceding sentence, (i) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof (or of any security into which it is convertible or for which it is exchangeable) have the right to require the issuer to repurchase such Capital Stock (or such security into which it is convertible or for which it is exchangeable) upon the occurrence of any of the events constituting an Asset Sale or a Change of Control shall not constitute Disqualified Stock if such Capital Stock (and all such securities into which it is convertible or for which it is exchangeable) provides that the issuer thereof will not repurchase or redeem any such Capital Stock (or any such security into which it is convertible or for which it is exchangeable) pursuant to such provisions prior to compliance by the Company with Section 4.10 or 4.15, as the case may be and (ii) Capital Stock issued to any employee benefit plan, or by any such plan to any employees of the Company or any Subsidiary, shall not constitute Disqualified Stock solely because it may be required to be repurchased or otherwise acquired or retired in order to satisfy applicable statutory or regulatory obligations. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"Distribution Agreement" means the distribution agreement to be entered into between the Company and SEACOR in connection with the Spin-Off, substantially in the form filed as an exhibit to the Company's Registration Statement on Form 10 on October 12, 2012.

"*Dollar*" or "*$*" means a dollar or other equivalent unit in such coin or currency of the United States as at the time shall be legal tender for the payment of public and private debt.

"Eligible Lease" means the lease of a Mortgaged Helicopter by the Company or a Restricted Subsidiary, as owner and lessor of the Mortgaged Helicopter, to an Eligible Lessee, which lease is permitted under the Revolving Credit Facility.

"Eligible Lessee" means a lessee of a Mortgaged Helicopter under an Eligible Lease, which lessee satisfied the requirements of the Revolving Credit Facility.

"Employee Matters Agreement" means the employee matters agreement to be entered into between the Company and SEACOR in connection with the Spin-Off substantially in the form filed as an exhibit to the Company's Registration Statement on Form 10 on October 12, 2012.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended.

"Exchange Notes" means the Notes issued in the Exchange Offer pursuant to Section 2.07(o) of this Indenture.

"*Exchange Offer*" has the meaning set forth in the Registration Rights Agreement.

"*Exchange Offer Registration Statement*" has the meaning set forth in the Registration Rights Agreement.

"*Excluded Contributions*" means the net cash proceeds and Fair Market Value of other property received by the Company after the Initial Issuance Date from:

(1) contributions to its common equity capital, and

(2) the sale (other than to a Subsidiary of the Company or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or guaranteed by the Company or any Restricted Subsidiary, unless such loans have been repaid with cash on or prior to the date of determination) of Equity Interests (other than Disqualified Stock) of the Company, in each case designated as Excluded Contributions pursuant to an Officer's Certificate, the proceeds of which are excluded from the calculation set forth in Section 4.07(a)(4)(C)(b).

"*Existing Indebtedness*" means Indebtedness of the Company and its Restricted Subsidiaries in existence on the Initial Issuance Date, until such amounts are repaid.

"*Fair Market Value*" means the price that would be negotiated in an arm's-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction, as such price is determined in good faith by an officer of the Company (unless otherwise provided in the Indenture).

"*GAAP*" means generally accepted accounting principles in the United States as in effect on the Initial Issuance Date; *provided* that if at any time the Commission permits or requires U.S. domiciled companies subject to the reporting requirements of the Exchange Act to use IFRS in lieu of GAAP for financial reporting purposes, the Company may elect by written notice to the Trustee to so use IFRS in lieu of GAAP and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (a) for periods beginning on and after the date specified in such notice, IFRS as in effect on the date specified in such notice (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of the Indenture) and (b) for prior periods, GAAP as defined in the first sentence of this definition. All ratios and computations based on GAAP contained in the Indenture shall be computed in conformity with GAAP.

"*Global Note*" means a Note that is issued in global form in the name of the Depositary with respect thereto or its nominee.

"*Global Note Legend*" means the legend set forth in Section 2.07(o)(ii) of this Indenture to be placed on all Global Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Government Securities*" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit or depository receipts issued by a bank or trust company as custodian with respect to any such obligations or a specific payment of interest on or principal of any such obligation held by such custodian for the account of the holder of a depository receipt.

"*Guarantor*" means any Subsidiary of the Company that executes this Indenture as a Guarantor on the Initial Issuance Date and any other Subsidiary that provides a Subsidiary Guarantee in accordance with the provisions of this Indenture, and its respective successors and assigns, in each case, until the Subsidiary Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Hedging Obligations*" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements designed to manage against fluctuations in interest rates, or to otherwise reduce the cost of borrowing, with respect to Indebtedness incurred;

(2) foreign exchange contracts and currency protection agreements designed to manage against fluctuations in currency exchanges rates;

(3) any commodity futures contract, commodity swap, commodity option, commodity forward sale or other similar agreement or arrangement designed to manage against fluctuations in the price of commodities; and

(4) other agreements or arrangements designed to manage against fluctuations in interest rates, currency exchange rates or commodity prices.

"*Holder*" as applied to any Note (but excluding the term "beneficial holder") shall mean any Person in whose name a particular Note is registered.

"*IFRS*" means International Financial Reporting Standards.

"*Indebtedness*" means, with respect to any Person on any date of determination (without duplication):

(1) the principal in respect of indebtedness of such Person for borrowed money;

(2) the principal in respect of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) the principal component of all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (including reimbursement obligations with respect thereto except to the extent such reimbursement obligation relates to a trade payable and such obligation is satisfied within 30 days of incurrence);

(4) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables and accrued expenses), which purchase price is due more than one year after the date of placing such property in service or taking delivery and title thereto;

(5) Capital Lease Obligations and all Attributable Indebtedness of such Person;

(6) the principal component of all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided, however*, that the amount of such Indebtedness will be the lesser of:

(a) the Fair Market Value of such asset at such date of determination; and

(b) the amount of such Indebtedness of such other Persons;

(7) the principal component of Indebtedness of other Persons to the extent guaranteed by such Person; and

(8) to the extent not otherwise included in this definition, Hedging Obligations of such Person (the amount of any such obligations to be equal at any time to the termination value of the agreement or arrangement giving rise to such obligation that would be payable by such Person at such time),

if and to the extent any of the preceding items (other than letters of credit, Attributable Indebtedness and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP.

In addition, "*Indebtedness*" of any Person shall include Indebtedness described in the preceding paragraph that would not appear as a liability on the balance sheet of such Person if:

(1) such Indebtedness is the obligation of a partnership or joint venture that is not a Restricted Subsidiary (a "*Joint Venture*");

(2) such Person or a Restricted Subsidiary of such Person is a general partner of the Joint Venture (a "*General Partner*"); and

(3) there is recourse, by contract or operation of law, with respect to the payment of such Indebtedness to properties or assets of such Person or a Restricted Subsidiary of such Person, and then such Indebtedness shall be included in an amount not to exceed the lesser of (x) the net assets of the General Partner and (y) the amount of such obligations to the extent that there is recourse, by contract or operation of law, to the properties or assets of such Person or a Restricted Subsidiary of such Person.

Furthermore, notwithstanding the foregoing, the following shall not constitute or be deemed "*Indebtedness*":

(i) any indebtedness which has been defeased in accordance with GAAP or defeased pursuant to the deposit of cash or Cash Equivalents (in an amount sufficient to satisfy all such indebtedness obligations at maturity or redemption, as applicable, and all payments of interest and premium, if any) in a trust or account created or pledged for the sole benefit of the holders of such indebtedness, and subject to no other Liens, and the other applicable terms of the instrument governing such indebtedness; and

(ii) taxes, assessments or other similar governmental charges or claims.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Purchasers*" means Deutsche Bank Securities Inc., Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Goldman Sachs & Co., SunTrust Robinson Humphrey, Inc., Cowen and Company, LLC, Comerica Securities, Inc. and The Williams Capital Group, L.P.

"*Initial Issuance Date*" means the date on which Notes are first issued under this Indenture.

"Initial Notes" means (i) $200 million aggregate principal amount of Notes issued on the Initial Issuance Date and (ii) Additional Notes, if any, issued in a transaction exempt from the registration requirements of the Securities Act.

"*Initial Purchasers*" means (i) with respect to the Initial Notes issued on the Initial Issuance Date, Deutsche Bank Securities Inc., Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, Goldman Sachs & Co., SunTrust Robinson Humphrey, Inc., Cowen and Company, LLC, Comerica Securities, Inc. and The Williams Capital Group, L.P., and (2) with respect to each issuance of Additional Notes, the Persons purchasing such Additional Notes under the related purchase or underwriting agreement.

"*Institutional Accredited Investor*" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, who are not also QIBs.

"*Investment Grade Rating*" means:

(1) a Moody's rating of Baa3 or higher and an S&P rating of at least BB+; or

(2) a Moody's rating of Ba1 or higher and an S&P rating of at least BBB-;

provided, *however*, that if (a) either Moody's or S&P changes its rating system, such ratings will be the equivalent ratings after such changes or (b) if S&P or Moody's or both shall not make a rating of the Notes publicly available, the references above to S&P or Moody's or both, as the case may be, shall be to a nationally recognized U.S. rating agency or agencies, as the case may be, selected by the Company, and the references to the ratings categories above shall be to the corresponding rating categories of such rating agency or rating agencies, as the case may be.

"*Investment Grade Rating Event*" means the first day on which the Notes are assigned an Investment Grade Rating.

"*Investments*" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees by the referent Person of Indebtedness or other obligations of other Persons), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP; *provided*, *however*, that the following shall not constitute investments:

(1) extensions of trade credit or other advances to customers on commercially reasonable terms in accordance with normal trade practices or otherwise in the ordinary course of business;

(2) Hedging Obligations entered into in the ordinary course of business and not for speculation; and

(3) endorsements of negotiable instruments and documents in the ordinary course of business.

If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Equity Interests of such Restricted Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07. The amount of an Investment (other than cash) shall be the Fair Market Value thereof on the date such Investment is made. Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value or write-ups, write-downs or write-offs with respect to such Investment.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in The City of New York, New York, Minneapolis, Minnesota or another place of payment are authorized or obligated by law, regulation or executive order to remain closed.

"Letter of Transmittal" means the letter of transmittal to be prepared by the Company and sent to all Holders of the Notes for use by such Holders in connection with the Exchange Offer.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction other than a precautionary financing statement respecting a lease not intended as a security agreement).

"Liquidated Damages" means all liquidated damages then owing pursuant to the Registration Rights Agreement.

"*Marketable Securities*" means, with respect to any Asset Sale, any readily marketable equity securities that are:

(1) traded on the New York Stock Exchange, the NYSE MKT or the NASDAQ Stock Exchange; and

(2) issued by a corporation or limited partnership having a total equity market capitalization of not less than $250.0 million; *provided* that the excess of (a) the aggregate amount of securities of any one such corporation or limited partnership held by the Company and any Restricted Subsidiary over (b) ten times the average daily trading volume of such securities during the 20 immediately

preceding trading days shall be deemed not to be Marketable Securities, as determined on the date of the contract relating to such Asset Sale.

"*Material Indebtedness*" means Indebtedness in an aggregate principal amount greater than or equal to $25 million at any one time outstanding.

"*Moody's*" means Moody's Investors Service, Inc. and its successors.

"Mortgaged Helicopters" means all helicopters (including the engines installed thereon) over which the Company or a Restricted Subsidiary has granted a Lien in favor of the lenders under the Revolving Credit Facility or any other Indebtedness incurred to finance such helicopter.

"*Net Income*" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

"*Net Proceeds*" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of (without duplication):

(1) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, sales commissions, recording taxes and fees, title transfer fees, title insurance premiums, appraiser fees and costs incurred in connection with preparing such asset for sale) and any severance costs and relocation expenses incurred as a result of such Asset Sale;

(2) taxes paid or estimated to be payable as a result of the Asset Sale (after taking into account any available tax credits or deductions and any tax sharing arrangements);

(3) amounts required to be applied to the repayment of Indebtedness secured by a Lien on the properties or assets that were the subject of such Asset Sale; or that must by its terms, or in order to obtain the necessary consent to such Asset Sale be repaid out of the proceeds of the Asset Sale;

(4) any reserve established in accordance with GAAP or any amount placed in escrow, in either case for adjustment in respect of the sale price of such properties or assets, for indemnification obligations of the Company or any of its Restricted Subsidiaries in connection with such Asset Sale or for other liabilities associated with such Asset Sale and retained by the Company or any of its Restricted Subsidiaries, until such time as such reserve is reversed or such escrow arrangement is terminated, in which case Net Proceeds shall include only the amount of the reserve so reversed or the amount returned to the Company or its Restricted Subsidiaries from such escrow arrangement, as the case may be; and

(5) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale, or to any other Person (other than the Company or a Restricted Subsidiary) owning a beneficial interest in the assets disposed of in such Asset Sale.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides any Guarantee and as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any Restricted Subsidiary (other than the Equity Interests of an Unrestricted Subsidiary) or (b) constitutes the lender; and

(2) no default thereunder would, as such, constitute a default under any Indebtedness of the Company or any Restricted Subsidiary; and

(3) to the extent incurred after the Initial Issuance Date, the express terms of which provide that there is no recourse to the Company or any Restricted Subsidiary of the Company (other than pursuant to a pledge of the Equity Interests of any Unrestricted Subsidiary by the Company or any of its Restricted Subsidiaries in order to secure such Indebtedness).

For purposes of determining compliance with Section 4.09, in the event that any Non-Recourse Debt of any of the Company's Unrestricted Subsidiaries ceases to be Non-Recourse Debt of such Unrestricted Subsidiary, such event will be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of the Company.

"*Non-U.S. Person*" means a Person who is not a U.S. Person.

"*Notes*" means the 7.750% Senior Notes due 2022 issued under this Indenture, including the Initial Notes, the Additional Notes and the Exchange Notes. The Initial Notes, the Additional Notes and the Exchange Notes shall be treated as a single class for all purposes under the Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes, the Additional Notes and the Exchange Notes.

"*Offering Memorandum*" means the offering memorandum dated December 4, 2012 used to offer the Initial Notes to prospective Holders.

"*Officer*" means the Chairman of the Board, the Chief Executive Officer, the President, any Vice Chairman of the Board, any Vice President, the Chief Financial Officer, the Chief Accounting Officer, the Treasurer, any Assistant Treasurer, the Controller, any Assistant Controller, the Secretary or any Assistant Secretary, or in the case of a limited liability company, any Manager, of a Person.

"*Officer's Certificate*" means a certificate signed on behalf of the Company or a Guarantor by any Officer of the Company or such Guarantor, as applicable, that is delivered to the Trustee.

"*Opinion of Counsel*" means a written opinion from legal counsel to the Company or a Guarantor that is delivered to the Trustee. The counsel may be an employee of the Company or such Guarantor.

"*Pari Passu Indebtedness*" means, with respect to any Net Proceeds from Asset Sales, Indebtedness of the Company and its Restricted Subsidiaries that ranks equal in right of payment with the Notes or the Subsidiary Guarantees, as the case may be.

"*Permitted Business*" means any business of the Company and its Subsidiaries or joint ventures conducted on the Initial Issuance Date or a business that is reasonably complementary or related to the foregoing or developments, extensions or renewals of the foregoing.

"*Permitted Foreign Jurisdiction*" means each of Australia, Belgium, Bermuda, the Cayman Islands, Gibraltar, Ireland, Luxembourg, the Netherlands or Switzerland.

"*Permitted Investments*" means:

(1) any Investment in the Company (including an Investment in the Notes) or in a Restricted Subsidiary of the Company;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person if as a result of such Investment (a) such Person becomes a Restricted Subsidiary of the Company or (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Company or any Restricted Subsidiary of the Company;

(4) any Investment made as a result of the receipt of Designated Non-cash Consideration or any other non-cash consideration from (a) an Asset Sale that was made pursuant to and in compliance with Section 4.10 or (b) a disposition of properties or assets that does not constitute an Asset Sale;

(5) receivables owing to the Company or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(6) Investments in any Person (a) in exchange for an issue or sale by the Company of its Equity Interests (other than Disqualified Stock) or (b) out of the net cash proceeds of an issue or sale by the Company of its Equity Interests (other than Disqualified Stock) so long as such Investment pursuant to clause (b) occurs within 90 days of the closing of such issuance or sale of Equity Interests; *provided* that in the case of clause (a), the Fair Market Value of such Investments and in the case of clause (b), such net cash proceeds will not increase the amount available for Restricted Payments under Section 4.07(a)(4)(C);

(7) loans or advances to employees (other than executive officers) made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary and other advances to employees not in excess of $2 million outstanding at any one time in the aggregate;

(8) Investments in a Person engaged principally in any business conducted by the Company, its Subsidiaries or its joint ventures on the Initial Issuance Date (or a business that is reasonably complementary, ancillary or related to the foregoing and development, expansions and extensions thereof), *provided* that the aggregate outstanding amount of such Investments at any one time outstanding shall not exceed the greater of (i) $30.0 million and (ii) 3.0% of Consolidated Net Tangible Assets, determined as of the date each such Investment is made;

(9) any Investments received (a) in compromise or resolution of, or upon satisfaction of judgments with respect to, (i) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer, or (ii) litigation, arbitration or other disputes; or (b) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment in default;

(10) any guarantee of Indebtedness of the Company or a Restricted Subsidiary permitted to be incurred by Section 4.09;

(11) Investments that are in existence on the Initial Issuance Date, or made pursuant to legally binding written commitments in existence on the Initial Issuance Date, and any extension, modification or renewal thereof, but only to the extent not involving additional advances, contributions or other Investments of cash or other assets or other increases thereof (other than as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities, in each case, pursuant to the terms of such Investment as in effect on the Initial Issuance Date);

(12) Investments acquired after the Initial Issuance Date as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 5.01 after the Initial Issuance Date, to the extent that such Investments were not made in contemplation of such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(13) guarantees by the Company or any of its Restricted Subsidiaries of operating leases (other than Capital Lease Obligations) or of other obligations, in each case of the Company or a

Restricted Subsidiary that do not constitute Indebtedness, in each case entered into by the Company or any Restricted Subsidiary of the Company in the ordinary course of business;

(14) Hedging Obligations incurred in compliance with Section 4.09; and

(15) other Investments in an aggregate outstanding amount not to exceed the greater of (i) \$60.0 million and (ii) 6% of Consolidated Net Tangible Assets, determined as of the date each such Investment is made.

In determining whether an Investment is a Permitted Investment, the Company may allocate all or any portion of any Investment and later reallocate all or any portion of any Investment to one or more of the above clauses (1) through (15) and any of the provisions of Section 4.07.

"*Permitted Liens*" means:

(1) Liens securing Indebtedness incurred pursuant to Section 4.09(b)(1);

(2) Liens in favor of the Company and its Restricted Subsidiaries;

(3) Liens on any property, asset or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (or is merged with or into or is consolidated with the Company or any Restricted Subsidiary); *provided* that such Liens were not created or incurred in connection with, or in contemplation of, such other Person becoming a Restricted Subsidiary (or such merger or consolidation) and do not extend to any other property or asset owned by the Company or any of its Restricted Subsidiaries;

(4) Liens on any property or asset existing at the time of its acquisition by the Company or any Restricted Subsidiary of the Company; *provided* that such Liens were not created or incurred in connection with, or in contemplation of, such acquisition and do not extend to any other property or asset;

(5) Liens to secure the performance of tenders, bids, statutory obligations, surety or appeal bonds, government contracts, leases, workers compensation obligations, performance bonds, insurance obligation or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(6) Liens securing Hedging Obligations entered into in the ordinary course of business and not for speculation;

(7) Liens existing on the Initial Issuance Date (and not referred to in clause (1) of this definition);

(8) Liens securing Non-Recourse Debt;

(9) any interest or title of a lessor under a Capital Lease Obligation or an operating lease;

(10) Liens arising by reason of deposits necessary to obtain standby letters of credit in the ordinary course of business;

(11) Liens on real or personal property or assets of the Company or a Restricted Subsidiary thereof to secure Indebtedness (including, without limitation, Indebtedness permitted pursuant to Section 4.09(b)(9)) incurred for the purpose of (a) financing all or any part of the purchase price of such property or assets incurred prior to, at the time of, or within 180 days after, the acquisition of such property or assets or (b) financing all or any part of the cost of construction of any such property or assets, *provided* that the amount of any such financing shall not exceed the amount expended in

the acquisition of, or the construction of, such property or assets and such Liens shall not extend to any other property or assets of the Company or a Restricted Subsidiary (other than any associated accounts, contracts and insurance proceeds, proceeds thereof, accessions thereto, upgrades thereof and improvements thereto);

(12) Liens securing any Permitted Refinancing Indebtedness with respect to Indebtedness secured by Liens referred to in clauses (3), (4), (7) and (11) above and this clause (12); *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced or is in respect of property or assets that are the security for a Permitted Lien hereunder;

(13) Liens created for the benefit of or to secure all outstanding Notes or the Subsidiary Guarantees;

(14) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(15) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(16) Liens on specific items of inventory, receivables or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances or receivables securitizations issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory, receivables or other goods;

(17) Liens on the Equity Interests of Unrestricted Subsidiaries securing Non-Recourse Debt;

(18) grants of software and other technology licenses in the ordinary course of business;

(19) any Eligible Lease or Lien on a Mortgaged Helicopter arising in connection with an Eligible Lease of such Mortgaged Helicopter, which Lien is expressly permitted by such Eligible Lease to exist and which Lien the related Eligible Lessee is ultimately obligated to remove; and

(20) Liens not otherwise permitted by clauses (1) through (19) above securing Indebtedness not in excess of an aggregate of the greater of (a) $30.0 million or (b) an amount equal to 3% of Consolidated Net Tangible Assets at any one time outstanding (determined at the time of granting each such Lien).

"*Permitted Refinancing Indebtedness*" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided*, *however*, that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus premium, if any, and accrued interest on, the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of all fees and expenses and underwriting discounts incurred in connection therewith);

(2) (a) if the Stated Maturity of the Indebtedness being refinanced is earlier than the Stated Maturity of the Notes, the Permitted Refinancing Indebtedness has a Stated Maturity no earlier than the Stated Maturity of such Indebtedness being refinanced or (b) if the Stated Maturity of the

Indebtedness being refinanced is later than the Stated Maturity of the Notes, the Permitted Refinancing Indebtedness has a Stated Maturity at least 91 days later than the Stated Maturity of the Notes;

(3) the Permitted Refinancing Indebtedness has a Weighted Average Life to Maturity at the time such Permitted Refinancing Indebtedness is incurred that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being extended, refinanced, renewed, replaced, deferred or refunded;

(4) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes or the Subsidiary Guarantees, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes or the Subsidiary Guarantees on terms at least as favorable, taken as a whole, to the Holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(5) such Permitted Refinancing Indebtedness is not incurred by a Restricted Subsidiary of the Company that is not a Guarantor if the Company or a Guarantor is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock*", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"*Private Placement Legend*" means the legend set forth in Section 2.07(o)(i) of this Indenture to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Productive Assets*" means aircraft or other assets (other than assets that would be classified as current assets in accordance with GAAP) of the kind used or usable by the Company or its Restricted Subsidiaries in any business conducted by the Company or any of its Subsidiaries or joint ventures on the Initial Issuance Date (or a business that is reasonably complementary, ancillary or related to the foregoing and developments, extensions or expansions of the foregoing).

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Qualified Equity Offering*" means any public or private sale of Equity Interests of the Company (other than Disqualified Stock) or any direct or indirect parent of the Company (to the extent the proceeds from such offering are contributed to the common equity capital of the Company) made for cash on a primary basis after the Initial Issuance Date, other than offerings to a Subsidiary of the Company or public offerings registered on Form S-8.

"*Ratings Event*" means a reduction in the rating assigned to the Notes by either Moody's or S&P to a rating below the rating assigned by such agency to the Notes immediately prior to the first public announcement of the applicable Change of Control.

"*Registration Rights Agreement*" means (1) with respect to the Notes issued on the Initial Issuance Date, the Registration Rights Agreement, to be dated the Initial Issuance Date, among the Company, the initial Subsidiary Guarantors and the Initial Purchasers and (2) with respect to any Additional Notes, any registration rights agreement between the Company and the other parties thereto relating to the registration by the Company of such Additional Notes under the Securities Act.

“*Regulation S*” means Regulation S promulgated under the Securities Act.

“*Regulation S Global Note*” means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued initially in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 903 of Regulation S on the Initial Issuance Date.

“*Responsible Officer*” means any officer within the corporate trust services division of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of the Indenture.

“*Restricted Definitive Note*” means a Definitive Note bearing the Private Placement Legend.

“*Restricted Global Note*” means a Global Note bearing the Private Placement Legend.

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Period*” means the 40-day distribution compliance period as defined in Regulation S.

“*Restricted Subsidiary*” of a Person means any Subsidiary of such Person that is not an Unrestricted Subsidiary. Unless the context otherwise requires, references to a Restricted Subsidiary shall be to a Restricted Subsidiary of the Company.

“Revolving Credit Facility” means the collective reference to the Company's five-year senior secured revolving credit facility dated as of December 22, 2011 and any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages, letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Revolving Credit Facility or one or more other credit agreements, indentures (including the Indenture) or financing agreements or otherwise), unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Revolving Credit Facility. Without limiting the generality of the foregoing, the term “Revolving Credit Facility” shall include any agreement (i) changing the maturity of any Indebtedness incurred thereunder or contemplated thereby, (ii) adding Subsidiaries of the Company as additional borrowers or guarantors thereunder, (iii) increasing the amount of Indebtedness incurred thereunder or available to be borrowed thereunder or (iv) otherwise altering the terms and conditions thereof.

“*Rule 144*” means Rule 144 promulgated under the Securities Act.

“*Rule 144A*” means Rule 144A promulgated under the Securities Act.

“*Rule 144A Global Note*” means a Global Note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be initially issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A on the Initial Issuance Date.

“*Rule 903*” means Rule 903 promulgated under the Securities Act.

“*Rule 904*” means Rule 904 promulgated under the Securities Act.

"*S&P*" means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

"*Sale/Leaseback Transaction*" means an arrangement relating to property owned by the Company or a Restricted Subsidiary on the Initial Issuance Date or thereafter acquired by the Company or a Restricted Subsidiary whereby the Company or a Restricted Subsidiary transfers such property to a Person and the Company or a Restricted Subsidiary leases it from such Person.

"*SEACOR*" means SEACOR Holdings, Inc.

"SEACOR Preferred Shares" means the Series A Preferred Shares and Series B Preferred Shares that are outstanding as of the Initial Issuance Date.

"*Securities Act*" means the United States Securities Act of 1933, as amended.

"Series A Preferred Shares" means the Company's 6% Cumulative Perpetual Preferred Stock, Series A.

"*Series B Exchange Agreement*" means the Series B Exchange Agreement to be entered into between the Company and SEACOR in connection with the retirement of the Series B Preferred Shares prior to the Spin-Off.

"Series B Preferred Shares" means the Company's Preferred Stock, Series B.

"*Shelf Registration Statement"* means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"*Significant Subsidiary*" means any Restricted Subsidiary of the Company that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation S-X is in effect on the Initial Issuance Date.

"Spin-Off" means the distribution by SEACOR of all or a substantial portion of the outstanding Voting Stock of the Company to holders of common stock of SEACOR.

"*Stated Maturity*" means, with respect to any installment of principal on any series of Indebtedness, the date on which such payment of principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

"*Subordinated Indebtedness*" means Indebtedness subordinated in right of payment to the notes.

"*Subsidiary*" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of its Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof);

(2) any partnership, joint venture, limited liability company or similar entity of which more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(3) any other Person whose results for financial reporting purposes are consolidated with those of such Person in accordance with GAAP.

Unless the context otherwise requires, references to a Subsidiary shall be to a Subsidiary of the Company.

"*Subsidiary Guarantee*" means the guarantee by each Guarantor of the Company's payment obligations under the Indenture and the Notes, executed pursuant to the provisions hereof.

"Tax Matters Agreement" means the tax matters agreement to be entered into between the Company and SEACOR in connection with the Spin-Off, substantially in the form filed as an exhibit to the Company's Registration Statement on Form 10 on October 12, 2012.

"*TIA*" means the Trust Indenture Act of 1939, as amended, as in effect on the date hereof.

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to December 15, 2017; *provided, however*, that if such period is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Company shall obtain the Treasury Rate by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to December 15, 2017 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" means the Person named as the "Trustee" in the first paragraph of this Indenture until a successor Trustee replaces it in accordance with the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution and any Subsidiary of an Unrestricted Subsidiary, but only to the extent that each of such Subsidiary and its Subsidiaries at the time of such designation:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless such agreement, contract arrangement or understanding does not violate Section 4.11;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, in each case, except to the extent otherwise permitted by the Indenture; and

(4) such Subsidiary, either alone or in the aggregate with all other Unrestricted Subsidiaries, does not operate, directly or indirectly, all or substantially all of the business of the Company and its Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee the Board Resolution giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions and was permitted by Section 4.07. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09, the Company shall be in default of such Section). The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if:

(a) such Indebtedness is permitted under Section 4.09, calculated on a pro forma basis as if such designation had occurred at the beginning of the four- quarter reference period; and

(b) no Default or Event of Default would be in existence following such designation.

"*U.S. Dollar Equivalent*" means with respect to any monetary amount in a currency other than Dollars, at any time for determination thereof, the amount of Dollars obtained by converting such foreign currency involved in such computation into Dollars at the spot rate for the purchase of Dollars with the applicable foreign currency as published in *The Wall Street Journal* "in US$" column under the heading "Currencies" in the "Currencies & Commodities" subsection on the date two Business Days prior to such determination.

Except as described under Section 4.09, whenever it is necessary to determine whether the Company has complied with any covenant in the Indenture or a Default has occurred and an amount is expressed in a currency other than Dollars, such amount will be treated as the U.S. Dollar Equivalent determined as of the date such amount is initially determined in such currency.

"*U.S. Subsidiary*" means any Subsidiary organized under the laws of the United States, any state thereof or the District of Columbia.

"*Voting Stock*" of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing

(1) the sum of the products obtained by multiplying

(A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by

(B) the number of years (calculated to the nearest one twelfth) that will elapse between such date and the making of such payment, by

(2) the then outstanding principal amount of such Indebtedness.

"*Wholly Owned Restricted Subsidiary*" of any Person means a Restricted Subsidiary of such Person, all of the Capital Stock of which (other than directors' qualifying shares) is owned by the Company or another Wholly Owned Restricted Subsidiary.

SECTION 1.02 *Other Definitions*.

Term	Defined in Section
"*Additional Amounts*"	4.16(a)
"*Affiliate Transaction*"	4.11(a)
"*Asset Sale Offer*"	4.10(d)
"*Authentication Order*"	2.03
"*Change of Control Offer*"	4.15(a)
"*Change of Control Payment*"	4.15 (a)
"*Change of Control Payment Date*"	4.15 (a)
"*Covenant Defeasance*"	8.03
"*Event of Default*"	6.01
"*Excess Proceeds*"	4.10(d)
"*Funding Guarantor*"	10.05
"*Legal Defeasance*"	8.02
"*Offer Amount*"	4.15
"*Offer Period*"	4.15
"*Pari Passu Notes*"	4.10(d)
"*Paying Agent*"	2.04
"*Payment Default*"	6/1/2005
"*Purchase Date*"	4.15
"*Registrar*"	2.04
"*Restricted Payment*"	4.07(a)
"*Tax Jurisdiction*"	4.16(a)
"*Tax Redemption Date*"	3.08(b)
"*Taxes*"	4.16(a)

SECTION 1.03 *Incorporation by Reference of Trust Indenture Act.*

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture (and if this Indenture is not qualified under the TIA at that time, as if it were so qualified unless otherwise provided). The following TIA terms used in this Indenture have the following meanings:

"*indenture securities*" means the Notes.

"*indenture security holder*" means a Holder.

"*indenture to be qualified*" means the Indenture.

"*indenture trustee*" or "*institutional trustee*" means the Trustee.

"*obligor*" on the Notes and the Subsidiary Guarantees means the Company and the Guarantors, respectively, and any successor obligor on the Notes and the Subsidiary Guarantees, respectively.

All other terms used in this Indenture that are defined by the TIA, defined by a TIA reference to another statute or defined by a Commission rule under the TIA have the meanings so assigned to them.

SECTION 1.04 *Rules of Construction*.

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) provisions apply to successive events and transactions; and

(6) all references in this instrument to Articles and Sections are references to the corresponding Articles and Sections in and of this instrument.

ARTICLE II

THE NOTES

SECTION 2.01 *Designation and Amount*.

The Notes shall be designated as the "7.750% Senior Notes due 2022". The aggregate principal amount of Notes that will be authenticated and delivered under this Indenture on the Initial Issuance Date is $200.0 million. Additional Notes may be issued hereunder in accordance with Section 2.15 hereof.

SECTION 2.02 *Forms Generally*.

(a) *General*. The Notes and the Trustee's certificate of authentication to be borne by the Notes shall be substantially in the form of Exhibit A hereto.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the Officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of the Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any national securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibit A hereto, including the "Global Note Legend" thereon and the "Schedule of Increases or Decreases in the Global Note" attached thereto). Notes issued in definitive form will be substantially in the form of Exhibit A hereto, but without the "Global Note Legend" thereon and without the "Schedule of Increases or Decreases in the Global Note" attached thereto. Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon or on the "Schedule of Increases or Decreases in the Global Note" included therein and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, transfers and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee or the Depositary, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.07 hereof.

(c) *Definitive Notes*. Except as otherwise provided herein, owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of Definitive Notes.

The terms and provisions contained in the form of Note attached as Exhibit A shall constitute, and are hereby expressly made, a part of this Indenture.

SECTION 2.03 *Execution, Authentication, Delivery and Dating*.

An Officer of the Company shall sign the Notes on behalf of the Company by manual or facsimile signature. If an Officer of the Company whose signature is on a Note no longer holds that office at the time the Note is authenticated, such Note shall be valid nevertheless.

A Note shall not be entitled to any benefit under the Indenture or the Subsidiary Guarantees or be valid or obligatory for any purpose until authenticated by the manual signature of an authorized signatory of the Trustee, which signature shall be conclusive evidence that the Note has been authenticated under the Indenture.

On the Initial Issuance Date, the Trustee shall authenticate and deliver \$200.0 million in aggregate principal amount of the Notes, and at any time and from time to time thereafter, the Trustee shall authenticate and deliver Notes for original issue that may be validly issued under the Indenture (including any Additional Notes) in an aggregate principal amount specified in any written order of the Company signed by an Officer (an "*Authentication Order*").

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate the Notes. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in the Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Company, any Guarantor or any other Affiliate of the Company.

SECTION 2.04 *Registrar and Paying Agent*.

The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar shall keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "*Registrar*" includes any co-registrar and the term "*Paying Agent*" includes any additional paying agent.

The Company shall notify in writing the Trustee of the name and address of any Agent not a party to the Indenture. The Company may change any Paying Agent or Registrar without notice to any Holder. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any Restricted Subsidiary may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company or its nominee to act as Depositary with respect to the Global Notes.

The Company initially appoints the corporate trust office or agency of the Trustee to act as the Registrar and Paying Agent with respect to the Global Notes.

SECTION 2.05 *Paying Agent to Hold Money in Trust*.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, or premium, if any, or interest, if any, or Additional Amounts, if any, on, the Notes and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed. Upon payment over to the Trustee and upon accounting for any funds disbursed, the Paying Agent (if other than the Company, a Guarantor or another Restricted Subsidiary) shall have no further liability for the money. If the Company or a Restricted Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Each Paying Agent shall otherwise comply with TIA § 317(b).

SECTION 2.06 *Holder Lists*.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders and shall otherwise comply with TIA § 312(a). If the Trustee is not the Registrar with respect to the Notes, the Company shall furnish to the Trustee at least five Business Days before each interest payment date with respect to the Notes, and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders as of the record date for such interest payment date, and the Company shall otherwise comply with TIA § 312(a).

SECTION 2.07 *Transfer and Exchange*.

(a) *Transfer and Exchange of Definitive Notes*. Subject to Section 2.07(n), when Definitive Notes are presented to the Registrar with a request:

(A) to register the transfer of such Definitive Notes; or

(B) to exchange such Definitive Notes for an equal principal amount of Definitive Notes of other authorized denominations,

the Registrar shall register the transfer or make the exchange as requested if its reasonable requirements for such transaction are met; *provided, however*, that the Definitive Notes surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing;

(b) *Restrictions on Transfer of a Definitive Note for a Beneficial Interest in a Global Note.* Subject to certain conditions, the Notes represented by the global securities will be exchangeable for Definitive Notes of like tenor and principal amount as such Notes if (1) the Depositary notifies the Company that it is unwilling or unable to continue as Depositary for the Global Note and a successor is not appointed within 90 days thereafter or if at any time the Depositary ceases to be a clearing agency registered under the Exchange Act or (2) the Company in their discretion at any time determines not to have all of the Notes represented by the global securities.

Any Notes that are exchangeable pursuant to the preceding sentence will be exchanged for Definitive Notes issuable in authorized denominations and registered in such names as the Depositary shall direct.

(c) *Transfer and Exchange of Global Notes*. Subject to Section 2.07(e), the Global Note is not exchangeable, except for a Global Note of the same aggregate denomination to be registered in the name of the Depositary or its nominee. The transfer and exchange of Global Notes or beneficial interests therein shall be effected through the Depositary, in accordance with this Indenture (including applicable restrictions on transfer set forth herein, if any) and the procedures of the Depositary therefor.

(d) *Restrictions on Transfer and Exchange of Global Notes*. Notwithstanding any other provisions of this Indenture (other than the provisions set forth in subsection (e) of this Section 2.07), a Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary.

(e) *Authentication in Absence of Depositary*. If at any time:

(A) the Company delivers to the Trustee written notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 90 days after the date of such notice from the Depositary;

(B) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; or

(C) there has occurred and is continuing a Default or Event of Default with respect to the Notes and the Depositary notifies the Trustee in writing of its decision to exchange the applicable Global Note for Definitive Notes;

then the Company will execute, and the Trustee, upon receipt of an Officer's Certificate requesting the authentication and delivery of Definitive Notes to the Persons designated by the Company, will authenticate and deliver Definitive Notes, in an aggregate principal amount equal to the principal amount of Global Notes, in exchange for such Global Notes.

(f) *Cancellation and/or Adjustment of Global Note*. At such time as all beneficial interests in a Global Note have either been exchanged for Definitive Notes, redeemed, repurchased or canceled, such Global Note shall be returned to the Depositary for cancellation or retained and canceled by the Trustee. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for Definitive Notes, redeemed, repurchased or canceled, the principal amount of Notes represented by such Global Note shall be reduced and an adjustment shall be made on the books and records of the Trustee (if it is then the Custodian for such Global Note) with respect to such Global Note, by the Trustee or the Custodian, to reflect such reduction.

(g) *Obligations with Respect to Transfers and Exchanges of Notes.*

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Definitive Notes and Global Notes upon receipt of an Authentication Order in accordance with Section 2.03 of this Indenture or at the Registrar's request.

(ii) No service charge shall be made for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax, assessments, or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.11, 3.06, 3.07 and 9.05 of this Indenture).

(iii) Neither the Registrar nor the Company shall not be required to register the transfer of or exchange of (a) any Note selected for redemption in whole or in part pursuant to Article 3, except the unredeemed portion of any Note being redeemed in part, or (b) any Note for a period beginning 15 Business Days before the mailing of a notice of an offer to repurchase or redeem Notes or 15 Business Days before an Interest Payment Date (whether or not an Interest Payment Date or other date determined for the payment of interest), and ending on such mailing date or Interest Payment Date, as the case may be, or (c) a Note between a record date and the next succeeding interest payment date.

(iv) Prior to the due presentation for registration of transfer of any Note, the Company, the Guarantors, the Trustee, the Paying Agent or the Registrar may deem and treat the person in whose name a Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Note and for all other purposes whatsoever, whether or not such Note is overdue, and none of the Company, the Trustee, the Paying Agent or the Registrar shall be affected by notice to the contrary.

(v) All Notes issued upon any transfer or exchange pursuant to the terms of this Indenture shall evidence the same debt and shall be entitled to the same benefits under this Indenture as the Notes surrendered upon such transfer or exchange.

(vi) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.07 to effect a registration of transfer or exchange may be submitted by facsimile.

(vii) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.03 of this Indenture.

(h) *No Obligation of the Trustee.*

(i) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in the Depositary or other Person with respect to the accuracy of the records of the Depositary or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depositary) of any notice (including any notice of redemption) or the payment of any amount, under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders under the Notes shall be given or made only to or upon the order of the registered Holders (which shall be the Depositary or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note in global form shall be exercised only through the Depositary subject to the applicable rules and procedures of the Depositary. The Trustee may conclusively rely and shall be fully protected in relying upon information furnished by the Depositary with respect to its members, participants and any beneficial owners. Neither the Trustee nor any Agent shall have any responsibility for any actions taken or not taken by the Depositary.

(ii) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including, without limitation, any transfers between or among Depositary participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(i) Notwithstanding the foregoing paragraphs of this Section 2.07, the terms and provisions set forth in the following clauses (j) through (r) shall also apply to the Notes. To the extent that any of the terms and provisions of the following clauses (j) through (r) conflict with the express provisions of the foregoing paragraphs of this Section 2.07, the terms and provisions of such clauses (j) through (r) shall govern and be controlling.

(j) *Transfer and Exchange of Global Notes*. A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(i) the Company delivers to the Trustee written notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 90 days after the date of such notice from the Depositary;

(ii) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; *provided* that in no event shall the Regulation S Global Note be exchanged by the Company for Definitive Notes prior to the expiration of the Restricted Period; or

(iii) there has occurred and is continuing a Default or Event of Default with respect to the Notes and the Depositary notifies the Trustee in writing of its decision to exchange the applicable Global Note for Definitive Notes.

Upon the occurrence of any of the preceding events in (i), (ii) or (iii) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.08 and 2.11 of this Indenture. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.07 or Sections 2.08 or 2.11 of this Indenture, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.07(j), *however*, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.07(b), (e), (k), (l) or (o) hereof.

(k) *Transfer and Exchange of Beneficial Interests in the Global Notes*. The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (i) or (ii) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(i) *Transfer of Beneficial Interests in the Same Global Note*. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.07(k)(i);

(ii) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes*. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.07(k)(i) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (i) above; *provided* that in

no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Global Note prior to the expiration of the Restricted Period.

Upon consummation of an Exchange Offer by the Company in accordance with Section 2.07(o) hereof, the requirements of this Section 2.07(k)(ii) with respect to the exchange of the Initial Notes for the Exchange Notes shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.07(q) hereof.

(iii) *Transfer of Beneficial Interests to Another Restricted Global Note*. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.07(k)(ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the Rule 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof: and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.; *provided, however*, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser).

(iv) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note*. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(k)(ii) above and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a Broker-Dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company:

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an

Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), an Opinion of Counsel in form acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(l) *Transfer or Exchange of Beneficial Interests for Definitive Notes*.

(i) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* Subject to Section 2.07(b) and (e), if any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or another available exemption, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of their Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof;

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.07(q) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.07(l) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.07(l)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes*. Subject to Section 2.07(b) and (e), a holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a Broker-Dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), an Opinion of Counsel in form acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act;

(iii) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes*. Subject to Section 2.07(b) and (e), if any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.07(k)(ii) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.07(q) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.07(l)(iii) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant in accordance with Applicable Procedures. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.07(l)(iii) will not bear the Private Placement Legend.

(m) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(i) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes*. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 or any other exemption from the registration requirements of the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof; or

(E) if such Restricted Definitive Note is being transferred to the Company or any of their Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof.

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the Rule 144A Global Note, and, in the case of clause (C) above, the Regulation S Global Note.

(ii) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes*. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a Broker-Dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Security Registrar receives the following:

(1) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(2) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), an Opinion of Counsel in form acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.07(m)(ii), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(iii) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes*. A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (ii) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 of this Indenture, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(n) *Transfer and Exchange of Definitive Notes for Definitive Notes*. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.07(n), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.07(n).

(i) *Restricted Definitive Notes to Restricted Definitive Notes*. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(ii) *Restricted Definitive Notes to Unrestricted Definitive Notes*. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if,

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a Broker-Dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(2) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), an Opinion of Counsel in form acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) *Unrestricted Definitive Notes to Unrestricted Definitive Notes*. A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(o) *Exchange Offer*. Upon the occurrence of the Exchange Offer in accordance with the Registration Rights Agreement, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.03 of this Indenture, the Trustee will authenticate:

(i) one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Notes accepted for exchange or transfer in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company; and/or

(ii) subject to Section 2.07(b) and (e), Unrestricted Definitive Notes in an aggregate principal amount equal to the principal amount of the Restricted Definitive Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company.

Concurrently with the issuance of such Notes, the Trustee will cause the aggregate principal amount of the applicable Restricted Global Notes to be reduced accordingly, and the Company will execute and the Trustee will authenticate and deliver to the Persons designated by the Holders of Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate principal amount.

(p) *Legends*. The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture:

(i) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT; OR

(B) IT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO THE COMPANY OR A SUBSIDIARY OF THE COMPANY,

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(C) ABOVE OR (2)(D) ABOVE, A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE TRUSTEE) MUST BE DELIVERED TO THE TRUSTEE. PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(E) ABOVE, THE COMPANY RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (k)(iv), (l)(ii), (l)(iii), (m)(ii), (m)(iii), (n)(ii), (n)(iii) or (o) of this Section 2.07 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(ii) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.07 OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.12 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR

ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.”

(q) *Cancellation and/or Adjustment of Global Notes*. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.12 of this Indenture. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

SECTION 2.08 *Replacement Notes*.

If any mutilated Note is surrendered to the Trustee, or if the Holder of a Note claims that such Note has been destroyed, lost or stolen and the Company and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of such Note, the Company shall issue and the Trustee shall authenticate a replacement Note if the Trustee's requirements are met. If any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Note, pay such Note. If required by the Trustee, any Guarantor or the Company, such Holder must furnish an indemnity bond that is sufficient in the judgment of the Trustee and the Company to protect the Company, each Guarantor, the Trustee, any Agent or any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company and the Trustee may charge a Holder for their expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company.

SECTION 2.09 *Outstanding Notes*.

Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee hereunder and those described in this Section 2.09 as not outstanding.

If a Note is replaced pursuant to Section 2.08, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a bona fide purchaser.

If the principal amount of any Note is considered paid under Section 4.01, it ceases to be outstanding and interest on it ceases to accrue.

A Note does not cease to be outstanding because the Company, a Guarantor or another Affiliate of the Company or an Affiliate of a Guarantor holds such Note.

SECTION 2.10 *Treasury Notes*.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, amendment, supplement, waiver or consent, Notes owned by the Company, a Guarantor or any other obligor upon the Notes or any Affiliate of the Company or a Guarantor or of such other obligor shall be disregarded, except that, for the purpose of determining whether the Trustee shall be protected in relying upon any such direction, amendment, supplement, waiver or consent, only Notes that a Responsible Officer of the Trustee actually knows are so owned shall be so disregarded.

SECTION 2.11 *Temporary Notes*.

Until Definitive Notes are ready for delivery, the Company may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of Definitive Notes, but may have variations that the Company considers appropriate for temporary Notes. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate Definitive Notes in exchange for temporary Notes. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits under the Indenture as Definitive Notes.

SECTION 2.12 *Cancellation*.

The Company or any Guarantor at any time may deliver Notes to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange, payment or redemption. The Trustee shall cancel all Notes surrendered for registration of transfer, exchange, payment, redemption, replacement or cancellation. Unless the Company shall direct in writing that canceled Notes be returned to it, after written notice to the Company all canceled Notes held by the Trustee shall be disposed of in accordance with the customary procedures of the Trustee, and the Trustee shall maintain a record of their disposal. The Company may not issue new Notes to replace Notes that have been paid or that have been delivered to the Trustee for cancellation.

SECTION 2.13 *Defaulted Interest*.

If the Company defaults in a payment of interest on the Notes, the Company shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest on the defaulted interest, in each case at the rate provided in the Notes and in Section 4.01. The Company may pay the defaulted interest to the Persons who are Holders on a subsequent special record date. At least 15 days before any special record date selected by the Company, the Company (or the Trustee, in the name of and at the expense of the Company upon 20 days' prior written notice from the Company setting forth such special record date and the interest amount to be paid) shall mail to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

SECTION 2.14 *CUSIP Numbers*.

The Company in issuing the Notes may use “CUSIP” numbers and corresponding “ISINs” (if then generally in use) and, if so, the Trustee shall use “CUSIP” numbers and corresponding “ISINs” in notices of redemption as a convenience to the Holders thereof; *provided*, *however*, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee in writing of any change in the “CUSIP” numbers or corresponding “ISINs”.

SECTION 2.15 *Issuance of Additional Notes*.

After the Initial Issuance Date, the Company shall be entitled, subject to its compliance with Section 4.09, to issue Additional Notes under the Indenture, which shall have identical terms as the Initial Notes issued on the Initial Issuance Date, other than with respect to the date of issuance, the initial issuance price and the first interest payment date. With respect to any Additional Notes, the Company shall set forth in a Board Resolution and an Officer's Certificate, a copy of each which shall be delivered to the Trustee and upon which the Trustee shall be fully protected in relying, the following information:

(a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to the Indenture;

(b) the issue date and the CUSIP number of such Additional Notes;

(c) the date from which interest shall accrue on such Additional Notes; and

(d) such Officer's Certificate shall comply with the terms of Section 12.05.

The Company shall also deliver to the Trustee an Opinion of Counsel which shall state:

(1) that the form of such Notes has been established by or pursuant to a resolution of the Board of Directors in accordance with Sections 2.02 and 2.03 and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.02 and in conformity with the other provisions of this Indenture; and

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles.

SECTION 2.16 *Registration Rights Agreement*.

The Company and Holders of the Notes shall each have the benefits and obligations provided for in the Registration Rights Agreement.

SECTION 2.17 *References to Interest Include Liquidated Damages, if Any.*

Each reference to “interest” appearing in this Indenture, the Notes and Guarantees shall be deemed to refer to “interest and Liquidated Damages, if any.”

ARTICLE III

REDEMPTION AND PURCHASE

SECTION 3.01 *Notice to the Trustee*.

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.08 hereof, it shall notify the Trustee in writing of the redemption date and the principal amount of Notes to be redeemed. Except as provided in Section 3.03, the Company shall so notify the Trustee at least 31 days before the redemption date (unless a shorter notice shall be satisfactory to the Trustee) by delivering to the Trustee an Officer's Certificate stating that such redemption will comply with the provisions of the Indenture and of the Notes. Any such notice may be canceled at any time prior to the mailing of such notice of such redemption to any Holder and shall thereupon be void and of no effect.

SECTION 3.02 *Selection of Notes to Be Redeemed*.

If less than all of the Notes are to be redeemed at any time, selection of Notes for redemption will be made by the Trustee on a *pro rata* basis, by lot or by such method as the Trustee shall deem fair and appropriate or require unless otherwise required by law or applicable stock exchange or depositary requirements. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued in the name of the Holder upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption.

The Trustee shall promptly notify the Company and the Registrar in writing of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, the principal amount thereof to be redeemed. No Notes of $2,000 or less in principal amount can be redeemed or purchased in part. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof, except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased.

For purposes of this Indenture, unless the context otherwise requires, all provisions relating to redemption of Notes shall relate, in the case of any of the Notes redeemed or to be redeemed only in part, to the portion of the principal amount thereof which has been or is to be redeemed.

SECTION 3.03 *Notice of Redemption*.

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the redemption date, to each Holder whose Notes are to be redeemed at the address of such Holder appearing in the register of Notes maintained by the Registrar, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture pursuant to Articles VIII and XI hereto.

All notices of redemption shall identify the Notes to be redeemed and shall state:

(1) the redemption date;

(2) the redemption price (or the method by which it will be calculated);

(3) that, unless the Company and the Guarantors default in making the redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date, and the only remaining right of the Holders of such Notes is to receive payment of the redemption price upon surrender to the Paying Agent of the Notes redeemed;

(4) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) the name and address of the Paying Agent; and

(7) the CUSIP number, if any, relating to the Notes and that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

Notice of redemption of Notes to be redeemed at the election of the Company shall be given by the Company or, at the Company's written request with four days' notice prior to mailing the notice of redemption (or such shorter time as agreed by the Trustee), by the Trustee in the name and at the expense of the Company.

SECTION 3.04 *Effect of Notice of Redemption*.

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date and at the redemption price. Upon surrender to the Paying Agent, such Notes called for redemption shall be paid at the redemption price, but interest installments due on or prior to such redemption date will be payable on the relevant interest payment dates to the Holders of record of such Notes at the close of business on the relevant record dates. In connection with any redemption of notes (including with the net cash proceeds of a Qualified Equity Offering), any such redemption and any related notice may, at the Company's discretion, be subject to one or more conditions precedent, including the consummation of a Change of Control, an incurrence of Indebtedness and the consummation of a Qualified Equity Offering.

SECTION 3.05 *Deposit of Redemption Price*.

On or prior to 11:00 a.m., New York City time, on any redemption date, the Company or a Guarantor will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption of and accrued interest, if any, on all Notes to be redeemed or on that date. The Trustee or the Paying Agent will promptly return to the Company or such Guarantor any money deposited with the Trustee or the Paying Agent by the Company or such Guarantor in excess of the amounts necessary to pay the redemption price of and accrued interest, if any, on all Notes to be redeemed.

If the Company or a Guarantor complies with the provisions of the preceding paragraph, on and after the redemption date, interest will cease to accrue on the Notes or the portions of Notes called for redemption, whether or not such Notes are presented for payment, and the Holders of such Notes shall have no further rights with respect to such Notes except for the right to receive the redemption price of, accrued interest, if any, and Additional Amounts, if any, on such Notes upon surrender of such Notes. If a Note is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest and Additional Amounts, if any, shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption (which notice is not revoked) is not so paid upon surrender for redemption because of the failure of the Company or a Guarantor to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful, on any interest and Additional Amounts, if any, not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

SECTION 3.06 *Notes Redeemed in Part*.

Upon surrender of a Note that is redeemed in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder of such Note at the expense of the Company a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

SECTION 3.07 *Purchase of Notes*.

The Company, any Guarantor or any Affiliate of the Company or any Guarantor may, subject to applicable law, at any time purchase or otherwise acquire Notes in the open market or by private agreement. Any such acquisition shall not operate as or be deemed for any purpose to be a redemption of the indebtedness represented by such Notes. Any Notes purchased or acquired by the Company or a Guarantor may be delivered to the Trustee and, upon such delivery, the indebtedness represented thereby shall be deemed to be satisfied. Section 2.12 shall apply to all Notes so delivered.

SECTION 3.08 *Optional Redemption*.

(a) On and after December 15, 2017, the Notes will be subject to redemption on one or more occasions at the option of the Company, in whole or in part at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Additional Amounts, if any, to the applicable redemption date (subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the 12-month period beginning on December 15 of the years indicated below:

Year	Percentage
2017	103.875%
2018	102.583%
2019	101.292%
2020 and thereafter	100%

On or prior to December 15, 2015, the Company may on one or more occasions redeem up to 35% of the aggregate principal amount of Notes (including any Additional Notes issued after the Initial Issuance Date) at a redemption price equal to 107.750% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date), with the net cash proceeds of one or more Qualified Equity Offerings, *provided* that:

(1) at least 65% of the aggregate principal amount of Notes (including any Additional Notes) issued remains outstanding immediately after the occurrence of each such redemption; and

(2) each such redemption occurs within 180 days of the date of the closing of each such Qualified Equity Offering.

Prior to December 15, 2017, the Company may at its option on one or more occasions redeem all or part of the Notes at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to the redemption date (subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date).

(b) The Company (which, for the purposes of this Section 3.08(b) refers to a Person succeeding the Company that is organized or existing in a Permitted Foreign Jurisdiction) may redeem the Notes, in whole but not in part, at its discretion at any time upon giving not less than 30 nor more than 60 days' prior written notice to the Holders of the Notes (which notice will be irrevocable and given in accordance with the procedures described in Section 3.03 hereof), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to the date fixed by us for redemption (a “Tax Redemption Date”) and all Additional Amounts, if any, then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the rights of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date and Additional Amounts, if any, in respect thereof), if on the next date on which any amount would be payable in respect of the Notes, the Company is or would be required to pay Additional Amounts, and the Company cannot avoid any such payment obligation by taking reasonable measures available (including, for the avoidance of doubt, the appointment of a new paying agent), and the requirement arises as a result of:

(1) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the relevant Tax Jurisdiction affecting taxation, which change or amendment has not been publicly announced before and which becomes effective on or after the date on which the Tax Jurisdiction imposing the relevant withholding or deduction became the applicable Tax Jurisdiction under the Indenture; or

(2) any change in, or amendment to, the existing official position regarding the application, administration or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice), which change, amendment, application or interpretation has not been publicly announced before and becomes

effective on or after the date on which the Tax Jurisdiction imposing the relevant withholding or deduction became the applicable Tax Jurisdiction under the Indenture).

In the case of Additional Amounts required to be paid as a result of the Company's conducting business other than in the place of its organization, such amendment or change must be announced and become effective on or after the date in which the Company begins to conduct business giving rise to the relevant withholding or deduction.

The Company will not give any such notice of redemption earlier than 60 days prior to the earliest date on which it would be obligated to make such payment or withholding if a payment in respect of the Notes were then due, and at the time such notice is given, the obligation to pay Additional Amounts must remain in effect. Prior to the publication or, where relevant, mailing of any notice of redemption of the Notes pursuant to the foregoing, the Company will deliver to the Trustee an opinion of independent tax counsel to the effect that there has been such change or amendment which would entitle the Company to redeem such Notes hereunder. In addition, before the Company publishes or mails notice of redemption of the Notes, it will deliver to the Trustee an Officer's Certificate to the effect that it cannot avoid its obligation to pay Additional Amounts by taking reasonable measures available to it.

The Trustee will accept, and will be entitled to rely solely on, such Officer's Certificate and Opinion of Counsel as conclusive proof of the existence and satisfaction of the conditions precedent as described in the immediately preceding paragraph, in which event such satisfaction of the conditions precedent will be conclusive and binding on the Holders.

For the avoidance of doubt, the implementation of European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive will not be a change or amendment for such purposes.

(c) Any redemption pursuant to this Section 3.08 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

SECTION 3.09 *Mandatory Redemption*.

Except as set forth under Section 4.10 and Section 4.15, the Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes or to repurchase the Notes at the option of the Holders.

SECTION 3.10 *Offer to Purchase by Application of Excess Proceeds*.

In the event that, pursuant to Section 4.10 hereof, the Company is required to commence an Asset Sale Offer to all Holders to purchase Notes and, to the extent required by the terms of the Pari Passu Notes, to all holders of Pari Passu Notes, it will follow the procedures specified below.

The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than five Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and Pari Passu Notes as specified in Section 4.10(d) or, if less than the Offer Amount has been tendered, all Notes and Pari Passu Notes validly tendered and not withdrawn in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The Asset Sale Offer shall be made to all Holders. The notice, which will govern the terms of the Asset Sale Offer, will state:

(1) that the Asset Sale Offer is being made pursuant to this Section 3.10 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not properly tendered or accepted for payment will continue to accrue interest and Additional Amounts, if any;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest and Additional Amounts, if any, on and after the Purchase Date;

(5) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice prior to the end of the Offer Period;

(6) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(7) that, if the aggregate principal amount of Notes surrendered by Holders thereof and other Pari Passu Notes surrendered by Holders or lenders, collectively, exceeds the Offer Amount, the Trustee shall select the Notes and Pari Passu Notes to be purchased on a *pro rata* basis on the basis of the aggregate principal amount of tendered Notes and Pari Passu Notes (except that any Notes represented by a Note in global form will be selected by such method as the Depositary or its nominee or successor may require or, where the nominee or successor is the Trustee, a method that most nearly approximates pro rata selection as the Trustee deems fair and appropriate), based on the amounts tendered or required to be redeemed (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased); and

(8) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000 in excess thereof.

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the principal amount of Notes or portions thereof required to be purchased pursuant to this Section 3.10 (or, if less than the Offer Amount has been tendered, all Notes tendered), and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.10. The Company, a Guarantor, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon receipt of an Authentication Order, will authenticate and mail or deliver (or cause to be transferred by book-entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer on the Purchase Date.

ARTICLE IV

COVENANTS

SECTION 4.01 *Payment of Notes*.

The Company shall pay the principal of, and premium, if any, interest, if any, and Additional Amounts, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, interest, if any, and Additional Amounts, if any, shall be considered paid on the date due if the Paying Agent (other than the Company, a Guarantor or other Restricted Subsidiary) holds as of 11:00 a.m. New York time on that date money deposited by the Company or a Guarantor designated for and sufficient to pay all principal, premium, if any, interest, if any, and Additional Amounts, if any then due. Subject to Section 4.16, all payments made by the Company under or with respect to the Notes will be made free and clear of and without withhold or reduction for, or on account of, any Taxes (as used and defined in Section 4.16 hereof), unless the withholding or deduction of such Taxes is then required by law.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal, at a rate equal to the then applicable interest rate on the Notes to the extent lawful; and it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any, and Additional Amount, if any, (without regard to any applicable grace period) at the same rate to the extent lawful.

SECTION 4.02 *Maintenance of Office or Agency*.

The Company will maintain an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, the Registrar or the Paying Agent) where Notes may be surrendered for registration of transfer or for exchange, where Notes may be presented for payment and where notices and demands to or upon the Company or a Guarantor in respect of the Notes and the Indenture may be served; *provided*, *however* that the Company may, at its option, pay interest on the Notes by check mailed to Holders of the Notes at their registered address as it appears in the Registrar's books; and, *provided further*, that a Holder of at least $10.0 million principal amount of the Notes had given wire transfer instructions to the Company, the Company will pay all principal, interest and premium and Additional Amounts, if any, on that Holder's Notes in accordance with those instructions. The Company will give prompt written notice to the Trustee and the Guarantors of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee and the Guarantors with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of Wells Fargo Bank, National Association, as one such office or agency of the Company in accordance with Section 2.04.

SECTION 4.03 *Reports; Financial Statements*.

(a) Notwithstanding that the Company may not be subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will furnish to the Trustee and the Holders of Notes or post on a website maintained by the Company for such purpose within the time periods specified in the Commission's rules and regulations for non-accelerated filers, taking into account any extension of time, deemed filing date or safe harbor contemplated or provided for by Rule 12b-25 under the Exchange Act:

(1) all quarterly and annual financial and other information with respect to the Company and its Subsidiaries that would be required to be contained in a filing with the Commission on Forms

(which, if permitted under applicable rules of the Commission, may be the quarterly or annual report of any direct or indirect parent of the Company so long as the Company and its Subsidiaries collectively constitute substantially all of the consolidated assets of such direct or indirect parent and such report contains reasonably detailed financial information with respect to any such direct or indirect parent, the Company and its Subsidiaries on a consolidated basis),10-Q and 10-K if the Company were required to file such Forms, including a “Management's Discussion and Analysis of Financial Condition and Results of Operations” and, with respect to the annual information only, a report thereon by the Company's certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were required to file such reports.

So long as the Company is required to file periodic reports under Section 13(a) or Section 15(d) of the Exchange Act, the Company's obligation to deliver the information referred to above shall be deemed satisfied upon the filing such information with the Commission using the EDGAR system (or its successor) and such information is publicly available; *provided, however,* that the Trustee shall have no obligation whatsoever to determine whether or not such information, documents or reports have been filed pursuant to the EDGAR system (or its successor). Prior to any time during which the Company is required to file periodic reports under Section 13(a) or Section 15(d) of the Exchange Act, the Company may satisfy its obligation to provide information required by the foregoing paragraph by including such information in a registration statement on Form 10 or amendment thereto filed with the Commission. Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on officer's certificates).

Notwithstanding anything to the contrary in this Section 4.03(a), if at any time the Company is not required to file or cause to be filed the reports required by this Section 4.03(a) with the Commission, the Company shall not be required to comply with Section 302 or 404 of the Sarbanes-Oxley Act of 2002, Items 307, 308, 402, 406, 407 or 601 (other than Item 601(b)(10)) of Regulation S-K, Rule 3-10 of Regulation S-X, Item 5, Item 14 or Item 15(b) of Form 10-K or Item 5.02(e) or Item 5.07 of Form 8-K in any report provided pursuant to this Section 4.03.

(b) If the Company has designated any of its Subsidiaries as Unrestricted Subsidiaries, and such Unrestricted Subsidiaries' total assets (determined in accordance with GAAP) as of the end of the most recently completed fiscal year exceed an amount equal to 3% of the consolidated total assets of the Company and its Restricted Subsidiaries, then the quarterly and annual financial information required by Section 4.03(a) shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes to the financial statements and in “Management's Discussion and Analysis of Financial Condition and Results of Operations”, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries.

(c) For so long as any Notes remain outstanding, the Company and the Guarantors will furnish to the Holders and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

SECTION 4.04 *Compliance Certificate*.

(a) The Company and the Guarantors shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the Initial Issuance Date, a certificate signed by an Officer of the Company and each Guarantor, respectively, which need not constitute an Officer's Certificate, complying with TIA § 314(a)(4) and stating a review of the activities of the Company during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company or such Guarantor, as the case may be, has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating that to the best of his or her knowledge the Company or such Guarantor, as the case may be, has kept, observed, performed and fulfilled each and every covenant contained in the Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which such Officer may have knowledge and what action the Company or such Guarantor, as the case may be, is taking or proposes to take with respect thereto).

(b) The Company or any Guarantor shall, so long as any of the Notes are outstanding, deliver to the Trustee, within 30 days upon any Officer of the Company or such Guarantor, as the case may be, becoming aware of any Default or Event of Default under this Indenture, an Officer's Certificate specifying such Default or Event of Default and what action the Company or such Guarantor, as the case may be, is taking or proposes to take with respect thereto.

SECTION 4.05 *Taxes*.

The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

SECTION 4.06 *Waiver of Stay, Extension and Usury Laws*.

Each of the Company and the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of the Indenture; and each of the Company and the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

SECTION 4.07 *Limitation on Restricted Payments*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any such payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries), other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company;

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company (other than any such Equity Interests owned by the Company or any Restricted Subsidiary of the Company);

(3) make any principal payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value, any Indebtedness that is subordinated to the Notes or any Subsidiary Guarantee (excluding (i) any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries, (ii) the purchase, redemption, defeasance or other acquisition of Indebtedness that is subordinated to the Notes or to any Subsidiary Guarantee purchased, redeemed, defeased or otherwise acquired in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year after the date of purchase, redemption, defeasance or acquisition, and (iii) any payment of principal at the Stated Maturity thereof); or

(4) make any Restricted Investment; all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"), unless, at the time of and after giving effect to such Restricted Payment:

(A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(B) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth in Section 4.09(a); and

(C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Initial Issuance Date (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (8), (9), (10), (12), (13), (14) and (16), but including, without duplication, Restricted Payments permitted by clause (1) of Section 4.07(b)), is less than the sum, without duplication, of:

(i) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the first day of the first quarter beginning after the Initial Issuance Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(ii) 100% of the aggregate net cash proceeds and the Fair Market Value of marketable securities and property constituting Additional Assets, in each case received by the Company subsequent to the Initial Issuance Date (x) as a contribution to its common equity capital or (y) from the issue or sale since the Initial Issuance Date of Equity Interests of the Company (other than Disqualified Stock) or of Disqualified Stock or Indebtedness of the Company that has been converted into or exchanged for such Equity Interests (other than (I) any such Equity Interests, Disqualified Stock or Indebtedness sold to a Subsidiary of the Company or an employee stock ownership plan, option plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or guaranteed by the Company or any Restricted Subsidiary, unless such loans have been repaid with cash on or prior to the date of determination, (II) Disqualified Stock or other Indebtedness that has been converted into Disqualified Stock, and (III Excluded Contributions); *plus*

(iii) with respect to any Restricted Investments made by the Company or any of its Restricted Subsidiaries in any Person after the Initial Issuance Date:

(a) to the extent that after the Initial Issuance Date, any such Restricted Investment is sold or otherwise disposed of (other than to the Company or a Subsidiary), liquidated, repurchased, redeemed, or repaid, an amount equal to the aggregate amount received by the Company or any Restricted Subsidiary in cash or other property (valued at the Fair Market Value thereof); *plus*

(b) with respect to any such Restricted Investment in a Person that, after the Initial Issuance Date, becomes a Restricted Subsidiary or is merged or consolidated with the Company or a Restricted Subsidiary, an amount equal to the Fair Market Value of the Company's Restricted Investment in such Person at such time; *plus*

(c) (1) the aggregate amount of cash and the Fair Market Value of property other than cash received by the Company or any Restricted Subsidiary from a distribution or dividend from an Unrestricted Subsidiary, and (2) to the extent that after the Initial Issuance Date any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary or is merged or consolidated with or into, or transfers or otherwise disposes of its properties or assets to, or is liquidated into, the Company or any Restricted Subsidiary, the Fair Market Value of the Restricted Investment made by the Company or any of its Restricted Subsidiaries in such Subsidiary (or the property or assets disposed of, as applicable) as of the date of such redesignation, merger, consolidation, transfer, disposition or liquidation.

(b) The preceding provisions of this Section 4.07 will not prohibit any of the following:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) (i) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of Equity Interests of, the Company (other than any Disqualified Stock and other than Equity Interests issued or sold to a Subsidiary of the Company or an employee stock ownership plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or guaranteed by the Company or any Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination), or from the substantially concurrent contribution of common equity capital to the Company, in each case other than with Excluded Contributions, with a sale or contribution being deemed substantially concurrent if such Restricted Payment occurs not more than 120 days after such sale or contribution; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment shall be excluded from clause (4)(C)(ii) of Section 4.07(a) and (ii) if proceeds of any offering of Equity Interests contemplated by sub-clause (i) are used to repurchase, redeem or retire Disqualified Stock and immediately prior to such acquisition or retirement of such Disqualified Stock, dividends thereon were permitted pursuant to clause (16) of this Section 4.07(b), dividends on such Equity Interests in an aggregate amount per annum not exceeding the aggregate amount per annum of dividends so permitted on the repurchased, redeemed or retired Disqualified Stock;

(3) the defeasance, redemption, repurchase, retirement or other acquisition of Indebtedness subordinated to the Notes or the Subsidiary Guarantees with the net cash proceeds from an incurrence of, or in exchange for, Permitted Refinancing Indebtedness;

(4) the payment of any dividend or distribution by a Restricted Subsidiary of the Company to the Company or any of its Restricted Subsidiaries (and if such Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, to the other holders of its Capital Stock on a *pro rata* basis);

(5) so long as no Default or Event of Default shall have occurred and be continuing, the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company held by any current or former employee, officer, consultant or director of the Company or any of its Restricted Subsidiaries; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed $3.0 million in any calendar year (with

any portion of such \$3.0 million amount that is unused in any calendar year to be carried forward to successive calendar years and added to such amount) *plus*, to the extent not previously applied or included, (i) the net cash proceeds received by the Company or any of its Restricted Subsidiaries from sales of Equity Interests (other than Disqualified Stock) to employees or directors of the Company or its Restricted Subsidiaries that occur after the Initial Issuance Date (to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (4)(C)(ii) of Section 4.07(a)) and (ii) the net cash proceeds of key man life insurance policies received by the Company or any of its Restricted Subsidiaries after the Initial Issuance Date;

(6) the purchase, redemption or other acquisition or retirement for value of (i) Equity Interests by the Company (or loans, advances, dividends or distributions by the Company to any direct or indirect parent to permit such parent to repurchase or otherwise acquire its Equity Interests) in connection with the exercise of stock options, stock appreciation rights, warrants or other rights to acquire Equity Interests by way of cashless exercise or (ii) Equity Interests of the Company or any Restricted Subsidiary of the Company held by any current or former officers, directors or employees of the Company or any of its Restricted Subsidiaries in connection with the exercise or vesting of any equity compensation (including, without limitation, stock options, restricted stock and phantom stock) in order to satisfy any tax;

(7) any purchase, redemption, defeasance or other acquisition or retirement of any Indebtedness subordinated to the Notes or the Subsidiary Guarantees from Net Proceeds from an Asset Sale or in the event of a Change of Control, in each case only if prior to or simultaneously with such purchase, redemption, defeasance or other acquisition or retirement, the Company has made the Asset Sale Offer or Change of Control Offer, as applicable, as provided Section 4.10 or Section 4.15 as applicable, with respect to the Notes and has completed the repurchase or redemption of all Notes validly tendered for payment in connection with such Asset Sale Offer or Change of Control Offer;

(8) cash payments in lieu of the issuance of fractional shares of the Company (or loans, advances, dividends or distributions by the Company to any direct or indirect parent to allow such parent to make payments in lieu of issuance of fractional shares of such parent);

(9) the payment of dividends, other distributions or other amounts to SEACOR or any other direct or indirect parent of the Company in amounts required for such parent company to pay federal, state or local income taxes (as the case may be) imposed directly on such parent company to the extent such income taxes are attributable to the income of the Company and/or any of its Subsidiaries by virtue of such parent company being the common parent of a consolidated, combined or similar tax group which the Company and/or any of its Subsidiaries are members or by virtue of the Company being a disregarded entity deemed to be owned by a corporate parent; *provided, however*, the amount of such dividends or other distributions for any taxable period shall not exceed the amount of such taxes that the Company and/or its Subsidiaries, as applicable, would have been required to pay if the Company and/or its Subsidiaries, as applicable, had been a stand-alone corporate taxpayer (or stand-alone corporate group);

(10) the payment of dividends, other distributions or other amounts by the Company to, or the making of loans to, SEACOR or any direct or indirect parent, in the amount required for such parent to, if applicable: (i) pay amounts equal to the amounts required for any direct or indirect parent of the Company to pay customary salary, bonus and other benefits payable to officers and employees of any direct or indirect parent of the Company, if applicable, and general corporate overhead expenses of any direct or indirect parent of the Company, if applicable, in each case to the extent such fees, expenses, salaries, bonuses, benefits and indemnities are attributable to the ownership or operation of the Company, if applicable, and its Restricted Subsidiaries and (ii) the payment of dividends, other distributions or other amounts by the Company to SEACOR or any other director or indirect parent

of the Company for management, consulting, monitoring and advisory fees in an aggregate amount in any fiscal year not to exceed $2.0 million;

(11) other Restricted Payments in an aggregate amount not to exceed the greater of (i) $30.0 million and (ii) 3.0% of Consolidated Net Tangible Assets;

(12) any repurchase, redemption or retirement of Equity Interests of the Company, including SEACOR Preferred Shares, in connection with the Spin-Off, substantially on the terms described in the Offering Memorandum;

(13) investments or other Restricted Payments that are made with Excluded Contributions;

(14) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries;

(15) the payment of dividends on the Company's common stock of up to 6.0% per annum of the net proceeds received by the Company from any public offering of common stock; and

(16) (i) the declaration and payment of dividends or distributions to holders of (x) the SEACOR Preferred Shares and (y) any class or series of Disqualified Stock of the Company or any of its Restricted Subsidiaries issued or incurred in accordance with Section 4.09 and (ii) any payment of any redemption price or liquidation value of (x) the SEACOR Preferred Shares, or (y) any other Disqualified Stock when due in accordance with its terms.

For purposes of determining compliance with this Section 4.07, in the event that a Restricted Payment meets the criteria of more than one of the categories of Restricted Payments described in clauses (1)-(16) of Section 4.07(b) or as a Permitted Investment, the Company will be permitted to divide or classify (or later divide, classify or reclassify in whole or in part in its sole discretion) such Restricted Payment in any manner that complies with this Section.

(c) The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of such designation. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the Fair Market Value of such Investments at the time of such designation. Such designation will only be permitted if the Subsidiary to be so designated has total consolidated assets of $1,000 or less or, if such Subsidiary has consolidated assets greater than $1,000, the Company would be permitted to make such Restricted Payment at such time and, in each case, if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or any Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined, in the case of amounts under $40.0 million, by an Officer of the Company and, in the case of amounts greater than or equal to $40.0 million, by the Board of Directors of the Company, whose resolution with respect thereto will be delivered to the Trustee.

SECTION 4.08 *Limitation on Dividends and Other Payment Restrictions Affecting Subsidiaries*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) (i) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or (ii) pay any Indebtedness or other obligations owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) The provisions of Section 4.09(a) will not prohibit encumbrances or restrictions existing under or by reason of:

(1) (i) agreements governing the Revolving Credit Facility, Hedging Obligations, any instrument governing Existing Indebtedness or any other agreement or instrument, each as in effect on the Initial Issuance Date and (ii) agreements governing Indebtedness permitted to be incurred under Section 4.09; *provided* that, in the case of clause (ii) the encumbrances and restrictions therein are not materially more restrictive, taken as a whole, than those contained in (x) the Indenture and the Notes or (y) agreements or instruments in effect on the Initial Issuance Date, in each case as determined by the Company in its reasonable and good faith judgment;

(2) the Indenture and the Notes;

(3) applicable law, rule, regulation or order or similar restriction;

(4) any agreement or instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(5) customary non-assignment provisions in contracts, licenses and leases entered into in the ordinary course of business and consistent with past practices;

(6) any Liens, mortgages, pledges or other security agreements permitted under the Indenture securing Indebtedness of the Company or a Restricted Subsidiary to the extent the encumbrances or restrictions they contain restrict the transfer of the properties or assets subject to such Liens, mortgages, pledges or other security agreements;

(7) agreements governing purchase money obligations, mortgage financings and Capital Lease Obligations and other Indebtedness of the type permitted to be incurred pursuant Section 4.09(b)(9), in each case incurred in compliance with such Section;

(8) any encumbrance or restriction with respect to a Restricted Subsidiary (or any of its properties or assets) imposed pursuant to an agreement entered into for the direct or indirect sale or disposition of all or substantially all the Capital Stock or properties or assets of such Restricted Subsidiary (or the properties or assets that are subject to such restriction) pending the closing of such sale or disposition;

(9) customary provisions in bona fide contracts for the sale of properties or assets;

(10) customary provisions in joint venture agreements and similar agreements that restrict the transfer of interests in the joint venture or applicable Person;

(11) provisions limiting the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, agreements governing Sale/Leaseback Transactions, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment) entered into (i) in the ordinary course of business or (ii) with the approval of the Company's Board of Directors, which limitation is applicable only to the assets that are the subject of such agreements;

(12) restrictions on cash, Cash Equivalents or other deposits or net worth imposed by customers or required by insurance, surety or bonding companies, in each case under contracts entered into in the ordinary course of business;

(13) encumbrances or restrictions with respect to property under a charter, lease or other agreement that has been entered into in the ordinary course for the employment, charter or other hire of such property;

(14) any agreement or instrument relating to any property or assets acquired after Initial Issuance Date in effect at the time of such acquisition, so long as such encumbrance or restriction relates only to the property or assets so acquired and is not and was not created in anticipation of such acquisition;

(15) the issuance of Preferred Stock by a Restricted Subsidiary of the Company or the payment of dividends thereon in accordance with the terms thereof; *provided* that the terms of such Preferred Stock do not expressly restrict the ability of a Restricted Subsidiary of the Company to pay dividends or make any other distributions on its Equity Interests (other than requirements to pay dividends or liquidation preferences on such Preferred Stock prior to paying any dividends or making any other distributions on such other Equity Interests);

(16) agreements governing Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced, as determined by the Company in its reasonable and good faith judgment;

(17) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; *provided* that such agreement prohibits the encumbrance of solely the property or assets of the Company or such Restricted Subsidiary that are the subject of such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of any other Restricted Subsidiary; and

(18) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (1) through (17) of this Section 4.08(b); *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refunding, replacements or refinancings, in the good faith judgment of the Company, (i) do not in the good faith judgment of the Company materially reduce the total amounts that may be paid, lent, advanced or transferred to the Company or any of its Restricted Subsidiaries under clauses (1), (2) and (3) of this Section 4.08(b) or (ii) are no more restrictive as a whole with respect to such dividend and other payment restrictions than those contained in the dividend or other payment restrictions prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

SECTION 4.09 *Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*" or an "*incurrence*") any Indebtedness, the Company will not, and will not permit any Guarantor to, issue any Disqualified Stock and the Company will not permit any of its Restricted Subsidiaries that are not Guarantors to issue any shares of Preferred Stock; *provided*, *however*, that the Company and its Restricted Subsidiaries may incur Indebtedness, the Company and any Guarantor may issue Disqualified Stock, and any Restricted Subsidiaries of the Company that are not Guarantors may issue any shares of Preferred Stock, if the Consolidated Interest Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness, Disqualified Stock or Preferred Stock had been incurred or issued, as the case may be, at the beginning of such four-quarter period.

(b) The provisions of Section 4.09(a) will not prohibit:

(1) the incurrence by the Company and its Restricted Subsidiaries of Indebtedness under any Revolving Credit Facility and the issuance and creation of letters of credit and bankers' acceptances thereunder, in an aggregate principal amount at any one time outstanding not to exceed the greater of (i) $250.0 million (or the equivalent thereof in any other currency or currency unit) and (ii) 30% of Consolidated Net Tangible Assets, determined as of the date of each such incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of Existing Indebtedness;

(3) the incurrence by the Company and its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculation;

(4) the incurrence by the Company and its Restricted Subsidiaries of Indebtedness represented by the Notes (other than Additional Notes), the Subsidiary Guarantees and the Indenture;

(5) guarantees or co-issuances by the Company or any Restricted Subsidiary of Indebtedness of the Company or any Restricted Subsidiary incurred in accordance with the provisions of the Indenture;

(6) the incurrence of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries, *provided* that any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company, or any sale or other transfer of any such Indebtedness to a Person that is neither the Company nor a Restricted Subsidiary of the Company, shall be deemed to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, *provided*, *however*:

(A) if the Company is the obligor on such Indebtedness and a Guarantor is not the obligee, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Notes;

(B) if a Guarantor is the obligor on such Indebtedness and the Company or a Guarantor is not the obligee, such Indebtedness is expressly subordinated in right of payment to the Subsidiary Guarantee of such Guarantor;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness in respect of judgment, appeal, bid, performance or surety bonds or other similar bonds or obligations issued for the account of the Company or any Restricted Subsidiary thereof in the ordinary course of business, including guarantees or obligations of the Company or any Restricted Subsidiary thereof with respect to letters of credit supporting such judgment, appeal, bid, performance or surety obligations or other similar bonds or obligations (in each case other than for an obligation for money borrowed);

(8) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness that was permitted by the Indenture to be incurred (other than pursuant to clause (1), (6), (11) and (14) of this Section 4.09(b));

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness, which may include Capital Lease Obligations, mortgage financings or purchase money obligations to finance the purchase, lease, construction, installation, design or improvement of property (real or personal) or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets) and related taxes and transaction costs in an aggregate principal amount at any one time outstanding not to exceed the greater of (i) $75.0 million and (ii) 7.5% of Consolidated Net Tangible Assets, determined as of the date of each such incurrence;

(10) Indebtedness of a Restricted Subsidiary outstanding on the date on which a Restricted Subsidiary, or assets relating to Indebtedness, were acquired by the Company or any of its Restricted Subsidiaries, or Indebtedness incurred by the Company or a Restricted Subsidiary to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Restricted Subsidiary becomes a Restricted Subsidiary or is otherwise acquired by, or such assets are acquired by, the Company or any of its Restricted Subsidiaries; *provided*, *however*, that at the time such Restricted Subsidiary is acquired by the Company or on the date of such asset acquisition, as applicable, the Consolidated Interest Coverage Ratio for the Company's most recent four quarters for which internal financial statements are available, after giving pro forma effect to the acquisition and the incurrence of any related Indebtedness, would be either (i) at least 2.0 to 1.0 or (ii) equal to or greater than the Consolidated Interest Coverage Ratio determined for such four quarter period without giving effect to such acquisition and incurrence of Indebtedness;

(11) Indebtedness arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, holdbacks, earn outs or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, *provided* that the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received by the Company and its Restricted Subsidiaries in connection with such disposition;

(12) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business;

(13) the incurrence by the Company or its Restricted Subsidiaries of Indebtedness consisting of the financing of insurance premiums in customary amounts consistent with the operations and business of the Company and the Restricted Subsidiaries;

(14) in addition to the items referred to in clauses (1) through (13) above and (15) and (16) below, the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount which, when taken together with the aggregate principal amount of all other Indebtedness incurred pursuant to this clause (14) and then outstanding, will not exceed the greater of (i) $50.0 million and (ii) 5% of Consolidated Net Tangible Assets, determined as of the date of each such incurrence;

(15) Indebtedness of the Company or any Restricted Subsidiary incurred in the ordinary course of business under guarantees of Indebtedness of customers or joint ventures in an aggregate amount at any one time outstanding not to exceed the greater of $10.0 million and 1.0% of Consolidated Net Tangible Assets; and

(16) Subordinated Indebtedness issuable upon the conversion or exchange of shares of Disqualified Stock issued pursuant to Section 4.09(a).

(c) The Company will not, and will not permit any Guarantor to, directly or indirectly, incur any Indebtedness which by its terms (or by the terms of any agreement governing such Indebtedness) is subordinated to any other Indebtedness of the Company or of such Guarantor, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinate to the Notes or the Subsidiary Guarantee of such Guarantor, as the case may be, on substantially the same terms as such Indebtedness is subordinated pursuant to subordination provisions that are most favorable to the holders of any other Indebtedness of the Company or of such Guarantor, as the case may be.

(d) For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with, this Section 4.09:

(1) subject to clause (2) below, in the event that Indebtedness meets the criteria of more than one of the categories of Indebtedness described in Section 4.09(b) or is entitled to be incurred pursuant to Section 4.09(a), the Company, in its sole discretion, will be permitted to divide or classify such item of Indebtedness on the date of incurrence (or later classify, redivide or reclassify such Indebtedness, based on circumstances existing at such time, in its sole discretion), in any manner that complies with this Section 4.09;

(2) any Indebtedness under the Revolving Credit Facility on the Initial Issuance Date shall be considered incurred under Section 4.09(b)(1);

(3) guarantees of Liens securing, or obligations in respect of letters of credit or other similar interests relating to, Indebtedness which is otherwise included in the determination of a particular amount of Indebtedness shall not be included;

(4) the principal amount of any Disqualified Stock of the Company or a Guarantor will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) and the liquidation preference thereof;

(5) Indebtedness permitted by this Section 4.09 need not be permitted solely by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this Section 4.09 permitting such Indebtedness;

(6) the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in accordance with GAAP; and

(7) the reclassification of any lease or other liability of the Company or any of its Restricted Subsidiaries as Indebtedness due to a change of accounting principles after the Initial Issuance Date will not be deemed an incurrence of Indebtedness for purposes of this covenant.

Accrual of interest, accrual of dividends, the accretion of accreted value, the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional shares of Preferred Stock or Disqualified Stock on Indebtedness, Disqualified Stock or Preferred Stock permitted by this Section 4.09, pursuant to the terms of such Indebtedness, Disqualified Stock or Preferred Stock without giving effect to any amendment, waiver or modification of such terms unless the incurrence of such Indebtedness, Disqualified Stock or Preferred Stock, giving effect to such amendment, waiver or modification, would have been permitted by this covenant, as of the date of its incurrence, will not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.09. The amount of any Indebtedness outstanding as of any date shall be (1) the accreted value thereof in the case of any Indebtedness issued with original issue discount and (2) the principal amount or liquidation preference thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

The Company will not permit any of its Unrestricted Subsidiaries to incur any Indebtedness, other than Non-Recourse Debt. If at any time an Unrestricted Subsidiary becomes a Restricted Subsidiary, any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under this Section 4.09, the Company shall be in Default of this Section 4.09).

For purposes of determining compliance with any Dollar-denominated restriction on the incurrence of Indebtedness, the U.S. Dollar Equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable Dollar-dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies.

SECTION 4.10 *Limitation on Asset Sales*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (*provided* such Fair Market Value shall be determined (i) as of the date of contractually agreeing to such Asset Sale and (ii) in good faith by an Officer of the Company or, if the consideration with respect to such Asset Sale exceeds $30.0 million, the Board of Directors of the Company) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the aggregate consideration received by the Company or its Restricted Subsidiaries in the Asset Sale and all other Asset Sales since the Initial Issuance Date is in the form of cash or Cash Equivalents; *provided*, *however*, that:

(A) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet) of the Company or such Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary novation or assumption agreement that releases the Company or such Restricted Subsidiary from further liability shall be deemed to be cash for purposes of this provision;

(B) any Marketable Securities received by the Company or such Restricted Subsidiary from such transferee that are converted within 90 days after such Asset Sale by the Company or such Restricted Subsidiary into cash (to the extent of the cash received in that conversion) shall be deemed to be cash for purposes of this provision;

(C) any securities, notes or other obligations (other than Marketable Securities) received by the Company or such Restricted Subsidiary from such transferee that are converted within 180 days after such Asset Sale by the Company or such Restricted Subsidiary into cash (to the extent of the cash received in that conversion) shall be deemed to be cash for purposes of this provision; and

(D) any Designated Non-cash Consideration received by the Company or any of its Restricted Subsidiaries in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (d) that is at that time outstanding, not to exceed the greater of (x) $15.0 million and (y) 1.5% of Consolidated Net Tangible Assets, at the time of receipt of such Designated Non-cash Consideration (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value) shall be deemed cash for the purposes of this provision;

provided that in the case of any Asset Sale pursuant to a condemnation, appropriation or similar taking, including by deed in lieu of condemnation, such Asset Sale shall not be required to satisfy the requirements of items (1) and (2) of this Section 4.10(a).

(b) Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or any such Restricted Subsidiary may apply such Net Proceeds to any combination of the following:

(1) permanently repay, redeem, purchase or cash collateralize the principal of any senior Indebtedness of the Company or any Restricted Subsidiary; or

(2) to acquire or invest in (including by way of a purchase of assets or stock, merger, consolidation or otherwise) Additional Assets or to make a capital expenditure; *provided* that the requirements of this clause (2) will be deemed to be satisfied if an agreement committing to make the acquisitions, investments or expenditures referred to above is entered into by the Company or any of its Restricted Subsidiaries within 365 days after the receipt of such Net Proceeds with the good faith expectation that such Net Proceeds will be applied to satisfy such commitment in accordance with such agreement within 180 days after such 365-day period, and if such Net Proceeds are not so applied within such 180-day period, then such Net Proceeds will constitute Excess Proceeds (as defined below).

(c) Pending the final application of any such Net Proceeds, the Company or any such Restricted Subsidiary may temporarily reduce outstanding revolving credit borrowings, including borrowings under the Revolving Credit Facility, or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture.

(d) Any Net Proceeds from Asset Sales that are not applied or invested as provided in Section 4.10(b) will be deemed to constitute "*Excess Proceeds*". On the 366th day after the Asset Sale (or, at the Company's option, such earlier date), if the aggregate amount of Excess Proceeds exceeds $50.0 million, the Company will be required to make an offer (an "*Asset Sale Offer*") to all Holders of Notes and, to the extent required by the terms of other Pari Passu Indebtedness, to all holders of other Pari Passu Indebtedness outstanding with similar provisions requiring the Company to make an offer to purchase such Pari Passu Indebtedness with the proceeds from any Asset Sale ("*Pari Passu Notes*"), to purchase the maximum principal amount of Notes and any such Pari Passu Notes to which the Asset Sale Offer applies that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount of the Notes and Pari Passu Notes, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, in accordance with the procedures set forth in this Indenture or the agreements governing the Pari Passu Notes, as applicable. To the extent that the aggregate principal amount of Notes tendered pursuant to an Asset Sale Offer is less than the amount that the Company is required to repurchase, the Company may use any remaining Excess Proceeds for any purpose not prohibited by the Indenture. If the aggregate principal amount of Notes surrendered by Holders thereof and other Pari Passu Notes surrendered by holders or lenders, collectively, exceeds the amount that the Company is required to repurchase, the Trustee shall select the Notes, and the Company shall select such Pari Passu Notes to be purchased on a *pro rata* basis on the basis of the aggregate principal amount of tendered Notes and Pari Passu Notes (except that any Notes represented by a Note in global form will be selected by such method as the Depositary or its nominee or successor may require or, where the nominee or successor is the

Trustee, a method that most nearly approximates *pro rata* selection as the Trustee deems fair and appropriate), based on the amounts tendered or required to be redeemed (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero and any Net Proceeds that were formerly Excess Proceeds may be used for any general corporate purpose (including but not limited to the repurchase, repayment or other acquisition or retirement of any subordinated Indebtedness or Disqualified Stock).

If the Purchase Date is on or after an interest payment record date and on or before the related interest payment date, any accrued and unpaid interest and Additional Amount, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no other interest or Additional Amounts, if any, will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.10, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Indenture by virtue of compliance with such laws and regulations.

SECTION 4.11 *Limitation on Transactions with Affiliates*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any properties or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an "*Affiliate Transaction*") involving aggregate payments or consideration in excess of $5.0 million, unless:

(1) such Affiliate Transaction is on terms that are not materially less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary in arm's-length dealings with an unrelated Person or, if there is no such comparable transaction, on terms that are fair and reasonable to the Company or such Restricted Subsidiary; and

(2) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $25.0 million, an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) above; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $50.0 million, a resolution of the Board of Directors of the Company approving the Affiliate Transaction approved by a majority of the disinterested members thereof (or if the Board of Directors has no disinterested directors, all of the members of the Board of Directors);

provided that the requirements of clause (2) above are not applicable to any Affiliate Transactions in the ordinary course of business with an Affiliate engaged in any business conducted by the Company or any of its Subsidiaries or joint ventures on the Initial Issuance Date (or a business that is reasonably complementary or related to the foregoing or developments, extensions or expansions of the foregoing).

(b) The following shall be deemed not to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a):

(1) any employment agreement, employee benefit plan, any other employee compensation plan or arrangement, officer or director indemnification agreement, director compensation package, severance agreement, collective bargaining agreement, consulting agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business with any present or former director, employee or consultant of the Company, any Restricted Subsidiary or any Affiliate of the Company, and payments, awards, grants or issuance of securities pursuant thereto;

(2) transactions between or among the Company and its Restricted Subsidiaries;

(3) Permitted Investments and Restricted Payments that are permitted by the provisions of the Indenture;

(4) loans or advances to officers, directors, employees and consultants of the Company or any Restricted Subsidiary made in the ordinary course of business and consistent with past practices of the Company and its Restricted Subsidiaries and other advances to employees in an aggregate amount not to exceed $2.0 million outstanding at any one time;

(5) customary compensation, indemnification and other benefits made available to officers, directors, employees or consultants of the Company or a Restricted Subsidiary or Affiliate of the Company, including reimbursement or advancement of out-of-pocket expenses and provisions of officers' and directors' liability insurance;

(6) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or indirectly, an Equity Interest in, or otherwise controls, such Person;

(7) any transaction in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee an opinion, from an accounting, appraisal or investment banking firm of national standing stating that such transaction is fair to the Company or such Restricted Subsidiary from a financial point of view or that such transaction meets the requirements of clause (1) of Section 4.11(a);

(8) sales of Equity Interests (other than Disqualified Stock) to, or receipt of capital contributions from, Affiliates of the Company;

(9) transactions pursuant to agreements or arrangements in effect on the Initial Issuance Date that are described in the Offering Memorandum, or any amendment, modification, or supplement thereto or replacement thereof, as long as such agreement or arrangement, as so amended, modified, supplemented or replaced, is not materially more disadvantageous to the Company and its Restricted Subsidiaries, taken as a whole, than the agreement or arrangement in existence on the Initial Issuance Date;

(10) any transactions entered into in connection with the Spin-Off, including pursuant to the Distribution Agreement, the Tax Matters Agreement, the Amended and Restated Transition Services Agreement, the Employee Matters Agreement and the Series B Exchange Agreement, and including the payment of any expense of SEACOR and its subsidiaries (other than the Company and its Subsidiaries) incurred in connection with the Spin-Off, in each case, to the extent approved by the Board of Directors of the Company and disclosed in the Offering Memorandum;

(11) pledges of Equity Interests of Unrestricted Subsidiaries; and

(12) transactions entered into in good faith which provide for shared services and/or facilities arrangements and which provide cost savings and/or other operational efficiencies.

SECTION 4.12 *Limitation on Liens*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien on any property or asset now owned or hereafter acquired, except Permitted Liens, to secure (1) any Indebtedness of the Company or such Restricted Subsidiary (if it is not also a Guarantor), unless prior to, or contemporaneously therewith, the Notes are equally and ratably secured, or (2) any Indebtedness of any Guarantor, unless prior to, or contemporaneously therewith, the Subsidiary Guarantees are equally and ratably secured; *provided*, *however*, that if such Indebtedness is expressly subordinated to the Notes or the Subsidiary Guarantees, the Lien securing such Indebtedness will be subordinated and junior to the Lien securing the Notes or the Subsidiary Guarantees, as the case may be, with the same relative priority as such Indebtedness has with respect to the Notes or the Subsidiary Guarantees.

(b) Any Lien on any property or assets of the Company or any of its Restricted Subsidiaries created for the benefit of the Holders of the Notes pursuant to Section 4.12(a) shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged at such time as (i) there are no other Liens of any kind, except Permitted Liens, on such property or assets securing Indebtedness, (ii) in the case of any Lien in favor of a Subsidiary Guarantee, upon the termination and discharge of such Subsidiary Guarantee in accordance with the terms of the Indenture and (iii) any sale, exchange or transfer to any Person not an Affiliate of the Company of the property or assets secured by such Lien, or of all the Equity Interests held by the Company or any Restricted Subsidiary in, or all or substantially all of the assets of, any Restricted Subsidiary in accordance with the terms of the Indenture.

SECTION 4.13 *Additional Subsidiary Guarantees*.

If after the Initial Issuance Date, any U.S. Subsidiary that is not a Guarantor shall guarantee the payment by the Company or any Subsidiary Guarantor of any Indebtedness of the Company or any such Subsidiary Guarantor under the Revolving Credit Facility or any Material Indebtedness, then such U.S. Subsidiary shall, within 30 days thereof, execute a supplement to the Indenture providing for a Subsidiary Guarantee and deliver an Opinion of Counsel in accordance with the terms of the Indenture.

SECTION 4.14 *Corporate Existence*.

Subject to Article V, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

SECTION 4.15 *Offer to Repurchase Upon Change of Control*.

(a) If a Change of Control Trigger Event occurs, the Company will be required to make an offer (a "*Change of Control Offer*") to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each Holder's Notes at an offer price in cash equal to 101% of the aggregate principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (the "*Change of Control Payment*"). Within 30 days following a Change of Control Trigger Event, the Company will send a notice to each Holder and the Trustee describing the transaction that constitutes the Change of Control Trigger Event and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.15 and that all Notes or portions thereof properly tendered and not withdrawn will be accepted for payment;

(2) the Change of Control Payment and the purchase date, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is sent (the "*Change of Control Payment Date*");

(3) that any Note not properly tendered will continue to accrue interest and Additional Amounts, if any;

(4) that if the Change of Control Payment Date is on or after an interest payment record date and on or before the related interest payment date, any accrued and unpaid interest and Additional

Amounts, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no other interest will be payable to Holders who tender pursuant to the Change of Control Offer;

(5) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on and after the Change of Control Payment Date;

(6) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the Change of Control Payment Date;

(7) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the Change of Control Payment Date, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(8) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer), which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000 in excess thereof.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes as a result of a Change of Control Trigger Event. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in this Section 4.15 by virtue of compliance with such laws and regulations.

On or before the Change of Control Payment Date, the Company will, to the extent lawful: (1) accept for payment all Notes or portions thereof properly tendered and not withdrawn pursuant to the Change of Control Offer; (2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all such Notes or portions thereof so tendered and not withdrawn; and (3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

(b) The Paying Agent will promptly mail to each Holder of Notes properly tendered and not withdrawn the Change of Control Payment for such Notes (or if all Notes are then in global form, make such payment through the facilities of the Depositary), and the Trustee will promptly authenticate and mail to each Holder of a Definitive Note, a new Note equal in principal amount to any unpurchased portion of the notes surrendered, if any; *provided*, *however*, that each such new Note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date. If the Change of Control Payment Date is on or after an interest payment record date and on or before the related interest payment date, then, on such Change of Control Payment Date, any accrued and unpaid interest and Additional Amounts, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no other interest will be payable to Holders who tender pursuant to the Change of Control Offer.

Payment of the Change of Control Payment for a Note properly tendered and not withdrawn prior to the expiration of the Change of Control Offer is conditioned upon delivery of such Note (together with necessary endorsements) to the Paying Agent (whether prior to, on or after the Change of Control Payment Date), which delivery may be in book-entry form in accordance with the Applicable Procedures for Notes issued in global form. The Change of Control Payment for such Note will be made promptly following the later of the Business Day following the Change of Control Payment Date or the time of delivery of such Note.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer following a Change of Control Trigger Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (2) notice of redemption with respect to all outstanding Notes has been given pursuant to Section 3.08 unless and until there is a default in payment of the applicable redemption price.

(d) A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon the occurrence of a Change of Control Trigger Event, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer. In such case, a notice shall be mailed to holders of the notes at least 30 days prior to the Change of Control Payment Date indicating that the Change of Control Payment Date will be no later than the date on which the Change of Control is consummated.

(e) In the event that not less than 90% of the aggregate principal amount of the then outstanding Notes are properly tendered and not withdrawn under a Change of Control Offer and the Company purchases all such Notes, the Company will have the right, upon not less than 30 nor more than 60 days' prior written notice, given not more than 30 days following the Change of Control Payment Date, to redeem all of the Notes that remain outstanding following such purchase at a redemption price equal to the Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest and Additional Amounts, if any, on the Notes that remain outstanding, to the date of redemption (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date). Sections 3.01, 3.03, 3.04 and 3.05 shall be applicable to any such redemption.

SECTION 4.16 *Payment of Additional Amounts by a Foreign Successor Issuer*.

(a) In the event that the Company is succeeded by an entity organized or existing in a Permitted Foreign Jurisdiction as permitted by Section 5.01 and if any deduction or withholding for, or on account of, any Taxes (as defined below) imposed or levied by or on behalf of (1) any jurisdiction in which the Company (which, for purposes of this Section, refers to the Person succeeding the Company) or any Guarantor, is then incorporated, engaged in business, organized or otherwise resident or treated as resident for tax purposes or any political subdivision thereof or therein or (2) any jurisdiction from or through which payment is made by or on behalf of the Company (including, without limitation, the jurisdiction of any Paying Agent) (each of (1) and (2), a "*Tax Jurisdiction*" which, for the avoidance of doubt, shall not include the United States, any state thereof or the District of Columbia), will at any time be required to be made from any payments made under or with respect to the Notes, including, without limitation, payments of principal, redemption price, purchase price, interest or premium, the Company will pay such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received in respect of such payments by each Holder or beneficial owner of Notes after such withholding, deduction or imposition (including any such withholding, deduction or imposition from such Additional Amounts) will equal the respective amounts that would have been received in respect of such payments in the absence of such withholding or deduction; *provided*, *however*, that no Additional Amounts will be payable with respect to:

(1) any Taxes to the extent such Taxes would not have been imposed but for the Holder or the beneficial owner of the Notes being a citizen or resident or national of, or incorporated in, the relevant Tax Jurisdiction in which such Taxes are imposed or having any other present or former connection with the relevant Tax Jurisdiction other than the mere acquisition, holding, exercise or enforcement of rights, or receipt of payment in respect of the Notes;

(2) any Taxes to the extent such Taxes are imposed or withheld as a result of the failure of the Holder of the Note or beneficial owner of the Note to comply, to the extent such Holder is legally entitled, with any reasonable written request, made by the Company or any Guarantor to that Holder

or beneficial owner in writing at least 90 days before any such withholding or deduction would be payable, to provide information concerning the nationality, residence or identity of such Holder or beneficial owner or to make any valid and timely declaration or similar claim or satisfy any certification information or other reporting requirement, which is required or imposed by a statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to any exemption from or reduction in all or part of such Taxes;

(3) any Taxes to the extent such Taxes were imposed as a result of the presentation of a Note for payment (where presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(4) any estate, inheritance, gift, sale, personal property or similar Taxes;

(5) any Taxes withheld, deducted or imposed on a payment to an individual and that are required to be made pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 on the taxation of savings income, or any law implementing or complying with or introduced in order to conform to, such directive;

(6) any Taxes to the extent imposed on or with respect to any payment made to a holder of notes who would have been able to avoid such withholding or deduction by presenting the relevant note to another Paying Agent in a member state of the European Union;

(7) any Taxes payable other than by deduction or withholding from payments under, or with respect to, the Notes; or

(8) any combination of items (1) through (7) above.

For purposes of this Section 4.16, "*Taxes*" means any present or future tax, duty, assessment, or other governmental charge of whatever nature imposed, levied, collected, withheld or assessed, including any penalties and interest related thereto.

The Company also will not pay any Additional Amounts to any Holder who is a fiduciary or partnership or other than the sole beneficial owner of the Note to the extent that a beneficiary or settlor with respect to such fiduciary, or a member of such partnership or a beneficial owner thereof, would not have been entitled to the payment of such Additional Amounts had such beneficiary, settlor, member or beneficial owner been the Holder of the Note.

(b) In addition to Section 4.16(a) above, if the Company is succeeded by an entity organized or existing in a Permitted Foreign Jurisdiction as permitted by Section 5.01, the Company or a Guarantor, as applicable, will also pay and indemnify the Holder for any present or future stamp, issue, registration, value added, court or documentary Taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and any other reasonable expenses related thereto) or Taxes which are levied by any Tax Jurisdiction on the execution, delivery, registration or enforcement of any of the Notes, the Indenture, any Subsidiary Guarantee, or any other document or instrument referred to therein or the receipt of payments with respect thereto. In addition, the Company will at all times maintain a Paying Agent in a European Union member state that will not be obliged to withhold or deduct amounts for or on account of tax under Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, that Directive.

(c) If the Company or any Guarantor becomes obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or any Subsidiary Guarantee, the Company or any Guarantor, as applicable, will deliver to the Trustee on a date that is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Company will notify the Trustee promptly in writing after such obligation arises (and in any event within five Business Days thereof)) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificate must also set forth any other information reasonably necessary to enable the paying agents to pay Additional Amounts to Holders on the relevant payment date. The Trustee shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary.

(d) The Company or any Guarantor, as applicable, will make all withholdings and deductions required by law and will remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. Upon request, the Company or any Guarantor, as applicable, will provide to the Trustee an official receipt or, if official receipts are not obtainable, other documentation evidencing the payment of any Taxes so deducted or withheld and will attach to each official receipt or other documentation an Officer's Certificate stating the amount of such Taxes paid per $1,000 principal amount of the Notes then outstanding. Upon request, copies of those official receipts or other documentation, as the case may be, will be made available by the Trustee to the Holders of the Notes.

(e) The Company and the Guarantors, jointly and severally, will reimburse the Holders of the Notes, upon written request of such Holder of Notes and appropriate proof of payment for the amount of (i) any Taxes levied or imposed by a Tax Jurisdiction and payable by such Holder or the applicable beneficial owner in connection with payments made under or with respect to the Notes held by such Holder or any Note guarantee; and (ii) any Taxes levied or imposed with respect to any reimbursement under the foregoing clause (i) or this clause (ii), so that the net amount received by the applicable beneficial owner after such reimbursement will not be less than the net amount such beneficial owner would have received if the Taxes giving rise to the reimbursement described in clauses (i) and/or (ii) had not been imposed, *provided, however*, that the indemnification obligation provided for in this Section 4.16(e) shall not extend to Taxes imposed for which the Holder or beneficial owner of the Notes would not have been eligible to receive payment of Additional Amounts hereunder by virtue of clauses (1) through (7) in Section 4.16(a) above or to the extent such Holder or beneficial owner received Additional Amounts with respect to such payments.

(f) Whenever in the Indenture or the Notes, there is mentioned, in any context, the payment of amounts based upon the principal amount of the Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Notes, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

(g) The obligations of the Company and the Guarantors under this Section 4.16 will survive termination, defeasance or discharge of the Indenture, any transfer by a Holder or beneficial owner of its Notes and will apply *mutatis mutandis* to any jurisdiction in which any successor person to the Company or any Guarantor is incorporated, engaged in business or resident for tax purposes or any jurisdiction from or through which such person makes any payment on the Notes (or any Subsidiary Guarantee) and any department or political subdivision thereof or therein.

SECTION 4.17 *Changes in Covenants Upon an Investment Grade Rating Event*.

If an Investment Grade Rating Event occurs and no Default or Event of Default has occurred and is continuing under the Indenture, then upon delivery to the Trustee of an Officer's Certificate to the foregoing effect,

(a) each of the covenants contained in the following Sections will cease to apply to the Company and its Restricted Subsidiaries:

(1) Section 4.07 (Limitation on Restricted Payments);

(2) Section 4.08 (Limitation on Dividends and Other Payment Restrictions Affecting Subsidiaries);

(3) Section 4.09 (Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock);

(4) Section 4.10 (Limitation on Asset Sales);

(5) Section 4.11 (Limitation on Transactions with Affiliates);

(6) Section 4.12 (Limitation on Liens);

(7) Section 4.13 (Additional Subsidiary Guarantees);

(8) clause (4) of Section 5.01(a) (Limitation on Mergers, Consolidations and Sales of Assets); and

(b) the following covenants will apply to the Company and its Restricted Subsidiaries:

(1) *Restrictions on Secured Indebtedness*. If the Company or any Restricted Subsidiary incurs any Indebtedness secured by a Lien (other than a Permitted Lien) on any asset or property of the Company or any Restricted Subsidiary, the Company or such Restricted Subsidiary will secure the Notes equally and ratably with (or at the Company's option, prior to) such secured Indebtedness so long as such Indebtedness is so secured, unless the aggregate amount of all Indebtedness secured by Liens (other than Permitted Liens), together with all Attributable Indebtedness of the Company and the Restricted Subsidiaries with respect to any Sale/Leaseback Transactions (with the exception of such transactions which are excluded as set forth in subclauses (A) through (D) of clause (2) below), would not exceed 12.5% of Consolidated Net Tangible Assets.

(2) *Restrictions on Sale/Leaseback Transactions*. The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale/Leaseback Transaction, unless the aggregate amount of all Attributable Indebtedness with respect to such transaction plus all secured Indebtedness of the Company and the Restricted Subsidiaries (with the exception of Indebtedness secured by Permitted Liens) would not exceed 12.5% of Consolidated Net Tangible Assets outstanding at any time. The restriction in the preceding sentence shall not apply to, and there shall be excluded from Attributable Indebtedness in any computation under such restriction, any Sale/Leaseback Transaction if:

(A) the lease is for a period, including renewal rights, not in excess of three years;

(B) the sale of the asset or property subject to the Sale/Leaseback Transaction is made within 180 days after its acquisition, construction or improvements;

(C) the transaction is between the Company and a Restricted Subsidiary or between Restricted Subsidiaries; or

(D) the Company, within 365 days after the sale is completed, applies to the retirement of its Indebtedness or that of a Restricted Subsidiary or to make capital expenditures, or to the purchase of other assets or properties which will constitute Additional Assets, an amount not less than the greater of:

(i) the net proceeds of the sale of the asset or property leased; and

(ii) the fair market value (as determined by the Company in good faith) of the asset or property leased;

provided, *however*, that the amount to be applied to the retirement of Indebtedness or the purchase of other assets or properties shall be reduced by: (x) the principal amount of any of the Company's debentures or notes (including the Notes) or those of a Restricted Subsidiary surrendered within 180 days after such sale to the applicable trustee for retirement and cancellation; (y) the principal amount of Indebtedness, other than the items referred to in the preceding clause (x), voluntarily retired by the Company or a Restricted Subsidiary within 180 days after such sale; and (z) associated transaction and other related expenses.

ARTICLE V

SUCCESSORS

SECTION 5.01 *Limitations on Mergers, Consolidations and Sales of Assets*.

(a) The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, another Person, unless:

(1) the Company is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is (i) a corporation, partnership or limited liability company organized or existing under the laws of the United States, any state of the United States or the District of Columbia or (ii) an entity organized or existing under the laws of a Permitted Foreign Jurisdiction;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Company), or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Notes and the Indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) except in the case of a merger of the Company with or into a Restricted Subsidiary of the Company, either (i) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made will, at the time of such transaction and after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Consolidated Interest Coverage Ratio test set forth Section 4.09(a) or (ii) the Consolidated Interest Coverage Ratio of the Company or the Person formed by or surviving such transaction (if other than the Company) or to which such disposition shall have been made, calculated for the most recent four quarter period for which internal financial statements of the Company are available, after giving pro forma effect to such transaction and any related incurrence of Indebtedness, is (A) at least 2.0 to 1.0 or (B) equal to or greater than the Consolidated Interest Coverage Ratio of the Company determined for such period without giving effect to such transaction and incurrence of Indebtedness;

(5) in the case of clause (1)(ii) above, in the event that the Person formed by or surviving such transaction is organized in a jurisdiction that is different from the jurisdiction in which the obligor on the Notes was organized immediately before giving effect to the transaction:

(A) such Person has delivered to the Trustee an Opinion of Counsel satisfactory to the Trustee stating (x) that the obligations of such Person under the Indenture are enforceable under the laws of its formation subject to customary exceptions and (y) the Holders of Notes will not recognize any income, gain or loss for U.S. federal income tax purposes as a result of the transaction and except as may result from a change in the source of any interest income, will be subject to U.S. federal income tax on the same amount and at the same times as would have been the case if such transaction had not occurred;

(B) such Person has agreed in writing to submit to New York jurisdiction and appoints an agent for the service of process in New York, each under terms reasonably satisfactory to the Trustee; and

(C) the Company's Board of Directors or the comparable governing body of the Person formed by or surviving such transaction determines in good faith that such transaction will not adversely affect the interests of the Holders of Notes in any material respect and a Board Resolution to that effect is delivered to the Trustee; and

(6) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the Indenture;

provided, *however*, that clause (4) of this 5.01(a) shall no longer be applicable from and after the occurrence of any Investment Grade Rating Event.

(b) For purposes of this Section 5.01, the sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of one or more Subsidiaries of the Company, which properties or assets, if held by the Company instead of such Subsidiaries, would constitute all or substantially all of the properties or assets of the Company on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties or assets of the Company.

(c) Section 5.01(a)(3) will not apply to any transaction in which the Company consolidates or merges with or into or transfers all or substantially all its properties and assets to (x) an Affiliate incorporated or organized for the purpose of reincorporating or reorganizing the Company in another jurisdiction or changing its legal structure to a corporation or other entity or (y) a Restricted Subsidiary of the Company so long as all assets of the Company and the Restricted Subsidiaries immediately prior to such transaction (other than Capital Stock of such Restricted Subsidiary) are owned by such Restricted Subsidiary and its Restricted Subsidiaries immediately after the consummation thereof. Section 5.01(a) will not apply to any transaction in which any Restricted Subsidiary consolidates with, merges into or transfers all or part of its assets to the Company.

SECTION 5.02 *Successor Person Substituted*.

Upon any consolidation or merger or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company in accordance with Section 5.01, the successor formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company" shall refer instead to the successor corporation and not to the Company), and may exercise every right and power of the Company under the Indenture and the Notes with the same effect as if such successor had been named as the Company herein; and thereafter, the predecessor company shall be relieved of all obligations and covenants under the Indenture, except that the predecessor Company in the case of a lease of all or substantially all its assets will not be released from the obligation to pay the principal of and interest on the Notes. The Trustee shall enter into a supplemental indenture to evidence the succession and substitution of such successor Person and such discharge and release of the Company.

ARTICLE VI

DEFAULTS AND REMEDIES

SECTION 6.01 *Events of Default*.

Each of the following constitutes an "*Event of Default*" with respect to the Notes:

(1) a default in the payment when due of interest or Additional Amounts, if any, with respect to the Notes and such default continues for a period of 30 days;

(2) a default in the payment of the principal of or premium, if any, on the Notes when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) the failure by the Company for 30 days after notice from the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding to comply with any of its obligations under Section 4.10 or Section 4.15 (other than a failure to repurchase Notes when due), or failure by the Company to comply with its obligations described under Section 5.01;

(4) the failure by the Company or any of its Restricted Subsidiaries for 60 days after notice from the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding to comply with any of its other agreements in the Indenture, the Notes or any Subsidiary Guarantee (*provided* that, with respect to Section 4.03, the Company shall have not less than 120 days from the failure to comply with such Section to cure such failure);

(5) a default under any mortgage, indenture or other instrument or agreement under which there may be issued or by which there may be secured or evidenced any Indebtedness of the Company or any Restricted Subsidiary, whether such Indebtedness exists on or is incurred after the Initial Issuance Date, which default:

(A) is caused by a failure to pay when due principal on such Indebtedness within the applicable express grace period;

(B) results in the acceleration of such Indebtedness prior to its express final maturity; or

(C) results in the commencement of judicial proceedings to foreclose upon, or to exercise remedies under applicable law or applicable security documents to take ownership of, the assets securing such Indebtedness, and

in each case, the principal amount of such Indebtedness, together with any other Indebtedness with respect to which an event described in clause (a), (b) or (c) has occurred and is continuing, aggregates $35.0 million or more;

(6) the failure by the Company or any of its Restricted Subsidiaries to pay final non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $35.0 million (to the extent not covered by insurance by a reputable and creditworthy insurer as to which the insurer has not disclaimed coverage), which judgments are not paid, discharged or stayed for a period of 60 consecutive days;

(7) the repudiation by any Guarantor of its obligations under its Subsidiary Guarantee or any Subsidiary Guarantee is held in any judicial proceeding to be unenforceable against a Guarantor for any reason, except, in each case, by reason of the release of such Guarantor in accordance with the Indenture; and

(8) the Company, any Guarantor, or any Significant Subsidiary, pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case;

(B) consents to the entry of an order for relief against it in an involuntary case;

(C) consents to the appointment of a Bankruptcy Custodian for it or for all or substantially all of its property;

(D) makes a general assignment for the benefit of its creditors; or

(E) admits in writing it generally is not paying its debts as they become due.

(9) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that remains unstayed and in effect for 90 days and that:

(A) is for relief against the Company, any Guarantor or any Significant Subsidiary, as debtor in an involuntary case;

(B) appoints a Bankruptcy Custodian of the Company, any Guarantor or any Significant Subsidiary, or a Bankruptcy Custodian for all or substantially all of the property of the Company, any Guarantor or any Significant Subsidiary; or

(C) orders the liquidation of the Company, any Guarantor or any Significant Subsidiary.

SECTION 6.02 *Acceleration*.

If any Event of Default occurs and is continuing, the Trustee on behalf of the Holders or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately. Notwithstanding the preceding sentence, in the case of an Event of Default arising from clause (8) or (9) of Section 6.01, all outstanding Notes will become due and payable without further action or notice. The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all of the Holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except with respect to nonpayment of principal, interest, premium or Additional Amounts, if any, that have become due solely because of the acceleration) have been cured or waived.

SECTION 6.03 *Other Remedies*.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of, premium, if any, or interest and Additional Amounts, if any, on the Notes or to enforce the performance of any provision of the Notes or the Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

SECTION 6.04 *Waiver of Defaults*.

Subject to Sections 6.07 and 9.02, the Holders of a majority in principal amount of Notes then outstanding by written notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of the principal of, or interest, premium, or Additional Amounts, if any, on the Notes. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of the Indenture, but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

SECTION 6.05 *Control by Majority*.

The Holders of a majority in principal amount of the then outstanding Notes will have the right to direct in writing the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it; *provided*, *however* that the Trustee may refuse to follow any direction that conflicts with applicable law or the Indenture, that the Trustee determines may be unduly prejudicial to the rights of other Holders, or that may involve the Trustee in personal liability; *provided*, *however*, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction.

SECTION 6.06 *Limitations on Suits*.

Subject to Section 6.07 hereof, a Holder may pursue a remedy with respect to the Indenture or the Notes or any related Subsidiary Guarantees only if:

(1) the Holder has previously given to the Trustee written notice of a continuing Event of Default;

(2) the Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer and, if requested, provide to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and

(5) during such 60-day period the Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder may not use the Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

SECTION 6.07 *Rights of Holders to Receive Payment*.

Notwithstanding any other provision of the Indenture, the right of any Holder of a Note to receive payment of principal of, and premium, interest and Additional Amounts, if any, on, the Notes (including in connection with an Asset Sale Offer or a Change of Control Offer), on or after the respective due dates expressed in the Note, or to bring suit for the enforcement of any such payment on or after such respective dates, is absolute and unconditional and shall not be impaired or affected without the consent of such Holder.

SECTION 6.08 *Collection Suit by Trustee*.

If an Event of Default specified in clause (1) or (2) of Section 6.01 hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company or a Guarantor for the whole amount of principal, premium, interest and Additional Amounts, if any, remaining unpaid on the Notes, and interest on overdue principal and premium, if any, and, to the extent lawful, interest on overdue interest, and such further amount as shall be sufficient to cover the costs and expenses of collection, including the compensation and reasonable expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 6.09 *Trustee May File Proofs of Claim*.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company or a Guarantor or their respective creditors or properties and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any Bankruptcy Custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders of the Notes may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 6.10 *Priorities*.

If the Trustee collects any money pursuant to this Article VI, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the Trustee's costs and expenses of collection;

Second: to Holders for amounts due and unpaid on the Notes for principal, premium, if any, interest, if any, and any Additional Amounts, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, interest, if any, and any Additional Amounts, if any, respectively; and

Third: to the Company or the Guarantors or to such party as a court of competent jurisdiction shall direct.

The Trustee, upon prior written notice to the Company, may fix record dates and payment dates for any payment to Holders pursuant to this Section 6.10.

SECTION 6.11 *Undertaking for Costs*.

In any suit for the enforcement of any right or remedy under the Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07, or a suit by a Holder or Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

ARTICLE VII

TRUSTEE

SECTION 7.01 *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in such exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee shall be determined solely by the express provisions of the Indenture and the Trustee need perform only those duties that are specifically set forth in the Indenture and no others, and no implied covenants or obligations shall be read into the Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture. However, the Trustee shall examine such certificates and opinions to determine whether, on their face, they appear to conform to the requirements of the Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of Section 7.01(b);

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Notes.

(d) Whether or not therein expressly so provided, every provision of the Indenture that in any way relates to the Trustee is subject to the provisions of this Section 7.01.

(e) No provision of the Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any Holder of Notes, unless such Holder has offered to the Trustee security or indemnity reasonably satisfactory to it against any loss, liability or expense (including attorney's fees and expenses) that might be incurred by it in compliance with such request or direction.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company and the Guarantors. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law. All money received by the Trustee shall, until applied as herein provided, be held in trust for the payment of the principal of, premium, if any, interest, if any, and Additional Amounts, if any, on, the Notes.

SECTION 7.02 *Rights of Trustee*.

(a) The Trustee may conclusively rely upon and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both to be provided. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder directly or by or through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care by it hereunder.

(d) The Trustee shall not be liable for any action it takes, suffers, or omits to take in good faith that it believes to be authorized or within its rights or powers conferred upon it by this Indenture.

(e) Any demand, request, direction or notice from the Company or any Guarantor shall be sufficient if signed by an Officer of the Company and any resolution by the Board of Directors shall be sufficiently evidenced by a Board Resolution.

(f) The Trustee shall not be deemed to know or have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture. When a Default is cured, it ceases.

(g) The permissive rights of the Trustee enumerated herein shall not be construed as duties.

(h) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(i) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(j) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(k) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(l) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

(m) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company and the Guarantors, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

SECTION 7.03 *Individual Rights of Trustee*.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company, any Guarantor or any of their respective Affiliates with the same rights it would have if it were not the Trustee. However, in the event that the Trustee acquires any conflicting interest (as defined in the TIA) after a Default has occurred and is continuing, it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as trustee or resign. Any Agent may do the same with like rights and duties. The Trustee is subject to Sections 7.10 and 7.11.

SECTION 7.04 *Trustee's Disclaimer*.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of the Indenture or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or any Guarantor or upon the Company's or such Guarantor's direction under any provision hereof, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other documents in connection with the sale of the Notes or pursuant to the Indenture, other than its certificate of authentication.

SECTION 7.05 *Notice of Defaults*.

If a Default or Event of Default occurs and is continuing and it is known to the Trustee, the Trustee shall send to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, or premium, if any, interest, if any, or Additional Amounts, if any, on, any Note, the Trustee may withhold the notice if and so long as it in good faith determines that withholding the notice is in the interests of the Holders.

SECTION 7.06 *Reports by Trustee to Holders*.

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto. If required by Section 313(a) of the Trust Indenture Act, the Trustee shall, within sixty days after each May 15 following the date of the initial issuance of Securities under this Indenture deliver to Holders a brief report, dated as of such May 15, which complies with the provisions of such Section 313(a).

A copy of each report at the time of its transmission to the Holders shall be filed by the Trustee with the Commission and each securities exchange, if any, on which the Notes are listed in accordance with TIA § 313(d). The Company shall promptly notify the Trustee in writing when the Notes are listed on any securities exchange and any delisting thereof.

SECTION 7.07 *Compensation and Indemnity*.

The Company agrees to pay to the Trustee for its acceptance of the Indenture and services hereunder such compensation as the Company and the Trustee shall from time to time agree in writing. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company agrees to reimburse the Trustee upon request for all reasonable disbursements, advances and expenses incurred by it. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company and the Guarantors hereby jointly and severally indemnify the Trustee against any and all loss, liability, damage, claim or expense, including taxes (other than taxes based upon, measured by or determined by the income of the Trustee), incurred by it arising out of or in connection with the acceptance or administration of its duties under the Indenture, including the costs and expenses of enforcing the Indenture against the Company (including this Section 7.07) and defending itself against any claim (whether asserted by the Company, any Guarantor or any Holder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except as set forth in the next following paragraph. The Trustee shall notify the Company and the Guarantors promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company or the Guarantors of their obligations hereunder. The Company shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have one firm of separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent.

The Company shall not be obligated to reimburse the Trustee for any expense or indemnify against any loss or liability incurred by the Trustee to the extent such expense, loss or liability is attributable to the Trustee's negligence or willful misconduct.

To secure the payment obligations of the Company in this Section 7.07, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, or premium, if any, interest, if any, or Additional Amounts, if any, on particular Notes. Such Lien and the Company's obligations under this Section 7.07 shall survive the satisfaction and discharge of the Indenture.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(8) or (9) occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

The Trustee shall comply with the provisions of TIA § 313(b)(2) to the extent applicable.

SECTION 7.08 *Replacement of Trustee*.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign in writing upon 30 days' notice at any time and be discharged from the trust created hereby by so notifying the Company and the Guarantors. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee, the Company and the Guarantors. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a Bankruptcy Custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 30 days after the retiring or removed Trustee resigns or is removed, the retiring or removed Trustee, the Company, any Guarantor or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction at the expense of the Company for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee, to the Company and to the Guarantors. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the retiring Trustee under the Indenture. The successor Trustee shall mail a notice of its succession to the Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the Lien provided for in Section 7.07.

Notwithstanding replacement of the Trustee or Trustees pursuant to this Section 7.08, the obligations of the Company under Section 7.07 shall continue for the benefit of the retiring Trustee.

SECTION 7.09 *Successor Trustee by Merger, etc*.

Subject to Section 7.10, if the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

In case any Notes shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor to the Trustee; and in all such cases such certificates shall have the full force which it is anywhere in the Notes or in this Indenture provided that the certificate of the Trustee shall have.

SECTION 7.10 *Eligibility; Disqualification*.

There shall at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States, any State thereof or the District of Columbia and authorized under such laws to exercise corporate trust power, that is subject to supervision or examination by Federal or State (or the District of Columbia) authority and that has a combined capital and surplus of at least $50.0 million as set forth in its most recent published annual report of condition.

The Indenture shall always have a Trustee who satisfies the requirements of TIA §§ 310(a)(1), 310(a)(2) and 310(a)(5). The Trustee is subject to and shall comply with the provisions of TIA § 310(b).

SECTION 7.11 *Preferential Collection of Claims Against the Company or a Guarantor*.

The Trustee is subject to and shall comply with the provisions of TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE VIII

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

SECTION 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance*.

The Company may, at the option of its Board of Directors evidenced by a Board Resolution, at any time, exercise its rights under either Section 8.02 or 8.03 hereof with respect to all outstanding Notes upon compliance with the conditions set forth below in this Article VIII.

SECTION 8.02 *Legal Defeasance and Discharge*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Subsidiary Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Subsidiary Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of the Indenture referred to in clauses (1) through (4) below, and to have satisfied all their other obligations under such Notes, the Subsidiary Guarantees and the Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, and premium, if any, interest, if any, and Additional Amounts, if any, on, such Notes when such payments are due solely from the trust referred to in Section 8.04 hereof;

(2) the Company's and the Guarantors' obligations with respect to such Notes under Sections 2.04, 2.05, 2.07, 2.08, 2.11 and 4.02, hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith; and

(4) this Section 8.02.

Subject to compliance with this Article VIII, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

SECTION 8.03 *Covenant Defeasance*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Article IV (other than those in Sections 4.01, 4.02, 4.06 and 4.14) and clause (4) of Section 5.01 hereof and any covenant added to the Indenture subsequent to the Initial Issuance Date pursuant to Section 9.01 hereof with respect to all outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Subsidiary Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of the Indenture and such Notes and Subsidiary Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3), (4), (5), (6) and (7) hereof will not constitute Events of Default.

SECTION 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in Dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment banking firm, appraisal firm or firm of independent public accountants, to pay the principal of, and premium, interest and Additional Amounts, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether such Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company must deliver to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that:

(A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or

(B) since the Initial Issuance Date, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the granting of Liens to secure such borrowings);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture and the agreements governing any other Indebtedness being defeased, discharged or replaced) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(7) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

SECTION 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions*.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05 and Section 11.02, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and the Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, if any, or Additional Amounts, if any, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article VIII to the contrary, the Trustee will deliver or pay to the Company from time to time upon the written request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized investment banking firm, appraisal firm or firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

If the Company exercises either its Legal Defeasance or Covenant Defeasance option, each Guarantor will be released and relieved of any obligations under its related Subsidiary Guarantee and any security for the Notes (other than the trust) will be released.

SECTION 8.06 *Repayment to Company*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, or premium, if any, interest, if any, or Additional Amounts, if any, on, any Note and remaining unclaimed for two years after such principal, premium, if any, interest, if any, or Additional Amounts, if any, has become due and payable shall, subject to any applicable abandoned property laws, be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the *New York Times* and *The Wall Street Journal* (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 8.07 *Reinstatement.*

If the Trustee or Paying Agent is unable to apply any Dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under the Indenture and the Notes and the Subsidiary Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Company or any Guarantor makes any payment of principal of, or premium, if any, interest, if any, or Additional Amounts, if any, on, any Note following the reinstatement of its obligations, the Company or such Guarantor, as applicable, will be subrogated to the rights of the Holders of such Notes to receive such payment from the money or non-callable Government Securities held by the Trustee or Paying Agent.

ARTICLE IX

SUPPLEMENTAL INDENTURES AND AMENDMENTS

SECTION 9.01 *Without Consent of Holders*.

Notwithstanding Section 9.02 of this Indenture, without the consent of any Holder, the Company, the Guarantors and the Trustee may amend the Indenture or the Notes:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of Definitive Notes;

(3) to provide for the assumption of the Company's obligations to the Holders in the case of a merger or consolidation or sale of all or substantially all of the Company's properties or assets;

(4) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder;

(5) to secure the Notes pursuant to the requirements of Section 4.12;

(6) to add any additional Guarantor or to release any Guarantor from its Subsidiary Guarantee, in each case as provided in the Indenture;

(7) to comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the TIA;

(8) to conform the text of the Indenture, the Notes or the Subsidiary Guarantees to any provision of the "Description of the Notes" section of the Company's Offering Memorandum, to the extent that such provision in such "Description of the Notes" was intended to be a substantially verbatim recitation of a provision of the Indenture, the Notes or the Subsidiary Guarantees, which intent may be evidenced by an Officer's Certificate to that effect;

(9) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture; or

(10) to evidence or provide for the acceptance of appointment under the Indenture of a successor Trustee.

Upon the written request of the Company, and upon receipt by the Trustee of the documents described in Section 9.06 hereof, the Trustee shall join with the Company and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

SECTION 9.02 *With Consent of Holders*.

Except as provided below in this Section 9.02, the Company, the Guarantors and the Trustee may amend or supplement the Indenture and the Notes with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes). Sections 2.09 and 2.10 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the written request of the Company, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 9.06 hereof, the Trustee shall join with the Company and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such amended or supplemental indenture.

Neither the Company nor any of its Subsidiaries shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder of any Notes for or as an inducement to any consent, waiver or amendment of any terms or provisions of the Indenture or the Notes, unless such consideration is offered to be paid or agreed to be paid to all Holders of the Notes which so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent, waiver or agreement.

It shall not be necessary for consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, supplement or waiver. A consent to any amendment or waiver under the Indenture by any Holder given in connection with a purchase, tender or exchange of such Holder's Notes will not be rendered invalid by such purchase, tender or exchange.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company shall send to the Holders affected thereby a written notice briefly describing the amendment, supplement or waiver. Any failure of the Company to send such notice, or any defect therein, shall not*, however*, in any way impair or affect the validity of any such amendment, supplement or waiver.

The right of any Holder to participate in any consent required or sought pursuant to any provision of the Indenture (and the obligation of the Company or any Guarantor to obtain any such consent otherwise required from such Holder) may be subject to the requirement that such Holder shall have been the Holder of record of the Notes as of a date identified by the Company or such Guarantor in a notice furnished to the Holders in accordance with the terms of the Indenture.

However, without the consent of each Holder affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption or repurchase of the Notes (other than the provisions of Section 4.10 or 4.15 and provisions related to the dates by which notice must be given to the holders of notes in connection with a redemption);

(3) reduce the rate of or change the time for payment of interest on any Note;

(4) waive a Default or Event of Default in the payment of principal of, or premium, interest or Additional Amounts, if any, on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders to receive payments of principal of, or premium, interest or Additional Amounts, if any, on the Notes (except as permitted in clause (7) hereof);

(7) waive a redemption or repurchase payment with respect to any Note (other than a payment required by Section 4.10 or 4.15);

(8) make any change in the ranking of the Notes or the Subsidiary Guarantees relative to other Indebtedness of the Company or the Guarantors, respectively, in either case in a manner adverse to the Holders;

(9) modify the Subsidiary Guarantees in any manner materially adverse to the Holders or release any Guarantor from any of its obligations under its Subsidiary Guarantee or the Indenture, except in accordance with the terms of the Indenture; or

(10) make any change in the preceding amendment, supplement and waiver provisions.

SECTION 9.03 *Compliance with Trust Indenture Act*.

Every amendment or supplement to the Indenture or the Notes shall comply in form and substance with the TIA as then in effect.

SECTION 9.04 *Revocation and Effect of Consents*.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent Holder may revoke the consent as to his or her Note or portion of a Note if the Trustee receives written notice of revocation before a date and time therefor identified by the Company or any Guarantor in a notice furnished to such Holder in accordance with the terms of the Indenture or, if no such date and time shall be identified, the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

The Company or any Guarantor may, but shall not be obligated to, fix a record date (which need not comply with TIA § 316(c)) for the purpose of determining the Holders entitled to consent to any amendment, supplement or waiver or to take any other action under the Indenture. If a record date is fixed, then notwithstanding the provisions of the immediately preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date. No consent shall be valid or effective for more than 90 days after such record date unless consents from Holders of the principal amount of Securities required hereunder for such amendment, supplement or waiver to be effective shall have also been given and not revoked within such 90-day period.

After an amendment, supplement or waiver becomes effective, it shall bind every Holder, unless it is of the type described in any of clauses (1) through (10) of Section 9.02 hereof. In such case, the amendment, supplement or waiver shall bind only each Holder who has consented to it and every subsequent Holder that evidences the same debt as the consenting Holder's Note.

SECTION 9.05 *Notation on or Exchange of Notes*.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

SECTION 9.06 *Trustee to Sign Amendments, etc*.

The Trustee shall sign any amendment or supplement authorized pursuant to this Article IX if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign it. In signing or refusing to sign such amendment or supplement, the Trustee shall receive, and, shall be fully protected in conclusively relying upon, an Officer's Certificate and an Opinion of Counsel provided at the expense of the Company or a Guarantor providing that such amendment or supplement is authorized or permitted by the Indenture and such amendment or supplement is a legal, valid and binding obligation of the Company or Guarantor, as applicable, enforceable against the Company or Guarantor, as applicable, in accordance with its terms.

SECTION 9.07 *Effect of Supplemental Indentures*.

Upon the execution of any supplemental indenture under this Article IX, the Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of the Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

ARTICLE X

SUBSIDIARY GUARANTEES

SECTION 10.01 *Subsidiary Guarantee*.

(a) For value received, each Guarantor hereby jointly and severally fully, unconditionally and absolutely guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee the due and punctual payment of the principal of, and premium, if any, interest, if any, and Additional Amounts, if any, on the Notes and all other amounts due and payable under the Indenture and the Notes by the Company, when and as such principal, premium, interest and Additional Amounts, if any, shall become due and payable, subject to any applicable grace period, whether at maturity or by declaration of acceleration, call for redemption or otherwise, according to the terms of the Notes and the Indenture and, in the case of any extension of time of payment or renewal of any Notes, when the same shall become due and payable in accordance with the terms of the extension or renewal, subject to any applicable grace period, whether at maturity or by declaration or acceleration, call for redemption or otherwise, in each case, subject to the limitations set forth in Section 10.02.

(b) Failing payment when due of any amount guaranteed pursuant to the related Subsidiary Guarantee, for whatever reason, each of the Guarantors will be jointly and severally obligated to pay the same immediately. Each of the Subsidiary Guarantees hereunder is intended to be a general, unsecured, senior obligation of the related Guarantor and will rank pari passu in right of payment with all Indebtedness of such Guarantor that is not, by its terms, expressly subordinated in right of payment to such Subsidiary Guarantee. Each of the Guarantors hereby agrees that its obligations hereunder shall be full, unconditional and absolute, irrespective of the validity, regularity or enforceability of the Notes, its Subsidiary Guarantee, the Subsidiary Guarantee of any other Guarantor or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Company or any Guarantor, or any action to enforce the same or any other circumstances (other than payment) which might otherwise constitute a legal or equitable discharge or defense of the Guarantors. Each of the Guarantors hereby agrees that in the event of a default in payment of the principal of, or premium, if any, or interest on the Notes, whether at maturity or by declaration of acceleration, call for redemption or otherwise, legal proceedings may be instituted by the Trustee on behalf of the Holders or, subject to Section 7.06, by the Holders, on the terms and conditions set forth in the Indenture, directly against such Guarantor to enforce such Subsidiary Guarantee without first proceeding against the Company or any other Guarantor.

(c) The obligations of each of the Guarantors under this Article X shall be as aforesaid full, unconditional and absolute and shall not be impaired, modified, released or limited by any occurrence or condition whatsoever, including, without limitation, (i) any compromise, settlement, release, waiver, renewal, extension, indulgence or modification of, or any change in, any of the obligations and liabilities of the Company or any of the Guarantors contained in the Notes or the Indenture, (ii) any impairment, modification, release or limitation of the liability of the Company, any of the Guarantors or any of their estates in bankruptcy, or any remedy for the enforcement thereof, resulting from the operation of any present or future provision of any applicable Bankruptcy Law, as amended, or other statute or from the decision of any court, (iii) the assertion or exercise by the Company, any of the Guarantors or the Trustee of any rights or remedies under the Notes or the Indenture or their delay in or failure to assert or exercise any such rights or remedies, (iv) the assignment or the purported assignment of any property as security for the Notes, including all or any part of the rights of the Company or any of the Guarantors under the Indenture, (v) the extension of the time for payment by the Company or any of the Guarantors of any payments or other sums or any part thereof owing or payable under any of the terms and provisions of the Notes or the Indenture or of the time for performance by the Company or any of the Guarantors of any other obligations under or arising out of any such terms and provisions or the extension or the renewal of any thereof, (vi) the modification or amendment (whether material or otherwise) of any duty, agreement or obligation of the Company or any of the Guarantors set forth in the Indenture, (vii) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, the Company or any of the Guarantors or any of their respective assets, or the disaffirmance of the Notes, the Subsidiary Guarantees or the Indenture in any such proceeding, (viii) the release or discharge of the Company or any of the Guarantors from the performance or observance of any agreement, covenant, term or condition contained in any of such instruments by operation of law, (ix) the unenforceability of the Notes, the related Subsidiary Guarantees or the Indenture or (x) any other circumstances (other than payment in full or discharge of all amounts guaranteed pursuant to the related Subsidiary Guarantees) which might otherwise constitute a legal or equitable discharge of a surety or guarantor.

(d) Each of the Guarantors hereby (i) waives diligence, presentment, demand of payment, filing of claims with a court in the event of the merger, insolvency or bankruptcy of the Company or any of the Guarantors, and all demands whatsoever and (ii) covenants that its Subsidiary Guarantee will not be discharged except by complete performance of such Subsidiary Guarantee. Each of the Guarantors further agrees that if at any time all or any part of any payment theretofore applied by any Person to its Guarantee is, or must be, rescinded or returned for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of the Company or any of the Guarantors, such Subsidiary Guarantee shall, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence notwithstanding such application, and such Subsidiary Guarantee shall continue to be effective or be reinstated, as the case may be, as though such application had not been made.

(e) Each of the Guarantors shall be subrogated to all rights of the Holders and the Trustee against the Company in respect of any amounts paid by such Guarantor pursuant to the provisions of the Indenture; *provided*, *however*, that such Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation until all of the Notes and the related Subsidiary Guarantees shall have been paid in full or discharged.

SECTION 10.02 *Guarantors May Consolidate, etc. on Certain Terms*.

No Guarantor may consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person (other than the Company or another Guarantor), whether or not affiliated with such Guarantor, unless:

(1) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) shall execute a supplement to the Indenture providing for a Subsidiary Guarantee and deliver an Officer's Certificate and an Opinion of Counsel in accordance with the terms of the Indenture; and

(2) immediately after giving effect to such transaction, no Default or Event of Default exists.

Upon any such consolidation or merger of a Guarantor and upon the execution by the successor Person of a supplemental indenture, executed by the Trustee, providing for a Subsidiary Guarantee, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor.

SECTION 10.03 *Limitation on Liability of the Guarantors*.

Each Guarantor and by its acceptance hereof each Holder hereby confirms that it is the intention of all such parties that the guarantee by such Guarantor pursuant to its Subsidiary Guarantee not constitute a fraudulent transfer or conveyance for purposes of any federal or state law. To effectuate the foregoing intention, the Holders and the Guarantors hereby irrevocably agree that the obligations of each Guarantor under its Subsidiary Guarantee shall be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Subsidiary Guarantee, result in the obligations of such Guarantor under its Subsidiary Guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law

SECTION 10.04 *Release of Guarantors from Subsidiary Guarantee*.

Notwithstanding any other provisions of the Indenture, each Guarantor will be automatically and unconditionally released and relieved of any obligations under its Subsidiary Guarantee, and no further action by such Guarantor, the Company or the Trustee is required for the release of such Guarantor's Subsidiary Guarantee:

(1) upon a sale or other disposition (including by way of merger or consolidation) of all or substantially all of the assets of such Guarantor or all of the Capital Stock of such Guarantor owned by the Company or the Company's Subsidiaries to a Person other than the Company or a Restricted Subsidiary or a sale, disposition or other transaction in compliance with the Indenture as a result of which the Guarantor ceases to be a Restricted Subsidiary of the Company; *provided*, *however*, that the Net Proceeds of such sale or disposition are applied in accordance with Sections 3.10 and 4.10;

(2) upon Legal Defeasance or Covenant Defeasance in accordance with Article VIII, or upon satisfaction and discharge of the Indenture in accordance with Article XI; or

(3) upon the Board of Directors designating such Guarantor as an Unrestricted Subsidiary; *provided*, *however*, that such designation is conducted in accordance with the Indenture.

To the extent a Guarantor ceases to guarantee the Revolving Credit Facility and any other Material Indebtedness of the Company and the Guarantors, then upon 30 days' written notice to the Trustee, the Company may cause such Subsidiary to be unconditionally released from all obligations under its Subsidiary Guarantee, and such Subsidiary Guarantee shall thereupon terminate and be discharged and of no further force or effect.

The Trustee shall deliver an appropriate instrument evidencing any release of a Guarantor from its Subsidiary Guarantee upon receipt of a written request of the Company accompanied by an Officer's Certificate and an Opinion of Counsel that the Guarantor is entitled to such release in accordance with the provisions of the Indenture. If the Guarantor is not so released it shall remain liable for the full amount of principal of, and premium, if any, interest, if any, and Additional Amounts, if any, on the Notes, subject to the limitations of Section 10.03.

SECTION 10.05 *Contribution*.

In order to provide for just and equitable contribution among the Guarantors, the Guarantors hereby agree, inter se, that in the event any payment or distribution is made by any Guarantor (a "*Funding Guarantor*") under its Subsidiary Guarantee, such Funding Guarantor shall be entitled to a contribution from each other Guarantor (as applicable) in a pro rata amount based on the net assets of each Guarantor (including the Funding Guarantor) for all payments, damages and expenses incurred by that Funding Guarantor in discharging the Company's obligations with respect to the Notes or any other Guarantor's obligations with respect to its Subsidiary Guarantee of the Notes.

SECTION 10.06 *Execution and Delivery of Guaranty*.

The execution by each Guarantor of this Indenture (or a further supplemental indenture) evidences the Subsidiary Guaranty of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee after authentication constitutes due delivery of the Subsidiary Guaranty set forth in this Indenture on behalf of each Guarantor.

ARTICLE XI

SATISFACTION AND DISCHARGE

SECTION 11.01 *Satisfaction and Discharge*.

(a) The Indenture shall cease to be of further effect with respect to the Notes (except that the Company's obligations under Section 7.07, the Trustee's and Paying Agent's obligations under Section 8.06 and the rights, powers, protections and privileges accorded the Trustee under Article VII shall survive), and the Trustee, on demand of the Company, shall execute proper instruments acknowledging the satisfaction and discharge of this Indenture with respect to the Notes, when:

(1) either:

(A) all outstanding Notes theretofore authenticated and issued (other than destroyed, lost or stolen Notes that have been replaced or paid) have been delivered to the Trustee for cancellation; or

(B) all outstanding Notes not theretofore delivered to the Trustee for cancellation:

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and, in the case of clause (i), (ii) or (iii) above, the Company or a Guarantor has irrevocably deposited or caused to be deposited with the Trustee as funds (immediately available to the Holders in the case of clause (i)) in trust for such purpose cash in Dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment banking firm, appraisal firm or firm of independent public accountants, to pay and discharge the entire Indebtedness on the Notes for principal and interest to the date of such deposit (in the case of Notes which have become due and payable) or for principal, premium, if any, interest, if any, and Additional Amounts, if any, to the stated date for payment thereof or on the applicable redemption date, as the case may be;

(2) the Company or a Guarantor has paid or caused to be paid all other sums payable by them hereunder with respect to the Notes; and

(3) the Company upon request for written acknowledgment of satisfaction and discharge has delivered to the Trustee an Officer's Certificate stating that all conditions precedent to satisfaction and discharge of the Indenture with respect to the Notes have been complied with, together with an Opinion of Counsel to the same effect.

SECTION 11.02 *Application of Trust Money*.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee pursuant to Section 11.01 hereof will be held in trust and applied by the Trustee, in accordance with the provisions of the Notes and the Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, premium, if any, interest, if any, and Additional Amounts, if any, for whose payment such money has been deposited with the Trustee, but such money need not be segregated from other funds except to the extent required by law.

Notwithstanding anything in this Article XI to the contrary, the Trustee will deliver or pay to the Company from time to time upon the written request of the Company any money or non-callable Government Securities held by it as provided in Section 11.01 which are in excess of the amount thereof that would then be required to be deposited to effect the satisfaction and discharge of the Indenture pursuant to Section 11.01.

SECTION 11.03 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any Dollars or non-callable Government Securities in accordance with Section 11.01 hereof by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under the Indenture and the Notes and the Subsidiary Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money or non-callable Government Securities in accordance with Section 11.01 hereof, as the case may be; *provided*, *however*, that, if the Company or any Guarantor makes any payment of principal of, premium, if any, interest, if any, or Additional Amounts, if any, on, any Note following the reinstatement of its obligations, the Company or such Guarantor, as applicable, will be subrogated to the rights of the Holders to receive such payment from the money or non-callable Government Securities held by the Trustee or Paying Agent.

ARTICLE XII

MISCELLANEOUS

SECTION 12.01 *Trust Indenture Act Controls*.

If any provision of the Indenture limits, qualifies or conflicts with the duties imposed by operation of TIA § 318(c), the imposed duties shall control.

SECTION 12.02 *Notices*.

Any notice or communication by the Company, any Guarantor or the Trustee to the other is duly given if in writing and delivered in person or mailed by first-class mail (registered or certified, return receipt requested), facsimile or overnight air courier guaranteeing next day delivery or electronically in PDF format, to the other's address:

If to the Company or any Guarantor:

Era Group Inc.
818 Town & Country Blvd.
Suite 200
Houston, Texas 77024
Attn: Chief Financial Officer
Facsimile: (281) 606-4901

If to the Trustee:

Wells Fargo Bank, National Association
625 Marquette Avenue, 11th Floor
MAC N-9311-115
Minneapolis, Minnesota 55479
Attn: Era Group Inc. Account Manager
Telephone: (612) 316-2335
Facsimile: (612) 667-2160

The Company, any Guarantor or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

All notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if by facsimile; the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery; and when sent, if sent electronically in PDF format.

Any notice or communication to a Holder shall be mailed by first-class mail, postage prepaid, to the Holder's address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company or a Guarantor mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

All notices or communications, including without limitation notices to the Trustee, the Company or a Guarantor by Holders, shall be in writing, except as otherwise set forth herein.

In case by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impossible to mail any notice required by the Indenture, then such method of notification as shall be made with the approval of the Trustee shall constitute a sufficient mailing of such notice.

Notwithstanding the foregoing, notices in respect of Global Notes shall be given in accordance with the Applicable Procedures of the Depositary.

SECTION 12.03 *Communication by Holders with Other Holders*.

Holders may communicate pursuant to TIA § 312(b) with other Holders with respect to their rights under the Indenture or the Notes. The Company, the Guarantors, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

SECTION 12.04 *Certificate and Opinion as to Conditions Precedent*.

Upon any request or application by the Company or a Guarantor to the Trustee to take any action under the Indenture, the Company or such Guarantor shall, if requested by the Trustee, furnish to the Trustee at the expense of the Company or such Guarantor, as the case may be:

(1) an Officer's Certificate (which shall include the statements set forth in Section 12.05) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in the Indenture relating to the proposed action have been complied with; and

(2) an Opinion of Counsel (which shall include the statements set forth in Section 12.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with; *provided* that no Opinion of Counsel shall be required to be delivered in connection with the Initial Notes issued on the Initial Issuance Date dated as of the date hereof under this Indenture.

SECTION 12.05 *Statements Required in Certificate or Opinion*.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in the Indenture (other than a certificate provided pursuant to TIA § 314(a)(4)) shall comply with the provisions of TIA § 314(e) and shall include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

SECTION 12.06 *Rules by Trustee and Agents*.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or the Paying Agent may make reasonable rules and set reasonable requirements for its functions.

SECTION 12.07 *Legal Holidays*.

If a payment date is a Legal Holiday, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

SECTION 12.08 *No Recourse Against Others*.

No director, officer, employee, incorporator, member, partner or stockholder or other owner of Capital Stock of the Company or any Guarantor, as such, shall have any liability for any obligations of the Company or any Guarantor under the Notes, the Subsidiary Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

SECTION 12.09 *Governing Law*.

THE INDENTURE, THE NOTES AND THE SUBSIDIARY GUARANTEES WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES).

SECTION 12.10 *No Adverse Interpretation of Other Agreements*.

The Indenture may not be used to interpret another indenture, loan or debt agreement of the Company, any Guarantor or any other Subsidiary. Any such indenture, loan or debt agreement may not be used to interpret the Indenture.

SECTION 12.11 *Successors*.

All agreements of the Company and each of the Guarantors in the Indenture and the Notes shall bind their successors. All agreements of the Trustee in the Indenture shall bind its successors.

SECTION 12.12 *Severability*.

In case any provision in the Indenture or in the Notes or in any Subsidiary Guarantee shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall, to the fullest extent permitted by applicable law, not in any way be affected or impaired thereby.

SECTION 12.13 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

SECTION 12.14 *Table of Contents, Headings, etc*.

The table of contents, cross-reference table and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 12.15 *Waiver of Jury Trial.*

EACH OF THE COMPANY, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

SECTION 12.16 *U.S.A. Patriot Act.*

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

SECTION 12.17 *Force Majeure.*

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

[*Remainder of page intentionally left blank.*]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

ERA GROUP INC., as Company

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: Chief Executive Officer

ERA HELICOPTERS LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President and Chief Executive Officer

ERA LEASING LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

ERA MED LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

ERA AERÓLEO LLC
Era Group Inc., and Manager and Sole Member

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: Chief Executive Officer

AERÓLEO INTERNACIONAL, LLC
Era Aeróleo LLC, as Manager and Sole Member Era Group Inc., as Manager and Sole Member of EraAeróleo LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: Chief Executive Officer

ERA CANADA LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

ERA DHS LLC
Era Group Inc., as Manager and Sole Member

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: Chief Executive Officer

Era FBO LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

Era Flightseeing LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President and Chief Operating Officer

Era Helicopters (Mexico) LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

Era Helicopter Services LLC

By: /s/ Sten L. Gustafson

Name: Sten L. Gustafson
Title: President

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Richard Prokosch

Authorized Signatory: Richard Prokosch
Dated: December 17, 2012

<u>EXHIBIT A</u>

[FORM OF FACE OF NOTE]

[If a Global Note, insert-THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.07 OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.12 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[If a Restricted Global Note or a Restricted Definitive Note, insert- THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(B) IT IS NOT A U.S. PERSON (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF THE COMPANY THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO THE COMPANY OR A SUBSIDIARY OF THE COMPANY,

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(C) ABOVE OR (2)(D) ABOVE, A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE TRUSTEE) MUST BE DELIVERED TO THE TRUSTEE. PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(E) ABOVE, THE COMPANY RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

No. $

CUSIP No. 26885GAA7[1]
CUSIP No. U29500AA0[2]

7.750% Senior Note due 2022

Era Group Inc., a Delaware corporation, promises to pay to ________, or registered assigns, the principal sum of $______ (_____ Dollars) on December 15, 2022 [or such greater or lesser amount as may be indicated on Schedule A hereto]. [3]

Interest Payment Dates: June 15 and December 15.

Record Dates: June 1 and December 1.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been duly executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit of the Indenture or be valid or obligatory for any purpose.

(1) *If this Note is a Rule 144A Global Note.*
(2) *If this Note is a Regulation S Global Note.*
(3) *If this Note is a Global Note, add this provision*.

IN WITNESS WHEREOF, Era Group Inc. has caused this instrument to be duly executed.

ERA GROUP INC.

By: ________________________

Name: ________________________

Title: ________________________

Dated:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee, certifies that this is one of the
Notes referred to in the Indenture.

By: ______________________________
Authorized Signatory

Dated:

[FORM OF REVERSE SIDE OF NOTE]

7.750% Senior Note due 2022

Capitalized terms used herein but not defined shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest. Era Group Inc., a Delaware corporation (the "*Company*"), promises to pay interest on the principal amount of this Note at 7.750% per annum from December 7, 2012 until maturity. The Company will pay interest semi-annually in arrears on June 15 and December 15 of each year, commencing June 15, 2013, or if any such day is not a Business Day, on the next succeeding Business Day (each an "*Interest Payment Date*"). In certain circumstances specified in the Indenture, the Company may be required to pay Additional Amounts with respect to the Notes. Whenever in this Note there is mentioned, in any context, the payment of amounts based upon the principal amount of this Note or of principal, interest or of any other amount payable under, or with respect to, this Note, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance; *provided* that if there is no existing Default or Event of Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date, except in the case of the original issuance of Notes, in which case interest shall accrue from the date of authentication. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at a rate equal to the then applicable interest rate on the Notes to the extent lawful; and it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any, and Additional Amounts, if any, (without regard to any applicable grace period) at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months. Each reference to interest appearing herein shall be deemed to refer to "interest and Liquidated Damages, if any."

2. Method of Payment. The Company will pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the June 1 or December 1 next preceding the Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.13 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, interest and Additional Amounts, if any, at the office or agency of the Paying Agent, or, at the option of the Company, payment of interest may be made by check mailed to the Holders at their addresses set forth in the register of Holders, and *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Amounts on all Global Notes and all other Notes the Holders of which hold at least $10 million principal amount of Notes and shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. Paying Agent and Registrar. Wells Fargo Bank, National Association, the Trustee under the Indenture, initially will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Restricted Subsidiaries may act as Paying Agent or Registrar.

4. Indenture. The Company issued the Notes under the Indenture, dated as of December 7, 2012 (the "*Indenture*"), among the Company, the Guarantors party thereto and Wells Fargo Bank, National Association, as Trustee (herein called the "*Trustee*", which term includes any successor trustee under the Indenture), to the Indenture. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of such terms. In the event of a conflict between this Note and the Indenture, the Indenture shall govern.

5. Optional Redemption. The Notes are redeemable as provided in Section 3.08 of the Indenture.

6. Mandatory Redemption. Except as set forth in paragraph 7 below, the Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes or repurchase the Notes at the option of the Holder.

7. Repurchase at Option of Holder.

(a) If a Change of Control Trigger Event occurs, the Company will be required to make an offer (a "*Change of Control Offer*") to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each Holder's Notes at an offer price in cash equal to 101% of the aggregate principal amount, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (the "*Change of Control Payment*"). Within 30 days following a Change of Control Trigger Event, the Company will mail a notice to each Holder and the Trustee describing the transaction that constitutes the Change of Control Trigger Event and setting forth the procedures governing the Change of Control Offer as required by Section 4.15 of the Indenture.

(b) On the 366th day after an Asset Sale (or, at the Company's option, such earlier date), if the aggregate amount of Excess Proceeds exceeds $50.0 million, the Company will be required to make an Asset Sale Offer pursuant to Section 4.10 of the Indenture to all Holders of Notes and, to the extent required by the terms of other Pari Passu Indebtedness, to all holders of other Pari Passu Indebtedness outstanding with similar provisions requiring the Company to make an offer to purchase such Pari Passu Indebtedness with the proceeds from any Asset Sale ("*Pari Passu Notes*"), to purchase the maximum principal amount of Notes and any such Pari Passu Notes to which the Asset Sale Offer applies that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount of the Notes and Pari Passu Notes, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, in accordance with the procedures set forth in Section 3.10 of the Indenture or the agreements governing the Pari Passu Notes, as applicable. To the extent that the aggregate principal amount of Notes tendered pursuant to an Asset Sale Offer is less than the amount that the Company is required to repurchase, the Company may use any remaining Excess Proceeds for any purpose not prohibited by the Indenture. If the aggregate principal amount of Notes surrendered by Holders thereof and other Pari Passu Notes surrendered by holders or lenders, collectively, exceeds the amount that the Company is required to repurchase, the Trustee shall select the Notes and Pari Passu Notes to be purchased on a *pro rata* basis on the basis of the aggregate principal amount of tendered Notes and Pari Passu Notes (except that any Notes represented by a Note in global form will be selected by such method as the Depositary or its nominee or successor may require or, where the nominee or successor is the Trustee, a method that most nearly approximates *pro rata* selection as the Trustee deems fair and appropriate), based on the amounts tendered or required to be redeemed (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Notes.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $2,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date, interest will cease to accrue on Notes or portions thereof called for redemption.

9. Denominations, Transfer, Exchange. The Notes are in registered form without coupons in denominations of $2,000 and integral multiples of $1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents, and the Company may require a Holder to pay a sum sufficient to cover any transfer tax or other governmental taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption,

except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed.

10. Persons Deemed Owners. The registered Holder of a Note may be treated as its owner for all purposes.

11. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, the notes), and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a purchase of, tender offer or exchange offer for Notes). Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of Definitive Notes, to provide for the assumption of the Company's obligations to Holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Company's properties or assets, to secure the Notes pursuant to Section 4.12 of the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture, to add any additional Guarantor with respect to the Notes or to release any Guarantor from its Subsidiary Guarantee, in each case as provided in the Indenture, to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the TIA, to conform the text of the Indenture, the Notes or the Subsidiary Guarantees to any provision of "Description of the Notes" section of the Offering Memorandum to the extent that such provision in such "Description of the Notes" was intended to be a substantially verbatim recitation of a provision of the Indenture, the Notes or the Subsidiary Guarantees, which intent may be evidenced by an Officer's Certificate to that effect, to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture or to evidence or provide for the acceptance of appointment under the Indenture of a successor Trustee.

12. Defaults and Remedies. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately. Notwithstanding the preceding sentence, in the case of an Event of Default arising from clause (8) or (9) of Section 6.01 of the Indenture, all outstanding Notes will become due and payable without further action or notice. The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all of the Holders of the Notes rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except with respect to nonpayment of principal, interest, premium or Additional Amounts that have become due solely because of the acceleration) have been cured or waived. Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, interest, premium or Additional Amounts) if it determines that withholding notice is in their interest. Except as provided in the Indenture, the Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of the principal of, or interest, premium or Additional Amounts, if any, on the Notes. The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company will be required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. Defeasance and Discharge. The Notes are subject to defeasance and discharge upon the terms and conditions specified in the Indenture.

14. Trustee Dealings with Company. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company, any Guarantor or any of their respective Affiliates with the same rights it would have if it were not the Trustee.

15. No Recourse Against Others. No director, officer, employee, incorporator, member, partner or stockholder or other owner of Capital Stock of the Company or any Guarantor, as such, shall have any liability for any obligations of the Company or any Guarantor under the Notes, the Subsidiary Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

16. Authentication. This Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose until authenticated by the manual signature of an authorized signatory of the Trustee, which signature shall be conclusive evidence that this Note has been authenticated under the Indenture.

17. Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes. In addition to the rights provided to Holders under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes shall have all the rights and obligations set forth in the Registration Rights Agreement. By any such Holder's acceptance of Restricted Global Notes or Restricted Definitive Notes, such Holder acknowledges and agrees to the provisions of the Registration Rights Agreement, including, without limitation, the obligations of the Holders with respect to indemnification of the Company to the extent provided therein.

18. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

19. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused “CUSIP” numbers and corresponding “ISIN” numbers to be printed on the Notes and the Trustee may use “CUSIP” numbers in notices of redemption as a convenience to Holders. No representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of redemption. Reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee in writing of any change in the “CUSIP” numbers or corresponding “ISINs”.

20. Governing Law. **THE INDENTURE, THIS NOTE AND THE SUBSIDIARY GUARANTEES WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.**

21. Successor Corporation. In the event a successor assumes all the obligations of the Company under the Notes and the Indenture, pursuant to the terms thereof, the Company will be released from all such obligations to the extent provided in the Indenture.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Era Group Inc.
818 Town & Country Blvd.
Suite 200
Houston, Texas 77024
Attention: Chief Financial Officer
Fax No.: (281) 606-4901

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: ______________________________

(Insert assignee's legal name)

____

(Insert assignee's soc. sec. or tax I.D. no.)

____

____

____

____

(Print or type assignee's name, address and zip code)

and irrevocably appoint(s) agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date:

Your Signature: ________________________________

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: ______________________

* Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 Notes are to be delivered, other than to and in the name of the registered holder.

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount (must be a minimum of $2,000 or an integral multiple of $1,000 in excess thereof) you elect to have purchased: $

Dated:

Your Signature: ____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: __________________________________

Signature Guarantee*: ______________________________

* Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Securities and Exchange Commission Rule 17Ad-15 Notes are to be delivered, other than to and in the name of the registered holder.

[TO BE ATTACHED TO GLOBAL NOTE]

SCHEDULE OF INCREASES OR DECREASES IN THE GLOBAL NOTE

The following increases or decreases in this Global Note have been made:

Date	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized officer of Trustee or Notes Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Era Group Inc.
818 Town & Country Blvd.
Suite 200
Houston, Texas 77024

Wells Fargo Bank, National Association
625 Marquette Avenue, 11th Floor
MAC N-9311-115
Minneapolis, Minnesota 55479
Attention: Era Group Inc. Account Manager

Re: $200,000,000 7.750% Senior Notes due 2022, CUSIP (the "Notes")

Reference is hereby made to the Indenture, dated as of December 7, 2012 (the "Indenture"), by and among Era Group Inc., a Delaware corporation (the "Company"), the Guarantors listed therein and Wells Fargo Bank, National Association (the "Trustee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

___________ (the "Transferor") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $_________ in such Note[s] or interests (the "Transfer"), to ______________ (the "Transferee"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv)

if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

a. ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 or any other applicable exemption other than Rule 144A or Regulation S under the Securities Act;

or

b. ☐ such Transfer is being effected to the Parent, the Company or a subsidiary thereof.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note.**

a. ☐ **Check if Transfer is pursuant to Rule 144.** (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture;

b. ☐ **Check if Transfer is pursuant to Regulation S.** (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and, in the case of a transfer from a Restricted Global Note or a Restricted Definitive Note, the Transferor hereby further certifies that (a) the Transfer is not being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (b) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (c) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (d) the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person, and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

c. ☐ **Check if Transfer is pursuant to other exemption.** (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

____
[Insert Name of Owner]

By: ________________________________

Name: ______________________________
Title: _______________________________

Dated: _______________________________

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP No. 26885GAA7), or

(ii) ☐ Regulation S Global Note (CUSIP No. U29500AA0),

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP No. 26885GAA7), or

(ii) ☐ Regulation S Global Note (CUSIP No. U29500AA0), or

(iii) ☐ Unrestricted Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Era Group Inc.
818 Town & Country Blvd
Suite 200
Houston, Texas 77024

Wells Fargo Bank, National Association
625 Marquette Avenue, 11th Floor
MAC N-9311-115
Minneapolis, Minnesota 55479
Attention: Era Group Inc. Account Manager

Re: $200,000,000 7.750% Senior Notes due 2022, CUSIP (the "Notes")

Reference is hereby made to the Indenture, dated as of December 7, 2012 (the "Indenture"), by and among Era Group Inc., a Delaware corporation (the "Company"), the Guarantors listed therein and Wells Fargo Bank, National Association (the "Trustee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_______________, (the "Owner") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $________ in such Note[s] or interests (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. ☐ **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note.**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note.** In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. ☐ **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes.**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note.** In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

____

[Insert Name of Owner]

By: ________________________________

Name: ________________________________

Title: ________________________________

Dated: ________________________________

AMENDED AND RESTATED TRANSITION SERVICES AGREEMENT

THIS AMENDED AND RESTATED TRANSITION SERVICES AGREEMENT (this "Agreement") is entered into as of this [ ] day of [ ], by and between SEACOR HOLDINGS INC., a Delaware corporation ("CKH"), and ERA GROUP INC., a Delaware corporation ("ERA").

W I T N E S S E T H

WHEREAS, ERA is a wholly-owned subsidiary of CKH;

WHEREAS, ERA desires that CKH and/or certain of its Subsidiaries and affiliates provide certain services in order to assist ERA, and CKH is willing to do so, on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

SECTION 1
DEFINITIONS

1.1 Definitions. For the purposes of this Agreement, the following terms shall have the meanings set forth below:

"Agreement" shall mean this Agreement, including Schedule A attached hereto, as the same may be amended by the parties from time to time.

"CKH" shall have the meaning set forth in the preamble.

"ERA Enterprise Management Go-Live Date" shall mean, with respect to each Oracle-Supported Service, the date ERA (or any agent, subcontractor or service provider of ERA) first uses any enterprise software or database management system (including an instance of Oracle licensed to ERA, hosted on ERA's systems, or accessed via ERA's systems) in a production environment to support ERA functions previously supported by such Oracle-Supported Service.

"Facilities" shall have the meaning set forth in Section 2.4.

"Force Majeure" shall have the meaning set forth in Section 7.2.

"Losses and Expenses" shall have the meaning set forth in Section 6.3(a).

"Oracle-Supported Service" shall mean any Service in any of the Service categories listed in Section I of the table set forth in Schedule A ("Finance, Accounting & Human Resources").

"Person" shall include an individual, a partnership, a corporation, a limited liability company, a division or business unit of a corporation, a trust, an unincorporated organization, a federal, state, local or foreign government or any department or agency thereof and any other entity.

"SEACOR" shall mean CKH and any of its Subsidiaries or affiliates that perform the Services.

"Service" or "Services" shall mean only those services described on Schedule A, as the same may be amended from time to time.

"Subsidiary" shall mean, with respect to any Person, (a) each corporation, partnership, joint venture or other legal entity of which such Person owns, either directly or indirectly, more than 50% of the stock or other equity interests the holders of which are generally entitled to vote for the election of the board of directors or similar governing body of such corporation, partnership, joint venture or other legal entity, (b) each partnership in which such Person or another Subsidiary of such Person is the general or managing partner or owns directly or indirectly more than a 50% interest, and (c) each limited liability company in which such Person or another Subsidiary of such Person is the managing member or owns directly or indirectly more than a 50% interest.

"Tax Authorities" shall have the meaning set forth in Section 3.5.

SECTION 2
PROVISION OF SERVICES

2.1 Provision of Services.

(a) Subject to Section 2.1(d), SEACOR shall provide to ERA any or all of the Services listed and described on Schedule A and such other Services as may from time to time be agreed between the parties in writing and added to Schedule A. Each Service shall be provided for the fee set forth for such Service on Schedule A or as the parties may otherwise agree in writing, in every case, all of the Services shall be provided in accordance with the terms, limitations and conditions set forth herein and on

Schedule A. For the avoidance of doubt, SEACOR shall have no obligation to provide services other than those set forth in Schedule A, and SEACOR shall have no obligation to provide additional services.

(b) Unless otherwise agreed by the parties, the Services shall be performed by SEACOR for ERA in a manner that is substantially the same as the manner and level of support in which such Services were generally performed by SEACOR for ERA during the twelve (12) months prior to the date of this Agreement, and ERA shall use such Services for substantially the same purposes and in substantially the same manner as ERA had used such Services during the twelve (12) months prior to the date hereof unless otherwise mutually agreed.

(c) It is understood that SEACOR shall not be required to use its own funds or to otherwise pay for any goods or services purchased or required by ERA from third parties or for any other payment obligation of ERA.

(d) SEACOR may, in its sole discretion, engage a third party service provider or consultant (i) to provide the Services or (ii) to provide services to SEACOR. In the event SEACOR procures such services for SEACOR's own benefit, upon ninety (90) days' notice to ERA, SEACOR shall have no obligation to provide the Services pursuant to this Agreement to the extent such services (A) replace the Services or (B) result in the displacement, replacement, or termination of a material portion of the resources or personnel utilized by SEACOR to provide the Services hereunder; provided, however, that in the event that SEACOR procures such services from a third party, SEACOR may, in its sole discretion, opt to permit ERA to be a service recipient under the applicable SEACOR services or outsourcing agreement on terms and conditions to be determined by SEACOR in its sole discretion. For the avoidance of doubt, SEACOR shall have no obligation to permit ERA to be a service recipient under any such third party agreement, and SEACOR shall have no obligation to make any arrangements whatsoever to replace Services that SEACOR has no obligation to provide to ERA as a result of the terms and conditions of this Section 2.1(d).

2.2 Use of Services. SEACOR shall be required to provide the Services only to ERA in connection with the conduct by ERA of its business. ERA shall not resell any of the Services to any Person whatsoever or permit the use of the Services to any Person other than in connection with the conduct of ERA's business in the ordinary course, consistent with past practices.

2.3 Personnel. SEACOR shall furnish all personnel reasonably necessary to provide the Services.

2.4 Facilities. The Services shall be performed by SEACOR at its offices using its furniture, fixtures, and equipment, including computer hardware (the "Facilities"). Any Facilities purchased or leased by SEACOR during the term of this Agreement that are used in providing the Services shall be purchased or leased by SEACOR. All Facilities owned by SEACOR shall remain the property of SEACOR, and ERA shall not have any right, title, or interest in or to any of the Facilities. ERA shall grant SEACOR access to ERA's facilities, employees, agents, and service providers as necessary for SEACOR to provide the Services in accordance with this Agreement.

2.5 Books and Records. SEACOR shall keep books and records of the Services provided and reasonable supporting documentation of all charges incurred in connection with providing such Services, in such detail and for such time periods as shall be in accordance with SEACOR's then standard record keeping procedures, as in effect from time to time.

2.6 Representations and Warranties. Each party hereto represents and warrants that (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation; (b) it has full power and authority to enter into this Agreement and to perform its obligations hereunder; and (c) the execution and delivery of this Agreement by it and the performance by it of its obligations hereunder have been duly and validly authorized by all necessary action.

SECTION 3
PAYMENT; WARRANTY; TAXES

3.1 Fees and Payment. At the end of each calendar month, ERA shall pay SEACOR the monthly fee calculated in accordance with the itemized fees set forth on Schedule A hereto for such month, in consideration for all Services provided by SEACOR to ERA under this Agreement during such month. The fee listed in Schedule A for those Services set forth in Section II of the table in Schedule A ("Network & Infrastructure" Services) shall be payable in full if any of the Services in such category are performed by SEACOR. For clarity, any termination of one or more Service category in Section II of the table set forth in Schedule A ("Network & Infrastructure" Services) shall not result in a reduction in such corresponding fee unless all Services categories in Section II of the table set forth in Schedule A are terminated, in which case the fee shall be reduced to zero because the applicable Services have been terminated in their entirety.

3.2 Adjustments. SEACOR shall have the right to make certain adjustments to the fees in accordance with the terms and conditions of Schedule A. In addition, ERA shall reimburse SEACOR for any out-of-pocket expenses incurred by SEACOR at the request of ERA in connection with providing Services hereunder (other than compensation to SEACOR's officers and employees engaged in rendering such Services to ERA). After the end of each calendar month, SEACOR shall deliver to ERA an invoice for the monthly fee payable with respect to Services provided by SEACOR under this Agreement, plus all expenses in respect of which SEACOR seeks reimbursement hereunder.

3.3 Payment. Statements will be rendered each calendar month by SEACOR to ERA for the Services delivered during the preceding month, and each such statement shall set forth in reasonable detail a description of such Services and the amounts charged therefor and shall be payable thirty (30) days after the date thereof. Statements not paid within such thirty (30) day period, unless such invoice is being challenged by ERA in good faith, shall be subject to late charges for each month or portion thereof the statement is overdue, calculated as the lesser of (a) the then current prime rate, plus one percentage point, or (b) the maximum rate allowed by applicable law. Notwithstanding anything to the contrary set forth in this Agreement, with respect to each Services category identified in Schedule A, ERA shall not be entitled to withhold more than one month's worth of fees for the applicable Services category as disputed fees, and ERA shall pay to SEACOR within thirty (30) days after the date of the applicable statement any aggregate disputed fees in excess of one month's fees for such Services category, in each case pending the resolution of the applicable dispute.

3.4 Disclaimer of Warranty. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SERVICES TO BE PURCHASED UNDER THIS AGREEMENT ARE FURNISHED AS IS, WHERE IS, WITH ALL FAULTS AND WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. SEACOR DOES NOT MAKE ANY WARRANTY THAT ANY SERVICE COMPLIES WITH ANY LAW OR REGULATION, DOMESTIC OR FOREIGN.

3.5 Taxes. In addition to the fees required to be paid by ERA to SEACOR for the Services provided hereunder, ERA shall pay all sales or use, withholding, VAT and other similar taxes properly assessed with respect to the receipt or use of the Services. ERA shall remit to the appropriate tax authorities (the "Tax Authorities") any taxes required to be withheld by law from any fees payable to SEACOR hereunder. ERA shall submit to SEACOR evidence of payment of any such withholding tax to the Tax Authorities. In the event that SEACOR receives any credit, deduction or refund of such withholding tax from the Tax Authorities, it shall (a) promptly provide a copy of the certificate from the Tax Authorities showing the receipt of such credit, deduction or refund, and (b) provide ERA a credit for such amount against future monthly fees payable by ERA to Seller.

3.6 Software and Systems Transition; Certain Related Costs. ERA shall be solely responsible for procuring for its own benefit any equipment, software, services, consents, licenses, and any other assets and rights that may be required for ERA to operate its business following the expiration or termination of this Agreement or any Service. ERA may request that SEACOR transfer certain software licenses to ERA in connection with the transition contemplated in this Agreement, which request SEACOR may grant or reject in SEACOR's sole discretion. In the event SEACOR agrees in its discretion to transfer certain licenses to ERA pursuant to an ERA request for such transfer, ERA shall pay directly or reimburse SEACOR for, as applicable with respect to each such software license, (a) SEACOR's unamortized license fees and maintenance fees, (b) ERA's prorated portion (as determined in good faith by SEACOR) of SEACOR's costs and expenses to implement the software that is the subject of the license being transferred to ERA, and (c) any transfer fee, consent fee, or other similar fee or surcharge imposed by any third party who has the right to approve any such transfer or to require payment of any such amount in connection with the applicable transfer.

SECTION 4
TERM; TERMINATION

4.1 Term. This Agreement shall commence on the date hereof and shall continue until the earliest of (a) the date twenty-four (24) months after the date this Agreement is executed and (b) the provision of all of the Services have been terminated pursuant to Section 4.2 and (c) this Agreement is terminated pursuant to Section 4.4(a).

4.2 Termination for Convenience; Automatic Termination of Certain Services.

(a) Subject to Section 4.2(b), ERA shall have the right, at any time, to terminate all of the Services or any of the Service categories set forth in Schedule A by giving SEACOR sixty (60) days prior notice of such termination.

(b) With respect to each Oracle-Supported Service not previously terminated, each applicable Oracle-Supported Service shall automatically terminate as of the applicable ERA Enterprise Management Go-Live Date. For clarity, ERA's use of such enterprise software or database management systems in a pre-production environment to evaluate, configure or test such enterprise software or database management system prior to use in a production environment shall not result in the automatic termination of the Oracle-Supported Service pursuant to this Section 4.2(b).

4.3 Event of Default. A party shall be in default hereunder if (a) such party commits a material breach of any term of this Agreement and such breach continues uncured for thirty (30) days following receipt of written notice thereof from the other party describing such breach in reasonable detail, (b) such party makes a general assignment for the benefit of its creditors, (c) there is a filing seeking an order for relief in respect of such party in an involuntary case under any applicable bankruptcy, insolvency or other similar law and such case remains undismissed for thirty (30) days or more, (d) a trustee or receiver is appointed for such party or its assets or any substantial part thereof, or (e) such party files a voluntary petition under any bankruptcy, insolvency or similar law of the relief of debtors.

4.4 Remedies.

(a) If there is any default by ERA hereunder, SEACOR may exercise any or all of the following remedies: (i) declare immediately due and payable all sums for which ERA is liable under this Agreement; (ii) suspend this Agreement and decline to continue to perform any of its obligations hereunder; and/or (iii) terminate this Agreement.

(b) If there is any default by SEACOR hereunder, ERA may terminate this Agreement and recover any fees paid in advance for any Services not performed.

(c) In addition to the remedies set forth in clauses (a) and (b) above, a non-defaulting party shall have all other remedies available at law or equity, subject to Section 6.

4.5 Books and Records. Upon the termination of a Service or Services with respect to which SEACOR holds books, records or files, including, but not limited to, current and archived copies of computer files, owned by ERA and used by SEACOR in connection with the provision of a Service to ERA, SEACOR will return all such books, records or files as soon as reasonably practicable. ERA shall bear SEACOR's costs and expenses associated with the return of such documents. At its expense, SEACOR may make a copy of such books, records or files for its legal files. In the event SEACOR needs access to such books, records or files for legal or tax reasons, ERA shall cooperate with SEACOR to make such books, records or files available to SEACOR at SEACOR's expense.

4.6 Effect of Termination. Sections 3.5, 4.4, 4.5, 4.6, 5.1, 5.3, 6 and 7 shall survive any termination of this Agreement. With respect to each Service, following any termination thereof, ERA shall be required to pay SEACOR the aggregate amount of all out-of-pocket costs and expenses reasonably and actually incurred by SEACOR arising out of or in connection with such termination, which shall include (without limitation), in each case as determined by SEACOR acting in good faith, (a) any severance costs paid by SEACOR as a result of such termination, (b) any unamortized prepaid expenses paid by SEACOR (e.g., software license, license renewal, or consent fees; prepaid travel or facilities fees) to the extent such expenses were incurred on an incremental, out-of-pocket basis by SEACOR in connection with SEACOR's performance of any of its obligations set forth in this Agreement, including the performance of the Services, and (c) a pro-rata allocation of any capital expenditures incurred by SEACOR (i) to acquire new assets (including leased assets) or services to be utilized by SEACOR employees, agents, subcontractors, consultants or service providers in connection with SEACOR's performance of the Services or (ii) to transition SEACOR's then-current technology or operations utilized in SEACOR's performance of the Services to a new or revised technology product, technology standard, facility, service provider or solution methodology, or regulatory requirement. With respect to out-of-pocket costs for which SEACOR is seeking reimbursement pursuant to this Section 4.6, SEACOR shall set forth such costs in reasonable detail in a written statement provided by SEACOR to ERA.

4.7 ERA's Obligations Post Termination. After the expiration or termination of this Agreement, as applicable, ERA shall provide to SEACOR all information required by SEACOR if and when necessary in order to present SEACOR's financial and accounting information in accordance with generally accepted accounting principles. Upon the expiration or termination of this Agreement, as applicable, ERA shall be responsible for procuring any and all resources, personnel, services, and software required for ERA to perform any functions that ERA desires to undertake, including (a) any and all functions that were performed or supported by SEACOR as part of the Services and (b) any third party services, assets, licenses and consents maintained or procured by SEACOR in connection with this Agreement for ERA's use or benefit.

4.8 SEACOR's Obligation Post Termination. SEACOR agrees to (a) furnish to ERA such further information, (b) execute and deliver to ERA such other documents, and (c) do such other acts and things, all as ERA may reasonably request in order to permit ERA to file all tax returns required to be filed by ERA pursuant to Section 3.5. Following the termination of this Agreement or the applicable Service, SEACOR shall have no obligation to provide to ERA, or to procure for ERA's benefit, any resources, personnel, services or software to perform or support any function that ERA desires to perform, including any function that was performed or supported by SEACOR as part of the Services. For the avoidance of doubt, SEACOR shall have no obligation following the expiration or termination of this Agreement, or the termination of any applicable Service, to procure or provide for ERA's use or benefit any resources, personnel, services, and software required for ERA to perform any functions that ERA desires to undertake, including (i) any and all functions that were performed or supported by SEACOR as part of the Services and (ii) any third party services, assets, licenses and consents maintained or procured by SEACOR for ERA's use or benefit prior to the applicable expiration or termination of this Agreement or the applicable Services.

SECTION 5
CERTAIN OTHER COVENANTS

5.1 Confidentiality. Each of the parties agrees that any confidential information of the other party received in the course of performance under this Agreement shall be kept strictly confidential by the parties, and shall not be disclosed to any Person without the prior written consent of the other party, except as required by law or court order; provided, however, that SEACOR shall be permitted to disclose the confidential information of ERA to SEACOR's employees, agents, subcontractors, consultants or service providers in connection with SEACOR's performance of the Services, in each case to the extent the party to which SEACOR has disclosed such ERA confidential information has executed a nondisclosure agreement with SEACOR in which such party has agreed to treat confidential information provided to such party by SEACOR on a confidential basis. Upon the termination of this Agreement, each party shall return to the other party all of such other party's confidential information to the extent that such information has not been previously returned pursuant to Section 4.5 of this Agreement.

5.2 Access. ERA shall make available on a timely basis to SEACOR all information reasonably requested by SEACOR to enable it to provide the Services. ERA shall give SEACOR reasonable access, during regular business hours and at such other times as are reasonably required, to its premises for the purposes of providing the Services.

5.3 Title to Data. ERA acknowledges that it will acquire no right, title or interest (including any license rights or rights of use) in any firmware or software, and any licenses therefor which are owned by SEACOR, by reason of SEACOR's provision of the Services under this Agreement. SEACOR agrees that all records, data, files, input materials and other information computed by SEACOR for the benefit of ERA and which relate to the provision of the Services are the joint property of SEACOR and ERA. SEACOR may retain a copy of any or all ERA data relating to this Agreement following the termination of this Agreement for archival purposes and to be used to fulfill any of SEACOR's legal obligations, including any such obligations to prepare and file tax returns and to prepare and to file public disclosures required by any regulatory authority or securities exchange.

5.4 Compliance with Laws. Each of ERA and SEACOR shall comply in all material respects with any and all applicable statutes, rules, regulations, orders or restrictions of any domestic or foreign government, or instrumentality or agency thereof, in respect of the conduct of its obligations under this Agreement.

SECTION 6
LIABILITIES

6.1 Consequential and Other Damages. Neither party shall be liable to the other party, whether in contract, tort (including negligence and strict liability), or otherwise, for any special, indirect, incidental or consequential damages whatsoever (including, to the extent such damages may be limited by contract under applicable law, punitive damages), which in any way arise out of, relate to, or are a consequence of, its performance or nonperformance hereunder, or the provision of or failure to provide any Service hereunder, including but not limited to loss of profits.

6.2 Limitation of Liability. NOTWITHSTANDING THE FORUM IN WHICH ANY CLAIM OR ACTION MAY BE BROUGHT OR ASSERTED OR THE NATURE OF ANY SUCH CLAIM OR ACTION, IN NO EVENT SHALL ANY DIRECTOR, OFFICER, EMPLOYEE OR AGENT OF SEACOR BE PERSONALLY LIABLE TO ERA IN RESPECT OF ANY SERVICES RENDERED HEREUNDER BY SUCH PERSON. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, SEACOR'S LIABILITY TO ERA IN RESPECT OF ANY CAUSE OF ACTION THAT ARISES UNDER OR IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO (a) THE AGGREGATE FEES PAID AND PAYABLE BY ERA IN RESPECT OF THE SERVICES PROVIDED BY SEACOR UNDER THIS AGREEMENT IN THE SERVICES CATEGORY (AS SET FORTH IN SCHEDULE A) TO WHICH SUCH CLAIM PRIMARILY RELATES IN THE SIX (6) CALENDAR MONTHS PRECEDING THE CALENDAR MONTH IN WHICH THAT CAUSE OF ACTION AROSE, MINUS (b) SEACOR'S AGGREGATE LIABILITY TO ERA IN RESPECT OF ALL PRIOR CAUSES OF ACTION RELATING TO THE APPLICABLE SERVICES CATEGORY (AS SET FORTH IN SCHEDULE A). The parties agree that this provision limiting remedies and liquidated damages is reasonable under the circumstances and ERA acknowledges that SEACOR, its subsidiaries and its affiliates (including directors, officers, employees and agents) shall have no other financial liability to ERA whatsoever. When construing this Section 6.2, each ERA claim against SEACOR shall be allocated to one of the categories of Services set forth in Schedule A, and in no event shall any claim be deemed to relate to the body of this Agreement but not to relate primarily to one category of Services set forth in Schedule A.

6.3 Indemnification.

(a) ERA shall indemnify, defend and hold harmless SEACOR and its officers, directors, employees or agents from and against any and all liabilities, claims, damages, losses and expenses (including, but not limited to, court costs and reasonable attorneys' fees) of any kind or nature ("Losses and Expenses"), related to, arising out of or in connection with any third party claim relating to (i) ERA's failure to fulfill its obligations hereunder or (ii) an allegation that any ERA activity has resulted in the infringement of (or that any resource or process owned or used by ERA infringes) the patent, copyright, trademark, trade secret, moral rights, or any other intellectual property rights of any third party; provided, however, SEACOR shall not be indemnified by ERA for any Losses and Expenses to the extent those Losses and Expenses resulted from SEACOR's willful misconduct, bad faith or gross negligence.

(b) SEACOR shall indemnify, defend and hold harmless ERA and its officers, directors, employees or agents from and against any and all Losses and Expenses related to, arising out of or in connection with any third party claim relating to (i) SEACOR's failure to fulfill its obligations set forth in Section 5.1 or (ii) an allegation that any resource or process used by SEACOR in its performance of the Services under this Agreement infringes the patent, copyright, trademark, trade secret, moral rights, or any other intellectual property rights of any third party; provided, however, ERA shall not be indemnified by

SEACOR for any Losses and Expenses to the extent those Losses and Expenses resulted from ERA's willful misconduct, bad faith or gross negligence.

SECTION 7
MISCELLANEOUS

7.1 Notice. All communications to either party hereunder shall be in writing and shall be delivered in person or sent by facsimile, telegram, telex, by registered or certified mail (postage prepaid, return receipt requested) or by reputable overnight courier to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.1):

(i) If to SEACOR, to:

SEACOR Holdings Inc.
2200 Eller Drive
Fort Lauderdale 33316
Attn: Richard Ryan, Chief Financial Officer
Email: rjr@ckor.com

(ii) If to ERA, to:

Era Group Inc.
CityCentre 2
818 Town & Country Blvd.
Houston, TX 77024
Attn: Anna Goss, Vice President-Finance
Email: agoss@ckor.com

7.2 Force Majeure. A party shall not be deemed to have breached this Agreement to the extent that performance of its obligations or attempts to cure any breach are made impossible or impracticable due to any act of God, fire, natural disaster, act of terror, act of government, shortage of materials or supplies after the date hereof, labor disputes or any other cause beyond the reasonable control of such party (a "Force Majeure"). The party whose performance is delayed or prevented shall promptly notify the other party of the Force Majeure cause of such prevention or delay.

7.3 Independent Contractors. The parties shall operate as, and have the status of, independent contractors and neither party shall act as or be a partner, co-venturer or employee of the other party. Unless specifically authorized to do so in writing, neither party shall have any right or authority to assume or create any obligations or to make any representations or warranties on behalf of the other party, whether express or implied, or to bind the other party in any respect whatsoever.

7.4 Amendment; Waivers, etc. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time.

7.5 Assignment. No party may assign its rights or delegate its obligations under this Agreement to any Person without the prior written consent of the other party; provided, however, that SEACOR may assign this Agreement to any Subsidiary of SEACOR or to any Person (a) that obtains control of SEACOR via the purchase of voting shares or other interests in SEACOR, (b) that purchases or otherwise acquires all or substantially all of SEACOR's assets, or (c) with which SEACOR merges. Any attempted or purported assignment or delegation without such required consent shall be void. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns.

7.6 Sections and Headings. The sections and headings contained in this Agreement are for convenience only, are not intended to define, limit, expand or describe the scope or intent of any clause or provision of this Agreement and shall not affect the meaning or interpretation of this Agreement.

7.7 Entire Agreement. This Agreement, together with all exhibits and schedules attached hereto, constitutes the entire agreement and understanding of the parties and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

7.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and both of which shall together constitute one and the same instrument.

7.9 Governing Law. This Agreement shall be governed by the laws of the State of New York, without giving effect to the choice of law principles thereof. SEACOR and ERA each consent to the exclusive jurisdiction of, and service of process by, the United States District Court for the Southern District of New York or the state courts of the State of New York, Borough of Manhattan, with respect to any proceeding by a party arising out of this Agreement. The parties further agree that the mailing by certified or registered mail, return receipt requested, of any process required by any such court will constitute valid and lawful service of process against them, without necessity for service by any other means provided by statute or rule of court.

7.10 No Third Party Beneficiaries. Except as provided in Section 6.3 with respect to indemnification, nothing in this Agreement, express or implied, is intended to or shall confer upon anyone other than the parties hereto (and their respective successors and permitted assigns) any right, benefit or remedy of any nature whatsoever under or because of this Agreement except that Services to be provided by SEACOR hereunder shall also be provided, as directed by ERA, to any wholly-owned Subsidiary of ERA, which shall be entitled to the benefit thereof.

7.11 Errors and Omissions. Inadvertent delays, errors or omissions that occur in connection with the performance of this Agreement or the transactions contemplated hereby shall not constitute a breach of this Agreement provided that any such delay, error or omission is corrected as promptly as commercially practicable after discovery; provided, however, that Section 7.11 shall not apply with respect to, as applicable, (a) any ERA failure to pay any amount due and payable by ERA in accordance with Section 3, (b) each of the parties' confidentiality obligations as set forth in Section 5.1, (c) ERA's indemnification obligations as set forth in Section 6.3(a), and (d) SEACOR's indemnification obligations as set forth in Section 6.3(b).

7.12 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of the parties under this Agreement will not be materially and adversely affected thereby, (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom, and (d) in lieu of such illegal, invalid, or unenforceable provisions, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

[*signature page follows*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SEACOR HOLDINGS INC.

By: _______________________________________

Name:

Title:

ERA GROUP INC.

By: _______________________________________

Name:

Title:

SERVICES AND FEES

Corporate Support Services

<table>
<tr><th>ID #</th><th>Description of Service</th><th>Cost/Duration</th></tr>
<tr><td colspan="3">I. Finance, Accounting & Human Resources</td></tr>
<tr><td>1.1</td><td>Oracle Financials
Ongoing support for the current Oracle instance (Version 12) including Hyperion and BI: maintaining existing functionality of current application versions and current interfaces, continue to be liaison with Oracle on Demand (current hosting company), initial conversion of standard forms to new company logo and addresses. Includes Oracle hosting and Oracle licenses.

General support services for finance, accounting, HR and operational reporting to replicate existing ad-hoc requests or in addition to the services defined under this section (access to HFM and Essbase reporting tools to continue as part of this category of Services). Any additional work or projects other than those currently provided will be billed on a time & materials basis.

The Services shall not include access to third party resources (i) not utilized by SEACOR to provide the Services as of the date the Agreement is executed or (ii) which accessing would result in SEACOR's incurring any incremental cost or expense.

All HRIS services including maintenance and storage of personal, job, and time data for transitioning employees. SEACOR shall also provide ERA with access to historical payroll and HR data records for all scheduled ERA employees.

Excluded:
a) Third party consultancy support for maintenance of I payroll application and reports.
b) Development of new reports or forms and customizations of current functionality.
c) Implementation of new applications.
d) Management and input of employee data including pay rates etc. This information is currently handed by SEACOR Environmental Services.</td><td>Cost
$60,000 per month.

Duration
24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service).

Contacts
SEACOR: Sherrie Barker
ERA: Anna Goss</td></tr>
</table>

ID #	*Description of Service*	*Cost/Duration*
1.2	**Accounts Payable** *Processing* Entry and payment of ERA's invoices and vouchers, initial matching of vouchers to PO receipts utilizing SEACOR's Automated Vouchering System, maintenance of A/P sub-ledger, processing of special requests (i.e., rush checks, invoice maintenance, check requisitions, wire transfers, expense report processing, 1099 preparation, IRS filing, etc.), and processing of A/P reporting as done by SEACOR as of the date the Agreement is executed. The administration/reconciliation of ERA interface files from any card providers and payment to providers. This Service includes continuation of such Services commencing within 90 days after the date the Agreement is executed, in each case to the extent the bank account from which any such payments are to be made change (provided they stay within the same banking institution(s)). One check/ACH batch to be performed on a weekly basis for each business unit: • ERA • ERA Med; and • ERA Leasing *Vendor Master* Processing of vendor master additions/modifications and purchased item additions/modifications. *Policy* Updating of delegation of authority (DOA) levels in Oracle. Month end closing of Oracle A/P module. Services to be performed by existing dedicated A/P pool personnel. Certain latitude regarding the date the A/P module is closed, but no later than the 7th calendar day of each month. *1099 Reporting* Preparation and distribution of 1099s to vendors and suppliers for disbursements made by SEACOR's AP Shared Services. Preparation and electronically filing 1099 reporting required by the Internal Revenue Service. *Schedules* As set forth in: • AP Shared Services Agreement • AP Shared Services Disbursement Schedule Excluded: a) Requisitioning and receiving of purchases b) Any policy related decisions such as approval limits for employees and payment terms c) Booking of month end manual A/P accruals	*Cost* $20,000 per month. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: Mike Simpson ERA: Anna Goss

ID #	*Description of Service*	*Cost/Duration*
1.3	**Accounts Receivable** Posting of ERA A/R, processing and application of all customer payments, credit memos and adjustments, and resolving ERA internal or external customer requests including document requests. Month end closing of Oracle A/R module. This includes continuation of such Services commencing within 90 days after the date the Agreement is executed, in each case to the extent the bank account into which any such receipts occur change (provided they stay within the same banking institution(s)).	*Cost* $2,000 per month No Fee for the month end close of Oracle A/R module once remaining A/R services have been transitioned. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: LaKeisha Dove Erleen Goldberg ERA: Anna Goss
1.4	**Treasury** Support ERA treasury function with cash and bank account management services including for all current and new accounts established during the period during which treasury Services are provided in accordance with the Agreement, in each case provided that the accounts are held at the same banking institutions utilized by ERA or SEACOR as of the date the Agreement is executed to support such functions: • initiation of wire transfers, payables, ACH payments, and intercompany funding upon request, • management of bank relationships, • reconciliation of cash accounts, and • set up of new bank accounts in Oracle. Perform monthly bank reconciliations (lockbox, disbursements, and payroll). Posting of COD receipts to general ledger. Excluded: a) Services related to borrowing and investing b) Letters of credit c) Forward foreign currency contracts d) Pension and savings plan investment management e) Any decisions related to investments of and/or applications of excess cash f) Actual establishment of new bank accounts with banks	*Cost* $3,000 per month. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service) *Contacts* SEACOR: Lisa Manekin Bruce Weins ERA: Anna Goss
1.5	**Fixed Asset Management** Processing of all ERA fixed asset sub-ledger activity, including fixed asset additions/transfers/disposals/adjustments; monthly booking of depreciation, amortization, and depletion. Perform monthly reconciliation of ERA fixed asset accounts to sub-ledger. Month end closing of Oracle fixed asset module. Excluded: a) Any policy related decisions such as capital expenditure policy and associated approval limits b) Reconciliation of physical assets on site to assets in book c) Valuation of assets d) Depreciation expense projections e) Component accounting f) Capitalized interest computations	*Cost* *$2,500 per month* *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: Grant Thomas ERA: Anna Goss

ID #	*Description of Service*	*Cost/Duration*
1.6	**General Ledger System Support** Responsible for overall maintenance of ERA's general ledger, including additions/modifications to G/L structure as required by ERA (new plants, job cost setup, new companies, new G/L accounts, and other G/L account segments). The overall G/L structure including the chart of accounts will be the same as used as of the date the Agreement is executed, and any additions or modifications must conform to SEACOR's then-current hierarchy. These Services include setting up and maintaining exchange rates, user defined codes and automatic accounting instructions as required by ERA, as well as monitoring G/L batches for integrity, batch error resolution, and monthly closing and roll-forward of the G/L. If ERA requests changes to the organizational structure and/or the system hierarchy that impacts the way that the Oracle system works as of the closing of the transaction set forth in that certain Purchase and Sale Agreement pursuant to which SEH has sold all of the issued and outstanding membership interests of ERA to NGL, then ERA and SEACOR agree to renegotiate the scope and costs of all Services provided.	*Cost* $2,500 per month *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: Bruce Weins Milly Miranda ERA: Anna Goss
1.7	**Accounting/Reporting Services** Assistance with preparation of ERA's financial statements and public filings.	*Cost* $30,000 per month *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: Matt Cenac ERA: Anna Goss
1.8	**Tax** Support for preparation of FY12 state and federal income tax filings. Excluded: Sales/use tax preparation and filing.	*Cost* No Fee.
1.9	**Payroll/HR** All payroll services, including: process and technology support (as of the date the Agreement is executed) to enable end-to-end payroll processing of transitioning employees, reporting and preparation of periodic tax and regulatory related filings. Payroll to be processed on equivalent basis to services as performed by or on behalf of SEACOR as of the date the Agreement is executed.	*Cost* $16,000 per month. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). *Contacts* SEACOR: Melissa Blanco Lisa Harry ERA: Anna Goss
II. Network & Infrastructure		

ID #	*Description of Service*	*Cost/Duration*
2.1	**Voice/Telecom Services** SEACOR will provide ERA the following services: a) PBX, voicemail, VoIP, cell, VSAT and video conferencing system configuration services, maintenance and support b) PBX, voicemail, VoIP, cell, VSAT and video conferencing system and contact center install/move/add/change (IMAC) activity c) Manage, support and maintenance of contact center and call logging applications d) Manage voice services installation, support, upgrades and all other IMAC activity e) Provide support to global operations for problem resolution f) Invoice and supplier management, and procurement of all voice services, hardware, software, and maintenance purchases	*Cost* $145,000 per month *Includes all services listed in sections 2.1 through 2.5. This $145,000/month fee for Services shall be payable in full (without proration or any other reduction) if any or all of the Services set forth in section 2.1 through 2.5 are provided by SEACOR.* *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service). Excludes direct business unit costs for telecom (e.g., related to 56105, 56102, 56109).
2.2	**Data Network Services** SEACOR will provide ERA the following services: a) Wide area network (WAN), local area network (LAN), remote/mobile access, and wireless network configuration, engineering, maintenance, and support b) WAN, LAN, and wireless network IMAC activity c) Provide support to global operations for problem resolution d) Invoice management, supplier selection and management, and procurement data services e) Desktop licensing	*Cost* See 2.1 above. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service).
2.3	**End User Computing Services** SEACOR will provide ERA the following services a) Global 24x7 service desk b) PC services (e.g., install/move/add/change/dispose activities, service request management, etc.) c) PC engineering (e.g., operating system engineering and image creation, firewall, and antivirus software, etc.) d) Tier-3 support (e.g., printer support, client configuration, application, and hardware support, etc.), in each case to the extent consistent with SEACOR Tier 3 support provided to ERA prior to the date the Agreement is executed e) Asset and configuration management	*Cost* See 2.1 above. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service).
2.4	**Global Applications Infrastructure Services** SEACOR will provide ERA the following services: a) Engineering and support (includes proprietary applications and Oracle) b) Data storage c) Back-up and recovery d) Disaster recovery planning and testing e) Capacity management f) Performance tuning g) 24x7 operational monitoring and support h) Incident and problem management / resolution i) Printing from Oracle systems j) Any Oracle integrated applications	*Cost* See 2.1 above. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service).

ID #	*Description of Service*	*Cost/Duration*
2.5	**Other Infrastructure Services** SEACOR will provide ERA the following services a) Enterprise email systems b) Email archiving c) Website and web-based collaboration services d) SPAM and antivirus protection e) File/print activities f) Engineering and support g) Software maintenance licensing and support h) Citrix environment management i) Operational management (data center)	*Cost* See 2.1 above. *Duration* 24 months, (ERA agrees to provide SEACOR with 60 days' notice of termination of service).

Additional Services

In the event ERA requests that SEACOR provide additional services as part of the Services, to the extent SEACOR agrees in its sole discretion to perform such services, the parties shall amend this Schedule A to reflect the scope of such additional Services to be performed by SEACOR and the corresponding fees and reimbursements to be paid by ERA to SEACOR. In the event SEACOR's actual costs to provide the applicable Services exceeds the fee quoted or agreed with ERA for such Service, SEACOR shall be entitled to adjust fees charged for such Services to an amount equal to such SEACOR actual costs.

**FORM OF STOCK OPTION GRANT AGREEMENT
PURSUANT TO THE ERA GROUP INC.
2012 SHARE INCENTIVE PLAN**

STOCK OPTION GRANT AGREEMENT (the "Agreement") dated as of , 20__ (the "Date of Grant") between Era Group Inc., a Delaware corporation (the "Company"), and (the "Grantee"),

RECITALS :

WHEREAS, the Company has adopted the Era Group Inc. 2012 Share Incentive Plan (the "Plan"). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan; and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant an option to purchase shares of the Company's common stock, par value $0.01 (the "Common Stock"), to the Grantee pursuant to the Plan and on the terms and subject to the conditions hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. **Grant of Option.** Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Grantee the right and option (the "Option") to purchase all or any part of an aggregate of [] shares of Common Stock, which shall vest in accordance with Paragraph 4 hereof. The Option is intended to be a Nonqualified Stock Option.

2. **Exercise Price.** The per share exercise price of the shares subject to the Option shall be $[], which is equal to the Fair Market Value on the Date of Grant.

3. **Option Term.** The term of the Option shall be ten (10) years, commencing on the Date of Grant (the "Option Term"). The Option shall automatically terminate upon the expiration of the Option Term, or at such earlier time specified herein or in the Plan.

4. **Vesting and Exercise Period.**

   a. Vesting. Subject to the terms and conditions set forth herein and in the Plan, the Option shall vest and become exercisable in equal installments on each of the first ____ anniversaries of the Date of Grant.

   b. Termination of Employment without Cause. Subject to Paragraph 4(e)(iv), in the event Grantee is terminated by the Company without Cause (as defined below), each Option that had been granted but was unexercised as of the date of termination shall vest and become immediately exercisable.

   c. Acceleration on a Change in Control. The Option shall vest and be exercisable immediately, without any action on the part of the Company (or its successor as applicable) or the Grantee if, prior to a Forfeiture (as defined below) by the Grantee, there occurs a Change in Control of the Company.

   d. Forfeiture. Except as provided in Paragraph 4(a)-(c) above, any unvested portion of the Option shall terminate and be of no further force or effect from and after the date of the termination of the Grantee's employment with the Company.

   e. Period of Exercise. Subject to the terms and conditions set forth herein and in the Plan, the Grantee may exercise all or any part of the vested Option at any time prior to the earliest to occur of:

      (i) the expiration of the Option Term; or

      (ii) in the event of the Grantee's death, one (1) year from the date of death;

      (iii) in the event of the Grantee's formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its sole discretion (which determination may be conditioned upon, among other things, the Grantee entering into a non-competition agreement with the Company), until the earliest to occur of (A) one (1) year from the date of such retirement and (B) the expiration of the Option Term;

      (iv) in the event of termination of Grantee's employment without Cause (as defined below), until the earliest to occur of (A) ninety (90) days after the effective date of such termination and (B) the expiration of the Option Term;

   Except as provided in Paragraph 4(e)(i)-(iv) above, the Grantee may not exercise all or any part of the vested Option after termination of the Grantee's employment with the Company.

For purposes hereof, "Cause" means (i) fraud, embezzlement or gross insubordination on the part of the Grantee or breach by the Grantee of his or her obligations under any Company policy or procedure; (ii) conviction of or the entry of a plea of *nolo contendere* by the Grantee for any felony; (iii) a material breach of, or the willful failure or refusal by the Grantee to perform and discharge, his or her duties, responsibilities or obligations, as an employee; or (iv) any act of moral turpitude or willful misconduct by the Grantee which (A) is intended to result in substantial personal enrichment of the Grantee at the expense of the Company or any of its subsidiaries or affiliates or (B) has a material adverse impact on the business or reputation of the Company, or any of its subsidiaries or affiliates.

5. **Method of Exercise.** The vested portion of the Option may be exercised in accordance with Section 6(b) of the Plan.

6. **Specific Restrictions Upon Option Shares.** The Grantee hereby agrees with the Company as follows:

   a. the Grantee shall acquire shares of Common Stock hereunder for investment purposes only and not with a view to resale or other distribution thereof to the public in violation of the United States Securities Act of 1933, as amended (the "1933 Act"), and shall not dispose of any such shares in transactions which, in the opinion of counsel to the Company, violate the 1933 Act, or the rules and regulations thereunder, or any applicable state or national securities or "blue sky" laws; and further

   b. if any shares of Common Stock that are shares subject to the Option shall be registered under the 1933 Act, no public offering (otherwise than on a national securities exchange, as defined in the United States Securities Exchange Act of 1934, as amended) of any shares acquired hereunder shall be made by the Grantee (or any other person) under such circumstances that he or she (or such person) may be deemed an underwriter, as defined in the 1933 Act; and further

   c. the Grantee agrees that the Company shall have the authority to endorse upon the certificate or certificates representing the shares of Common Stock acquired hereunder such legends referring to the foregoing restrictions and any other applicable restrictions, as it may deem appropriate.

7. **Transferability.** The Grantee shall not transfer or assign the Option except as permitted in accordance with Section 17 of the Plan.

8. **Adjustment.** The Option may be adjusted by the Committee in accordance with Section 12(a) of the Plan.

9. **Withholding.** All payments or distributions with respect to the Option made hereunder or of shares of Common Stock covered by the Option shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Grantee to remit to it an amount sufficient to satisfy such tax withholding requirements prior to the delivery of any certificates for such shares of Common Stock. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from such corporation to the Grantee as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Grantee to pay all or a portion of the federal, national, state and local withholding taxes arising in connection with the Option or shares of Common Stock by electing to have the Company withhold shares of Common Stock having a Fair Market Value equal to the amount to be withheld, provided that such withholding shall only be at rates required by applicable statutes or regulations.

10. **Notices.** Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Grantee, at such address as the Company shall maintain for the Grantee in its personnel records or such other address as he may designate in writing to the Company, and if to the Company, at 2200 Eller Drive P.O. Box 13038, Fort Lauderdale, Florida 33316, Attention: General Counsel or such other address as the Company may designate in writing to the Grantee.

11. **Entire Agreement.** This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

12. **Failure to Enforce Not a Waiver.** The failure of the Company to enforce at any time any provision of this Agreement shall in no manner be construed to be a waiver of such provision or of any other provision hereof.

13. **Tenure.** The Grantee's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

14. **Benefit and Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Grantee, his/her executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

15. **Governing Law.** This Agreement shall be governed by and construed according to the laws of the State of Delaware, applicable to agreements made and performed in that state.

16. **Amendment and Termination.** The Committee may amend or alter this Agreement and the Option granted hereunder at any time, subject to the terms of the Plan.

17. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Era Group Inc.

By:
Title:

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

Name:

FORM OF RESTRICTED STOCK GRANT AGREEMENT
PURSUANT TO THE ERA GROUP INC.
2012 SHARE INCENTIVE PLAN

RESTRICTED STOCK GRANT AGREEMENT (the "Agreement"), dated as of , 20__, (the "Date of Grant") between Era Group Inc., a Delaware corporation (the "Company"), and (the "Grantee").

RECITALS :

WHEREAS, the Company has adopted the Era Group Inc. 2012 Share Incentive Plan (the "Plan"). Capitalized terms not otherwise defined herein shall have the same meanings as in the Plan; and

WHEREAS, the Company has determined that it would be in the best interests of the Company and its stockholders to issue and grant to the Grantee pursuant to the Plan, and the Grantee desires to accept, shares of the Company's common stock, par value $0.01 ("Common Stock"), upon the terms and subject to the conditions hereinafter provided;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. **Grant of Restricted Stock.** Subject to the terms and conditions of the Plan and this Agreement, the Company hereby grants to the Grantee **[]** shares of (restricted) Common Stock (the "Restricted Stock"). Except as otherwise provided herein including, without limitation, the provisions of Paragraph 3 hereof, the Grantee shall have with respect to the Restricted Stock all of the rights of a holder of Common Stock, including the right to receive dividends, if paid, and the right to vote the Common Stock, provided, however, that, prior to the record date for any dividend, the Committee shall determine, in its sole discretion, whether (i) the Grantee shall immediately receive the dividend on the Restricted Stock on the payment date, notwithstanding the vesting date of the underlying Restricted Stock as set forth in Paragraph 2 below or (ii) the amount of the dividend otherwise payable on the Restricted Stock shall be held in escrow from and after the dividend payment date until the Restricted Stock vests, at which time the amount of the dividend shall be paid to the Grantee. The Company shall cause the Restricted Stock to be issued in the name of the Grantee on the books and records of the Company promptly following execution of this Agreement by the Grantee. The Grantee acknowledges that the Restricted Stock is uncertificated and shall be credited to an escrow account until the lapse of the restriction period. Upon the request of the Company, the Grantee agrees to execute and deliver to the Company a stock power in a form satisfactory to the Company, duly endorsed in blank, relating to the Restricted Stock.

2. **Vesting.**

   a. Subject to the terms and conditions set forth herein and in the Plan the Restricted Stock shall vest in equal installments on each of the first _____ anniversaries of the Date of Grant.

   Notwithstanding the foregoing, the Restricted Stock shall vest immediately, without any action on the part of the Company (or its successor as applicable) or the Grantee if, prior to a Forfeiture (as defined below) by the Grantee, any of the following events occur:

   (i) the death of the Grantee;

   (ii) the Retirement (as defined below) of the Grantee;

   (iii) the termination of the Grantee's employment with the Company and/or its subsidiaries, as applicable, by the Company (or applicable subsidiaries) without Cause (as defined below); or

   (iv) the occurrence of a Change in Control of the Company.

   b. As used in this Agreement, the following terms shall have the following respective meanings:

   "Retirement" shall mean Grantee's formal retirement from employment with the Company under acceptable circumstances as determined by the Committee in its sole discretion (which determination may be conditioned upon, among other things, the Grantee entering into a non-competition agreement with the Company).

   "Cause" shall mean (i) fraud, embezzlement or gross insubordination on the part of the Grantee or breach by the Grantee of his or her obligations under any Company policy or procedure; (ii) conviction of or the entry of a plea of nolo contendere by the Grantee for any felony; (iii) a material breach of, or the willful failure or refusal by the Grantee to perform and discharge, his or her duties, responsibilities or obligations, as a Grantee; or (iv) any act of moral turpitude or willful misconduct by the Grantee which (A) is intended to result in substantial personal enrichment of the Grantee at the expense of the Company or any of its subsidiaries or affiliates or (B) has a material adverse impact on the business or reputation of the Company, or any of its subsidiaries or affiliates.

3. **Forfeiture.** Except as set forth in Paragraph 2(a) hereof, upon termination of the Grantee's employment with the Company, any unvested shares of this Restricted Stock award shall not vest and all such unvested shares shall immediately thereupon be forfeited by the Grantee to the Company without any consideration therefor (a "Forfeiture").

4. **Representations and Warranties of Grantee.** The Grantee hereby represents and warrants to the Company as follows:

   a. The Grantee has the legal right and capacity to enter into this Agreement and fully understands the terms and conditions of this Agreement.

   b. The Grantee is acquiring the Restricted Stock for investment purposes only and not with a view to, or in connection with, the public distribution thereof in violation of the United States Securities Act of 1933, as amended (the "Securities Act").

   c. The Grantee understands and agrees that none of the shares of the Restricted Stock may be offered, sold, assigned, transferred, pledged, hypothecated or otherwise disposed of except in compliance with this Agreement and the Securities Act pursuant to an effective registration statement or applicable exemption from the registration requirements of the Securities Act and applicable state securities or "blue sky" laws, and then only in accordance with the Era Group Inc. Insider Trading and Tipping Policy (the "Insider Trading Policy"). The Grantee further understands that the Company has no obligation to cause or to refrain from causing the resale of any of the shares of the Restricted Stock or any other shares of its capital stock to be registered under the Securities Act or to comply with any exemption under the Securities Act which would permit the shares of the Restricted Stock to be sold or otherwise transferred by the Grantee. The Grantee further understands that, without approval in writing pursuant to the Insider Trading Policy, no trade may be executed in any interest or position relating to the future price of Company securities, such as a put option, call option, or short sale (which prohibition includes, among other things, establishing any "collar" or other mechanism for the purpose of establishing a price).

5. **Transferability.** The Grantee shall not transfer or assign the Restricted Stock except as permitted in accordance with Section 17 of the Plan.

6. **Withholding.** All payments or distributions of Restricted Stock or with respect thereto shall be net of any amounts required to be withheld pursuant to applicable federal, national, state and local tax withholding requirements. The Company may require the Grantee to remit to it an amount sufficient to satisfy such tax withholding requirements prior to delivery of any certificates for such Restricted Stock or with respect thereto. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from such corporation to the Grantee as the Company shall determine. The Company may, in its discretion and subject to such rules as it may adopt (including any as may be required to satisfy applicable tax and/or non-tax regulatory requirements), permit the Grantee to pay all or a portion of the federal, national, state and local withholding taxes arising in connection with the Restricted Stock or any payments or distributions with respect thereto by electing to have the Company withhold Common Stock having a Fair Market Value equal to the amount to be withheld, provided that such withholding shall only be at rates required by applicable statues or regulations.

7. **Notices.** Any notice required or permitted hereunder shall be deemed given only when delivered personally or when deposited in a United States Post Office as certified mail, postage prepaid, addressed, as appropriate, if to the Grantee, at such address as the Company shall maintain for the Grantee in its personnel records or such other address as he may designate in writing to the Company, and if to the Company, at 2200 Eller Drive P.O. Box 13038, Fort Lauderdale, Florida 33316, Attention: General Counsel or such other address as the Company may designate in writing to the Grantee.

8. **Entire Agreement.** This Agreement and the Plan contain the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements, discussions and understandings (whether oral or written and whether express or implied) with respect to such subject matter.

9. **Failure to Enforce Not a Waiver.** The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

10. **Tenure.** The Grantee's right to continue to serve the Company or any of its subsidiaries as an officer, employee, or otherwise, shall not be enlarged or otherwise affected by the award hereunder.

11. **Benefit and Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Grantee, his executors, administrators, personal representatives and heirs. In the event that any part of this Agreement shall be held to be invalid or unenforceable, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.

12. **Governing Law.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to principles and provisions thereof relating to conflict or choice of laws.

13. **Amendment and Termination.** This Agreement may not be amended or terminated unless such amendment or termination is in writing and duly executed by each of the parties hereto.

14. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has executed this Agreement on the date and year first above written.

Era Group Inc.

By:
Title:

The undersigned hereby accepts, and agrees to, all terms and provisions of this Agreement as of the date and year first above written.

Name:

Exhibit 10.11

ERA GROUP INC.
MANAGEMENT INCENTIVE PLAN

1. PURPOSE

The purpose of the Era Group Inc. Management Incentive Plan (the "Plan") is to provide senior executives of Era Group Inc. (the "Company") and its subsidiaries, including individuals who may be characterized as covered employees within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") (such employees, "Covered Employees") with incentive based compensation upon the achievement of established performance goals.

2. ELIGIBILITY

Participants in the Plan will consist of such key members of management of the Company and its subsidiaries that the Compensation Committee of the Company (as defined in Section 7 hereof) and/or Board of Directors of the Company (the "Board") in its sole discretion selects to participate. An employee who is a Participant for one annual performance period shall not have the right to be a Participant in any subsequent annual performance period.

3. AWARDS

3.1 Annual Bonuses. A Participant may be designated as being eligible to receive an incentive cash bonus with respect to an annual performance period (the "Annual Bonus"), subject to the procedure and requirements of Section 4 below; provided, however, that the Compensation Committee and/or Board shall at all times have the authority and discretion to reduce or eliminate the Annual Bonus of any Participant to the extent it deems appropriate, even if performance goals are attained. Any reduction of one Participant's Annual Bonus will not result in an increase of another Participant's Annual Bonus.

3.2 Other Bonuses. The Compensation Committee and/or Board may award cash bonuses in such amounts and on such terms and conditions as it determines in its sole discretion, without regard to the procedure and requirements set forth in Section 4 below, to any individual who is or has been hired to be a key management employee of the Company or any of its subsidiaries.

4. PROCEDURE

4.1 Performance Period. Unless otherwise determined by the Compensation Committee and/or Board, the annual performance period with respect to an Annual Bonus shall be the calendar year (January 1 - December 31).

4.2 Establishment of Goal. No later than ninety (90) days after the commencement of the performance period (but in no event after twenty-five percent (25%) of the performance period has elapsed), the Compensation Committee and/or Board shall establish (i) the performance goals applicable to the performance period; (ii) the performance measures to be used to measure the performance goals in terms of an objective formula or standard; (iii) the method for computing the amount of compensation payable to each Participant if such performance goals are obtained; and (iv) the Participants or class of Participants to which such performance goals apply.

4.3 Performance Measures. The performance goals to be achieved to earn an Annual Bonus shall primarily be based on earnings before interest, taxes, depreciation, amortization and non-cash items based on the performance of the Company, or any business or division thereof ("EBITDA"), but may also be based on one or more of following performance measures, individually or in combination, based on the performance of the Company, or any business or division thereof, (i) revenue growth, (ii) earnings, (iii) operating income; (iv) pre- or after-tax income; (v) cash flow (before or after dividends); (vi) cash flow per share (before or after dividends); (vii) earnings per share; (viii) return on equity; (ix) return on capital (including return on total capital or return on invested capital); (x) cash flow return on investment; (xi) return on assets; (xii) economic value added (or an equivalent metric); (xiii) market share or penetration; (xiv) share price performance; (xv) total shareholder return; (xvi) improvement in or attainment of expense levels or expenses ratios; (xvii) employee satisfaction; (xviii) customer satisfaction; (xix) customer retention; (xx) rating agency ratings; and (xxi) attainment of strategic and/or organizational development goals.

4.4 Relative Performance Measures. Performance goals may also be based on comparisons to the performance of other companies or an index covering multiple companies, measured by one or more of the foregoing performance measures.

4.5 Certain Events. The evaluation of performance measures against the performance goals may (A) be adjusted consistent with exclusions or adjustments provided for in the Company's financing agreements, or (B) exclude or adjust for the impact of certain events or occurrences that were not budgeted or planned for in setting the goals, including but not limited to (i) asset write-downs; (ii) litigation or claim judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or provisions affecting reported results; (iv) any reorganization and restructuring programs; (v) extraordinary nonrecurring items as described in Accounting Principles Board Opinion No. 30 or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to stockholders for the applicable year; (vi) acquisitions or divestitures; (vii) foreign exchange gains and losses; and (viii) discontinued operations as determined by the Compensation Committee at the time it establishes the goals in accordance with Section 4.2.

4.6 Maximum Bonus. The maximum Annual Bonus payable under the Plan to any Participant for any one calendar year is $6 million.

4.7 Determination of Bonus Amounts. As soon as reasonably practical following the completion of each performance period, the Compensation Committee shall confirm which of the applicable performance goals, if any, have been achieved and the amount of bonuses payable as a result thereof. The Annual Bonus shall be paid to each Participant within a reasonable period of time after the end of the performance period; provided, however, that no Annual Bonus will be paid for any performance period to any Participant who is subject to the limitations of Section 162(m) of the Code with respect to any Performance Period until such confirmation is made by the Compensation Committee.

4.8 Re-approval of Performance Measurements. Unless otherwise determined by the Board, the Company shall seek approval of the Plan and/or the performance measures listed in Section 4.3 at the first shareholder meeting that occurs in the first year following the year in which the Company becomes a publicly held corporation, for purposes of complying with Section 162(m) of the Code and the transition rule under Treasury Regulation 1.162-27(f) (for subsidiaries that become separate publicly held corporations), and the Company shall seek re-approval of the Plan and/or the performance measures listed in Section 4.3 every fifth year following any approval or re-approval thereafter, for purposes of complying with Section 162(m) of the Code.

5. PLAN ADMINISTRATION

5.1 Compensation Committee. The Plan shall be administered by the compensation committee of the Company which shall consist solely of at least two (2) "outside directors" within the meaning of Section 162(m) of the Code (the "Compensation Committee"). The Compensation Committee may delegate any of its duties and powers, in whole or in part, to any subcommittee thereof, provided such subcommittee consists solely of at least two (2) "outside directors" within the meaning of Section 162(m) of the Code.

5.2 Authority. The Compensation Committee shall have full power to administer and interpret the Plan and to establish rules for its administration, including, without limitation, rules regarding the impact of employment termination during the performance period and prior to the date the Annual Bonus or Other Bonus is paid. Any rule adopted by the Compensation Committee with respect to Covered Employees shall be consistent with the provisions of Section 162(m) of the Code.

5.3 Reliance on Advice. The Compensation Committee and/or Board, in making any determination under or referred to in the Plan shall be entitled to rely on opinions, reports or statements of officers or employees of the Company and other entities and of counsel, public accountants and other professional expert persons.

6. AMENDMENT AND TERMINATION OF THE PLAN

The Board may at any time, or from time to time, suspend or terminate the Plan, in whole or in part, or amend it in such respects as the Board may determine; provided, however, that any amendment of the Plan shall be subject to the approval of the Company's stockholders to the extent required to comply with the requirements of Section 162(m) of the Code, or any other applicable laws, regulations or rules.

7. MISCELLANEOUS PROVISIONS

7.1 No Right to Continued Employment. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to continue to be employed by or perform services for the Company or any subsidiary.

7.2 Nontransferable. Except as may be approved by the Compensation Committee, a Participant's rights and interests under the Plan may not be assigned or transferred, hypothecated or encumbered, in whole or in part, either directly or indirectly by operation of law or otherwise (except in the event of the Participant's death).

7.3 Withholding. The Company and its subsidiaries shall have the right to deduct from any payment made under the Plan any federal, state, local or foreign income or other taxes required to be withheld with respect to such payment.

7.4 Compliance with Section 162(m). This Plan shall be administered and interpreted in accordance with Section 162(m) of the Code, to ensure the deductibility by the Company or its subsidiaries of the payment of the Annual Bonuses.

7.5 Governing Law. The Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

8. EFFECTIVE DATE

This Plan is adopted as of [____________]. The Board may, in its discretion, seek approval of the Plan by the Company's shareholders for purposes of complying with Section 162(m) of the Code and Treasury Regulation 1.162-27(f).

SERIES B EXCHANGE AGREEMENT

THIS SERIES B EXCHANGE AGREEMENT, dated as of [•], 2012 (this "Agreement"), is by and between SEACOR Holdings Inc., a Delaware corporation ("SEACOR"), and Era Group Inc., a Delaware corporation and wholly-owned subsidiary of SEACOR ("Era").

WHEREAS, the Board of Directors of SEACOR has determined that it is in the best interests of SEACOR and its stockholders to separate the business of Era from SEACOR's other businesses by means of the distribution to SEACOR's stockholders of all of the issued and outstanding shares of common stock, par value $0.01 per share, of Era (the "Era Shares"), all as more fully described in the registration statement on Form 10 filed by Era with the Securities and Exchange Commission to effect the registration of the Era Shares pursuant to the Securities Exchange Act of 1934 (the "Distribution").

WHEREAS, SEACOR currently owns 1,000,000 shares of Series B preferred stock, par value $0.01 per share, of Era with a redemption value of $100.0 million (the "Era Preferred Shares").

WHEREAS, Era has generated a certain amount of net operating loss tax benefits for the fiscal year 2012 (the "Era NOLs").

WHEREAS, SEACOR and its affiliates will apply the Era NOLs against their taxable income for the fiscal year 2012.

WHEREAS, in connection with the Distribution, SEACOR and Era desire to complete an exchange (the "Exchange") whereby (i) SEACOR will transfer to Era, and Era will accept from SEACOR, [________][(1)] of SEACOR's Era Preferred Shares (the "Transferred Preferred Shares"), in respect of the estimated value of the Era NOLs; and (ii) SEACOR will to sell to Era, and Era will purchase from SEACOR, [_______][(2)] of SEACOR's Era Preferred Shares (the "Purchased Preferred Shares"), for a purchase price of $[________] (the "Preferred Share Purchase Price"), all as more fully described and pursuant to the terms and conditions set forth in this Agreement.

WHEREAS, the Boards of Directors of SEACOR and Era have each determined that the Distribution and the Exchange are in the best interests of their respective companies and stockholders, as applicable, and have approved this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

(1) Exchange.

a. Transfer of Transferred Preferred Shares. SEACOR agrees to transfer and hereby transfers to Era, and Era agrees to accept and hereby accepts from SEACOR, the Transferred Preferred Shares in respect of the Era NOLs.

b. Sale and Purchase of Purchased Preferred Shares. SEACOR agrees to sell and hereby sells to Era, and Era agrees to purchase and hereby purchases from SEACOR, the Purchased Preferred Shares, for the Preferred Share Purchase Price, to be paid by Era to SEACOR in immediately available United States funds to such account as specified by SEACOR.

c. Additional payments in respect of adjustments to the value of the Era NOLs, if any, shall be made pursuant to the Tax Matters Agreement.

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(1) To equal the number of Era Preferred Shares such that the redemption value of such Era Preferred Shares is equal to the estimated value of the Era NOLs.

(2) To equal the remaining number of Era Preferred Shares not exchanged for the estimated Era NOLs.

(2) Completion; Further Assurances. The Exchange shall take place forthwith upon execution of this Agreement, without any further action of the parties hereto, except as set forth herein. If at any time at or after the date of this Agreement, any of the parties shall consider or be advised that any other instrument of conveyance or transfer, assignment or assurance or other documentation or the taking of any other act is necessary, desirable or proper to vest, perfect or confirm the Exchange or any of the other transactions contemplated by this Agreement, the parties agree to execute and deliver all such instruments,

assignments, assurances and documents to do all things necessary, desirable or proper to vest, perfect or confirm the Exchange and other transactions contemplated by this Agreement and otherwise to carry out the purposes of this Agreement.

(3) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties hereto and delivered to the other party hereto.

(4) Waivers. The failure of any of the parties hereto to require strict performance by any other party of any provision in this Agreement will not waive or diminish that party's right to demand strict performance thereafter of that or any other provision hereof.

(5) Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation or in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

(6) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

(7) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE STATE OF NEW YORK.

(8) Specific Performance. In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the parties hereto agree that the party to this Agreement who is or is to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The parties agree that the remedies at law for any breach or threatened breach of this Agreement, including monetary damages, are inadequate compensation for any loss, that any defense in any action for specific performance that a remedy at law would be adequate is hereby waived, and that any requirements for the securing or posting of any bond with such remedy are hereby waived.

* * *

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the day and year first above written.

SEACOR HOLDINGS INC.

By:
Name: [·]

Title: [·]

ERA GROUP INC.

By:
Name: [·]
Title: [·]

EXHIBIT 99.1

Information included herein is subject to completion or amendment. A Registration Statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

PRELIMINARY INFORMATION STATEMENT
SUBJECT TO COMPLETION, DATED DECEMBER 17, 2012

ERA GROUP INC.
Common Stock
(par value $0.01)

SEACOR Holdings Inc. ("SEACOR") is furnishing this Information Statement to its stockholders in connection with the planned distribution by SEACOR to its stockholders of all of the outstanding shares of common stock of its wholly owned subsidiary, Era Group Inc. ("Era Group," "we," "us" or "our").

SEACOR will distribute all of the outstanding shares of common stock of Era Group on a pro rata basis to holders of SEACOR common stock, which we refer to as the "distribution." We refer to the separation of Era Group from SEACOR as the "separation" or the "spin-off." Holders of SEACOR common stock as of 5:00 p.m., New York City time, on , the record date for the distribution, will be entitled to receive one share of Era Group common stock for every share of SEACOR common stock held thereby. The distribution will be made in book-entry form. We expect that the spin-off will be tax-free to SEACOR's stockholders for U.S. federal income tax purposes. Immediately after the distribution is completed, we will be an independent, publicly traded company. No action will be required of you to receive shares of Era Group common stock, which means that:

- we are not asking you for a proxy, and you should not send us a proxy;
- you will not be required to pay for the shares of our common stock that you receive in the distribution; and
- you do not need to surrender or exchange any of your SEACOR common stock in order to receive shares of our common stock, or take any other action in connection with the spin-off.

There is currently no trading market for our common stock. However, we expect that a limited market, commonly known as a "when issued" trading market, for our common stock will develop on or shortly prior to the record date for the distribution, and we expect "regular way" trading of our common stock will begin the first trading day after the completion of the distribution. We expect to list our common stock on the New York Stock Exchange ("NYSE") under the symbol "ERA."

In reviewing this Information Statement, you should carefully consider the matters described under "Risk Factors" beginning on page 22 for a discussion of certain factors that should be considered by recipients of our common stock.

We are an Emerging Growth Company as defined in the Jumpstart Our Business Startups Act. See page 13.

Neither the Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this Information Statement is truthful or complete. Any representation to the contrary is a criminal offense.

This Information Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The date of this Information Statement is , 2012.

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This Information Statement is being furnished solely to provide information to SEACOR stockholders who will receive shares of our common stock in the distribution. It is not and is not to be construed as an inducement or encouragement to buy or sell any of our securities or any securities of SEACOR. This Information Statement describes our business, our relationship with SEACOR and how the spin-off affects us and SEACOR and its stockholders, and provides other information to assist you in evaluating the benefits and risks of holding or disposing of our common stock that you will receive in the distribution. You should be aware of certain risks relating to the spin-off, our business and ownership of our common stock, which are described under the heading "Risk Factors."

You should not assume that the information contained in this Information Statement is accurate as of any date other than the date set forth on the cover. Changes to the information contained in this Information Statement may occur after that date, and we undertake no obligation to update the information, except in the normal course of our public disclosure obligations and practices.

QUESTIONS AND ANSWERS ABOUT THE COMPANY AND THE SPIN-OFF

Set forth below are commonly asked questions and answers about the spin-off and the transactions contemplated thereby. You should read the section entitled "The Spin-Off" elsewhere in this Information Statement for a more detailed description of the matters described below.

All references in this Information Statement to "SEACOR" refer to SEACOR Holdings Inc., a Delaware corporation; all references in this Information Statement to "Era Group," "the Company," "we," "us," or "our" refer to Era Group Inc., a Delaware corporation and wholly owned subsidiary of SEACOR. Throughout this Information Statement, we refer to the shares of SEACOR common stock, $0.01 par value per share, as SEACOR common stock or SEACOR shares; and the Era Group common stock, par value $0.01 per share, that will be distributed in the distribution as Era Group common stock, our common stock or Era Group shares.

Q: What is the spin-off?

A: The spin-off is the transaction of separating Era Group from SEACOR, which will be accomplished by distributing our common stock pro rata to holders of SEACOR common stock. If all conditions to the effectiveness of the spin-off are met, then all of the outstanding shares of Era Group common stock will be distributed to holders of SEACOR common stock on the distribution date. Every share of SEACOR common stock outstanding as of the record date for the distribution will entitle its holder to receive one share of Era Group common stock. Following the spin-off, SEACOR will no longer hold any outstanding capital stock of Era Group, all of which will be held by SEACOR stockholders as of the record date, and Era Group will be an independent, publicly traded company. We have applied to list our common stock on the NYSE under the symbol "ERA."

Q: What will happen to Era Group's Series A and Series B preferred stock and Class A and Class B common stock?

A: We currently have two classes of authorized common stock: Class A and Class B, of which only Class B common stock is outstanding, and two series of authorized and outstanding preferred stock: Series A and Series B. SEACOR owns all of the outstanding shares of our capital stock, including our Class B common stock and our Series A and Series B preferred stock. We expect that at some time prior to the consummation of the recapitalization discussed below, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) will receive by applying U.S. federal net operating losses generated by us in 2012 against SEACOR group taxable income. We will repurchase for cash the remainder of our outstanding Series B preferred stock not transferred to us as described in the preceding sentence (the transfer and purchase collectively referred to as the "Series B Exchange"). The exact amount of Series B preferred stock contributed to us in satisfaction of the net operating losses and the amount repurchased for cash will be determined at the time of the Series B Exchange in accordance with the Series B Preferred Stock Exchange Agreement we will enter into with SEACOR (the "Series B Preferred Stock Exchange Agreement"). See "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation—Series B Preferred Stock Exchange Agreement." Immediately before the spin-off we will recapitalize (the "Recapitalization") our then outstanding capital stock and will exchange our then outstanding Class B common stock and Series A preferred stock for shares of newly-issued common stock, par value $0.01 per share. Following the Recapitalization, we will have only one class of common stock issued and outstanding, and no preferred stock will be outstanding. The common stock that SEACOR receives in the Recapitalization, which will represent all of our outstanding capital stock at that time, will be the stock distributed by SEACOR in the spin-off.

Q: What is the reason for the spin-off?

A: SEACOR regularly reviews and evaluates the various businesses that SEACOR conducts and the fit that these businesses have within its overall business and growth strategies to help ensure that SEACOR's resources are being put to use in a manner that is in the best interests of SEACOR and its stockholders. In August 2011, SEACOR determined to commence an initial public offering ("IPO") process in respect of our Class A common stock pursuant to which shares of our Class A common stock would have been sold to the public markets. It was anticipated that following the consummation of our IPO, SEACOR would have retained a majority controlling interest in our company. For a number of reasons, including the then existing state of the equity capital markets, it was determined that we abandon the IPO and pursue the spin-off. This determination was made based on SEACOR's board of directors' belief that the separation of our business from SEACOR's other businesses was the most efficient manner to distribute the business to SEACOR's stockholders and that separating us from SEACOR would provide financial, operational and managerial benefits to both SEACOR and us, including but not limited to the following:

- *Ability to Use Equity as Consideration for Acquisitions.* The spin-off will provide each of SEACOR and us with enhanced flexibility to use our respective stock as consideration in pursuing certain financial and strategic objectives, including mergers and acquisitions involving other companies or businesses engaged in our respective industries.

We believe that we will be able to more easily facilitate future strategic transactions with businesses in our industry through the use of our stand-alone stock as consideration. Although we have no current plans to engage in a merger or similar transaction with any particular company, we believe that potential targets in our industry are often more interested in receiving stock of a company, the value of which is tied directly to the helicopter services business, rather than stock of a more diversified company in which value is tied to a number of other businesses in addition to the helicopter services business. Further, SEACOR believes that potential acquisition targets of some of its other businesses would be more interested in pursuing transactions in which they received stock, the value of which is not tied, in part, to the helicopter services business.

- *Improved Management Incentive Tools*. We expect to use equity-based incentive awards to compensate current and future employees. SEACOR believes that compensation of our employees in the form of SEACOR equity does not serve the desired purpose of incentivizing our employees to maximize our profits because the relative performance and size of SEACOR's other businesses have a significant impact on the value of SEACOR equity-based compensation issued to our employees. Following the distribution, appreciation in the value of shares underlying our equity-based awards granted to our employees will no longer be impacted by the performance of SEACOR's other businesses. Rather, equity-based incentive awards granted to our employees following the distribution will be tied directly to our performance, providing employees with incentives more closely linked to the achievement of our specific performance objectives. This will better align our employee interests with the interests of our stockholders. SEACOR also believes that equity-based compensation arrangements tied more closely to our performance will benefit recruitment efforts. Certain members of our senior management have expressed a strong preference for receiving equity compensation tied solely to our performance. We believe that offering equity compensation tied directly to our performance will assist in attracting and retaining qualified personnel, especially in light of the fact that many of our competitors have the ability to provide employees with equity compensation tied directly to the helicopter services business.

- *Focused Management.* The separation will allow management of each company to devote its time and attention to the development and implementation of corporate strategies and policies that are based primarily on the specific business characteristics of the respective companies without the need to consider the effect those decisions may have on the other company. SEACOR has a limited pool of capital with which to develop its businesses and pursue new projects. SEACOR's management spends significant time determining how this capital will be allocated among its businesses. An increasing amount of SEACOR's capital has been allocated to us, to the detriment of SEACOR's other businesses, to finance the expansion and modernization of our fleet. This has resulted in significant pressure in the allocation of capital among us and SEACOR's other businesses. SEACOR's board of directors believes that the spin-off will allow the management of each of us and SEACOR to focus on our and its respective businesses rather than spend significant time resolving the appropriate allocation of capital.

In addition, the SEACOR board of directors believes that following the spin-off, the aggregate value of our common stock and SEACOR's common stock should, over time and assuming the same market conditions, exceed the pre-spin-off value of SEACOR's common stock. SEACOR's board of directors believes that the public markets and securities analysts have a difficult time comparing SEACOR to competitors in SEACOR's other businesses that do not have business activities in the helicopter services business. As a result, it is management's belief that the market value of SEACOR's common stock does not accurately reflect our value. Once we are separated from SEACOR and each of us and SEACOR has more focused businesses, investors and analysts will be able to better understand the business strengths and future prospects of our and SEACOR's respective businesses, which SEACOR's board of directors believes will result in better stock market analysis and a higher aggregate stock price for our and SEACOR's common stock. The SEACOR board of directors believes that a higher aggregate stock price will help facilitate some of the other business purposes of the spin-off, particularly by limiting the dilutive effect of equity issuances in connection with employee compensation arrangements and business acquisitions. Despite the belief of SEACOR's board of directors, we cannot assure you that following the spin-off the aggregate value of our common stock and SEACOR's common stock will ever exceed the pre-spin-off value of SEACOR's common stock.

SEACOR's board of directors also considered a number of potentially negative factors in evaluating the separation including, in the case of (i) both companies, increased costs, disruptions to the businesses as a result of the separation, the risk of being unable to achieve expected benefits from the separation, the risk that the separation might not be completed, the initial costs of the separation and the ongoing costs of operating us as a separate, publicly traded company, (ii) SEACOR, that the separation would eliminate from SEACOR the valuable businesses of Era Group in a transaction that produces no direct economic consideration for SEACOR and (iii) us, the loss of the ability to obtain capital resources from SEACOR and the limitations placed on us as a result of the Tax Matters Agreement (as defined below) and other agreements expected to be entered into in connection with the spin-off.

For further discussion of these and other considerations, see "The Spin-Off—Reasons for the Spin-Off."

Q: What are the material U.S. federal income tax consequences to me of the separation?

A: It is a condition to the completion of the distribution that SEACOR obtain (i) a private letter ruling from the Internal Revenue Service (the "IRS") together with an opinion of Weil, Gotshal & Manges LLP, tax counsel to SEACOR, substantially to the effect that, among other things, the separation qualifies as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 of the Internal Revenue Code of 1986, as amended (the "Code") or (ii) an opinion of Weil, Gotshal & Manges LLP, substantially to the effect that the separation qualifies as a transaction that is described in Section 355(a) of the Code. Assuming the separation so qualifies, for U.S. federal income tax purposes, no gain or loss generally will be recognized by SEACOR in connection with the separation and no gain or loss will be recognized by you, and no amount will be included in your income, upon the receipt of Era Group shares in the distribution. For more information regarding the private letter ruling and the potential U.S. federal income tax consequences to SEACOR and to you of the separation, see the section entitled "The Spin-Off—Material U.S. Federal Income Tax Consequences."

Q: What will I receive in the spin-off?

A: Each share of SEACOR common stock outstanding as of the record date for the distribution will entitle its holder to receive one share of Era Group common stock. For a more detailed description, see "The Spin-Off."

Q: What is being distributed in the spin-off?

A: Approximately shares of our common stock will be distributed in the spin-off, based on the number of SEACOR common shares we expect to be outstanding as of the record date. The shares of our common stock to be distributed by SEACOR will constitute all of the issued and outstanding shares of our common stock immediately prior to the distribution after giving effect to the Recapitalization. For more information on the shares being distributed in the spin-off, see "Description of Our Capital Stock—Common Stock."

Q: On what date did the SEACOR board of directors approve the spin-off and declare the spin-off dividend?

A: The SEACOR board of directors approved the spin-off and declared the spin-off dividend on , 2012.

Q: What is the record date for the distribution?

A: Record ownership will be determined as of 5:00 p.m., Eastern Standard Time, on , 2012 which we refer to as the record date.

Q: When will the separation be completed?

A: The distribution date for the distribution, which is the date on which we will distribute shares of Era Group common stock, is expected to be , 2012. The separation will be completed pursuant to the terms of a Distribution Agreement (the "Distribution Agreement") between SEACOR and Era Group. We expect that it will take the distribution agent, acting on behalf of SEACOR, up to 10 days after the distribution date to fully distribute the shares of Era Group common stock to SEACOR stockholders, which will be accomplished in book-entry form. However, your ability to trade our common stock received in the distribution will not be affected during this time. It is also possible that factors outside our control, or a decision by SEACOR to terminate the Distribution Agreement pursuant to its terms, could require us to complete the separation at a later time or not at all. See "The Spin-Off."

Q: What do I have to do to participate in the distribution?

A: No action will be required of SEACOR stockholders to receive shares of Era Group common stock, which means that (1) SEACOR is not seeking and you are not being asked to send a proxy, (2) you will not be required to pay for the shares of Era Group common stock that you receive in the separation, and (3) you do not need to surrender or exchange any shares of SEACOR common stock in order to receive shares of Era Group common stock, or take any other action in connection with the distribution.

Q: What are the estimated costs that Era Group will incur in connection with the spin-off?

A: We expect that we will incur approximately $ million of costs in connection with the spin-off and related transactions.

Q: Will Era Group have a relationship with SEACOR following the spin-off?

A: In connection with the spin-off, we will enter into the Distribution Agreement and other agreements with SEACOR that will govern the relationship between us and SEACOR after the completion of the spin-off. The Distribution Agreement, in particular, will set forth our agreement with SEACOR regarding the principal transactions necessary to separate us from SEACOR. The Distribution Agreement will provide that on the distribution date, after giving effect to the Recapitalization, SEACOR will distribute to its stockholders one share of our common stock for every share of SEACOR common stock held by SEACOR stockholders. It will also provide (i) for the removal of any guarantees that are necessary in advance of the separation, (ii) for the settlement or extinguishment of certain liabilities and other obligations between us and SEACOR and (iii) broad releases pursuant to which we will release SEACOR and its affiliates and indemnify and hold them harmless against any claims that arise out of or relate to the spin-off or the management of our business and affairs prior to the distribution date.

We will also enter into an Amended and Restated Transition Services Agreement (the "Amended and Restated Transition Services Agreement") with SEACOR pursuant to which SEACOR will continue to provide us with certain support services on an interim basis, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management. Amounts payable for services provided under the Amended and Restated Transition Services Agreement will be calculated on a fixed-fee basis, with the Amended and Restated Transition Services Agreement specifying fixed fees for each category of services. The Amended and Restated Transition Services Agreement will continue in effect for two years after the spin-off, subject to certain exceptions.

Prior to consummation of the spin-off we will also enter into a Tax Matters Agreement (the "Tax Matters Agreement"), Employee Matters Agreement (the "Employee Matters Agreement") and the Series B Preferred Stock Exchange Agreement with SEACOR.

For a more detailed discussion of each of the agreements we will enter into with SEACOR in connection with the spin-off, see "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation."

Q: How will SEACOR equity awards be affected as a result of the spin-off?

A: In connection with the spin-off, we currently expect that, subject to approval of the SEACOR board of directors, SEACOR's outstanding equity-based compensation awards will generally be treated as follows:

Treatment of SEACOR Restricted Stock Awards

In connection with the spin-off, outstanding restricted stock awards of SEACOR common stock held by our employees and employees and directors of SEACOR that were granted under SEACOR's equity incentive plans will generally be treated the same as other shares of SEACOR's common stock in the spin-off. Holders of SEACOR restricted stock awards will be entitled to receive one fully vested share of our common stock for each SEACOR restricted stock award held by such employee. All other terms of the SEACOR restricted stock awards will remain the same, including continued vesting of SEACOR restricted stock awards pursuant to the vesting schedule of the current awards.

Treatment of SEACOR Stock Options

In connection with the spin-off, outstanding stock options to purchase shares of SEACOR common stock granted to employees and directors of SEACOR under SEACOR's equity incentive plans will be adjusted to reflect the difference in value prior to the spin-off of SEACOR's common stock on the "regular way" market and "ex-dividend" market for such stock and to preserve the aggregate intrinsic value of the stock options, by changing the exercise price and number of shares of SEACOR common stock subject to the stock options. In addition, Era Group employees and directors of SEACOR that will join our board and resign from SEACOR's board after the spin-off will have their outstanding stock options to purchase shares of SEACOR common stock converted into stock options to purchase shares of our common stock based on an adjustment formula that is meant to preserve the aggregate intrinsic value of SEACOR options held prior to the spin-off.

For additional information, see "The Spin-Off—Treatment of SEACOR Stock Awards."

Q: Will the Era Group common stock be listed on a stock exchange?

A: Yes. Although there is currently not a public market for our common stock, we have applied to list our common stock on the NYSE under the symbol "ERA." It is anticipated that trading of our common stock will commence on a "when-issued" basis on or shortly prior to the record date for the distribution. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. When-issued trades generally settle within four trading days after the distribution date. On the first trading day following the distribution date, when-issued trading with respect to our common stock will end and "regular-way" trading will begin. "Regular-way" trading refers to trading after a security has been issued and typically involves a transaction that settles on the third full trading day following the date of the transaction.

Q: Will the distribution affect the trading price of my SEACOR common stock?

A: Yes, the trading price of SEACOR common stock immediately following the distribution is expected to change because its trading price will no longer reflect the value of Era Group. However, we cannot provide you with any guarantees as to the price at which the SEACOR common stock will trade following the distribution. We also cannot assure you that following the spin-off the aggregate value of our common stock and SEACOR common stock will ever exceed the pre-spin-off value of SEACOR's common stock.

Q: What indebtedness will Era Group have following the spin-off?

A: On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of our 7.750% senior unsecured notes (the "Senior Notes") to qualified institutional buyers in reliance on Rule 144A and to non-U.S. persons in reliance on Regulation S of the Securities Act of 1933, as amended (the "Securities Act"). The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under our senior secured revolving credit facility (the "Revolving Credit Facility"), which we entered into on December 22, 2011. In connection with the Senior Notes Offering, we permanently reduced the borrowing capacity under the Revolving Credit Facility from $350.0 million to $200.0 million. Following the completion of the Senior Notes offering, our total indebtedness was $233.8 million, including $200.0 million of Senior Notes and $33.8 million of secured debt of one of our subsidiaries and we had the ability to borrow up to $102.2 million under our Revolving Credit Facility, after taking into account the financial ratios we are required to maintain under the facility.

Q: Do I have appraisal rights in connection with the separation?

A: No.

Q: Who is the transfer agent for Era Group shares?

A: American Stock Transfer & Trust Company.

Q: Are there any risks in connection with the separation that I should consider?

A: Yes. There are certain risks associated with the separation. These risk factors are discussed in more detail in the section titled "Risk Factors."

Q: Where can I get more information?

A: If you have any questions relating to the mechanics of the distribution, you should contact the distribution agent at:

American Stock Transfer & Trust Company LLC
6201 15th Avenue
Brooklyn, NY 11219
Tel: (800) 937-5449

Before the spin-off, if you have any questions relating to the Distribution, you should contact SEACOR at:

2200 Eller Drive
P.O. Box 13038
Fort Lauderdale, Florida 33316
Tel: (954) 523-2200

After the spin-off, if you have any questions relating to Era Group, you should contact us at:

818 Town & Country Blvd.,
Suite 200
Houston, Texas 77024
Tel: (281) 606-4900

SUMMARY

This summary highlights information contained elsewhere in this Information Statement and may not contain all of the information that may be important to you. For a more complete understanding of our business and the spin-off, you should read this summary together with the more detailed information and financial statements appearing elsewhere in this Information Statement. You should read this entire Information Statement carefully, including the "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements" sections.

Our Company

We are one of the largest helicopter operators in the world and the longest serving helicopter transport operator in the U.S., which is our primary area of operations. In the nine months ended September 30, 2012, approximately 56% and 17% of our total operating revenues were earned in the U.S. Gulf of Mexico and Alaska, respectively. We also provide helicopters and related services to third-party helicopter operators in other countries. In addition to our U.S. customers, we currently have customers in Brazil, Canada, Denmark, India, Indonesia, Mexico, Norway, Spain, Sweden and the United Kingdom. Our helicopters are primarily used to transport personnel to, from and between offshore installations, drilling rigs and platforms.

The primary users of our helicopter services are major integrated and independent oil and gas companies, including Anadarko Petroleum Corporation ("Anadarko"), Shell Exploration and Production Company ("Shell"), and Petrobras America Inc. ("Petrobras America"), and the U.S. government. In the nine months ended September 30, 2012 and the year ended December 31, 2011, approximately 63% and 55% of our operating revenues, respectively, were derived from helicopter services, including emergency search and rescue services, provided to clients primarily involved in oil and gas activities. In addition to serving the oil and gas industry, we provide helicopters under contract-lease, air medical services, firefighting support and Alaska flightseeing tours, among other activities. Historically, our operations have primarily served the U.S. offshore oil and gas industry. We have initiated efforts to diversify our revenue base and take advantage of the mobility and versatility of our helicopters in order to expand into other geographic regions.

We own and operate three classes of helicopters:

- *Heavy* helicopters, which have twin engines and a typical passenger capacity of 19, are primarily used in support of the deepwater offshore oil and gas industry, frequently in harsh environments or in areas with long distances from shore, such as those in the U.S. Gulf of Mexico, Brazil, Australia and the North Sea. Heavy helicopters are also used to support search and rescue operations.
- *Medium* helicopters, which mostly have twin engines and a typical passenger capacity of 11 to 12, are primarily used to support the offshore oil and gas industry, search and rescue services, air medical services, firefighting activities and corporate uses.
- *Light* helicopters, which may have single or twin engines and a typical passenger capacity of four to nine, are used to support a wide range of activities, including the shallow water oil and gas industry, the mining industry, power line and pipeline surveying, air medical services, tourism and corporate uses.

The following table identifies the types of helicopters that comprise our fleet and the number of those helicopters in our fleet as of September 30, 2012. "Owned" are those helicopters owned by us. "Joint Ventured" are those helicopters owned by entities in which we have an interest of 50% or less. "Leased-in" are those helicopters leased-in under operating leases. "Managed" are those helicopters that are owned by non-affiliated entities and operated by us for a fee.

	Owned[1]	Joint Ventured	Leased-in	Managed	Total[2]	Average Age[3] (years)
Heavy:						
EC225	10	—	—	—	10	3
Total Heavy	10	—	—	—	10	3
Medium:						
AW139	31	1	—	—	32	3
Bell 212	13	—	—	—	13	34
Bell 412	6	—	—	—	6	31
S76 A/A++	6	—	1	1	8	26
S76 C/C++	8	—	—	2	10	6
Total Medium	64	1	1	3	69	15
Light—twin engine:						
A109	7	—	—	2	9	6
BK-117	—	—	4	4	8	N/A
EC135	17	—	2	—	19	4
EC145	3	—	—	2	5	4
Total Light—twin engine	27	—	6	8	41	5
Light—single engine:						
A119	17	7	—	—	24	6
AS350	35	—	—	—	35	16
Total Light—single engine	52	7	—	—	59	12
Total Helicopters	153	8	7	11	179	11

(1) Excludes two BO-105s removed from service.

(2) As of September 30, 2012, we had commitments to purchase 12 new helicopters, consisting of two AgustaWestland AW139 medium helicopters, five AgustaWestland AW169 light twin helicopters and five AgustaWestland AW189 medium helicopters, which are not reflected in the table above. See “Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Capital Commitments” and “—Contractual Obligations and Financial Commitments.” In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters.

(3) Reflects the average age of helicopters that are owned by us.

Safety Record

The safety of our passengers and the maintenance of a safe working environment for our employees is our number one operational priority. Our customers subject our operations to regular audits and evaluate us based on our safety record and operational fitness, and we believe our attention to safety is a critical element in obtaining and retaining customers.

We believe we have an excellent safety record and a strong safety culture throughout our organization. We have implemented a safety program that includes, among many other features, (i) transition and recurrent training using flight training devices, (ii) a Federal Aviation Administration (“FAA”) approved flight operational quality assurance program and (iii) health and usage monitoring systems, otherwise known as HUMS, which automatically monitor and report on vibrations and other anomalies on key components of certain helicopters in our fleet.

Competitive Strengths

We believe the following are our key competitive strengths:

Blended operating and contract-leasing business model—We believe, based on our industry experience and understanding of the business models of our competitors, the combination of operating helicopters and contract-leasing helicopters to other operators is a distinctive business model in the helicopter services industry. We believe our operating business in the U.S. provides a critical competitive benefit when offering helicopters to operators outside the U.S. because our U.S. operations are able to serve as a support center for non-U.S. clients. Our contract-leasing activities, which accounted for approximately 20% and 28% of our revenues in the nine months ended September 30, 2012 and the year ended December 31, 2011, respectively, enable us to reach new geographic markets, achieve more stable cash flow, create diverse uses for our helicopters and help maintain higher utilization than would otherwise be feasible. In addition, we can penetrate these markets without the cost associated with setting up a full service, proprietary operation. Unlike financial leasing entities, we can work with clients that need helicopters for relatively short-term contracts. We also offer operational support, training, maintenance and access to our inventory of spare parts. We believe this blended business model allows for a more efficient deployment of our capital resources.

Our diverse and modern fleet—We have one of the largest U.S.-based helicopter fleets and one of the largest fleets of helicopters operating on a global basis. We own or lease 12 different models of helicopters, including heavy, medium, light twin engine and light single engine helicopters. As of September 30, 2012, 131 of our helicopters were located in the U.S. and 48 in international markets. As of September 30, 2012, we had placed orders for 12 new helicopters and had outstanding options to purchase up to an additional 10 helicopters. We believe our size allows us to purchase helicopters and spare parts on attractive terms. Since 2004, we have invested over $900.0 million to purchase over 120 helicopters and have sold or otherwise divested 80 helicopters, allowing us to upgrade our fleet's capabilities and reduce the average age of our owned fleet to 11 years.

Asset ownership model—We generally prefer to own, rather than lease, our helicopters because of the additional flexibility and the attractive return potential provided by ownership due to the significant asset value retention of helicopters. As of September 30, 2012, we owned 161 helicopters, either directly or through joint ventures, representing 90% of our total fleet. Helicopters have extended useful lives with various uses across multiple end markets and generally retain a significant amount of their value over their useful lives. Since helicopter components are replaced on a regular basis after a certain number of flight hours, we are consistently installing new components to maintain our fleet. Since SEACOR's acquisition of Era Aviation, Inc. in 2004, we have sold over 70 helicopters for aggregate sale proceeds that exceeded original acquisition costs by over $25.0 million and for an aggregate gain of more than $51.0 million over book value at the time of sale.

Long-term customer relationships—We have longstanding relationships with many of our key oil and gas industry customers and international clients. Our customers include major oil and gas companies, such as Anadarko, Shell and Petrobras America. We also have a long-term relationship with the Bureau of Safety and Environmental Enforcement (“BSEE”), a division of the U.S. Department of the Interior, which accounted for 9.4% and 7.2% of revenues for the nine months ended September 30, 2012 and the year ended December 31, 2011, respectively. Effective February 2012, we entered into a new contract with BSEE with an initial term of five years that is subject to annual renewal. We believe that our level of service, our technologically advanced fleet and our focus on safety have helped us establish and maintain our long-term customer relationships.

High quality workforce—Our pilots average over 6,800 hours of flight experience, and a significant number of them are qualified to operate more than one type of helicopter. Our mechanics average over 16 years of experience and receive ongoing training from both helicopter manufacturers and our in-house team of professional instructors.

Strong, *experienced leadership team*—Our senior management team has a broad range of domestic and international experience in the aviation industry. We believe this team has a proven track record of managing assets through market cycles and identifying, acquiring and integrating assets while maintaining efficient operations. Our management team has also been successful in maintaining strong relationships with our customers.

Strategy

Our goal is to be a leading, cost effective global provider of helicopter transport and related services. The following are our key business strategies:

Expand into new and growing geographic markets—We believe there are significant opportunities in offshore oil and gas markets outside of the U.S., and we continually seek to access these growth markets. In July 2011, we acquired an interest in Aeróleo Taxi Aereo S/A (“Aeróleo”), a Brazilian company servicing the Brazilian offshore oil and gas industry and to which we contract-lease helicopters and provide support services. We also have working relationships with operators in Africa, Asia and Australia. We believe that several of these markets are underserved by larger multinational helicopter operators and, as a result, provide us with opportunities for growth.

Further develop contract-leasing opportunities—We believe contract-leasing helps to provide a source of revenues and cash flow and access to emerging, international oil and gas markets. We believe customers look to us for helicopter contract-leasing because of our modern, efficient fleet, with a selection of helicopter models to meet their needs. We intend to continue to develop and grow our participation in international markets, where the fundamentals for helicopter demand are favorable, particularly to service offshore deepwater installations and new areas of exploration. We believe that the market for contract-leasing will continue to grow as smaller operators in developing areas prefer the limited financial commitments of contracting equipment over purchasing, which has become increasingly difficult for them given the reduction in capital made available from financial institutions to these smaller operators. Under certain circumstances, we may elect to establish our own operations or acquire operating certificates if we believe there is sufficient opportunity in a market to warrant the cost and effort of us offering and overseeing a full-service operation.

Continue to expand and upgrade our versatile fleet—We regularly review our asset portfolio by assessing market conditions and changes in our customers' demand for different helicopter models. We buy, sell and lease out equipment in the ordinary course of our business. As offshore oil and gas drilling and production move to deeper water in most parts of the world, we believe more heavy and medium helicopters may be required in the future. We believe our strong relationships with the original equipment manufacturers ("OEMs") will help us maintain an asset base suitable for use within our own operations and for contract-leasing to other operators. In addition, we intend to continue to pursue opportunities to realize value from our fleet's versatility by shifting assets between markets when circumstances warrant.

Continue to selectively diversify sources of earnings and cash flow—Where attractive opportunities exist, we seek to diversify into related markets. One of our joint ventures, Dart Holding Company Ltd. ("Dart"), engineers and manufactures after-market helicopter parts and accessories for sale to helicopter manufacturers and operators, and distributes parts and accessories on behalf of other manufacturers. Another joint venture, Era Training Center LLC ("Era Training"), provides instruction, flight simulator and other training to our employees, pilots working for other helicopter operators, including our competitors and government agencies.

Pursue joint ventures and strategic acquisitions—Over the last few years, in addition to expanding and diversifying our fleet, we have grown our business and entered new markets through joint ventures. Since 2004, we have entered into six joint ventures and partnering arrangements, including Aeróleo, Dart, Era do Brazil LLC, Era Training, Heli-Union Era Australia Pty Ltd. and Lake Palma, S.L. ("Lake Palma"). We regularly seek to identify potential joint venture opportunities, as well as pursue strategic acquisitions when available. For instance, in 2007 we acquired the air medical services operations of Keystone Helicopter Corporation, which we successfully integrated into our operations.

We will continue to build upon the expertise, relationships and buying power in our operating businesses to develop other business opportunities and sources of revenue.

Risks Associated with Our Business

Our business is subject to numerous risks, as discussed more fully in the section entitled "Risk Factors," which you should read in its entirety. These risks include, but are not limited to, the following:

- The effect of the spin-off on our business relationships, operating results and business generally.
- Demand for many of our services is impacted by the level of activity in the offshore oil and gas exploration, development and production industry.
- Demand for using helicopters is cyclical, not just due to cycles in the oil and gas business but also due to fluctuation in government programs and spending, as well as overall economic conditions.
- We are highly dependent upon the level of activity in the U.S. Gulf of Mexico and Alaska.
- The helicopter industry is subject to intense competition.
- Difficult economic and financial conditions could have a material adverse effect on us.
- Failure to maintain an acceptable safety record may have an adverse impact on our ability to obtain and retain customers.
- Incidents involving the helicopter models we operate may result in suspension of operations of those models, whether we or other companies were involved in the incidents.
- We rely on relatively few customers for a significant share of our revenues, some of whom are affiliates of ours, the loss of any of which could adversely affect our business and results of operations. No assurance can be given that we will be able to maintain these and other customer relationships after the spin-off.
- Consolidation of our customer base could adversely affect demand for our services and reduce our revenues.
- The implementation by our customers of cost-saving measures could reduce the demand for our services.

- Operational risks including, but not limited to, equipment failure and negligence could adversely affect our results of operations and in some instances expose us to liability.
- Weather and seasonality can impact our results of operations.
- We face control and oversight risks associated with our international operations.
- Tax and other legal compliance risks, including anti-corruption statutes, the violation of which may adversely affect our business and operations.
- Risks associated with our debt structure and liquidity.
- A shortfall in availability of components and parts required for repair and maintenance of our helicopters could adversely affect us, as would cost increases imposed by suppliers if they cannot be passed on to customers or if our equipment has been committed to contracts without coverage for escalating expenses.
- Our operations in the U.S. Gulf of Mexico were adversely impacted by the *Deepwater Horizon* drilling rig incident and resulting oil spill and may be adversely impacted by new environmental guidelines and regulations adopted in response to that incident.
- Any increase in fuel costs may have a material adverse effect on our business, financial condition or results of operations.
- We may not be able to obtain work on acceptable terms covering some of our new helicopters, and some of our new helicopters may replace existing helicopters already under contract, which could adversely affect the utilization of our existing fleet.
- If we do not restrict the amount of foreign ownership of our common stock, we could be prohibited from operating helicopters in the U.S., which would adversely impact our business, our financial condition and results of operations.
- The Outer Continental Shelf Lands Act, as amended, provides the federal government with broad discretion to restrict the leasing of offshore resources for the production of oil and gas.
- Helicopter operations involve risks that may not be covered by our insurance or our insurance may be inadequate to protect us from the liabilities that could arise.
- If our employees were to unionize, our operating costs could increase.

Relationship with SEACOR

We are a subsidiary of SEACOR, a NYSE-listed company that is in the business of owning, operating, investing in and marketing equipment, primarily in the offshore oil and gas, industrial aviation and marine transportation industries. Era Aviation, Inc. was acquired by SEACOR in 2004, and we have conducted our business as SEACOR's Aviation Services business segment. After giving effect to the spin-off, we will be an independent, publicly traded company. For more information on our relationship with SEACOR, see "Certain Relationships and Related Party Transactions."

SEACOR currently owns all of the outstanding shares of our capital stock, including all of the outstanding shares of our Class B common stock and all of our outstanding Series A and Series B preferred stock. We expect that at some time prior to the spin-off we will effect the Series B Exchange. In the Series B Exchange, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating losses generated by us in 2012 against SEACOR group taxable income. We will repurchase for cash the remainder of our outstanding Series B preferred stock not transferred to us as described in the preceding sentence. The exact amount of Series B preferred stock contributed to us in satisfaction of the net operating losses and the amount repurchased for cash will be determined at the time of the Series B Exchange. See "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation—Series B Preferred Stock Exchange Agreement." In the Recapitalization, to be effective immediately prior to the spin-off, we will exchange our then outstanding Class B common stock and Series A preferred stock for shares of newly-issued common stock, par value $0.01 per share. Following the Recapitalization, we will have only one class of common stock issued and outstanding, and no preferred stock will be outstanding. The common stock that SEACOR receives in the Recapitalization, which will represent all of our outstanding capital stock, will be the stock distributed by SEACOR in the spin-off.

Immediately before our spin-off from SEACOR, we will enter into a Distribution Agreement, the form of which is filed as an exhibit to the Registration Statement on Form 10 of which this Information Statement forms a part, and several other agreements with SEACOR and its subsidiaries related to the spin-off. These agreements will govern the relationship between us and SEACOR after the completion of the spin-off.

SEACOR currently provides us with support functions, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management pursuant to the terms of a Transition Services Agreement (the "Transition Services Agreement"). SEACOR will continue to provide certain of these services on an interim basis after the separation pursuant to the terms of the Amended and Restated Transition Services Agreement, which is filed as an exhibit to the Registration Statement on Form 10 of which this Information Statement forms a part. Amounts payable for services provided under the Amended and Restated Transition Services Agreement will be calculated on a fixed-fee basis, with the Amended and Restated Transition Services Agreement specifying fixed fees for each category of services described therein. The Amended and Restated Transition Services Agreement will continue in effect for two years, subject to certain exceptions. For a description of the Transition Services Agreement, see "Certain Relationships and Related Party Transactions—Related Party Transactions—Transition Services Agreement." For a description of the Amended and Restated Transition Services Agreement and other agreements we have entered or intend to enter into with SEACOR in connection with the separation, see "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation."

Indebtedness

Prior to entering into the Revolving Credit Facility, we participated in a cash management program with SEACOR and, to the extent necessary, relied on advances from SEACOR. In December 2011, we entered into the Revolving Credit Facility to fund capital expenditures. The Revolving Credit Facility matures in December 2016 and borrowings under the Revolving Credit Facility bear interest at a rate per annum equal to, at our election, either a "base rate" or LIBOR, plus in each case, an applicable margin. The facility requires us to comply with certain financial ratios and, as a result, our ability to borrow under the facility is limited by our ability to comply with these ratios.

On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of our 7.750% Senior Notes to qualified institutional buyers in reliance on Rule 144A and to non-U.S. persons in reliance on Regulation S of the Securities Act. The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under our Revolving Credit Facility. In connection with the Senior Notes Offering, we permanently reduced the borrowing capacity under that facility from $350.0 million to $200.0 million. In addition, one of our subsidiaries is the borrower under two separate promissory notes, with $33.8 million in aggregate principal amount outstanding as of September 30, 2012, the proceeds of which were used to fund the purchase of two helicopters. These notes bear interest at variable rates and mature in December 2015. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

Corporate Information

We are a Delaware corporation and a wholly owned subsidiary of SEACOR. After giving effect to the spin-off, we will be an independent, publicly traded company. Era Group Inc. was incorporated in the State of Delaware in 1999. Our principal executive office is located at 818 Town & Country Blvd., Suite 200, Houston, TX 77024, and our telephone number is (281) 606-4900. Our website address is www.eragroupinc.com. Information contained on, or connected to, our website or SEACOR's website does not and will not constitute part of this Information Statement or the Registration Statement on Form 10 of which this Information Statement is a part.

Emerging Growth Company

We are an "Emerging Growth Company," as defined in the Jumpstart Our Business Startups Act (the "JOBS Act"), and are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "Emerging Growth Companies." These include, but are not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and the requirement to obtain stockholder approval of any golden parachute payments not previously approved.

In addition, Section 107 of the JOBS Act provides that an "Emerging Growth Company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an "Emerging Growth Company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We do not intend to take advantage of such extended transition period, and as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for public companies. Our election not to take advantage of the extended transition period is irrevocable.

We could remain an "Emerging Growth Company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1.0 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which would occur if the market value of our common stock held by non-affiliates exceeds $700.0 million as of the last business day of our most recently completed second fiscal quarter or (iii) the date on which we have issued more than $1.0 billion in non-convertible debt during the preceding three-year period.

SUMMARY OF THE SPIN-OFF

The following is a summary of the terms of the spin-off. See “The Spin-Off” for a more detailed description of the matters described below.

Distributing company	SEACOR Holdings Inc. After the distribution, SEACOR will not own any shares of Era Group Inc.
Distributed company	Era Group Inc.
Primary purposes of the spin-off	The SEACOR board of directors believes that separating Era Group from SEACOR will (i) facilitate focused management of each of Era Group and SEACOR by reducing the competition for capital allocations, (ii) enhance Era Group’s ability to attract, retain, and properly incentivize key employees with Era Group equity-based compensation and (iii) allow SEACOR and Era Group to use equity that relates to the SEACOR businesses and Era Group’s business, respectively, to undertake desired acquisitions.
Distribution ratio	Each share of SEACOR common stock outstanding as of , 2012, the record date for the distribution, will entitle its holder to receive one share of Era Group common stock. We expect approximately shares of our common stock will be distributed in the spin-off.
Securities to be distributed	All of the shares of Era Group common stock owned by SEACOR, which will be 100% of our common stock, after giving effect to the Series B Exchange and the Recapitalization, in which (i) a portion of our outstanding Series B preferred stock will be transferred to us by SEACOR in exchange for the benefits that SEACOR will receive by applying U.S. federal net operating losses generated by us against SEACOR group taxable income, with the remainder otherwise repurchased by us for cash and (ii) immediately prior to the spin-off, our then outstanding Class B common stock and Series A preferred stock will be exchanged for shares of our newly-issued common stock. The common stock that SEACOR receives in the Recapitalization, which will represent all of our outstanding capital stock at that time, will be the stock distributed by SEACOR in the spin-off.
Treatment of stock-based awards	In connection with the distribution, we currently expect that, subject to approval by the SEACOR board of directors, SEACOR’s equity-based compensation awards will generally be treated as follows: *Treatment of SEACOR Restricted Stock Awards* In connection with the spin-off, outstanding restricted stock awards of SEACOR common stock held by our employees and employees of SEACOR that were granted under SEACOR’s equity incentive plans will generally be treated the same as other shares of SEACOR’s common stock in the spin-off. Holders of SEACOR restricted stock awards will be entitled to receive one fully vested share of our common stock for each SEACOR restricted stock award held by such employee. All other terms of the SEACOR restricted stock awards will remain the same, including continued vesting of SEACOR restricted stock awards pursuant to the vesting schedule of the current awards. *Treatment of SEACOR Stock Options* In connection with the spin-off, outstanding stock options to purchase shares of SEACOR common stock granted to employees and directors of SEACOR under SEACOR’s equity incentive plans will be adjusted to reflect the difference in value prior to the spin-off of SEACOR’s common stock on the “regular way” market and “ex-dividend” market for such stock and to preserve the aggregate intrinsic value of the stock options by changing the exercise price and number of shares of SEACOR common stock subject to the stock options. In addition, Era Group employees and directors of SEACOR that will join our board and resign from SEACOR’s board after the spin-off will have their outstanding stock options to purchase shares of SEACOR common stock converted into stock options to purchase shares of our common stock, based on an adjustment formula that is meant to preserve the aggregate intrinsic value of SEACOR options held prior to the spin-off. For additional information, see “The Spin-Off—Treatment of SEACOR Stock Awards.”
Record date	The record date for the distribution is 5:00 p.m., Eastern Standard Time, on , 2012.
Distribution date	The distribution date is , 2012.

The spin-off	On the distribution date, SEACOR will release all of the shares of Era Group common stock to the distribution agent to distribute to SEACOR stockholders. The distribution of shares will be made in book-entry form. It is expected that it will take the distribution agent up to 10 days to electronically issue shares of Era Group common stock to you or your bank or brokerage firm on your behalf by way of direct registration in book-entry form. However, your ability to trade the shares of our common stock received in the distribution will not be affected during this time. You will not be required to make any payment, surrender or exchange your shares of SEACOR common stock or take any other action to receive your shares of Era Group common stock.
Trading market and symbol	We have applied to list our common stock on the NYSE under the ticker symbol "ERA." We anticipate that, shortly prior to the record date for the distribution, trading of our common stock will begin on a "when-issued" basis and will continue up to and including the distribution date. See "The Spin-Off—Manner of Effecting the Spin-Off."
Indebtedness	On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of our 7.750% Senior Notes. The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under our Revolving Credit Facility, which we entered into on December 22, 2011. In connection with the Senior Notes Offering, we permanently reduced the borrowing capacity under that facility from $350.0 million to $200.0 million. Following the completion of the notes offering, our total indebtedness was $233.8 million, including $200.0 million of notes and $33.8 million of secured debt of one of our subsidiaries and we had the ability to borrow up to $102.2 million under our Revolving Credit Facility, after taking into account the financial ratios we are required to maintain under the facility. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Senior Notes."
Dividend policy	Holders of shares of Era Group common stock are entitled to receive dividends when, or if, declared by Era Group's board of directors out of funds legally available for that purpose. See "Dividend Policy."
Tax consequences to SEACOR stockholders	SEACOR stockholders are not expected to recognize any gain or loss for U.S. federal income tax purposes as a result of the distribution. See "The Spin-Off—Material U.S. Federal Income Tax Consequences" for a more detailed description of the U.S. federal income tax consequences of the distribution. Each stockholder is urged to consult his, her or its tax advisor as to the specific tax consequences of the distribution to that stockholder, including any U.S., state, local or foreign income tax consequences of the distribution.
Relationship with SEACOR after the spin-off	We will enter into the Distribution Agreement and other agreements with SEACOR related to the spin-off. These agreements will govern the relationship between us and SEACOR after the completion of the distribution. The Distribution Agreement, in particular, will set forth our agreement with SEACOR regarding the principal transactions necessary to separate us from SEACOR, as well as other agreements that govern certain aspects of our relationship with SEACOR after the completion of the spin-off. We will enter into an Amended and Restated Transition Services Agreement with SEACOR pursuant to which SEACOR will continue to provide to us certain services on an interim basis following the distribution. Further, we will enter into the Tax Matters Agreement with SEACOR that will govern the respective rights, responsibilities and obligations of us and SEACOR after the spin-off with respect to taxes, tax attributes, the preparation and filing of tax returns, the control of tax audits and other tax proceedings and assistance and cooperation in respect of tax matters. We will also enter into the Employee Matters Agreement that will set forth our agreements with SEACOR concerning certain employee compensation and benefit matters and will enter into the Series B Preferred Stock Exchange Agreement that will govern the Series B Exchange. We describe these arrangements in greater detail under "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation" and describe some of the risks of these arrangements under "Risk Factors—Risks Relating to the Spin-Off."
Certain restrictions	In general, under the Tax Matters Agreement we will enter into with SEACOR, we may not take any action that would jeopardize the favorable tax treatment of the distribution. In addition, except in certain specified transactions, we may not, during a two-year period following the distribution, sell or issue a substantial amount of, or redeem, our equity securities, sell or dispose of a substantial portion of our assets, liquidate or merge or consolidate with any other person unless we have obtained the approval of SEACOR or provided SEACOR with an IRS ruling or an unqualified opinion of tax counsel to the effect that such sale, issuance or redemption or other identified transaction will not affect the tax-free nature of the distribution.

Transfer Agent	American Stock Transfer & Trust Company.
Risk factors	You should carefully consider the matters discussed under the section entitled “Risk Factors” in this Information Statement.

SUMMARY HISTORICAL AND UNAUDITED PRO FORMA FINANCIAL DATA

The following tables set forth our summary historical consolidated financial data for the periods indicated. We derived the summary historical consolidated financial data presented below as of December 31, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009 from our audited consolidated financial statements included elsewhere in this Information Statement. We derived the summary historical consolidated financial data presented below as of September 30, 2012 and for the nine months ended September 30, 2012 and 2011 from our interim unaudited consolidated financial statements included elsewhere in this Information Statement.

Our historical results are not necessarily indicative of future operating results. You should read the information set forth below in conjunction with “Selected Historical Consolidated Financial Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the historical consolidated financial statements and the related notes included elsewhere in this Information Statement.

The following tables also include unaudited pro forma consolidated financial data that gives effect to the distribution and the related transactions, based on certain assumptions and adjustments. See “Unaudited Pro Forma Consolidated Financial Data” for a discussion of the assumptions and adjustments used in preparing the unaudited pro forma consolidated financial data.

The unaudited pro forma consolidated financial data presented below consists of unaudited pro forma consolidated balance sheet data as of September 30, 2012 that gives effect to the spin-off as if it had occurred on September 30, 2012, and unaudited pro forma consolidated statement of operations data for the nine months ended September 30, 2012 and the year ended December 31, 2011, in each case, that gives effect to the spin-off as if it had occurred on January 1, 2011. The following summary historical and unaudited pro forma consolidated financial data should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the historical consolidated financial statements and the related notes appearing elsewhere in this Information Statement.

	For the Nine Months Ended September 30,			For the Years Ended December 31,			
	2012 Pro Forma	2012	2011	2011 Pro Forma	2011	2010	2009
	(in thousands, except share data)						
Statement of Operations Data:							
Operating Revenues	$ 202,026	$ 202,026	$ 196,452	$ 258,148	$ 258,148	$ 235,366	$ 235,667
Costs and Expenses:							
Operating	124,913	124,913	121,623	162,707	162,707	147,233	147,955
Administrative and general	27,639	27,210	20,090	32,393	31,893	25,798	21,396
Depreciation	31,031	31,031	33,402	42,612	42,612	43,351	37,358
	183,583	183,154	175,115	237,712	237,212	216,382	206,709
Gains on Asset Dispositions and Impairments, Net	3,455	3,455	13,260	15,172	15,172	764	316
Operating Income	21,898	22,327	34,597	35,608	36,108	19,748	29,274
Other Income (Expense):							
Interest income	765	765	376	738	738	109	52
Interest expense	(13,482)	(6,891)	(847)	(17,251)	(1,376)	(94)	(13)
Interest expense on advances from SEACOR	—	—	(18,924)	—	(23,410)	(21,437)	(20,328)
SEACOR management fees	—	(1,500)	(7,476)	—	(8,799)	(4,550)	(5,481)
Derivative gains (losses), net	(492)	(492)	(1,308)	(1,326)	(1,326)	(118)	266
Foreign currency gains (losses), net	633	633	596	516	516	(1,511)	1,439
Other, net	30	30	—	9	9	50	—
	(12,546)	(7,455)	(27,583)	(17,314)	(33,648)	(27,551)	(24,065)
Income (Loss) Before Income Tax Expense (Benefit) and Equity in Earnings (Losses) of 50% or Less Owned Companies	9,352	14,872	7,014	18,294	2,460	(7,803)	5,209
Income Tax Expense (Benefit)	3,226	5,212	2,666	5,590	434	(4,301)	2,883
Income (Loss) Before Equity in Earnings (Losses) of 50% or Less Owned Companies	6,126	9,660	4,348	12,704	2,026	(3,502)	2,326
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(5,444)	(5,444)	1,061	82	82	(137)	(487)
Net Income (Loss)	682	4,216	5,409	12,786	2,108	(3,639)	1,839
Accretion of redemption value on Series A Preferred Stock	—	6,334	—	—	210	—	—
Net Income (Loss) attributable to Common Shares	$ 682	$ (2,118)	$ 5,409	$ 12,786	$ 1,898	$ (3,639)	$ 1,839
Earnings (Loss) Per Common Share:							
Basic and Diluted Earnings (Loss) Per Common Share	$ 0.03	$ (0.09)	$ 0.99	$ 0.61	$ 0.18	$ (3,639.00)	$ 1,839.00
Weighted Average Common Shares Outstanding	20,853,851	24,500,000	5,475,136	20,853,851	10,270,444	1,000	1,000
Other Financial Data:							
EBITDA [1]	$ 47,656	$ 46,585	$ 60,872	$ 77,501	$ 69,202	$ 56,833	$ 62,369
Adjusted EBITDAR[1]	$ 60,179	$ 60,608	$ 71,797	$ 86,007	$ 86,507	$ 66,021	$ 73,000

	As of September 30,		As of December 31,	
	2012 Pro Forma	2012	2011	2010
	(in thousands)			
Balance Sheet Data:				
Current Assets:				
Cash and cash equivalents	$ 10,854	$ 9,232	$ 79,122	$ 3,698
Receivables	62,244	62,244	50,084	41,157
Inventories	26,590	26,590	24,504	23,153
Prepaid expenses	1,443	1,443	1,776	2,077
Deferred income taxes	2,293	51,979	2,293	1,672
Total current assets	103,424	151,488	157,779	71,757
Property and Equipment, Net	777,706	777,706	709,451	612,078
Investments, at Equity, and Advances to 50% or Less Owned Companies	35,755	35,755	50,263	27,912
Goodwill	352	352	352	352
Other Assets	20,480	15,480	15,379	6,925
	$ 937,717	$ 980,781	$ 933,224	$ 719,024
Current Liabilities	$ 37,587	$ 37,587	$ 78,252	$ 29,172
Long-Term Debt	277,944	221,008	285,098	35,885
Advances from SEACOR	—	—	—	355,952
Deferred Income Taxes	198,068	198,068	146,177	127,799
Deferred Gains and Other Liabilities	8,226	8,226	8,340	6,623
Series A Preferred Stock	—	142,097	140,210	—
Series B Preferred Stock	—	100,000	—	—
Equity:				
Stockholder equity attributable to Era Group Inc. stockholders	415,645	273,548	275,147	163,593
Non-controlling interest	247	247	—	—
Total equity	415,892	273,795	275,147	163,593
	$ 937,717	$ 980,781	$ 933,224	$ 719,024

(1) Our management uses EBITDA and Adjusted EBITDAR to assess the performance and operating results of our business. EBITDA is defined as Earnings before Interest (includes interest income, interest expense and interest expense on advances from SEACOR), Taxes, Depreciation and Amortization. Adjusted EBITDAR is defined as EBITDA further adjusted for Lease Expense (included as components of operating expense and general and administrative), SEACOR Management Fees and certain other items that occur during the reported period. We include EBITDA and Adjusted EBITDAR in this Information Statement to provide investors with a supplemental measure of our operating performance. Neither EBITDA nor Adjusted EBITDAR is a recognized term under generally accepted accounting principles in the U.S. ("GAAP"). Accordingly, neither should be used as an indicator of, or an alternative to, net income as a measure of operating performance. In addition, EBITDA and Adjusted EBITDAR are not intended to be measures of free cash flow available for management's discretionary use, as they do not consider certain cash requirements, such as debt service requirements. Because the definitions of EBITDA and Adjusted EBITDAR (or similar measures) may vary among companies and industries, they may not be comparable to other similarly titled measures used by other companies.

Management uses EBITDA and Adjusted EBITDAR as performance metrics for internal monitoring and planning purposes, including the presentation of our annual operating budget and quarterly operating reviews, and to facilitate analysis of investment decisions. In addition, the Adjusted EBITDAR performance metric allows us to evaluate profitability and make performance trend comparisons between us and our competitors. Further, we believe EBITDA and Adjusted EBITDAR are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

EBITDA and Adjusted EBITDAR have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. For example, these measures:

- do not reflect our historical cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- do not reflect changes in, or cash requirements for, our working capital needs;
- do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- do not reflect our income tax expenses or the cash requirements to pay our taxes; and
- although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and the foregoing metrics do not reflect any cash requirements for such replacements.

The following table provides a reconciliation of Net Income (Loss), the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDAR for the historical periods presented:

	For the Nine Months Ended September 30,			For the Years Ended December 31,			
	2012 Pro Forma	2012	2011	2011 Pro Forma	2011	2010	2009
	(in thousands)						
Net Income (Loss)	$ 682	$ 4,216	$ 5,409	$ 12,786	$ 2,108	$ (3,639)	$ 1,839
Depreciation	31,031	31,031	33,402	42,612	42,612	43,351	37,358
Interest Income	(765)	(765)	(376)	(738)	(738)	(109)	(52)
Interest Expense	13,482	6,891	847	17,251	1,376	94	13
Interest Expense on Advances from SEACOR	—	—	18,924	—	23,410	21,437	20,328
Income Tax Expense (Benefit)	3,226	5,212	2,666	5,590	434	(4,301)	2,883
EBITDA	47,656	46,585	60,872	77,501	69,202	56,833	62,369
Rent Expense	2,927	2,927	3,181	4,335	4,335	4,259	5,150
SEACOR Management Fees	—	1,500	7,476	—	8,799	4,550	5,481
Special Items[(a)]	9,596	9,596	268	4,171	4,171	379	—
Adjusted EBITDAR	$ 60,179	$ 60,608	$ 71,797	$ 86,007	$ 86,507	$ 66,021	$ 73,000

(a) Special items include the following:

- Severance expense of $4.2 million and $0.4 million for the years ended December 31, 2011 and 2010, respectively, and $0.7 million and $0.3 million for the nine months ended September 30, 2012 and 2011, respectively, due to prior changes in executive management;
- Expenses incurred in connection with our abandoned initial public offering of $3.0 million for the nine months ended September 30, 2012; and
- An impairment charge of $5.9 million, net of tax, for the nine months ended September 30, 2012, on our investment in Aeróleo that was recorded in March 2012.

RISK FACTORS

You should carefully consider the risks described below, together with all of the other information included in this Information Statement, in evaluating the Company and our common stock. If any of the risks described below actually occurs, our business, financial results, financial condition and stock price could be materially adversely affected.

Risks Related to Our Business and Industry

Demand for many of our services is impacted by the level of activity in the offshore oil and gas exploration, development and production industry.

In the nine months ended September 30, 2012 and in the year ended December 31, 2011, approximately 63% and 55%, respectively, of our operating revenues were generated by the provision of helicopter services, including search and rescue services, to companies primarily engaged in offshore oil and gas exploration, development and production activities, in the U.S. Gulf of Mexico and Alaska. Demand for our services and our results of operations are significantly impacted by levels of activity in those regions. These levels of activity have historically been volatile. This volatility is likely to continue in future periods. The level of offshore oil and natural gas exploration, development and production activity is not only likely to be volatile, but it is also subject to factors beyond our control, including:

- general economic conditions;
- prevailing oil and natural gas prices and expectations about future prices and price volatility;
- assessments of offshore drilling prospects compared with land-based opportunities;
- the cost of exploring for, producing and delivering oil and natural gas offshore;
- worldwide demand for energy, petroleum products and chemical products;
- availability and rate of discovery of new oil and natural gas reserves in offshore areas;
- federal, state, local and international political conditions, and policies including cabotage, local content, exploration and development of oil and gas reserves;
- technological advancements affecting exploration, development, energy production and consumption;
- weather conditions;
- environmental regulation;
- regulation of drilling activities and the availability of drilling permits and concessions; and
- the ability of oil and natural gas companies to generate or otherwise obtain funds for offshore oil and gas exploration, development and production.

We are in a cyclical business.

Our industry has historically been cyclical and is affected by the volatility of oil and gas price levels, fluctuations in government programs and spending and general economic conditions. Changes in commodity prices can have a significant effect on demand for our services, and periods of low activity intensify price competition in the industry and often result in our helicopters being idle for long periods of time. A prolonged significant downturn in oil and natural gas prices, or increased regulation containing onerous compliance requirements, are likely to cause a substantial decline in expenditures for exploration, development and production activity, which would result in a decline in demand and lower rates for our services. Similarly, the government agencies with which we do business could face budget cuts or limit spending, which would also result in a decline in demand and lower rates for our services. These changes could adversely affect our business, financial condition and results of operations.

We are highly dependent upon the level of activity in the U.S. Gulf of Mexico and Alaska, which are mature exploration and production regions.

In the nine months ended September 30, 2012 and the year ended December 31, 2011, our operating revenues derived from helicopter services provided to clients primarily involved in oil and gas activities in the U.S. Gulf of Mexico and Alaska, represented approximately 55% and 8%, respectively, and 46% and 9%, respectively, of our total operating revenues. The U.S. Gulf of Mexico and Alaska are mature exploration and production regions that have undergone substantial seismic survey and exploration activity for many years. Because a large number of oil and gas properties in these regions have already been drilled, additional prospects of sufficient size and quality could be more difficult to identify. We believe that the production from these mature oil and gas properties is declining and that the future production may decline to the point that such properties are no longer economically viable to operate, in which case, our services with respect to such properties will no longer be needed. Oil and gas companies may not identify sufficient additional drilling sites to replace those that become depleted. If activity in oil and gas exploration, development and production in either the U.S. Gulf of Mexico or Alaska materially declines, our business, financial condition and results of operations could be materially and adversely affected. We cannot predict the levels of activity in these areas.

The helicopter industry is subject to intense competition.

The helicopter industry is highly competitive. In the U.S., we face competition for business in the oil and gas industry from three major operators, Bristow Group Inc. ("Bristow"), PHI, Inc. and Rotorcraft Leasing Company LLC. We also face potential competition from customers that establish their own flight departments and smaller operators that can, with access to capital, expand their fleets and operate more sophisticated and costly equipment. In providing air medical transport services, we face competition from Air Methods Corporation and PHI, Inc. and many other operators. In our international markets, we face competition from local operators in countries where foreign regulations may require that contracts be awarded to local companies owned by nationals. We also face competition from operators that may have better recognized reputations in some of those markets. In addition, we compete with other providers of medical air transport, search and rescue, firefighting and flightseeing services, as well as leasing companies in various markets.

Chartering of helicopters usually involves an aggressive bidding process or intense negotiations. To qualify for work in most instances, an operator must have an acceptable safety record, demonstrated reliability, and the requisite equipment for the job, as well as sufficient resources to provide coverage when primary equipment comes out of service for maintenance. Companies that can satisfy these criteria and meet these needs are invited to bid for work. Customers typically make their final choice based on the best price available for the helicopter that is needed in the time frame that is mandated by their need. If we were unable to satisfy the criteria to participate in bids, we would be unable to compete effectively and our business, financial condition and results of operations would be materially and adversely affected.

Following the separation, we no longer expect to receive funds from SEACOR, which could adversely affect our ability to maintain our fleet and compete effectively in our markets.

Prior to our entry into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures, including funds for our investments in new helicopters, were funded through advances from SEACOR. We do not expect to receive additional advances from SEACOR and will depend on cash generated from our own operations or from equity or debt offerings (such as our recent issuance of $200.0 million of Senior Notes) and our Revolving Credit Facility, to fund our investments in our fleet, purchase new helicopters, fund our operations or joint ventures and make acquisitions or investments. If we are unable to generate sufficient cash from operations or obtain adequate financing on commercially reasonable terms, on a timely basis or at all, our ability to invest in our business or fund our business strategy may be limited and may materially and adversely affect our ability to compete effectively in our markets.

In order to grow our business, we may require additional capital in the future, which may not be available to us.

Our business is capital intensive, and to the extent we do not generate sufficient cash from operations, we will need to raise additional funds through public or private debt or equity financings to execute our growth strategy. Adequate sources of capital funding may not be available when needed, or may not be available on favorable terms. If we raise additional funds by issuing equity or certain types of convertible debt securities, dilution to the holdings of our existing stockholders may result. If we raise additional debt financing, we will incur additional interest expense and the terms of such debt may be at less favorable rates than existing debt and could require the pledge of assets as security or subject us to financial and/or operating covenants that affect our ability to conduct our business. Any capital raising activities would be subject to the restrictions in the Tax Matters Agreement. See "Certain Relationships and Related Party Transactions–Agreements between SEACOR and Era Group Relating to the Separation—Tax Matters Agreement" and "Material U.S. Federal Income Tax Consequences." If funding is insufficient at any time in the future, or we are unable to conduct capital raising activities as a result of restrictions in the Tax Matters Agreement, we may be unable to acquire additional helicopters, take advantage of business opportunities or respond to competitive pressures, any of which could harm our business, financial condition and results of operations.

Difficult economic and financial conditions could have a material adverse effect on us.

The financial results of our business are both directly and indirectly dependent upon economic conditions throughout the world, which in turn can be impacted by conditions in the global financial markets. These factors are outside our control and changes in circumstances are difficult to predict. Uncertainty about global economic conditions may lead businesses to postpone spending in response to tighter credit and reductions in income or asset values, which may lead many lenders and institutional investors to reduce, and in some cases, cease to provide funding to borrowers. Weak economic activity may lead government customers to cut back on services. Factors such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls, and national and international political circumstances (including wars, terrorist acts or security operations) could have a material adverse effect on our business and investments, which could reduce our revenues, profitability and value of our assets. These factors (including the failure of lenders participating in our new Revolving Credit Facility to fulfill their commitments and obligations) may also adversely affect our liquidity and our financial condition, and the business, liquidity and financial condition of our customers. Adverse liquidity conditions for our customers could negatively impact their capital investment activity. In addition, periods of poor economic conditions could increase our ongoing exposure to credit risks on our accounts receivable balances. We have procedures that are designed to monitor and limit exposure to credit risk on our receivables; however, there can be no assurance that such procedures will effectively limit our credit risk and avoid losses. This could have a material adverse effect on our business, financial condition and results of operations.

For example, a slowdown in economic activity could reduce worldwide demand for energy and result in an extended period of lower oil and natural gas prices. Demand for our services depends on oil and natural gas industry activity and expenditure levels that are directly affected by trends in oil and natural gas prices. A reduction in oil and natural gas prices could depress the activity levels of oil and gas companies, which in turn would reduce demand for our services. Perceptions of longer-term lower oil and natural gas prices by oil and gas companies can similarly further reduce or defer major expenditures given the long-term nature of many large-scale development projects. Lower levels of activity can result in a corresponding decline in the demand for our services, which could have a material adverse effect on our revenue and profitability. Unstable economic conditions or turmoil in financial markets may also increase the volatility of our stock price.

Failure to maintain an acceptable safety record may have an adverse impact on our ability to obtain and retain customers.

Our customers consider safety and reliability a primary concern in selecting a helicopter service provider. We must maintain a record of safety and reliability that is acceptable to, and in certain instances is contractually required by, our customers. In an effort to maintain an appropriate standard, we incur considerable costs to maintain the quality of (i) our safety program, (ii) our training programs and (iii) our fleet of helicopters. For example, we have implemented a safety program that includes, among many other features, (i) transition and recurrent training using flight training devices, (ii) an FAA approved flight operational quality assurance program and (iii) health and usage monitoring systems, otherwise known as HUMS, which automatically monitor and report on vibrations and other anomalies on key components of certain helicopters in our fleet. We cannot assure you that our safety program or our other efforts will provide an adequate level of safety or an acceptable safety record. If we are unable to maintain an acceptable safety record, we may not be able to retain existing customers or attract new customers, which could have a material adverse effect on our business, financial condition and results of operations.

We rely on relatively few customers, some of which are our affiliates, for a significant share of our revenues, the loss of any of which could adversely affect our business, financial condition and results of operations.

We derive a significant portion of our revenues from a limited number of oil and gas exploration, development and production companies and government agencies. Specifically, services provided to Anadarko, U.S. government agencies, primarily BSEE, a division of the U.S. Department of the Interior, and Aeróleo accounted for 12%, 8% and 11% of our revenues, respectively, for the year ended December 31, 2011. The portion of our revenues attributable to any single customer may change over time, depending on the level of activity by any such customer, our ability to meet the customer’s needs and other factors, many of which are beyond our control. In addition, most of our contracts with our oil and gas customers can be canceled on relatively short notice and do not commit our customers to acquire specific amounts of services. The loss of business from any of our significant customers could have a material adverse effect on our business, financial condition, liquidity and results of operations.

Further, to the extent any of our customers experience an extended period of operating difficulty, our revenues and results of operations could be materially adversely affected. Aeróleo, which in addition to being a significant customer is a joint venture of ours in which we hold a 50% economic interest and a 20% voting interest, has recently experienced operating difficulties. In July 2011, Aeróleo received notice that it was successful in its bid to place four AW139 helicopters on a five year contract with Petroelo Brasileiro S.A. (“Petrobras Brazil”), one of Aeróleo's customers. In turn, Aeróleo entered into contract-leases with us for four AW139 helicopters for a term of one year with four annual renewal options, and the helicopters were mobilized to Brazil. In August 2011, Petrobras Brazil cancelled the award for Aeróleo's AW139 helicopters in response to an accident Petrobras Brazil experienced with an AW139 helicopter on contract with it from one of our competitors. As a result, our four AW139 helicopters under contract-lease to Aeróleo were idle from August 2011 until late November 2012, at which time Aeróleo executed contracts with Petrobras Brazil and Petrobras Brazil began to utilize the helicopters. Due to resulting liquidity issues experienced by Aeróleo, as of September 30, 2012, we had deferred recognition of $7.7 million of revenues from Aeróleo and, together with our partner, also contributed $9.2 million of additional debt capital to Aeróleo to enable it to continue operating. Although we believe Aeróleo's operating difficulties will be resolved as a result of the execution of the contracts with Petrobras Brazil, if we needed to contribute additional capital to Aeróleo it could affect our liquidity and to the extent we do not or are unable to make such capital contributions, our results of operations could be affected. Further, to the extent we do not collect receivables owed to us from Aeróleo or earn less revenues from the relationship than anticipated, our results of operations and liquidity could be materially adversely affected.

Our customers include U.S. government agencies that are dependent on budget appropriations, which may fluctuate and, as a result, limit their ability to use our services.

U.S. government agencies, primarily BSEE, are among our key customers and accounted for 8% of our revenues for the year ended December 31, 2011. Government agencies receive funding through budget appropriations, which are determined through the political process, and as a result, funding for the agencies with which we do business may fluctuate. Recently, there has been increased Congressional scrutiny of discretionary program spending by the U.S. government in light of concerns over the size of the national debt. In August 2011, Congress reached an agreement to raise the U.S. debt ceiling in order to avoid financial default of the U.S. government. This agreement requires the elimination of more than $2 trillion in federal spending over the next decade. Although the details of these spending cuts remain unclear, lawmakers have discussed the need to cut or impose caps on discretionary spending in coming years, which could mean budget cuts to federal agencies to which we provide services. If any of these agencies, particularly BSEE, experience reductions in their budgets or if they change their spending priorities, their ability or willingness to spend on helicopter operations may decline, and they may substantially reduce or cease using our services, which could have a material adverse effect on our business, financial condition and results of operations.

Consolidation of our customer base could adversely affect demand for our services and reduce our revenues.

Many of our customers are major integrated oil and gas companies or independent oil and gas exploration, development and production companies. In recent years, these companies have undergone substantial consolidation, and additional consolidation is possible. Consolidation results in fewer companies to charter or contract for our services, and in the event one of our customers combines with a company that is using the services of one of our competitors, the combined company could decide to use the services of that competitor or another provider. Further, merger activity among both major and independent oil and natural gas companies affects exploration, development and production activity as the consolidated companies often put projects on hold while integrating operations. Consolidation may also result in an exploration and development budget for a combined company that is lower than the total budget of both companies before consolidation. Reductions in budgets could adversely affect demand for our services and our results of operations.

The implementation by our customers of cost-saving measures could reduce the demand for our services.

Oil and gas companies are continually seeking to implement measures aimed at cost savings. These measures can include efforts to improve efficiencies and reduce costs by reducing headcount or finding less expensive means for moving personnel offshore. Reducing headcount, changing rotations for personnel working offshore, therefore requiring fewer trips to and from installations, or using marine transport, are some, but not all of the possible initiatives that could result in reduced demand for our helicopter transport services. In addition, customers could establish their own helicopter operations or devise other transportation alternatives. The continued implementation of these kinds of measures could reduce the demand for helicopter services provided by independent operators like us, and could have a material adverse effect on our business, financial condition and results of operations.

Operational risks including, but not limited to, equipment failure and negligence could adversely impact our results of operations and in some instances, expose us to liability. These risks may not be covered by our insurance or our insurance may be inadequate to protect us from the liabilities that could arise.

The operation of helicopters is subject to various risks, including catastrophic disasters, crashes, adverse weather conditions, mechanical failures and collisions, which may result in loss of life, personal injury and/or damage to property and equipment. Our helicopters have been involved in accidents in the past, some of which included loss of life, personal injury and property damage. The occurrence of any such incident could have a material adverse effect on our operations.

Certain models of helicopters that we operate have also experienced accidents while operated by third parties. We, or third parties operating our helicopters, may experience accidents in the future. These risks could endanger the safety of both our own and our customers' personnel, equipment, cargo and other property, as well as the environment. If any of these events were to occur with equipment that we operate or contract-lease to third parties, we could experience loss of revenues, termination of charter contracts, higher insurance rates, and damage to our reputation and customer relationships. In addition, to the extent an accident occurs with a helicopter we operate, we could be held liable for resulting damages. If other operators experience accidents with helicopter models that we also operate or contract-lease, obligating us to take such helicopters out of service until the cause of the accident is rectified, we would lose revenues and might lose customers. In addition, safety issues experienced by a particular model of helicopter could result in customers refusing to use a particular helicopter model or a regulatory body grounding that particular helicopter model. The value of the helicopter model might also be permanently reduced in the market if the model were to be considered less desirable for future service.

For instance, there have been three recent accidents involving the Eurocopter EC225 Super Puma helicopter that have resulted in complete losses of the helicopters. One of the helicopters was under contract-lease from us to one of our customers, while the other two were owned and operated by parties unrelated to us. In response to these accidents, major global operators have indefinitely suspended EC225 operations. We are still earning a majority of the revenues associated with our EC225 helicopters; however, we are not collecting hourly revenues, since the helicopters are not flying. Although we have used this opportunity to put some previously idle AW139 helicopters to work, to the extent the EC225 helicopter operations remain suspended for a prolonged period of time, our results of operations could be adversely affected.

Our Brazilian joint venture, Aeróleo, also experienced operating difficulties due to an incident with an AW139 operated by a competitor. In July 2011, Aeróleo received notice that it was successful in its bid to place four AW139 helicopters on contract with Petrobras Brazil and in turn entered into contract-leases with us for the helicopters and mobilized them to Brazil. In August 2011, Petrobras Brazil cancelled the award and, as a result, our four AW139 helicopters under contract-lease to Aeróleo were idle from August 2011 until late November 2012, at which time Aeróleo executed contracts with Petrobras Brazil and Petrobras Brazil began to utilize the helicopters. Due to resulting liquidity issues experienced by Aeróleo, as of September 30, 2012, we had deferred the recognition of $7.7 million of revenues owed to us by Aeróleo and, together with our partner, contributed $9.2 million of shareholder debt to Aeróleo to enable it to continue operations. We expect these operating difficulties will be resolved as a result of the execution of contracts with Petrobras Brazil, although no assurance can be given that these difficulties will be resolved. See "Management's Discussion and Analysis of Financial Condition and Operating Results—Offshore Oil and Gas Support."

We carry insurance, including hull and liability, liability and war risk, general liability, workers' compensation, and other insurance customary in the industry in which we operate. Our insurance coverage is subject to deductibles and maximum coverage amounts. Our insurance policies are also subject to compliance with certain conditions, the failure of which could lead to a denial of coverage as to a particular claim or the voiding of a particular insurance policy. The amount of insurance coverage we are able to maintain may be inadequate to cover all potential liabilities or the total amount of insured claims and liabilities. We cannot assure you that our existing insurance coverage can be renewed at commercially reasonable rates nor is it possible to obtain insurance to protect against all of our operations risks and liabilities. Any material liability not covered by insurance or for which third-party indemnification is not available, would have a material adverse effect on our financial condition, results of operations and/or cash flows.

Weather and seasonality can impact our results of operations.

A significant portion of our revenues is dependent on actual flight hours. Prolonged periods of adverse weather and storms can adversely impact our operations and flight hours. The fall and winter months generally have more days of adverse weather conditions than the other months of the year, with poor visibility, high winds, and heavy precipitation in some areas. While some of our helicopters are equipped to fly at night, we generally do not do so. Operations servicing offshore oil and gas transport of passengers, and also other non-emergency operations, are generally conducted during daylight hours. During winter months there are fewer daylight hours, particularly in Alaska. Flight hours, and therefore revenues, tend to decline in the winter. In addition, oil and gas exploration activity in Alaska decreases during the winter months due to the harsh weather conditions. Our operations in the U.S. Gulf of Mexico may also be adversely affected by weather. Tropical storm season runs from June through November. Tropical storms and hurricanes limit our ability to operate our helicopters in the proximity of a storm, reduce oil and gas exploration, development and production activity, add expenses to secure equipment and facilities and require us to move assets out of the path of a storm. Despite our efforts to plan for storms and secure our equipment, we may suffer damage to our helicopters or our facilities, thereby reducing our ability to provide our services. In addition, these factors also result in seasonal impacts on our business and results of operations.

Our operations depend on facilities we use throughout the world. These facilities are subject to physical and other risks that could disrupt production.

Our facilities could be damaged or our operations could be disrupted by a natural disaster, labor strike, war, political unrest, terrorist activity or a pandemic. We operate numerous bases in and along the U.S. Gulf of Mexico and we are particularly exposed to risk of loss or damage from hurricanes in that region. In addition, our operations in Alaska (including our fixed based operation (“FBO”) business at Ted Stevens Anchorage International Airport) are at risk from earthquake activity. In particular, we have fuel tanks at our FBO facility with approximately 200,000 gallons of fuel storage capacity, all of which could be substantially damaged or compromised due to an earthquake. Although we have obtained property damage insurance, a major catastrophe such as a hurricane, earthquake or other natural disaster at any of our sites, or significant labor strikes, work stoppages, political unrest, war or terrorist activities in any of the areas where we conduct operations, could result in a prolonged interruption or stoppage of our business or material sub-parts of it. Any disruption resulting from these events could cause the loss of sales and customers. Our insurance may not adequately compensate us for any of these events.

A shortfall in availability of raw materials, components, parts and subsystems required for the repair and maintenance of our helicopters could adversely affect us, as would cost increases imposed by suppliers if they cannot be passed on to customers or if our equipment has been committed to contracts without coverage for escalating expenses.

In connection with the required routine repairs and maintenance that we perform or are performed by others on our helicopters, we rely on seven key vendors (Agusta Aerospace Corporation, Sikorsky Aircraft Corporation, American Eurocopter Corp., Bell Helicopter Textron Inc., Pratt and Whitney Canada, Turbomeca USA, Inc. and Honeywell International), for the supply and overhaul of components on our helicopters. Consolidations involving suppliers could further reduce the number of alternative suppliers for us and increase the cost of components. Those vendors have historically been the manufacturers of these components and parts, and their factories tend to work at or near full capacity supporting the helicopter production lines for new equipment. This leaves little capacity for the production of parts requirements for maintenance of our helicopters. The tight production schedules, as well as new regulatory requirements, the availability of raw materials or commodities, or the need to upgrade parts or product recalls can add to backlogs, resulting in key parts being in limited supply or available on an allocation basis. To the extent that these suppliers also supply parts for helicopters used by the U.S. military, parts delivery for our helicopters may be delayed during periods in which there are high levels of military operations. Any shortages could have an adverse impact on our ability to repair and maintain our helicopters. Our inability to perform timely repair and maintenance could result in our helicopters being underutilized and cause us to lose opportunities with existing or potential customers, each of which could have an adverse impact on our results of operations. Furthermore, our operations in remote locations, where delivery of these components and parts could take a significant period of time, may also impact our ability to repair and maintain our helicopters. Although every effort is made to mitigate such impact, this may pose a risk to our results of operations. In addition, supplier cost increases for critical helicopter components and parts can also adversely impact our results of operations. Cost increases are passed on to our customers through rate increases where possible, including as a component of contract escalation charges. However, as certain of our contracts are long-term in nature and may not have escalation or escalation may be tied to an index, which may not increase as rapidly as the cost of parts, we may see our margins erode. In addition, as many of our helicopters are manufactured by two European based companies, the cost of spare parts could be impacted by changes in currency exchange rates.

Our dependence on a small number of helicopter manufacturers poses a significant risk to our business and prospects, including our ability to execute our growth strategy.

Although our fleet includes equipment from all four of the major helicopter manufacturers, our current fleet expansion and replacement needs rely on contracts with two manufacturers. If any of the manufacturers with whom we contract face production delays due to, for example, natural disasters, labor strikes or unavailability of skilled labor, we may experience a significant delay in the delivery of previously ordered helicopters. During these periods, we may not be able to obtain additional helicopters with acceptable pricing, delivery dates or other terms. Delivery delays or our inability to obtain acceptable helicopters would adversely affect our revenues and profitability and could jeopardize our ability to meet the demands of our customers and execute our growth strategy. In addition, lack of availability of new helicopters resulting from a backlog in orders could result in an increase in prices for certain types of used helicopters. Furthermore, regulatory authorities may require us to temporarily or permanently remove certain helicopter models from service following certain incidents or accidents.

Our future growth may be impacted by our ability to expand into markets outside of the U.S. Gulf of Mexico and Alaska.

Our future growth will depend on our ability to expand into markets outside of the U.S. Expansion of our business depends on our ability to operate in these other regions.

Expansion of our business outside of the U.S. Gulf of Mexico and Alaska may be adversely affected by:

- local regulations restricting foreign ownership of helicopter operators;
- requirements to award contracts to local operators; and
- the number and location of new drilling concessions granted by foreign governments.

We cannot predict the restrictions or requirements that may be imposed in the countries in which we operate or wish to operate. If we are unable to continue to operate or obtain and retain contracts in markets outside of the U.S. Gulf of Mexico and Alaska, our future business, financial condition and results of operations may be adversely affected, and our operations outside of the U.S. Gulf of Mexico and Alaska may not grow.

Our operations in the U.S. Gulf of Mexico were adversely impacted by the Deepwater Horizon drilling rig incident and resulting oil spill, and may be adversely impacted by proposed legislation and resulting litigation in response to that incident.

We are highly dependent on offshore oil and gas activities in the U.S. Gulf of Mexico. On April 22, 2010, the *Deepwater Horizon*, a semi-submersible deepwater drilling rig operating in the U.S. Gulf of Mexico, sank after an apparent blowout and fire resulting in a significant flow of hydrocarbons from the BP Macondo well. As a result, from May 2010 to October 2010, the U.S. Department of Interior imposed a moratorium on offshore drilling operations. Drilling resumed in November 2010 but activity in the U.S. Gulf of Mexico did not reach pre-blowout levels until September 2011. As a result of the blowout at the BP Macondo well and subsequent moratorium on drilling activities, our operating results were adversely affected in the fourth quarter of 2010 and the first half of 2011. In addition, as a result of the blowout, the U.S. Department of Interior issued new rules designed to improve drilling and workplace safety in the U.S. Gulf of Mexico, and various congressional committees began pursuing legislation to regulate drilling activities and increase liability. The Bureau of Ocean Energy Management, BSEE and Office of National Resources Revenue are expected to continue to issue new safety and environmental guidelines or regulations for drilling in the U.S. Gulf of Mexico, and other regulatory agencies could potentially issue new safety and environmental guidelines or regulations in other geographic regions, and may take other steps that could increase the costs of exploration and production, reduce the area of operations and result in permitting delays. We are monitoring legislation and regulatory developments; however, it is difficult to predict the ultimate impact of any new guidelines, regulations or legislation. A prolonged suspension of drilling activity or permitting delays in the U.S. Gulf of Mexico and new regulations and increased liability for companies operating in this sector, whether or not caused by a new incident in the region, could result in reduced demand for our services, and reduced cash flows and profitability.

In addition, our operations in the U.S. Gulf of Mexico, along with those of certain of our customers, may be adversely impacted by, among other factors:

- the suspension, stoppage or termination by customers of existing contracts and the demand by customers for new or renewed contracts in the U.S. Gulf of Mexico and other affected regions;
- unplanned customer suspensions, cancellations, rate reductions, non-renewals of commitments to charter aviation equipment or failures to finalize commitments to charter aviation equipment;
- the cost or availability of relevant insurance coverage; and
- adverse weather conditions and natural disasters including, but not limited to, hurricanes and tropical storms.

Any one or a combination of these factors could reduce revenues, increase operating costs and have a material adverse effect on our business, financial condition and results of operations.

Significant increases in fuel costs can have a material adverse effect on our business, financial condition and results of operations.

Fuel is essential to the operation of our helicopters and to our ability to carry out our transport services and is a key component of our operating expenses. High fuel costs can increase the cost of operating our helicopters. Any increased fuel costs may negatively impact our net sales, margins, operating expenses and results of operations. Although we have been able to pass along a significant portion of increased fuel costs to our customers in the past, we cannot assure you that we can do so again if another prolonged period of high fuel costs occurs. To the extent there is a significant increase in fuel costs that we are unable to pass on to our customers, it may have a material adverse effect on our business, financial condition and results of operations.

Our contracts generally can be terminated or downsized by our customers without penalty.

Many of our operating contracts and charter arrangements in the U.S. Gulf of Mexico and Alaska contain provisions permitting early termination by the customer for any reason, generally without penalty, and with limited notice requirements. In addition, many of our contracts permit our customers to decrease the number of helicopters under contract with a corresponding decrease in the fixed monthly payments without penalty. As a result, you should not place undue reliance on our customer contracts or the terms of those contracts. The termination of contracts by our significant customers or the decrease in their usage of our helicopter services could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to obtain work on acceptable terms covering some of our new helicopters, and some of our new helicopters may replace existing helicopters already under contract, which could adversely affect the utilization of our existing fleet.

As of September 30, 2012, we had placed orders for 12 new helicopters. Two of these helicopters are scheduled to be delivered in 2012, two in 2014 and three in 2015. Delivery dates for the remaining five helicopters have yet to be determined. Many of our new helicopters may not be covered by customer contracts when they are placed into service, and we cannot assure you as to when we will be able to utilize these new helicopters or on what terms. To the extent our helicopters are covered by a customer contract, many of these contracts are short-term, requiring us to seek renewals frequently. We also expect that some of our customers may request new helicopters in lieu of our existing helicopters, which could adversely affect the utilization of our existing fleet.

Adverse results of legal proceedings could have a material adverse effect on us.

We are subject to, and may in the future be subject to, a variety of legal proceedings and claims that arise out of the ordinary conduct of our business. Results of legal proceedings cannot be predicted with certainty. Irrespective of their merits, legal proceedings may be both lengthy and disruptive to our operations and may cause significant expenditure and diversion of management attention. We may be faced with significant monetary damages or injunctive relief against us that could have a material adverse effect on a portion of our business operations or a material adverse effect on our financial condition and results of operations.

We may undertake one or more significant corporate transactions that may not achieve their intended results, may adversely affect our financial condition and our results of operations or result in unforeseeable risks to our business.

We continuously evaluate the acquisition of operating businesses and assets and may in the future undertake one or more significant transactions. Any such transaction could be material to our business and could take any number of forms, including mergers, joint ventures and the purchase of equity interests. The consideration for such transactions may include, among other things, cash, common stock or equity interests in us or our subsidiaries, or a contribution of equipment to obtain equity interests, and in conjunction with a transaction we might incur additional indebtedness. We also routinely evaluate the benefits of disposing of certain of our assets. Such dispositions could take the form of asset sales, mergers or sales of equity interests.

These transactions may present significant risks such as insufficient revenues to offset liabilities assumed, potential loss of significant revenues and income streams, increased or unexpected expenses, inadequate return of capital, regulatory or compliance issues, the triggering of certain covenants in our debt instruments (including accelerated repayment) and unidentified issues not discovered in due diligence. In addition, such transactions could distract management from current operations. As a result of the risks inherent in such transactions, we cannot guarantee that any such transaction will ultimately result in the realization of its anticipated benefits or that it will not have a material adverse impact on our business, financial condition or results of operations. If we were to complete such an acquisition, disposition, investment or other strategic transaction, we may require additional debt or equity financing that could result in a significant increase in our amount of debt and our debt service obligations or the number of outstanding shares of our common stock, thereby diluting holders of our common stock outstanding prior to such acquisition.

We are subject to risks associated with our international operations.

We operate and contract-lease helicopters in international markets. During the nine months ended September 30, 2012 and the year ended December 31, 2011, approximately 20% and 28%, respectively, of our operating revenues resulted from our international operations. We expect to increase our international operations in the future. Our international operations are subject to a number of risks, including:

- political conditions and events, including embargoes;
- restrictive actions by U.S. and foreign governments, including in Brazil, India, Indonesia, Sweden and Spain, that could limit our ability to provide services in those countries;

- the imposition of withholding or other taxes on foreign income, tariffs or restrictions on foreign trade and investment;
- adverse tax consequences;
- limitations on repatriation of earnings or currency exchange controls and import/export quotas;
- nationalization, expropriation, asset seizure, blockades and blacklisting;
- limitations in the availability, amount or terms, of insurance coverage;
- loss of contract rights and inability to adequately enforce contracts;
- political instability, war and civil disturbances or other risks that may limit or disrupt markets, such as terrorist attacks, piracy and kidnapping;
- fluctuations in currency exchange rates, hard currency shortages and controls on currency exchange that affect demand for our services and our profitability;
- potential noncompliance with a wide variety of laws and regulations, such as the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"), and similar non-U.S. laws and regulations, including the U.K. Bribery Act 2010 (the "UKBA");
- labor strikes;
- changes in general economic conditions;
- adverse changes in foreign laws or regulatory requirements, including those with respect to flight operations and environmental protections; and
- difficulty in staffing and managing widespread operations.

If we are unable to adequately address these risks, we could lose our ability to operate in certain international markets and our business, financial condition and results of operations could be materially and adversely affected.

There are risks associated with our debt structure.

As of the date of this Information Statement, our indebtedness consists of $200.0 million aggregate principal amount of Senior Notes and $33.8 million of aggregate indebtedness of one of our subsidiaries outstanding under two promissory notes. In addition, we have the ability to borrow up to $102.2 million under our Revolving Credit Facility (without giving effect to any borrowings needed to consummate the Series B Exchange), after taking into account the financial ratios we are required to maintain under the facility.

The agreements governing our Revolving Credit Facility and the indenture governing the Senior Notes contain various covenants that limit our ability to, among other things:

- make investments;
- incur or guarantee additional indebtedness;
- incur liens or pledge the assets of certain of our subsidiaries;
- pay dividends;
- enter into transactions with affiliates; and
- enter into certain sales of all or substantially all of our assets, mergers and consolidations.

Our Revolving Credit Facility also requires that we maintain a maximum funded debt to EBITDA (as defined in our Revolving Credit Facility) ratio (the "RC Leverage Ratio") of 5.0 to 1.0 (increased from 4.0 to 1.0 as a result of the issuance of the Senior Notes) and comply with certain other financial ratios. Failure to comply with these covenants is an event of default under the facility and, as a result, our ability to borrow under our Revolving Credit Facility is dependent on and limited by our ability to comply with the RC Leverage Ratio limit and other financial ratios. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Senior Secured Revolving Credit Facility." After giving effect to the sale of the Senior Notes, the amount of additional borrowings we could draw down under our Revolving Credit Facility, based on our RC Leverage Ratio as of such date, was $102.2 million.

As a result of a decrease in our operating revenues from contract-leasing activities in the nine months ended September 30, 2012, and the related impact on our EBITDA (as defined in our Revolving Credit Facility), SEACOR purchased one million shares of our Series B preferred stock for $100.0 million, which we used to repay borrowings under our Revolving Credit Facility so that we could maintain compliance with our financial ratios. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Overview" and "Recent Sales of Unregistered Securities." If we continue to experience reduced operating revenues from certain of our contract-leasing activities, our ability to utilize our Revolving Credit Facility may be limited and we may require additional investments in our capital stock to maintain our financial ratio within applicable limits. However, after the spin-off we will not be able to rely on equity investments from SEACOR and no assurance can be given that these investments will be available in the capital markets. Any inability to borrow under our Revolving Credit Facility could have a material adverse effect on our ability to make capital expenditures, on our results of operations and on our liquidity. Further, failure to maintain the financial ratios required under the Revolving Credit Facility would constitute an event of default, allowing the lenders under our Revolving Credit Facility to declare the entire balance of any and all sums payable under the Revolving Credit Facility immediately due and payable, which in turn would permit the holders of the Senior Notes to accelerate maturity of the Senior Notes as well.

Our ability to meet our debt service obligations and refinance our indebtedness, including the debt existing at the time of the spin-off as well as any future debt that we may incur, will depend upon our ability to generate cash in the future from operations, financings or asset sales, which are subject to general economic conditions, industry cycles, seasonality and other factors, some of which may be beyond our control. If we cannot repay or refinance our debt as it becomes due, we may be forced to sell assets or take other disadvantageous actions, including (1) reducing financing in the future for working capital, capital expenditures and general corporate purposes or (2) dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. In addition, our ability to withstand competitive pressures and to react to changes in our industry could be impaired. The lenders who hold such debt could also accelerate amounts due, which could potentially trigger a default or acceleration of our other debt.

Our future debt levels and the terms of any future indebtedness we may incur may contain restrictive covenants and limit our liquidity and our ability to obtain additional financing and pursue acquisitions and joint ventures or purchase new helicopters. Tight credit conditions could limit our ability to secure additional financing, if required, due to difficulties accessing the credit and capital markets.

Our global operations are subject to foreign currency, interest rate, fixed-income, equity and commodity price risks.

We are exposed to currency fluctuations and exchange rate risks. We purchase some of our helicopters and helicopter parts from foreign manufacturers and maintain operations in foreign countries, which results in portions of our revenues and expenses being denominated in foreign currencies. We attempt to minimize our exposure to currency exchange risk by contracting the majority of our services in U.S. dollars. As a result, a strong U.S. dollar may increase the local cost of our services that are provided under the U.S. dollar denominated contracts, which may reduce demand for our services in foreign countries. Some of these risks may be hedged, but fluctuations could impact our financial condition and our results of operations. Our financial condition and our results of operations may also be affected by the cost of hedging activities that we undertake to protect against currency exchange risk. We operate in countries with foreign exchange controls, including Brazil and India. These controls may limit our ability to repatriate funds from our unconsolidated foreign affiliates or otherwise convert local currencies into U.S. dollars. These limitations could adversely affect our ability to access cash from these operations and our liquidity.

We are subject to governmental regulation that limits foreign ownership of helicopter companies.

We are subject to governmental regulation that limits foreign ownership of helicopter companies. Failure to comply with regulations and requirements for citizen ownership in the various markets in which we operate and may operate in the future, may subject our helicopters to deregistration or impoundment. If required levels of citizen ownership are not met or maintained, joint ventures in which we have significant investments also could be prohibited from operating within these countries. Deregistration of our helicopters or helicopters operated by our joint venture partners for any reason, including foreign ownership in excess of permitted levels, would have a material adverse effect on our ability to conduct operations within these markets. We cannot assure you that there will be no changes in aviation laws, regulations, required levels of citizen ownership, or administrative requirements or the interpretations thereof, that could restrict or prohibit our ability to operate in certain regions. Any such restriction or prohibition on our ability to operate may have a material adverse effect on our business, financial condition, and results of operations.

We limit foreign ownership of our company, which could reduce the price of our common stock and cause owners of our common stock who are not U.S. persons to lose their voting rights.

The amended and restated certificate of incorporation that we will adopt prior to the spin-off will provide that persons or entities that are not "citizens of the U.S." (as defined in the Federal Aviation Act of 1958) shall not collectively own or control more than 24.9% of the voting power of our outstanding capital stock (the "Permitted Foreign Ownership Percentage") and that, if at any time persons that are not citizens of the U.S. nevertheless collectively own or control more than the Permitted Foreign Ownership Percentage, the voting rights of our outstanding voting capital stock in excess of the Permitted Foreign Ownership Percentage owned by stockholders who are not citizens of the U.S. shall automatically be reduced. These voting rights will be reduced pro rata among the holders of voting shares who are not citizens of the U.S. to equal the Permitted Foreign Ownership Percentage based on the number of votes to which the underlying voting securities are entitled. Shares held by persons who are not citizens of the U.S. may lose their associated voting rights and be redeemed as a result of these provisions. These restrictions may also have a material adverse impact on the liquidity or market value of our common stock because holders may be unable to transfer our common stock to persons who are not citizens of the U.S.

If we do not restrict the amount of foreign ownership of our common stock, we may fail to remain a U.S. citizen, might lose our status as a U.S. air carrier and be prohibited from operating helicopters in the U.S., which would adversely impact our business, financial condition and results of operations.

Since we hold the status of a U.S. air carrier under the regulations of both the U.S. Department of Transportation ("DOT") and the FAA and we engage in the operating and contract-leasing of helicopters in the U.S., we are subject to regulations pursuant to Title 49 of the Transportation Code ("Transportation Code") and other statutes (collectively, "Aviation Acts"). The Transportation Code requires that Certificates to engage in air transportation be held only by citizens of the U.S. as that term is defined in the relevant section of the

Transportation Code. That section requires: (i) that our president and two-thirds of our board of directors and other managing officers be U.S. citizens; (ii) that at least 75% of our outstanding voting stock be owned by U.S. citizens; and (iii) that we must be under the actual control of U.S. citizens. Further, our helicopters operating in the U.S. must generally be registered in the U.S. In order to register such helicopters under the Aviation Acts, we must be owned or controlled by U.S. citizens. Although the amended and restated certificate of incorporation and amended and restated bylaws that we will adopt prior to the spin-off contain provisions intended to ensure compliance with the provisions of the Aviation Acts, a failure to maintain compliance would result in loss of our air carrier status and thereby adversely affect our business, financial condition and results of operations and we would be prohibited from both operating as an air carrier and operating helicopters in the U.S. during any period in which we did not comply with these regulations.

The Outer Continental Shelf Lands Act, as amended, provides the federal government with broad discretion in regulating the leasing of offshore resources for the production of oil and gas.

We currently derive a significant portion of our revenues from helicopter services we provide in the U.S. Gulf of Mexico for the purposes of offshore oil and gas exploration, development and production. As such, we are subject to the U.S. government's exercise of authority under the provisions of the Outer Continental Shelf Lands Act that restrict the availability of offshore oil and gas leases by requiring lease conditions such as the implementation of safety and environmental protections, the preparation of spill contingency plans and air quality standards for certain pollutants, the violations of which could result in potential court injunctions curtailing operations and lease cancellations and by requiring that all pipelines operating on or across the outer continental shelf provide open and nondiscriminatory access to shippers. These provisions could adversely impact exploration and production activity in these regions. If activity in oil and gas exploration, development and production in these regions declines, our business, financial condition and results of operations could be materially and adversely affected.

We are subject to tax and other legal compliance risks, including anti-corruption statutes, the violation of which may adversely affect our business and operations.

As a global business, we are subject to complex laws and regulations in the U.S. and other countries in which we operate. Changes in laws or regulations and related interpretations and other guidance could result in higher expenses and payments. Uncertainty relating to such laws or regulations may also affect how we conduct our operations and structure our investments and could limit our ability to enforce our rights.

In order to compete effectively in certain foreign jurisdictions, we seek to establish joint ventures with local operators or strategic partners. We are subject to a variety of tax and legal compliance risks. These risks include, among other things, possible liability relating to taxes and compliance with U.S. and foreign export laws, competition laws and regulations, including the FCPA and the UKBA. The FCPA generally prohibits U.S. companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining or maintaining business. The UKBA has similar provisions. We could be charged with wrongdoing for any of these matters as a result of our actions or the actions of our agents, local partners or joint ventures, even though these parties may not be subject to such statutes. If convicted or found liable of tax or other legal infractions, or if we have been determined to be in violation of the FCPA, we could be subject to significant fines, penalties, repayments, other damages (in certain cases, treble damages), or suspension or debarment from government contracts, which could have a material adverse effect on our business, financial condition and results of operations. We are also subject to laws in the U.S. and outside of the U.S. regulating competition.

Independently, failure of us or one of our joint ventures or strategic partners to comply with applicable export and trade practice laws could result in civil or criminal penalties and suspension or termination of export privileges.

Negative publicity may adversely impact us.

Media coverage and public statements that insinuate improper actions by us or relate to accidents or other issues involving the safety of our helicopters or operations, regardless of their factual accuracy or truthfulness, may result in negative publicity, litigation or governmental investigations by regulators. Addressing negative publicity and any resulting litigation or investigations may distract management, increase costs and divert resources. Negative publicity may have an adverse impact on our reputation, our customer relationships and the morale of our employees, which could adversely affect our business, cash flows from operations, financial condition and results of operations.

Our inability to attract and retain qualified personnel could have an adverse effect on our business.

Attracting and retaining qualified pilots, mechanics and other highly skilled personnel is an important factor in our future success. Our inability to attract and retain qualified personnel could have an adverse effect on our business and our growth strategy. Many of our customers require pilots with very high levels of flight experience. In addition, the maintenance of our helicopters requires mechanics that are trained and experienced in servicing particular makes and models of helicopters. The market for these highly skilled personnel is competitive and we cannot be certain that we will be successful in attracting and retaining qualified personnel in the future. In addition, if we enter into new markets or obtain additional customer contracts or the demand for our services increases, we may be required to hire additional pilots, mechanics and other flight-related personnel, which we may not be able to do on a timely or cost-effective basis.

If our employees were to unionize, our operating costs could increase.

Our employees are not currently represented by a collective bargaining agreement. However, we have no assurances that our employees will not unionize in the future. If any of our employees were to unionize, it could increase our operating costs, force us to alter our operating methods and/or have a material adverse effect on our results of operations.

Environmental regulations and liabilities, including new or developing regulations, may increase our costs of operations and adversely affect us.

Liabilities associated with environmental matters could have a material adverse effect on our business, financial condition and results of operations. Our operations are subject to U.S. federal, state and local and foreign environmental laws and regulations that impose limitations on the discharge of pollutants into the environment and establish standards for the treatment, storage, recycling and disposal of toxic and hazardous wastes. The nature of the business of operating and maintaining helicopters requires that we use, store, and dispose of materials that are subject to environmental regulation. In addition, our customers in the oil and gas exploration, development and production industry are affected by environmental laws and regulations that restrict their activities and may result in reduced demand for our services. Environmental laws and regulations change frequently, which makes it difficult to predict their cost or impact on our results of operations. We could also be exposed to strict, joint and several liability for cleanup costs, natural resource damages and other damages as a result of our conduct that was unlawful at the time it occurred or the conduct of, or conditions caused by, prior operators or third parties.

Any failure by us to comply with any environmental laws and regulations may result in administrative, civil or criminal sanctions, revocation or denial of permits or other authorizations, imposition of limitations on our operations, and site investigatory, remedial or other corrective actions.

In recent years, governments have increasingly focused on climate change, carbon emissions, and energy use. Regulations that curb the use of energy, or require the use of renewable fuels or renewable sources of energy—such as wind or solar power—could result in a reduction in demand for hydrocarbon-based fuels such as oil and natural gas. In addition, governments could pass laws, regulations or taxes that increase the cost of fuel, thereby impacting both demand for our services and also our cost of operations. Such initiatives could have a material adverse effect on our business, financial condition and results of operations.

Actions taken by Government Agencies, such as the Department of Commerce, the Department of Transportation and the Federal Aviation Administration, could increase our costs and prohibit or reduce our ability to operate successfully.

Our operations are highly regulated by several U.S. government regulatory agencies. For example, as a certified air carrier, we are subject to regulations promulgated by the Department of Transportation and the FAA. The FAA regulates our flight operations and imposes requirements with respect to personnel, aircraft, ground facilities and other aspects of our operations, including:

- certification and reporting requirements;
- inspections;
- maintenance standards;
- personnel training standards; and
- maintenance of personnel and aircraft records.

The Department of Transportation can review our economic fitness to continue our operations, both presently and if a substantial change occurs to our management, ownership or capital structure, among other things. The Department of Commerce, through its International Traffic in Arms Regulations, regulates our imports and exports of aircraft (through leases and sales) as well as parts sales to international customers and the use of certain regulated technology in domestic and international airspace. If we fail to comply with these laws and regulations, or if these agencies develop concerns over our operations, we could face administrative, civil and/or criminal penalties. In addition, we may become subject to regulatory actions that could suspend, curtail or significantly modify our operations. A suspension or substantial curtailment of our operations or any substantial modification of our current operations may have a material adverse effect on our business, financial condition and results of operations.

For example, the Pilot Records Improvement Act of 1996 (the "PRIA") requires an air carrier to request, receive and evaluate certain information concerning a pilot/applicant's training, experience, qualification and safety background, before beginning service as a pilot. As a result of an internal audit we became aware that a significant number of our pilots did not have complete PRIA background information contained in their personnel files. We immediately notified the FAA and implemented procedures to obtain the missing information and to ensure future compliance. The FAA may refer this matter to its Enforcement division, which could result in a significant civil penalty or other FAA actions.

Future changes to the regulations and laws under which we operate, and promulgation of new regulations and laws also could have a material adverse effect on our business, financial position and results of operations.

Our FBO in Alaska is subject to extensive government regulation and other cost-related risks that could disrupt operations.

Our FBO in Alaska is subject to oversight by the Ted Stevens Anchorage International Airport, is dependent upon that airport being "open for business" and is subject to federal regulatory requirements by the FAA, the Transportation Security Administration (the

“TSA”) and other agencies. If the FAA, TSA or other agencies were to impose significant operating restrictions or increase insurance obligations such that insurance could not be obtained or purchased for a reasonable cost, or if any federal regulatory requirement were to require significant expenditure, the market for services from our FBO could be significantly impaired or entirely eliminated. In addition, the biggest revenue producing activity at our FBO, fuel sales to transient customers, could be adversely impacted by increases in fuel prices, the ability of our competitors to undercut our pricing, restrictions on private air travel and/or taxes on fuel or aircraft, any of which could make private air travel prohibitively expensive. Should the FBO’s operations be restricted or shut down, whether due to regulatory issues, the weather, a natural disaster, terrorist activity, or any other reason, our operations could be adversely impacted.

Risks Related to Our Common Stock

Our stock price may fluctuate significantly, and you may not be able to resell your shares at an attractive price.

The trading price of our common stock may be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market;
- actual or anticipated fluctuations in our quarterly financial condition and results of operations;
- introduction of new equipment or services by us or our competitors;
- issuance of new or changed securities analysts’ reports or recommendations;
- sales, or anticipated sales, of large blocks of our stock;
- additions or departures of key personnel;
- regulatory or political developments;
- litigation and governmental investigations; and
- changing economic conditions.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business. Despite the belief of SEACOR's board of directors, we cannot assure you that following the spin-off the aggregate value of our common stock and SEACOR common stock will ever exceed the pre-spin-off value of SEACOR's common stock.

Your percentage of ownership in us may be diluted in the future.

As with any publicly traded company, your percentage ownership in us may be diluted in the future because of equity issuances for acquisitions, capital market transactions or otherwise, including equity awards that we expect will be granted to our directors, officers and employees.

There is no existing market for our common stock, and we do not know if one will develop to provide you with adequate liquidity, and following the separation, our stock price may fluctuate significantly.

Prior to the separation, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the NYSE or how liquid that market may become. It is anticipated that on or shortly prior to the record date for the distribution of our common stock, trading of shares of our common stock would begin on a “when-issued” basis and such trading would continue up to and including the distribution date. However, there can be no assurance that an active trading market for our common stock will develop as a result of the separation or be sustained in the future. The lack of an active market may make it more difficult for you to sell our shares and could lead to the share price for our common stock being depressed or more volatile.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our stock or if our results of operations do not meet their expectations, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts who cover us downgrade recommendations regarding our stock, or if our results of operations do not meet their expectations, our stock price could decline and such decline could be material.

Sales of substantial amounts of our common stock in the public markets, or the perception that such sales might occur, could reduce the price of our common stock and may dilute your voting power and your ownership interest in us.

The shares of our common stock that SEACOR will distribute to its stockholders in the distribution generally may be sold immediately in the public market. SEACOR stockholders could sell our common stock received in the distribution if we do not fit their investment objectives or, in the case of index funds, if we are not part of the index in which they invest. If substantial amounts of our common stock are sold in the public market following consummation of the separation, the market price of our common stock could decrease significantly. The perception in the public market that shares of common stock will be sold in the public market could also depress our market price. A decline in the price of shares of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities.

For as long as we are an emerging growth company, we will be exempt from certain reporting requirements, including those relating to accounting standards and disclosure about our executive compensation, that apply to other public companies.

In April 2012, President Obama signed into law the Jumpstart Our Business Startups Act (the "JOBS Act"). The JOBS Act contains provisions that, among other things, relax certain reporting requirements for emerging growth companies, including certain requirements relating to accounting standards and compensation disclosure. We are classified as an emerging growth company, which is defined as a company with annual gross revenues of less than $1 billion, that has been a public reporting company for a period of less than five years, and that does not have a public float of $700 million or more in securities held by non-affiliated holders. For as long as we are an emerging growth company, which may be up to five full fiscal years, unlike other public companies, unless we elect not to take advantage of applicable JOBS Act provisions, we will not be required to (1) provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, (2) comply with any new or revised financial accounting standards applicable to public companies until such standards are also applicable to private companies under Section 102(b)(1) of the JOBS Act, (3) comply with any new requirements adopted by the Public Company Accounting Oversight Board (the "PCAOB"), such as requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer, (4) comply with any new audit rules adopted by the PCAOB after April 5, 2012 unless the SEC determines otherwise, (5) provide certain disclosure regarding executive compensation required of larger public companies or (6) hold stockholder advisory and other votes on executive compensation. We cannot predict if investors will find our common stock less attractive if we choose to rely on these exemptions. If some investors find our common stock less attractive as a result of any choices to reduce future disclosure, there may be a less active trading market for our common stock and our stock price may be more volatile.

As noted above, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards that have different effective dates for public and private companies until such time as those standards apply to private companies. We do not intend to take advantage of such extended transition period. This election is irrevocable pursuant to Section 107 of the JOBS Act.

As a result of becoming a public company, we will be obligated to develop and maintain proper and effective internal control over financial reporting and will be subject to other requirements that will be burdensome and costly. We may not timely complete our analysis of our internal control over financial reporting, or these internal controls may be determined to be ineffective, which could adversely affect investor confidence in our company and, as a result, the value of our common stock.

We have historically operated our business as a segment of a public company. Following consummation of the separation, we will be required to file with the SEC annual and quarterly information and other reports that are specified in Section 13 of the Exchange Act. We will also be required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. In addition, we will become subject to other reporting and corporate governance requirements, including the requirements of the NYSE, and certain provisions of the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder, which will impose significant compliance obligations upon us. As a public company, we will be required to:

- prepare and distribute periodic public reports and other stockholder communications in compliance with our obligations under the federal securities laws and NYSE rules;
- create or expand the roles and duties of our board of directors and committees of the board of directors;
- institute more comprehensive financial reporting and disclosure compliance functions;
- supplement our internal accounting and auditing function, including hiring additional staff with expertise in accounting and financial reporting for a public company;
- enhance and formalize closing procedures at the end of our accounting periods;
- enhance our internal audit function;
- enhance our investor relations function;
- establish new internal policies, including those relating to disclosure controls and procedures; and
- involve and retain to a greater degree outside counsel and accountants in the activities listed above.

These changes will require a significant commitment of additional resources. We may not be successful in implementing these requirements and implementing them could adversely affect our business or results of operations. In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our results of operations on a timely and accurate basis could be impaired.

Our internal control over financial reporting may not fully meet the standards for an independent public company required by Section 404 of the Sarbanes-Oxley Act ("Section 404"), and failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on us.

Our internal controls were developed when we were a subsidiary of SEACOR. As such, they may not fully meet the standards for an independent public company that are required by Section 404. We will have to meet such standards in the course of preparing our 2013 financial statements. We do not currently have comprehensive documentation of our internal controls, nor do we document or test our compliance with these controls on a periodic basis in accordance with Section 404. Furthermore, we have not tested our internal controls in accordance with Section 404 and, due to our lack of documentation, such a test would not be possible to perform at this time. Our compliance with Section 404 is expected to be first reported in connection with the filing of our Annual Report on Form 10-K for the fiscal year ending December 31, 2013.

We are currently in the early stages of addressing our internal control procedures to satisfy the requirements of Section 404, which requires an annual management assessment of the effectiveness of our internal control over financial reporting. We will incur additional costs in order to improve our internal control over financial reporting and comply with Section 404, including increased auditing and legal fees and costs associated with hiring additional accounting and administrative staff. If we are unable to implement and maintain adequate internal control over financial reporting, we may be unable to report our financial information on a timely basis, may suffer adverse regulatory consequences or violations of applicable stock exchange listing rules and may breach the covenants under our credit facilities. There could also be a negative reaction in the price of our common stock due to a loss of investor confidence in us and the reliability of our financial statements.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws and Delaware law may discourage, delay or prevent a change of control of our company or changes in our management and, therefore, may depress the trading price of our common stock.

Our amended and restated certificate of incorporation and bylaws include certain provisions that could have the effect of discouraging, delaying or preventing a change of control of our company or changes in our management, including, among other things:

- restrictions on the ability of our stockholders to fill a vacancy on the board of directors;
- restrictions related to the ability of non-U.S. citizens owning our common stock;
- our ability to issue preferred stock with terms that the board of directors may determine, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the absence of cumulative voting in the election of directors which may limit the ability of minority stockholders to elect directors; and
- advance notice requirements for stockholder proposals and nominations, which may discourage or deter a potential acquirer from soliciting proxies to elect a particular slate of directors or otherwise attempting to obtain control of us.

These provisions in our amended and restated certificate of incorporation and bylaws may discourage, delay or prevent a transaction involving a change in control of our company that is in the best interest of our stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging future takeover attempts.

We do not expect to pay dividends to holders of our common stock.

We currently intend to retain our future earnings, if any, for the foreseeable future, to repay indebtedness and to fund the development and growth of our business. We do not intend to pay any dividends to holders of our common stock. As a result, capital appreciation in the price of our common stock, if any, will be your only source of gain or income on an investment in our common stock. In addition, our Revolving Credit Facility contains restrictions on our ability to pay dividends. See "Dividend Policy."

Risk Factors Relating to the Spin-off

Our historical and pro forma financial information may not be representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.

The historical and pro forma financial information that we have included in this Information Statement may not necessarily reflect what our financial position, results of operations or cash flows would have been had we been an independent entity during the periods presented or those that we will achieve in the future. The costs and expenses reflected in our historical and pro forma financial information include an allocation for certain corporate functions historically provided by SEACOR, that may be different from the comparable expenses that we would have incurred had we operated as a stand-alone company. Our historical and pro forma financial information does not reflect changes that will occur in our cost structure, financing and operations as a result of our transition to becoming a stand-alone public company, including changes in our cash management, employee base, potential increased costs associated with reduced economies of scale and increased costs associated with SEC reporting and NYSE requirements.

We have made adjustments based upon available information and assumptions that we believe are reasonable to reflect these factors, among others, in our historical and pro forma consolidated financial data. However, our assumptions may prove not to be accurate, and accordingly, the historical and pro forma consolidated financial data presented in this Information Statement should not be assumed to be indicative of what our financial condition or results of operations actually would have been as an independent publicly traded company nor to be a reliable indicator of what our financial condition or results of operations actually may be in the future.

In connection with and following consummation of the separation, we will rely on SEACOR's performance under various agreements and we will continue to be dependent on SEACOR to provide us with support services for our business.

We expect to enter into various agreements with SEACOR in connection with the separation, including an Amended and Restated Transition Services Agreement, Distribution Agreement, Tax Matters Agreement, Employee Matters Agreement and the Series B Preferred Stock Exchange Agreement. These agreements will govern our relationship with SEACOR subsequent to the separation. It is possible that if SEACOR were to fail to fulfill its obligations under these agreements we could suffer operational difficulties or significant losses.

If we are required to indemnify SEACOR for certain liabilities and related losses arising in connection with any of these agreements, we may be subject to substantial liabilities, which could materially adversely affect our financial position. If SEACOR is required to indemnify us for certain liabilities and related losses arising in connection with any of these agreements, we may be subject to substantial liabilities if SEACOR does not fulfill its obligations, which could materially adversely affect our financial position.

Historically, our business has been conducted as a segment of SEACOR, and support services required for the operation of our business are currently provided by SEACOR and its subsidiaries. Under the terms of the Amended and Restated Transition Services Agreement, SEACOR will continue to provide us on an interim basis with certain support services, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management. We expect these services to be provided for varying durations but no greater than two years.

Although SEACOR is contractually obligated to provide us with services during the term of the agreement, we cannot assure you that these services will be performed as efficiently or proficiently after the expiration of the agreement, or that we will be able to replace these services in a timely manner or on comparable terms. They also contain provisions that may be more favorable than terms and provisions we might have obtained in arms-length negotiations with unaffiliated third parties. When SEACOR ceases to provide services pursuant to the agreement, our costs of procuring those services from third parties may increase. In addition, we may not be able to replace these services or enter into appropriate third-party agreements on terms and conditions, including cost, comparable to those under the Amended and Restated Transition Services Agreement. Although we intend to replace some of the services that will be provided by SEACOR under the Amended and Restated Transition Services Agreement, we may encounter difficulties replacing certain services or be unable to negotiate pricing or other terms as favorable as those we currently have in effect. To the extent that we may require additional support from SEACOR not addressed in the Amended and Restated Transition Services Agreement, we would need to negotiate the terms of receiving such corporate support in future agreements. See "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation."

We may have difficulty operating as an independent, publicly traded company.

As an independent, publicly traded company, we believe that our business will benefit from, among other things, allowing us to better focus our financial and operational resources on our specific business, allowing our management to design and implement corporate strategies and policies that are based primarily on the business characteristics and strategic decisions of our business, allowing us to more effectively respond to industry dynamics and allowing the creation of effective incentives for our management and employees that are more closely tied to our business performance. However, we may not be able to achieve some or all of the benefits that we believe we can achieve as an independent company in the time we expect, if at all. Because our business has previously operated as part of the wider SEACOR organization, we may not be able to successfully implement the changes necessary to operate independently and may incur additional costs that could adversely affect our business.

As an independent, publicly traded company, we may not enjoy the same benefits that it did as a segment of SEACOR.

There is a risk that, by separating from SEACOR, we may become more susceptible to market fluctuations and other adverse events than we would have been if we were still a part of the current SEACOR organizational structure. As part of SEACOR, we have been able to enjoy certain benefits from SEACOR's operating diversity, available capital for investments and opportunities to pursue integrated strategies with SEACOR's other businesses. As an independent, publicly traded company, we will not have similar diversity, available capital or integration opportunities and may not have similar access to capital markets.

Our ability to meet our capital needs may be harmed by the loss of financial support from SEACOR.

The loss of financial support from SEACOR could harm our ability to meet our capital needs. Prior to our entry into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain of our cash collections were forwarded to SEACOR. As a consequence of this arrangement, we had historically maintained minor cash on hand balances. After the spin-off, we expect to obtain any funds needed in excess of the amounts generated by our operating activities through the capital markets or bank financing (including available borrowings under the Revolving Credit Facility), and not from SEACOR. However, given the smaller relative size of our company as compared to SEACOR after the spin-off, we expect to incur higher debt servicing and other costs than we would have otherwise incurred as a part of SEACOR. Further, we cannot guarantee you that we will be able to obtain capital market financing or credit on favorable terms, or at all, in the future. We cannot assure you that our ability to meet our capital needs will not be harmed by the loss of financial support from SEACOR.

If, following the completion of the separation, there is a determination that the separation is taxable for U.S. federal income tax purposes because the facts, assumptions, representations or undertakings underlying the IRS ruling or tax opinion are incorrect or for any other reason, then SEACOR, its stockholders that are subject to U.S. federal income tax and Era Group could incur significant U.S. federal income tax liabilities.

The distribution is conditioned upon SEACOR's receipt of either (i) a private letter ruling from the IRS, together with an opinion of Weil, Gotshal & Manges LLP, tax counsel to SEACOR, substantially to the effect that, among other things, the separation will qualify as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 of the Code or (ii) an opinion of Weil, Gotshal & Manges LLP, substantially to the effect that the separation qualifies as a transaction that is described in Section 355(a) of the Code. The ruling and opinion will rely on certain facts, assumptions, representations and undertakings from SEACOR and us regarding the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations or undertakings are incorrect or not otherwise satisfied, SEACOR and its stockholders may not be able to rely on the ruling or the opinion of tax counsel and could be subject to significant tax liabilities. Notwithstanding the private letter ruling and opinion of tax counsel, the IRS could determine on audit that the separation is taxable if it determines that any of these facts, assumptions, representations or undertakings are not correct or have been violated or if it disagrees with the conclusions in the opinion that are not covered by the private letter ruling, or for other reasons, including as a result of certain significant changes in the stock ownership of SEACOR or us after the separation. If the separation is determined to be taxable, SEACOR, its stockholders that are subject to U.S. federal income tax and Era Group could incur significant U.S. federal income tax liabilities

Prior to the separation, we and SEACOR will enter into the Tax Matters Agreement that will govern the parties' respective rights, responsibilities and obligations with respect to taxes, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and assistance and cooperation in respect of tax matters. Taxes relating to or arising out of the failure of certain of the transactions described in the private letter ruling request and the opinion of tax counsel to qualify as a tax-free transaction for U.S. federal income tax purposes will be borne by SEACOR, except, in general, if such failure is attributable to our action or inaction or SEACOR's action or inaction, as the case may be, or any event (or series of events) involving our assets or stock or the assets or stock of SEACOR, as the case may be, in which case the resulting liability will be borne in full by us or SEACOR, respectively.

Our obligations under the Tax Matters Agreement are not limited in amount or subject to any cap. Further, even if we are not responsible for tax liabilities of SEACOR and its subsidiaries under the Tax Matters Agreement, we nonetheless could be liable under applicable tax law for such liabilities if SEACOR were to fail to pay them. If we are required to pay any liabilities under the circumstances set forth in the Tax Matters Agreement or pursuant to applicable tax law, the amounts may be significant.

We may not be able to engage in certain corporate transactions for a period of time after the separation.

To preserve the tax-free treatment to SEACOR of the separation, under the Tax Matters Agreement that we will enter into with SEACOR, we may not take any action that would jeopardize the favorable tax treatment of the distribution. These restrictions may limit our ability to pursue certain strategic transactions or engage in other transactions that might increase the value of our business for the two-year period following the separation. For more information, see the sections entitled "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation—Tax Matters Agreement" and "The Spin-Off—Material U.S. Federal Income Tax Consequences."

A number of our directors and executive officers own common stock and other equity instruments of SEACOR, which could cause conflicts of interests.

Our Non-Executive Chairman and a number of our other directors and officers own a substantial amount of SEACOR common stock along with, in the case of our Non-Executive Chairman, other equity instruments, the value of which is related to the value of common stock of SEACOR. The direct and indirect interests of our Non-Executive Chairman and other directors and officers in common stock of SEACOR and the presence of SEACOR's principal executive, in the case of our Non-Executive Chairman, on our board of directors could create, or appear to create, conflicts of interest with respect to matters involving both us and SEACOR that could have different implications for SEACOR than they do for us. As a result, we may be precluded from pursuing certain opportunities on which we would otherwise act, including growth opportunities.

We do not intend to adopt specific policies or procedures to address conflicts of interests that may arise as a result of certain of our directors and officers owning SEACOR common stock or our Non-Executive Chairman being an executive officer of SEACOR. However, prior to consummation of the distribution, we will adopt a Related Person Transactions Policy to provide guidance in identifying, reviewing and, where appropriate, approving or ratifying transactions with related persons. See "Certain Relationships and Related Party

Transactions—Related Party Transactions—Related Person Transactions Policy." In addition, prior to consummation of the distribution, we will adopt separate Corporate Governance Guidelines, a Code of Business Conduct and Ethics and a Supplemental Code of Ethics that will provide guidelines to our executive officers and directors in addressing conflicts of interest. See "Management—Code of Business Conduct and Ethics."

The spin-off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal dividend requirements.

The distribution is subject to review under various state and federal fraudulent conveyance laws. Fraudulent conveyance laws generally provide that an entity engages in a constructive fraudulent conveyance when (1) the entity transfers assets and does not receive fair consideration or reasonably equivalent value in return, and (2) the entity (a) is insolvent at the time of the transfer or is rendered insolvent by the transfer, (b) has unreasonably small capital with which to carry on its business, or (c) intends to incur or believes it will incur debts beyond its ability to repay its debts as they mature. An unpaid creditor or an entity acting on behalf of a creditor (including without limitation a trustee or debtor-in-possession in a bankruptcy by us or SEACOR or any of our respective subsidiaries) may bring an action alleging that the distribution or any of the related transactions constituted a constructive fraudulent conveyance. If a court accepts these allegations, it could impose a number of remedies, including without limitation, voiding our claims against SEACOR, requiring our shareholders to return to SEACOR some or all of the shares of our common stock issued in the distribution, or providing SEACOR with a claim for money damages against us in an amount equal to the difference between the consideration received by SEACOR and the fair market value of our company at the time of the distribution.

The measure of insolvency for purposes of the fraudulent conveyance laws will vary depending on which jurisdiction's law is applied. Generally, an entity would be considered insolvent if (1) the present fair saleable value of its assets is less than the amount of its liabilities (including contingent liabilities); (2) the present fair saleable value of its assets is less than its probable liabilities on its debts as such debts become absolute and matured; (3) it cannot pay its debts and other liabilities (including contingent liabilities and other commitments) as they mature; or (4) it has unreasonably small capital for the business in which it is engaged. We cannot assure you what standard a court would apply to determine insolvency or that a court would determine that we, SEACOR or any of our respective subsidiaries were solvent at the time of or after giving effect to the distribution.

The distribution of our common stock is also subject to review under state corporate distribution statutes. Under the General Corporation Law of the State of Delaware (the "DGCL"), a corporation may only pay dividends to its shareholders either (1) out of its surplus (net assets minus capital) or (2) if there is no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. Although SEACOR intends to make the distribution of our common stock entirely from surplus, we cannot assure you that a court will not later determine that some or all of the distribution to SEACOR shareholders was unlawful.

Prior to the distribution, as a condition to the distribution, the SEACOR board of directors will have obtained an opinion from a nationally recognized provider of such opinions that SEACOR and we each will be solvent at the time of the spin-off (including immediately after the payment of the dividend and the spin-off), will be able to repay its debts as they mature following the spin-off and will have sufficient capital to carry on its businesses and the spin-off and the distribution will be made entirely out of surplus in accordance with Section 170 of the DGCL. We cannot assure you, however, that a court would reach the same conclusions set forth in such opinion in determining whether SEACOR or we were insolvent at the time of, or after giving effect to, the spin-off, or whether lawful funds were available for the separation and the distribution to SEACOR's shareholders.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements appearing in this Information Statement constitute "forward-looking statements." Forward-looking statements include financial projections, statements of plans and objectives for future operations, statements of future economic performance, and statements of assumptions relating thereto. In some cases, forward-looking statements can be identified by the use of terminology such as "may," "expects," "plans," "anticipates," "estimates," "believes," "potential," "projects," "forecasts," "intends," or the negative thereof or other comparable terminology. By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results, performance and the timing of events to differ materially from those anticipated, expressed or implied by the forward-looking statements in this Information Statement. Such risks or uncertainties may give rise to future claims and increase exposure to contingent liabilities. These risks and uncertainties arise from (among other factors) the following:

- the inability to complete the separation due to the failure to satisfy conditions to completion of such transaction, including required regulatory approvals;
- the failure of the separation to occur for any other reason;
- the effect of the separation on our business relationships, operating results and business generally;
- the less diversified nature of our business and operations after the separation;
- general competitive, economic, political and market conditions and fluctuations;
- actions taken or conditions imposed by the U.S. and foreign governments; and
- adverse outcomes of pending or threatened litigation or government investigations.

These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this Information Statement. If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Consequently, actual events and results may vary significantly from those included in or contemplated or implied by our forward-looking statements. The forward-looking statements included in this Information Statement are made only as of the date of this Information Statement, and we undertake no obligation to publicly update or review any forward-looking statement made by us or on our behalf, whether as a result of new information, future developments, subsequent events or circumstances or otherwise.

THE SPIN-OFF

General

The board of directors of SEACOR, our parent company, has announced its intention to spin-off Era Group as an independent, publicly traded company, to be accomplished by means of a pro rata dividend of all of our common stock (after giving effect to the Recapitalization, which is described below) to SEACOR's stockholders. Following the spin-off, SEACOR will no longer own any equity interest in us, and we will operate as an independent, publicly traded company. We have applied to list our common stock on the NYSE under the symbol "ERA."

We currently have two classes of authorized common stock: Class A and Class B common stock, of which only Class B common stock is outstanding, and two series of authorized and outstanding convertible preferred stock: Series A and Series B. SEACOR owns all of the outstanding shares of our capital stock, including all of the outstanding shares of our Class B common stock and all of our outstanding Series A and Series B preferred stock. We expect that at some time prior to the spin-off we will effect the Series B Exchange. In the Series B Exchange, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating losses generated by us in 2012 against SEACOR group taxable income. We will repurchase for cash the remainder of our outstanding Series B preferred stock not transferred to us as described in the preceding sentence. We anticipate using borrowings under the Revolving Credit Facility to fund the repurchase of the Series B preferred stock in the Series B Exchange. See "Certain Relationships and Related Party Transactions —Agreements between SEACOR and Era Group Relating to the Separation—Series B Preferred Stock Exchange Agreement." In the Recapitalization, to be effective immediately prior to the spin-off, we will exchange our then outstanding Class B common stock and Series A preferred stock for shares of newly-issued common stock, par value $0.01 per share. Following the Recapitalization, we will have only one class of common stock issued and outstanding, and no preferred stock will be outstanding. The common stock that SEACOR receives in the Recapitalization, which will represent all of our outstanding capital stock, will be the stock distributed by SEACOR in the spin-off. We expect approximately million shares of our common stock will be distributed in the spin-off.

On **,** 2012**,** the distribution date, each stockholder holding shares of SEACOR common stock that were outstanding as of , 2012, the record date, will be entitled to receive, in respect of each share of SEACOR common stock, one share of Era Group common stock, as described below. Immediately following the distribution, SEACOR's stockholders will own 100% of the outstanding common stock of Era Group and SEACOR will not hold any of our outstanding capital stock. You will not be required to make any payment, surrender or exchange your common shares of SEACOR or take any other action to receive your shares of Era Group common stock.

Holders of SEACOR common stock will continue to hold their shares in SEACOR. We do not require and are not seeking a vote of SEACOR's stockholders in connection with the spin-off, and SEACOR's shareholders will not have any appraisal rights in connection with the spin-off.

Before the distribution, we will enter into the Distribution Agreement and other agreements with SEACOR to effect the distribution and provide a framework for our relationship with SEACOR after the distribution. These agreements will govern the relationship between us and SEACOR up to and subsequent to the completion of the distribution. We describe these arrangements in greater detail under "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation" and describe some of the risks of these arrangements under "Risk Factors—Risk Factors Relating to the Spin-Off."

The distribution of shares of our common stock as described in this Information Statement is subject to the satisfaction or waiver of certain conditions. In addition, SEACOR has the right not to complete the spin-off if, at any time prior to the distribution, its board of directors determines, in its sole discretion, that the spin-off is not in the best interests of SEACOR or its stockholders, or that it is not advisable for us to separate from SEACOR. For a more detailed description of these conditions, see "—Conditions to the Spin-off."

Reasons for the Spin-Off

SEACOR regularly reviews and evaluates the various businesses that SEACOR conducts and the fit that these businesses have within its overall business and growth strategies to help ensure that SEACOR's resources are being put to use in a manner that is in the best interests of SEACOR and its stockholders. In August 2011, SEACOR determined to commence an IPO process in respect of our Class A common stock pursuant to which shares of our Class A common stock would have been sold to the public markets. It was anticipated that following the consummation of our IPO, SEACOR would have retained a majority controlling interest in our company. For a number of reasons, including the then existing state of the capital markets, it was determined that we abandon the IPO and pursue the spin-off. This determination was made based on SEACOR's board of directors' belief that the separation of our business from SEACOR's other businesses was the most efficient manner to distribute the business to SEACOR's stockholders and that separating us from SEACOR would provide financial, operational and managerial benefits to both SEACOR and us, including but not limited to the following:

- *Ability to Use Equity as Consideration for Acquisitions.* The spin-off will provide each of SEACOR and us with enhanced flexibility to use our respective stock as consideration in pursuing certain financial and strategic objectives, including mergers and acquisitions involving other companies or businesses engaged in our respective industries. We believe that we will be able to more easily facilitate future strategic transactions with businesses in our industry through the use of our stand-alone stock as consideration. Although we have no current plans to engage in a merger or similar transaction with any particular company, we believe that potential targets in our industry are often more interested in receiving stock of a company the value of which is tied directly to the helicopter services business, rather than stock of a more diversified company in which value is tied to a number of other businesses in addition to the helicopter services business. Further, SEACOR believes that potential acquisition targets of some of its other businesses would be more interested in pursuing transactions in which they received stock, the value of which is not tied, in part, to the helicopter services business.
- *Improved Management Incentive Tools*. We expect to use equity-based incentive awards to compensate current and future employees. SEACOR believes that compensation of our employees in the form of SEACOR equity does not serve the desired purpose of incentivizing our employees to maximize our profits because the relative performance and size of SEACOR's other businesses have a significant impact on the value of SEACOR equity-based compensation issued to our employees. Following the distribution, appreciation in the value of shares underlying our equity-based awards granted to our employees will no longer be impacted by the performance of SEACOR's other businesses. Rather, equity-based incentive awards granted to our employees following the distribution will be tied directly to our performance, providing employees with incentives more closely linked to the achievement of our specific performance objectives. This will better align our employee interests with the interests of our stockholders. SEACOR also believes that equity-based compensation arrangements tied more closely to our performance will benefit recruitment efforts. Certain members of our senior management have expressed a strong preference for receiving equity compensation tied solely to our performance. We believe that offering equity compensation tied directly to our performance will assist in attracting and retaining qualified personnel, especially in light of the fact that many of our competitors have the ability to provide employees with equity compensation tied directly to the helicopter services business.
- *Focused Management.* The separation will allow management of each company to devote its time and attention to the development and implementation of corporate strategies and policies that are based primarily on the specific business characteristics of the respective companies without the need to consider the effect those decisions may have on the other company. SEACOR has a limited pool of capital with which to develop its businesses and pursue new projects. SEACOR's management spends significant time determining how this capital will be allocated among its businesses. An increasing amount of SEACOR's capital has been allocated to us, to the detriment of SEACOR's other businesses, to finance the expansion and modernization of our fleet. This has resulted in significant pressure in the allocation of capital among us and SEACOR's other businesses. SEACOR's board of directors believes that the spin-off will allow the management of each of us and SEACOR to focus on our and its respective businesses rather than spend significant time resolving the appropriate allocation of capital.

In addition, the SEACOR board of directors believes that following the spin-off, the aggregate value of our common stock and SEACOR's common stock should, over time and assuming the same market conditions, exceed the pre-spin-off value of SEACOR's common stock. SEACOR's board of directors believes that the public markets and securities analysts have a difficult time comparing SEACOR to competitors in SEACOR's other businesses that do not have business activities in the helicopter services business. As a result, it is management's belief that the market value of SEACOR's common stock does not accurately reflect our value. Once we are separated from SEACOR and each of us and SEACOR have more focused businesses, investors and analysts will be able to better understand the business strengths and future prospects of our and SEACOR's respective businesses, which SEACOR's board of directors believes will result in better stock market analysis and a higher aggregate stock price for our and SEACOR's common stock. The SEACOR board of directors believes that a higher aggregate stock price will help facilitate some of the other business purposes of the spin-off, particularly by limiting the dilutive effect of equity issuances in connection with employee compensation arrangements and business acquisitions. Despite the belief of SEACOR's board of directors, we cannot assure you that following the spin-off the aggregate value of our common stock and SEACOR's common stock will ever exceed the pre-spin-off value of SEACOR's common stock.

SEACOR's board of directors also considered a number of potentially negative factors in evaluating the separation, including, in the case of both companies, increased costs, disruptions to the businesses as a result of the separation, the risk of being unable to achieve expected benefits from the separation, the risk that the separation might not be completed, the initial costs of the separation and the ongoing costs of operating us as a separate, publicly traded company.

SEACOR's board of directors considered several factors that might have a negative effect on SEACOR in particular as a result of the separation, including that the separation would eliminate from SEACOR the valuable businesses of Era Group in a transaction that produces no direct economic consideration for SEACOR.

SEACOR's board of directors also considered certain aspects of the separation that may be adverse to Era Group, including the loss of the ability to obtain capital resources from SEACOR and the limitations placed on Era Group as a result of the Tax Matters Agreement and other agreements it is expected to enter into with SEACOR in connection with the spin-off. In addition, Era Group's common stock may come under initial selling pressure as certain SEACOR stockholders may sell their shares in Era Group because Era Group, as a separate business, does not fit their investment priorities. Moreover, certain factors such as a lack of historical financial and performance data as an independent company may limit investors' ability to appropriately value Era Group's common stock.

Notwithstanding these potentially negative factors, however, the board of directors of SEACOR determined that the separation was the best alternative to enhance stockholder value taking into account the factors discussed above.

In view of the wide variety of factors considered in connection with the evaluation of the separation and the complexity of these matters, SEACOR's board of directors did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to the factors considered.

Manner of Effecting the Spin-Off

Pursuant to the Distribution Agreement, the distribution will be effective as of 12:01 a.m. Eastern time, on , 2012, the distribution date. As a result of the spin-off, on the distribution date, each SEACOR stockholder will receive one share of Era Group common stock for every share of SEACOR common stock owned by such holder and outstanding as of the record date. In order to receive shares of our common stock in the spin-off, a SEACOR stockholder must be a stockholder at the close of business of the NYSE on , 2012, the record date. The distribution will be pro rata to stockholders holding shares of SEACOR common stock that are outstanding as of the record date. SEACOR stockholders will not be required to make any payment, send any proxy or surrender or exchange their shares of SEACOR common stock or take any other action to receive their shares of our common stock.

See "—Material U.S. Federal Income Tax Consequences" for an explanation of the tax consequences of the separation.

If you own shares of SEACOR common stock as of the close of business on the record date, the shares of Era Group common stock that you are entitled to receive will be issued electronically, as of the distribution date, to you or to your bank or brokerage firm on your behalf by way of direct registration in book-entry form. Registration in book-entry form refers to a method of recording share ownership when no physical share certificates are issued to stockholders, as is the case in the distribution. If you sell shares of SEACOR common stock in the market up to and including the distribution date, however, you may be selling your right to receive shares of Era Group common stock in the distribution.

Commencing on or shortly after the distribution date, if you hold physical share certificates that represent your shares of SEACOR common stock and you are the registered holder of the SEACOR shares represented by those certificates, the distribution agent will mail to you an account statement that indicates the number of shares of Era Group common stock that have been registered in book-entry form in your name. See "—Results of Separation; Listing of Era Group Common Stock and Trading of SEACOR Common Stock."

Most SEACOR stockholders hold their shares of SEACOR common stock through a bank or brokerage firm. In such cases, the bank or brokerage firm would be said to hold the shares in "street name" and ownership would be recorded on the bank or brokerage firm's books. If you hold your shares of SEACOR common stock through a bank or brokerage firm, your bank or brokerage firm will credit your account for the shares of Era Group common stock that you are entitled to receive in the distribution. If you have any questions concerning the mechanics of having shares held in "street name," we encourage you to contact your bank or brokerage firm at any time following the approval of the separation.

SEACOR is expected to establish a "blackout period" beginning as early as and continuing through the record date, during which time no SEACOR equity awards or employee stock options may vest or be exercised and no SEACOR shares will be repurchased by SEACOR. Assuming approximately shares of SEACOR common stock are outstanding as of the record date (which was the actual number of shares outstanding as of , 2012), the number of shares of Era Group common stock to be distributed, and the number of shares of Era Group which will be outstanding immediately following the separation, will be approximately . The separation will not affect the number of outstanding shares of SEACOR common stock or any rights of SEACOR's stockholders.

Conditions to the Spin-Off

The distribution is subject to a number of conditions, including the following:

- the board of directors of SEACOR, in its sole and absolute discretion, will have authorized and approved the spin-off and not withdrawn such authorization and approval, and will have declared the dividend of our common stock to SEACOR stockholders;

- the SEC will have declared effective our registration statement on Form 10, of which this Information Statement is a part, and no stop order relating to the registration statement shall be in effect;
- SEACOR's board of directors will have received an opinion from a nationally recognized provider of such opinions to the effect that SEACOR and Era Group will each be solvent and adequately capitalized immediately after the separation;
- the Distribution Agreement and each other agreement to be executed in connection with the spin-off will have been executed by each party thereto;
- our common stock will have been accepted for listing on a national securities exchange approved by SEACOR, subject to official notice of issuance;
- SEACOR's receipt of either (i) a private letter ruling from the IRS together with an opinion of Weil, Gotshal & Manges LLP, tax counsel to SEACOR, substantially to the effect that, among other things, the separation qualifies as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 of the Code or (ii) SEACOR's receipt of an opinion from Weil, Gotshal & Manges LLP, substantially to the effect that the separation qualifies as a transaction that is described in Section 355(a) of the Code;
- Era Group's amended and restated certificate of incorporation and amended and restated bylaws, each in substantially the form filed as exhibits to the Form 10 of which this Information Statement is a part, are in effect;
- no order, injunction or decree that would prevent the consummation of the distribution is threatened, pending or issued (and still in effect) by any governmental authority of competent jurisdiction, no other legal restraint or prohibition preventing consummation of the distribution is pending, threatened, issued or in effect and no other event has occurred or failed to occur that prevents the consummation of the distribution; and
- any material governmental approvals and other consents necessary to consummate the spin-off have been obtained.

The fulfillment of the foregoing conditions will not create any obligation on SEACOR's part to effect the spin-off. Except as described in the foregoing conditions, we are not aware of any material federal or state regulatory requirements that must be complied with or any material approvals that must be obtained. SEACOR has the right not to complete the spin-off if, at any time prior to the distribution, the board of directors of SEACOR determines, in its sole discretion, that the spin-off is not in the best interests of SEACOR or its stockholders, or that it is not advisable for us to separate from SEACOR.

Results of the Separation; Listing of Era Group Common Stock and Trading of SEACOR Common Stock

We have applied to list Era Group's common stock on the NYSE under the symbol "ERA." We expect that a "when-issued" market in Era Group common stock may develop shortly prior to the record date, and we will announce the when-issued trading symbol of Era Group when and if it becomes available. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The when-issued trading market will be a market for the Era Group common stock that will be distributed to SEACOR stockholders on the distribution date. If you own shares of SEACOR common stock at the close of business on the record date, you will be entitled to shares of Era Group common stock distributed pursuant to the separation. You may trade this entitlement to shares of Era Group common stock, without the shares of SEACOR common stock you own, on the when-issued market. On the first trading day following the distribution date, we expect that when-issued trading with respect to Era Group common stock will end and regular-way trading will begin.

It is also anticipated that, shortly prior to the record date and continuing up to and including the distribution date, there will be two markets for SEACOR common stock: a "regular-way" market and an "ex-distribution" market. Shares of SEACOR common stock that trade on the regular-way market will trade with an entitlement to shares of Era Group common stock distributed pursuant to the distribution. Shares that trade on the ex-distribution market will trade without an entitlement to shares of Era Group common stock distributed pursuant to the distribution. Therefore, if you sell shares of SEACOR common stock in the regular-way market up to and including the distribution date, you will be selling your right to receive shares of Era Group common stock in the distribution. However, if you own SEACOR common stock at the close of business on the record date and sell those shares on the ex-distribution market up to and including the distribution date, you will still receive the shares of Era Group common stock that you would otherwise be entitled to receive pursuant to the distribution.

Material U.S. Federal Income Tax Consequences

The following is a summary of material U.S. federal income tax consequences of the distribution by SEACOR of all of our outstanding common stock to its shareholders. This summary is based on the Code, U.S. Treasury regulations promulgated thereunder and judicial and administrative interpretations of the Code and the U.S. Treasury regulations, all as in effect on the date of this Information Statement, and is subject to changes in these or other governing authorities, any of which may have a retroactive effect. This summary assumes that the separation will be consummated in accordance with the Distribution Agreement and as described in this Information Statement. This summary does not purport to be a complete description of all U.S. federal income tax consequences of the separation nor does it address the effects of any state, local or foreign tax laws or U.S. federal tax laws other than those relating to income taxes on the separation. The tax treatment of a SEACOR shareholder may vary depending upon that shareholder's particular situation, and certain shareholders (including, but not limited to, insurance companies, tax-exempt organizations, retirement plans, tax-deferred or other retirement accounts, financial institutions, broker-dealers, regulated investment companies, real estate investment trusts, partners in partnerships that hold common shares in SEACOR, pass-through entities, traders in securities who elect to apply a mark-to-market method of accounting, shareholders who hold their SEACOR common shares as part of a "hedge," "straddle," "conversion," "synthetic security," "integrated investment" or "constructive sale transaction," shareholders whose functional currency is not the U.S. dollar, individuals who received SEACOR common shares upon the exercise of employee stock options or otherwise as compensation, and shareholders who are subject to alternative minimum tax) may be subject to special rules not discussed below. This summary does not address U.S. federal income tax consequences to a SEACOR shareholder who, for U.S. federal income tax purposes, is a non-resident alien individual, a foreign corporation, a foreign partnership, or a foreign trust or estate. In addition, this summary does not address the U.S. federal income tax consequences to those SEACOR shareholders who do not hold their SEACOR common shares as capital assets within the meaning of Section 1221 of the Code.

Each shareholder is urged to consult the shareholder's tax advisor as to the specific tax consequences of the distribution to that shareholder, including the effect of any U.S. federal, state or local or foreign tax laws and of changes in applicable tax laws.

The distribution is conditioned upon SEACOR's receipt of either (i) a private letter ruling from the IRS together with an opinion of Weil, Gotshal & Manges LLP, tax counsel to SEACOR, substantially to the effect that, among other things, the separation qualifies as a transaction that is tax-free for U.S. federal income tax purposes under Section 355 of the Code or (ii) an opinion of Weil, Gotshal & Manges LLP, substantially to the effect that the separation qualifies as a transaction that is described in Section 355(a) of the Code. SEACOR has submitted a request for a private letter ruling from the IRS that the separation will so qualify. Such ruling and opinion will be based on, among other things, certain assumptions as well as on the accuracy and completeness of certain representations and statements that SEACOR and we make to the IRS and tax counsel. In rendering the ruling and opinion, the IRS and tax counsel also will rely on certain covenants that SEACOR and we enter into, including the adherence by SEACOR and us to certain restrictions on future actions. Although a private letter ruling from the IRS is generally binding on the IRS, if any of the assumptions, representations or statements that SEACOR and we make are, or become, inaccurate or incomplete, or if SEACOR or we breach any of our covenants, the separation might not qualify as a tax-free transaction for U.S. federal income tax purposes under Section 355 of the Code. In addition, if any of the assumptions, representations or statements that SEACOR and we make are, or become, inaccurate or incomplete, or if SEACOR or we breach any of our covenants, the conclusions reached by tax counsel in its opinion might no longer be valid. The opinion will not be binding on the IRS or the courts.

Assuming that the separation qualifies as a reorganization for U.S. federal income tax purposes under Section 355 of the Code, the following describes the material U.S. federal income tax consequences to SEACOR, us and SEACOR shareholders of the separation:

- subject to the discussion below regarding Section 355(e) of the Code, neither we nor SEACOR will recognize any gain or loss upon the distribution of our common stock and no amount will be included in the income of SEACOR or us as a result of the distribution other than taxable income or gain with respect to any "excess loss account" or "intercompany transaction" required to be taken into account under U.S. Treasury regulations relating to consolidated federal income tax returns;
- a SEACOR shareholder will not recognize any gain or loss and no amount will be included in income as a result of the receipt of our common stock pursuant to the distribution;
- a SEACOR shareholder's aggregate tax basis in such shareholder's SEACOR common shares held as of the record date and in our common stock received in the distribution will equal such shareholder's tax basis in its SEACOR common shares immediately before the distribution, allocated between the SEACOR common shares and our common stock in proportion to their relative fair market values on the distribution date; and
- a SEACOR shareholder's holding period for our common stock received in the distribution will include the holding period for that shareholder's SEACOR common shares;

U.S. Treasury regulations provide that if a SEACOR shareholder holds different blocks of SEACOR common shares (generally common shares of SEACOR purchased or acquired on different dates or at different prices), the aggregate basis for each block of SEACOR common shares purchased or acquired on the same date and at the same price will be allocated, to the greatest extent possible, between the shares of our common stock received in the distribution in respect of such block of SEACOR common shares and such block of SEACOR common shares, in proportion to their respective fair market values. The holding period of the shares of our common stock received in the distribution in respect of such block of SEACOR common shares will include the holding period of such block of SEACOR common shares. If a SEACOR shareholder is not able to identify which particular shares of our common stock are received in the distribution with respect to a particular block of SEACOR common shares, for purposes of applying the rules described above, the stockholder may designate which shares of our common stock are received in the distribution in respect of a particular block of SEACOR common shares, provided that such designation is consistent with the terms of the distribution. SEACOR shareholders are urged to consult their own tax advisors regarding the application of these rules to their particular circumstances.

U.S. Treasury regulations also require each SEACOR shareholder who receives our common stock in the distribution to attach to the shareholder's U.S. federal income tax return for the year in which the stock is received a detailed statement setting forth certain information relating to the tax-free nature of the distribution. Within a reasonable period of time after the distribution, SEACOR expects to make available to its shareholders information pertaining to compliance with this requirement.

For the reasons discussed above, notwithstanding receipt by SEACOR of the private letter ruling and/or opinion of tax counsel, the IRS could assert successfully that the distribution was taxable. In that event the above consequences would not apply and both SEACOR and holders of SEACOR common shares who received shares of our common stock in the distribution could be subject to significant U.S. federal income tax liability. In general, if the distribution were to fail to qualify under Section 355 of the Code, then:

- SEACOR would recognize gain in an amount equal to the excess of the fair market value of our common stock on the distribution date to SEACOR shareholders over SEACOR's adjusted tax basis in our common stock;
- a SEACOR shareholder who received our common stock in the distribution would be treated as having received a taxable distribution in an amount equal to the fair market value of such stock on the distribution date. That distribution would be taxable to the shareholder as a dividend to the extent of SEACOR's current and accumulated earnings and profits. Any amount that exceeded SEACOR's earnings and profits would be treated first as a non-taxable return of capital to the extent of the SEACOR shareholder's tax basis in its SEACOR common shares (which amounts would reduce such shareholder's tax basis in its SEACOR common shares), with any remaining amounts being taxed as capital gain;
- certain shareholders would be subject to additional special rules governing taxable distributions, such as those that relate to the dividends-received deduction and extraordinary dividends; and
- a SEACOR shareholder's aggregate tax basis in our common stock received in the distribution generally would equal the fair market value of the common stock on the distribution date, and the holding period for that stock would begin the day after the distribution date. The holding period for the shareholder's SEACOR common shares would not be affected by the fact that the distribution was taxable.

Even if the distribution otherwise qualifies as tax-free for U.S. federal income tax purposes under Section 355 of the Code, it could be taxable to SEACOR (but not SEACOR's shareholders) under Section 355(e) of the Code if the distribution were later determined to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, stock representing a 50% or greater interest by vote or value, in SEACOR or us. For this purpose, any acquisitions of SEACOR common shares or our common stock within the period beginning two years before the distribution and ending two years after the distribution are presumed to be part of such a plan, although SEACOR or we may be able to rebut that presumption.

In connection with the distribution, we and SEACOR will enter into a Tax Matters Agreement pursuant to which we will agree to be responsible for certain tax liabilities and obligations following the distribution. For a description of the Tax Matters Agreement, see "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation—Tax Matters Agreement."

The foregoing is a summary of material U.S. federal income tax consequences of the separation under current law and particular circumstances. The foregoing does not purport to address all U.S. federal income tax consequences or tax consequences that may arise under the tax laws of other jurisdictions or that may apply to particular categories of shareholders. Each SEACOR shareholder should consult its own tax advisor as to the particular tax consequences of the distribution to such shareholder, including the application of U.S. federal, state or local and foreign tax laws, and the effect of possible changes in tax laws that may affect the tax consequences described above.

Regulatory Matters Related to the Separation

Era Group is required to file with the SEC a Registration Statement on Form 10 together with certain exhibits thereto, including the final version of this Information Statement to be delivered to SEACOR stockholders holding shares of SEACOR common stock on the record date, in order to register Era Group's common stock under the Exchange Act.

In addition to the foregoing federal securities law requirements, Era Group may be required to undertake certain registrations required under U.S. state securities or blue sky laws in connection with the separation.

Apart from the matters described above, SEACOR is not aware of any other material state or federal regulatory requirements or approvals that must be complied with or obtained in connection with the separation.

Treatment of SEACOR Stock Awards

Treatment of SEACOR Restricted Stock Awards

In connection with the spin-off, outstanding restricted stock awards of SEACOR common stock held by our employees and employees of SEACOR that were granted under SEACOR's equity incentive plans will generally be treated the same as other shares of SEACOR's common stock in the spin-off. Holders of SEACOR restricted stock awards will be entitled to receive one fully vested share of our common stock for each SEACOR restricted stock award held by such employee. All other terms of the SEACOR restricted stock awards will remain the same, including continued vesting pursuant to the terms of the current awards.

Treatment of SEACOR Stock Options

In connection with the spin-off, outstanding stock options to purchase shares of SEACOR common stock granted to employees and directors of SEACOR under SEACOR's equity incentive plans will be adjusted to reflect the change in value in SEACOR's common stock following the spin-off and to preserve the aggregate intrinsic value of the stock options, by changing the exercise price and number of shares of SEACOR common stock subject to the stock options.

At the time of the spin-off, the number of shares of SEACOR common stock subject to each such stock option granted to employees and directors of SEACOR will be equal to the number of shares of SEACOR common stock subject to such option immediately prior to the spin-off, multiplied by the "Adjustment Ratio," rounded down to the nearest whole share. The numerator of the Adjustment Ratio is equal to the published closing "regular way" trading price of a share of SEACOR common stock on the NYSE on the distribution date, and the denominator of the Adjustment Ratio is equal to the published closing "ex-distribution" trading price of a share of SEACOR common stock on the NYSE on the distribution date. The exercise price of each stock option will also be adjusted to reflect the change in value as a result of the spin-off. All other terms of the options will remain the same, including continued vesting of SEACOR restricted stock awards pursuant to the current vesting schedule of the awards

Era Group employees and directors of SEACOR that will join our board and resign from SEACOR's board after the spin-off will have their outstanding stock options to purchase shares of SEACOR common stock converted into stock options to purchase shares of our common stock. The aggregate intrinsic value of stock options to purchase our common stock issued to each of our employees in connection with the distribution will be equal to the aggregate intrinsic value of the stock options to purchase SEACOR common stock held by such employee immediately prior to the distribution. For purposes of this adjustment, the value of our common stock will be deemed equal to the difference between the "regular way" and "ex-distribution" trading prices of the SEACOR common stock immediately prior to the distribution. All other terms of the options will remain the same, including continued vesting based on the schedule applicable to the related SEACOR option.

Solvency Opinion

SEACOR's board of directors has engaged a nationally recognized, independent financial advisory firm, to deliver an opinion to SEACOR and its board of directors regarding the solvency and capitalization of SEACOR immediately before the distribution and each of SEACOR and Era Group immediately following the distribution. SEACOR expects that the opinion will be provided shortly prior to the declaration of the spin-off dividend.

Reason for Furnishing this Information Statement

This Information Statement is being furnished solely to provide information to SEACOR stockholders who will receive shares of Era Group common stock in the distribution. It is not to be construed as an inducement or encouragement to buy or sell any of our securities or any securities of SEACOR, nor is it to be construed as a solicitation of proxies in respect of the proposed distribution or any other matter. We believe that the information contained in this Information Statement is accurate as of the date set forth on the cover. Changes to the information contained in this Information Statement may occur after that date, and neither we nor SEACOR undertakes any obligation to update the information except in the normal course of our respective public disclosure obligations and practices.

DIVIDEND POLICY

We intend to retain all available funds and any future earnings to reduce debt and fund the development and growth of our business. Our Revolving Credit Facility limits our ability to pay dividends. Future agreements we may enter into, including with respect to any future debt we may incur, may also further limit or restrict our ability to pay dividends. For a discussion of the limitations in our Revolving Credit Facility, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Senior Secured Revolving Credit Facility."

Any future determination to pay dividends will be at the discretion of our board of directors and will take into account:

- restrictions in our Revolving Credit Facility and other debt instruments of ours outstanding at that time;
- general economic and business conditions;
- our financial condition and results of operations;
- our capital requirements and the capital requirements of our subsidiaries;
- the ability of our operating subsidiaries to pay dividends and make distributions to us; and
- such other factors as our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2012:

- on an actual basis; and
- on a pro forma basis to give effect to the separation and related transactions, including the Series B Exchange and issuance of the Senior Notes, prepared based on the assumptions and adjustments set forth in the "Unaudited Pro Forma Financial Data."

This table should be read in conjunction with "Selected Historical Consolidated Financial Data," "Unaudited Pro Forma Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the related notes thereto included elsewhere in this prospectus.

	Actual	Pro Forma
	(in thousands, except share data)	
Cash and Cash Equivalents	$ 9,232	$ 10,854
Debt:		
Revolving Credit Facility[(1) (2)]	$ 190,000	$ 50,314
Promissory Notes	33,795	33,795
Senior Notes[(3)]	—	196,622
Total debt	223,795	280,731
Preferred Stock, $0.01 par value, 10,000,000 shares authorized on an actual basis:		
Series A preferred stock, at redemption value; 1,400,000 shares issued and outstanding on an actual basis; 0 shares issued and outstanding on a pro forma basis	142,097	—
Series B preferred stock, at redemption value; 1,000,000 shares issued and outstanding on an actual basis; 0 shares issued and outstanding on a pro forma basis[(2)]	100,000	—
Total preferred stock	242,097	—
Stockholder Equity:		
Class A common stock, $0.01 par value, 60,000,000 shares authorized on an actual basis; 0 shares issued and outstanding on an actual basis; 0 shares authorized, issued and outstanding on a pro forma basis	—	—
Class B common stock, $0.01 par value, 60,000,000 shares authorized on an actual basis; 24,500,000 shares issued and outstanding on an actual basis; 0 shares authorized, issued and outstanding on a pro forma basis	245	—
Common stock, $0.01 par value, 0 shares authorized, issued and outstanding on an actual basis; shares authorized and 20,853,716 shares issued and outstanding on a pro forma basis	—	209
Additional paid-in capital	280,973	423,106
Accumulated deficit	(7,596)	(7,596)
Accumulated other comprehensive loss	(74)	(74)
Stockholder equity attributable to Era Group Inc. stockholders	273,548	415,645
Total capitalization	$ 739,440	$ 696,376

(1) We have the ability to borrow up to $102.2 million under our Revolving Credit Facility, after taking into account the financial ratios we are required to maintain under the facility See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Overview."

(2) We will enter into the Series B Preferred Stock Exchange Agreement with SEACOR prior to the Series B Exchange. In accordance with the Series B Preferred Stock Exchange Agreement, prior to the Recapitalization, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating tax losses generated by us in 2012 against SEACOR group taxable income, currently estimated at approximately $50.0 million. No assurance can be given as to whether our 2012 net operating tax losses as finally determined will increase or decrease from our current estimate. We expect to repurchase for cash the remainder of the outstanding Series B preferred stock for approximately $50.0 million based on our current estimate of our 2012 net operating losses. Any adjustments will generally be cash-settled pursuant to the Tax Matters Agreement upon the completion of SEACOR's 2012 financial statements, and again to the extent necessary upon the filing of SEACOR's 2012 federal consolidated income tax return. However, if our net operating losses as finally determined are significantly less than SEACOR's current estimate or if we do not have sufficient availability under our Revolving Credit Facility, it is likely that we will reach an agreement with SEACOR whereby we will not be required to pay the full amount

of the adjustment otherwise payable. See "Unaudited Pro Forma Financial Information" and "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation —Series B Preferred Stock Exchange Agreement."

(3) The Senior Notes have a face amount of $200.0 million, but were offered at a price of 98.311% of their face amount, resulting in a discount of $3,378,000.00.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following tables set forth the selected historical consolidated financial data as of and for the periods indicated. We derived the selected historical consolidated financial data presented below as of December 31, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009 from our audited consolidated financial statements included elsewhere in this Information Statement. We derived the selected historical consolidated financial data as of December 31, 2009, 2008 and 2007 and for the years ended December 31, 2008 and 2007 from our audited consolidated financial statements not included in this Information Statement. We derived the selected historical consolidated financial data presented below as of September 30, 2012 and for the nine months ended September 30, 2012 and 2011 from our interim unaudited consolidated financial statements included elsewhere in this Information Statement. Results of operations for the interim periods presented are not necessarily indicative of operating results for the full year or any future periods.

Our historical results are not necessarily indicative of future operating results. You should read the information set forth below in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and the related notes included elsewhere in this Information Statement.

	For the Nine Months Ended September 30,		For the Years Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
	(in thousands, except share data)						
Statement of Operations Data:							
Operating Revenues	$ 202,026	$ 196,452	$ 258,148	$ 235,366	$ 235,667	$ 248,627	$ 215,039
Costs and Expenses:							
Operating	124,913	121,623	162,707	147,233	147,955	181,490	157,241
Administrative and general	27,210	20,090	31,893	25,798	21,396	20,130	18,865
Depreciation	31,031	33,402	42,612	43,351	37,358	36,411	27,527
	183,154	175,115	237,212	216,382	206,709	238,031	203,633
Gains on Asset Dispositions and Impairments, Net	3,455	13,260	15,172	764	316	4,883	8,063
Operating Income	22,327	34,597	36,108	19,748	29,274	15,479	19,469
Other Income (Expense):							
Interest income	765	376	738	109	52	217	626
Interest expense	(6,891)	(847)	(1,376)	(94)	(13)	(5)	(1)
Interest expense on advances from SEACOR	—	(18,924)	(23,410)	(21,437)	(20,328)	(12,963)	(14,438)
SEACOR management fees	(1,500)	(7,476)	(8,799)	(4,550)	(5,481)	(5,681)	(4,008)
Derivative gains (losses), net	(492)	(1,308)	(1,326)	(118)	266	274	(2,695)
Foreign currency gains (losses), net	633	596	516	(1,511)	1,439	271	44
Other, net	30	—	9	50	—	38	613
	(7,455)	(27,583)	(33,648)	(27,551)	(24,065)	(17,849)	(19,859)
Income (Loss) Before Income Tax Expense (Benefit) and Equity in Earnings (Losses) of 50% or Less Owned Companies	14,872	7,014	2,460	(7,803)	5,209	(2,370)	(390)
Income Tax Expense (Benefit)	5,212	2,666	434	(4,301)	2,883	(344)	(33)
Income (Loss) Before Equity in Earnings (Losses) of 50% or Less Owned Companies	9,660	4,348	2,026	(3,502)	2,326	(2,026)	(357)
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(5,444)	1,061	82	(137)	(487)	(461)	(8)
Net Income (Loss)	4,216	5,409	2,108	(3,639)	1,839	(2,487)	(365)
Accretion of redemption value on Series A Preferred Stock	6,334	—	210	—	—	—	—
Net Income (Loss) attributable to Common Shares	$ (2,118)	$ 5,409	$ 1,898	$ (3,639)	$ 1,839	$ (2,487)	$ (365)
Earnings (Loss) Per Common Share:							
Basic and Diluted Earnings (Loss) Per Common Share	$ (0.09)	$ 0.99	$ 0.18	$ (3,639.00)	$ 1,839.00	$ (2,487.00)	$ (365.00)
Weighted Average Common Shares Outstanding	24,500,000	5,475,136	10,270,444	1,000	1,000	1,000	1,000
Other Financial Data:							
EBITDA[1]	$ 46,585	$ 60,872	$ 69,202	$ 56,833	$ 62,369	$ 46,331	$ 40,942
Adjusted EBITDAR[1]	$ 60,608	$ 71,797	$ 86,507	$ 66,021	$ 73,000	$ 57,417	$ 51,343

	As of September 30, 2012	As of December 31, 2011	2010	2009	2008	2007
			(in thousands)			
Balance Sheet Data:						
Current Assets:						
Cash and cash equivalents	$ 9,232	$ 79,122	$ 3,698	$ 7,309	$ 6,201	$ 1,530
Receivables	62,244	50,084	41,157	40,211	40,894	41,258
Inventories	26,590	24,504	23,153	19,355	18,943	18,722
Prepaid expenses	1,443	1,776	2,077	1,944	2,039	1,513
Deferred income taxes	51,979	2,293	1,672	221	408	784
Total current assets	151,488	157,779	71,757	69,040	68,485	63,807
Property and Equipment, Net	777,706	709,451	612,078	523,195	495,410	332,710
Escrow Deposits on Like-kind Exchanges	—	—	—	—	—	10,105
Investments, at Equity, and Advances to 50% or Less Owned Companies	35,755	50,263	27,912	26,712	27,415	6,015
Goodwill	352	352	352	352	352	352
Other Assets	15,480	15,379	6,925	7,857	1,234	4,805
	$ 980,781	$ 933,224	$ 719,024	$ 627,156	$ 592,896	$ 417,794
Current Liabilities	$ 37,587	$ 78,252	$ 29,172	$ 20,408	$ 30,215	$ 39,957
Long-Term Debt	221,008	285,098	35,885	—	—	—
Advances from SEACOR	—	—	355,952	347,564	338,178	170,949
Deferred Income Taxes	198,068	146,177	127,799	84,397	51,788	36,512
Deferred Gains and Other Liabilities	8,226	8,340	6,623	7,291	7,446	2,097
Series A Preferred Stock	142,097	140,210	—	—	—	—
Series B Preferred Stock	100,000	—	—	—	—	—
Stockholder Equity attributable to Era Group Inc. Stockholders	273,548	275,147	163,593	167,496	165,269	168,279
Non-controlling Interest	247	—	—	—	—	—
	$ 980,781	$ 933,224	$ 719,024	$ 627,156	$ 592,896	$ 417,794

(1) Our management uses EBITDA and Adjusted EBITDAR to assess the performance and operating results of our business. EBITDA is defined as Earnings before Interest (includes interest income, interest expense and interest expense on advances from SEACOR), Taxes, Depreciation and Amortization. Adjusted EBITDAR is defined as EBITDA further adjusted for Lease Expense (included as components of operating expense and general and administrative), SEACOR Management Fees and certain other items that occur during the reported period. We include EBITDA and Adjusted EBITDAR in this Information Statement to provide investors with a supplemental measure of our operating performance. Neither EBITDA nor Adjusted EBITDAR is a recognized term under generally accepted accounting principles in the U.S. ("GAAP"). Accordingly, neither should be used as an indicator of, or an alternative to, net income as a measure of operating performance. In addition, EBITDA and Adjusted EBITDAR are not intended to be measures of free cash flow available for management's discretionary use, as they do not consider certain cash requirements, such as debt service requirements. Because the definitions of EBITDA and Adjusted EBITDAR (or similar measures) may vary among companies and industries, they may not be comparable to other similarly titled measures used by other companies.

Management uses EBITDA and Adjusted EBITDAR as performance metrics for internal monitoring and planning purposes, including the presentation of our annual operating budget and quarterly operating reviews, and to facilitate analysis of investment decisions. In addition, the Adjusted EBITDAR performance metric allows us to evaluate profitability and make performance trend comparisons between us and our competitors. Further, we believe EBITDA and Adjusted EBITDAR are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

EBITDA and Adjusted EBITDAR have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. For example, these measures:

- do not reflect our historical cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- do not reflect changes in, or cash requirements for, our working capital needs;
- do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- do not reflect our income tax expenses or the cash requirements to pay our taxes; and

- although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and the foregoing metrics do not reflect any cash requirements for such replacements.

The following table provides a reconciliation of Net Income (Loss), the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDAR for the historical periods presented:

	For the Nine Months Ended September 30,		For the Years Ended December 31,				
	2012	2011	2011	2010	2009	2008	2007
	(in thousands)						
Net Income (Loss)	$ 4,216	$ 5,409	$ 2,108	$ (3,639)	$ 1,839	$ (2,487)	$ (365)
Depreciation	31,031	33,402	42,612	43,351	37,358	36,411	27,527
Interest Income	(765)	(376)	(738)	(109)	(52)	(217)	(626)
Interest Expense	6,891	847	1,376	94	13	5	1
Interest Expense on Advances from SEACOR	—	18,924	23,410	21,437	20,328	12,963	14,438
Income Tax Expense (Benefit)	5,212	2,666	434	(4,301)	2,883	(344)	(33)
EBITDA	46,585	60,872	69,202	56,833	62,369	46,331	40,942
Rent Expense	2,927	3,181	4,335	4,259	5,150	5,405	6,393
SEACOR Management Fees	1,500	7,476	8,799	4,550	5,481	5,681	4,008
Special Items[(a)]	9,596	268	4,171	379	—	—	—
Adjusted EBITDAR	$ 60,608	$ 71,797	$ 86,507	$ 66,021	$ 73,000	$ 57,417	$ 51,343

(a) Special items include the following:

- Severance expense of $4.2 million and $0.4 million for the years ended December 31, 2011 and 2010, respectively, and $0.7 million and $0.3 million for the nine months ended September 30, 2012 and 2011, respectively, due to prior changes in executive management;
- Expenses incurred in connection with our abandoned initial public offering of $3.0 million for the nine months ended September 30, 2012; and
- An impairment charge of $5.9 million, net of tax, for the nine months ended September 30, 2012, on our investment in Aeróleo that was recorded in March 2012.

UNAUDITED PRO FORMA FINANCIAL DATA

The following unaudited pro forma financial statements are derived from our historical financial statements, which are included elsewhere in this Information Statement. The pro forma adjustments give effect to the spin-off and other related transactions, as described below and in the notes to the unaudited pro forma financial statements. The unaudited pro forma statements of operations for the fiscal year ended December 31, 2011 and for the nine months ended September 30, 2012 give effect to the spin-off and other related transactions as if they had occurred on January 1, 2011. The unaudited pro forma balance sheet as of September 30, 2012 gives effect to the spin-off and other related transactions as if they had occurred on September 30, 2012. These unaudited pro forma financial statements include adjustments to reflect our current expectations of the transactions that will be undertaken and the agreements we will or have entered into in connection with the spin-off, including the following:

- the replacement of our historical funding arrangement with SEACOR with the issuance of our Senior Notes;
- our December 2011 recapitalization, in which $140.0 million in advances made by SEACOR to us were exchanged for 1,400,000 shares of Series A preferred stock and SEACOR contributed $180.0 million in additional advances to us;
- the issuance of 300,000 and 700,000 shares of our Series B preferred stock to SEACOR on June 8, 2012 and September 25, 2012, respectively, for aggregate cash proceeds of $100.0 million, which were used to reduce outstanding borrowings under our Revolving Credit Facility at such times;
- the transfer to us by SEACOR of $49.7 million of redemption value of our Series B preferred stock that it holds, in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating losses generated by us in 2012 against SEACOR group taxable income and the purchase by us for cash of the remainder of the outstanding Series B preferred stock from SEACOR funded with borrowings of $50.3 million under our Revolving Credit Facility;
- the exchange by SEACOR of all of our outstanding Class B common stock and all of our outstanding Series A preferred stock for 20.9 million shares of our newly-issued common stock; and
- the fees payable under the Amended and Restated Transition Services Agreement that we will enter into with SEACOR prior to completion of the spin-off.

As a stand-alone public company, we expect to incur additional recurring costs. Our preliminary estimates of the additional recurring costs expected to be incurred annually are approximately $ million to $ million higher than the expenses historically allocated to us by SEACOR. No pro forma adjustments have been made to our pro forma financial statements to reflect the additional costs and expenses described above because they are projected amounts based on judgmental estimates and would not be factually supportable.

The assumptions underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma financial information. The assumptions used and pro forma adjustments derived from such assumptions are based on currently available information and expectations, and we believe such assumptions are reasonable under the circumstances.

The following unaudited pro forma financial statements should be read in conjunction with the historical financial statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The unaudited pro forma financial information has been presented for informational purposes only. The pro forma information is not necessarily indicative of our results of operations or financial condition had the spin-off and the related transactions been completed on the dates assumed. Also, they may not reflect the results of operations or financial condition which would have resulted had we been operating as an independent, publicly traded company during such periods. In addition, they are not necessarily indicative of our future results of operations or financial condition.

Unaudited Pro Forma Statement of Operations for the Nine Months Ended September 30, 2012

	As Reported	Notes Offering[1]	Management Fees[2]	Preferred Dividends[3]	Revolver Interest[4]	Pro Forma
	(in thousands, except share data)					
Statement of Operations Data:						
Operating Revenues	$ 202,026	$ —	$ —	$ —	$ —	$ 202,026
Costs and Expenses:						
Operating	124,913	—	—	—	—	124,913
Administrative and general	27,210	—	429	—	—	27,639
Depreciation	31,031	—	—	—	—	31,031
	183,154	—	429	—	—	183,583
Gains on Asset Dispositions and Impairments, Net	3,455	—	—	—	—	3,455
Operating Income	22,327	—	(429)	—	—	21,898
Other Income (Expense):						
Interest income	765	—	—	—	—	765
Interest expense	(6,891)	(7,472)	—	—	881	(13,482)
SEACOR management fees	(1,500)	—	1,500	—	—	—
Derivative losses, net	(492)	—	—	—	—	(492)
Foreign currency gains, net	633	—	—	—	—	633
Other, net	30	—	—	—	—	30
	(7,455)	(7,472)	1,500	—	881	(12,546)
Income Before Income Tax Expense and Equity in Losses of 50% or Less Owned Companies	14,872	(7,472)	1,071	—	881	9,352
Income Tax Expense	5,212	(2,689)	386	—	317	3,226
Income Before Equity in Losses of 50% or Less Owned Companies	9,660	(4,783)	685	—	564	6,126
Equity in Losses of 50% or Less Owned Companies, Net of Tax	(5,444)	—	—	—	—	(5,444)
Net Income	4,216	(4,783)	685	—	564	682
Accretion of redemption value on Series A Preferred Stock	6,334	—	—	(6,334)	—	—
Net Income (Loss) attributable to Common Shares	$ (2,118)	$ (4,783)	$ 685	$ 6,334	$ 564	$ 682
Earnings (Loss) Per Common Share:						
Basic and Diluted Earnings (Loss) Per Common Share	$ (0.09)					$ 0.03
Weighted Average Common Shares Outstanding[5]	24,500,000					20,853,851

Unaudited Pro Forma Statement of Operations for the Year Ended December 31, 2011

	As Reported	Notes Offering(6)	SEACOR Interest(7)	Management Fees(8)	Preferred Dividends(9)	Revolver Interest(10)	Pro Forma
				(in thousands, except share data)			
Statement of Operations Data:							
Operating Revenues	$ 258,148	$ —	$ —	$ —	$ —	$ —	$ 258,148
Costs and Expenses:							
Operating	162,707	—	—	—	—	—	162,707
Administrative and general	31,893	—	—	500	—	—	32,393
Depreciation	42,612	—	—	—	—	—	42,612
	237,212	—	—	500	—	—	237,712
Gains on Asset Dispositions and Impairments, Net	15,172	—	—	—	—	—	15,172
Operating Income	36,108	—	—	(500)	—	—	35,608
Other Income (Expense):							
Interest income	738	—	—	—	—	—	738
Interest expense	(1,376)	(15,915)	—	—	—	40	(17,251)
Interest expense on advances from SEACOR	(23,410)	—	23,410	—	—	—	—
SEACOR management fees	(8,799)	—	—	8,799	—	—	—
Derivative losses, net	(1,326)	—	—	—	—	—	(1,326)
Foreign currency gains, net	516	—	—	—	—	—	516
Other, net	9	—	—	—	—	—	9
	(33,648)	(15,915)	23,410	8,799	—	40	(17,314)
Income Before Income Tax Expense and Equity in Earnings of 50% or Less Owned Companies	2,460	(15,915)	23,410	8,299	—	40	18,294
Income Tax Expense	434	(5,729)	8,287	2,584	—	14	5,590
Income Before Equity in Earnings of 50% or Less Owned Companies	2,026	(10,186)	15,123	5,715	—	26	12,704
Equity in Earnings of 50% or Less Owned Companies, Net of Tax	82	—	—	—	—	—	82
Net Income	2,108	(10,186)	15,123	5,715	—	26	12,786
Accretion of redemption value on Series A Preferred Stock	210	—	—	—	(210)	—	—
Net Income attributable to Common Shares	$ 1,898	$ (10,186)	$ 15,123	$ 5,715	$ 210	$ 26	$ 12,786
Earnings Per Common Share:							
Basic and Diluted Earnings Per Common Share	$ 0.18						$ 0.61
Weighted Average Common Shares Outstanding(11)	10,270,444						20,853,851

Unaudited Pro Forma Balance Sheet as of September 30, 2012

	As Reported	Notes Offering[12]	Purchase Tax NOLs[13]	Series B Preferred Stock[13]	Recapitalization[14]	Pro Forma
			(in thousands)			
Balance Sheet Data:						
Current Assets:						
Cash and cash equivalents	$ 9,232	$ 1,622	$ —	$ —	$ —	$ 10,854
Trade receivables	55,753	—	—	—	—	55,753
Other receivables	6,491	—	—	—	—	6,491
Inventories	26,590	—	—	—	—	26,590
Prepaid expenses	1,443	—	—	—	—	1,443
Deferred income taxes	51,979	—	(49,686)	—	—	2,293
Total current assets	151,488	1,622	(49,686)	—	—	103,424
Property and Equipment, Net	777,706	—	—	—	—	777,706
Investments, at Equity, and Advances to 50% or Less Owned Companies	35,755	—	—	—	—	35,755
Goodwill	352	—	—	—	—	352
Other Assets	15,480	5,000	—	—	—	20,480
	$ 980,781	$ 6,622	$ (49,686)	$ —	$ —	$ 937,717
Current Liabilities:						
Accounts payable and accrued expenses	$ 20,084	$ —	$ —	$ —	$ —	$ 20,084
Accrued wages and benefits	6,810	—	—	—	—	6,810
Due to SEACOR	3,275	—	—	—	—	3,275
Current portion of long-term debt	2,787	—	—	—	—	2,787
Other current liabilities	4,631	—	—	—	—	4,631
Total current liabilities	37,587	—	—	—	—	37,587
Long-Term Debt	221,008	(190,000)	—	50,314	—	81,322
Senior Notes	—	196,622	—	—	—	196,622
Deferred Income Taxes	198,068	—	—	—	—	198,068
Other Liabilities	8,226	—	—	—	—	8,226
Total Liabilities	464,889	6,622	—	50,314	—	521,825
Series A Preferred Stock	142,097	—	—	—	(142,097)	—
Series B Preferred Stock	100,000	—	(49,686)	(50,314)	—	—
Equity:						
Stockholder equity attributable to Era Group Inc. stockholders	273,548	—	—	—	142,097	415,645
Non-controlling interest	247	—	—	—	—	247
Total equity	273,795	—	—	—	142,097	415,892
	$ 980,781	$ 6,622	$ (49,686)	$ —	$ —	$ 937,717

Notes to Unaudited Pro Forma Financial Data

The pro forma statement of operations for the nine months ended September 30, 2012 gives effect to the following:

(1) Represents adjustments to interest expense as a result of the issuance of the Senior Notes and the use of proceeds therefrom, including the repayment of $190.0 million of borrowings outstanding under our Revolving Credit Facility.

(2) Reflects a reduction in SEACOR management fees by $0.7 million, net of tax, to align costs with the fees to be billed in accordance with the Amended and Restated Transition Services Agreement to be entered into by us and SEACOR prior to the consummation of the spin-off.

(3) Reflects a reduction in accretion of redemption value on shares of our Series A preferred stock by $6.3 million to reflect the expected recapitalization of 1,400,000 shares of our Series A preferred stock into common stock.

(4) Reflects a reduction in interest expense on borrowings outstanding under our Revolving Credit Facility by $0.6 million, net of tax, to reflect our repayment of $100.0 million of borrowings under the facility with the proceeds received from the issuance of 1,000,000 shares of Series B preferred stock to SEACOR, partially offset by borrowings of $50.3 million to be used to purchase Series B preferred stock in the Series B Exchange.

(5) The number of shares used to compute pro forma basic and diluted earnings per share is based on the number of shares of our common stock that we estimate will be outstanding on the distribution date. Our estimate is based on the number of SEACOR shares outstanding and shares held in trust under SEACOR's deferred compensation plan on October 26, 2012, plus anticipated director share awards we expect SEACOR will issue in December 2012 and a distribution ratio of one share of our common stock for every SEACOR share outstanding. As of the distribution date, SEACOR options held by our officers and employees and SEACOR directors that will join our board and will resign from SEACOR's board will be converted into options for less than 50,000 shares of our common stock and are not expected to materially impact computed pro forma diluted earnings per share.

The pro forma statement of operations for the year ended December 31, 2011 gives effect to the following:

(6) Represents adjustments to interest expense as a result of the issuance of the Senior Notes and the use of proceeds therefrom, including the repayment of $190.0 million of borrowings outstanding under our Revolving Credit Facility.

(7) Reflects a reduction in interest expense on advances from SEACOR by $15.1 million, net of tax, to reflect the December 2011 termination of our historical funding arrangement with SEACOR.

(8) Reflects a reduction in SEACOR management fees of $5.7 million, net of tax, to align costs with the fees to be billed in accordance with the Amended and Restated Transition Services Agreement to be entered into by us and SEACOR prior to the consummation of the spin-off.

(9) Reflects a reduction in accretion of redemption value on shares of our Series A preferred stock of $0.2 million to reflect the recapitalization of 1,400,000 shares of our Series A preferred stock into common stock.

(10) Reflects a reduction in interest expense on borrowings outstanding under our Revolving Credit Facility by less than $0.1 million, net of tax, to reflect our repayment of $100.0 million of borrowings under the facility with the proceeds received from the issuance of 1,000,000 shares of Series B preferred stock to SEACOR, partially offset by borrowings of $50.3 million to be used to purchase Series B preferred stock in the Series B Exchange.

(11) The number of shares used to compute pro forma basic and diluted earnings per share is based on the number of shares of our common stock estimated to be outstanding and shares held in trust under SEACOR's deferred compensation plan on the distribution date. Our estimate is based on the number of SEACOR shares outstanding on October 26, 2012 plus anticipated director share awards we expect SEACOR will issue in December 2012 and a distribution ratio of one share of our common stock for every SEACOR share outstanding. As of the distribution date, SEACOR options held by our officers and employees and directors of SEACOR that will join our board and will resign from SEACOR's board will be converted into options for less than 50,000 shares of our common stock and are not expected to materially impact computed pro forma diluted earnings per share.

The pro forma balance sheet as of September 30, 2012 gives effect to the following:

(12) Reflects the issuance of $200.0 million aggregate principal amount of the Senior Notes and the use of proceeds therefrom, including the repayment of the $190.0 million of borrowings outstanding under the Revolving Credit Facility and the payment of $5.0 million of estimated transaction expenses, with the remainder of the proceeds constituting available cash.

(13) We will enter into the Series B Preferred Stock Exchange Agreement with SEACOR prior to the Series B Exchange. In accordance with the Series B Preferred Stock Exchange Agreement, prior to the Recapitalization, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating tax losses generated by us in 2012 against SEACOR group taxable income, currently estimated at approximately $50.0 million. No assurance can be given as to whether our 2012 net operating tax losses as finally determined will increase or decrease from our current estimate. We expect to repurchase for cash the remainder of the outstanding Series B preferred stock for approximately $50.0 million based on our current estimate of our 2012 net operating losses. Any adjustments will generally be cash-settled pursuant to the Tax Matters Agreement upon the completion of SEACOR's 2012 financial statements, and again to the extent necessary upon the filing of SEACOR's 2012 federal consolidated income tax return. However, if our net operating losses as finally determined are significantly less than SEACOR's current estimate or if we do not have sufficient availability under our Revolving Credit Facility, it is likely that we will reach an agreement with SEACOR whereby we will not be required to pay the full amount of the adjustment otherwise payable.

(14) Prior to the share distribution, we will recapitalize approximately $140.0 million in redemption value of our Series A preferred stock, plus any accrued and unpaid dividends thereon into newly issued common stock.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with the "Selected Historical Consolidated Financial Data" and our financial statements included elsewhere in this Information Statement. The following discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include those factors discussed below and elsewhere in this Information Statement, particularly in "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements."

Overview

The Spin-Off

On October 1, 2012, SEACOR announced plans to spin-off Era Group from SEACOR. The spin-off will be completed by way of a pro rata dividend of Era Group's common stock held by SEACOR to SEACOR's shareholders as of the record date. Immediately following completion of the spin-off, SEACOR shareholders will own 100% of the outstanding shares of common stock of Era Group. After the spin-off, we will operate as an independent, publicly traded company.

If the spin-off is consummated, we expect to enter into a series of agreements with SEACOR, including the Distribution Agreement, Amended and Restated Transition Services Agreement, Employee Matters Agreement, Tax Matters Agreement and Series B Preferred Stock Exchange Agreement, which are also described in "Certain Relationships and Related Party Transactions—Agreements with SEACOR and Era Group Relating to the Separation." Consummation of the separation is subject to certain conditions, as described in "The Spin-Off—Conditions to the Spin-Off."

Our Business

We are one of the largest helicopter operators in the world and the longest serving helicopter transport operator in the U.S., which is our primary area of operations. In the nine months ended September 30, 2012, approximately 56% and 17% of our total operating revenues were earned in the U.S. Gulf of Mexico and Alaska, respectively, and in the year ended December 31, 2011, 46% and 16% of our total operating revenues were earned in such regions, respectively. We also provide helicopters and related services to third-party helicopter operators in other countries. In addition to our U.S. customers, we currently have customers in Brazil, Canada, Denmark, India, Indonesia, Mexico, Norway, Spain, Sweden and the United Kingdom. Our helicopters are primarily used to transport personnel to, from and between, offshore installations, drilling rigs and platforms.

As of September 30, 2012, we owned or operated a total of 179 helicopters, consisting of ten heavy helicopters, 69 medium helicopters, 41 light twin engine helicopters and 59 light single engine helicopters. As of September 30, 2012, we had commitments to purchase 12 new helicopters, consisting of two AW139 medium helicopters, five AW169 light twin helicopters and five AW189 medium helicopters. The AW139 medium helicopters are scheduled to be delivered in 2012 and the AW189 medium helicopters are scheduled to be delivered in 2014 and 2015. Delivery dates for the AW169 light twin helicopters have yet to be determined. In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters. If these options are exercised, the helicopters will be delivered in 2013 through 2016.

The primary users of our transport services are major integrated and independent oil and gas companies and U.S. government agencies. In the nine months ended September 30, 2012 and the year ended December 31, 2011, approximately 63% and 55% of our operating revenues, respectively, were derived from helicopter services, including emergency search and rescue services, provided to clients primarily involved in oil and gas activities. In addition to serving the oil and gas industry, we provide helicopters under contract-lease, air medical services, firefighting support and Alaska flightseeing tours, among other activities. Historically, our operations have primarily served the U.S. offshore oil and gas industry. We have initiated efforts to diversify our revenue base and take advantage of the mobility and versatility of our helicopters in order to expand into other geographic regions.

Demand for new, sophisticated equipment continues to grow, particularly in response to the requirements of the offshore oil and gas industry, which has become more focused on deepwater activities. To service these new areas of exploration, helicopters must have greater payloads and range. Helicopters supporting air medical and search and rescue operations and other public uses also require new technology and safety improvements. According to PFC Energy in its May 2011 Global Helicopter Fleet Update presentation, approximately 28% of the global helicopter fleet was more than 25 years old. Replacement is hampered by the following factors: (i) there are only four major helicopter OEMs that have a full range of service models; (ii) lead times for delivery of new equipment can be as long as three years; (iii) prevailing economic conditions have, until recently, not been favorable for raising capital to finance new equipment; and (iv) many smaller operators are still unable to raise capital.

Prior to our entry into our Revolving Credit Facility, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain cash collections were forwarded to SEACOR. As a consequence of this arrangement, we have historically maintained minor balances of cash on hand. As of September 30, 2012 and December 31, 2011, our cash on hand was $9.2 million and $79.1 million, respectively. On December 22, 2011, we entered into a Revolving Credit Facility intended to replace our prior cash management program with SEACOR. The Revolving Credit Facility requires that we meet certain financial ratios including an RC Leverage Ratio. Failure to meet these ratios is an event of default under the facility and therefore our borrowing capacity is limited by our ability to comply with these ratios. On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of 7.750% Senior Notes and used the net proceeds from the offering to repay $190.0 million of borrowings outstanding under our Revolving Credit Facility. In connection with the issuance of the Senior Notes, we permanently reduced the borrowing capacity under our Revolving Credit Facility from $350.0 million to $200.0 million. After giving effect to the issuance of the Senior Notes, we had the ability to borrow an additional $102.2 million under our Revolving Credit Facility, after taking into account the financial ratios we are required to maintain under the facility.

On December 23, 2011, we issued 1.4 million shares of our Series A preferred stock to SEACOR in exchange for $140.0 million of aggregate advances previously provided to us by SEACOR. SEACOR also contributed an additional $180.0 million of capital to us in respect of additional prior advances. In addition, SEACOR purchased 1.0 million shares of our Series B preferred stock, including 300,000 shares of our Series B preferred stock on June 8, 2012 and 700,000 shares of our Series B preferred stock on September 25, 2012, for aggregate proceeds of $100.0 million. We used a portion of the proceeds from these issuances to repay borrowings under our Revolving Credit Facility so that we would be able to maintain compliance with our financial ratios. See "—Liquidity and Capital Resources—Overview."

We believe our Revolving Credit Facility (to the extent of our borrowing capacity thereunder) and our strong relationships with OEMs will help position us to add new helicopters to our fleet and upgrade existing helicopters, thereby maintaining an asset base suitable for use within our own operations and for contract-leasing to other operators. We also leverage our strong relationships with OEMs to support growth in other services, such as selling specialty equipment and accessories for helicopters, and training.

Offshore Oil and Gas Support

The offshore oil and gas market is highly cyclical with demand linked to the price of oil and gas, which tends to fluctuate depending on many factors, including global economic activity and levels of inventory. In addition to the price of oil and gas, the availability of acreage and local tax incentives or disincentives and requirements for maintaining interests in leases affect activity levels in the oil and gas industry. Price levels for oil and gas by themselves can cause additional fluctuations by inducing changes in consumer behavior. During the year ended December 31, 2010, the market for our assets in the U.S. Gulf of Mexico was disrupted by events related to the sinking of the Deepwater Horizon drilling rig. After the Deepwater Horizon incident, the U.S. Department of Interior imposed a moratorium on offshore deepwater drilling operations, which caused a dramatic decrease in demand for helicopters supporting oil and gas activities in the region. Although the moratorium has been lifted, the process of issuing permits to drill remains slow, which continues to have a negative impact on demand for helicopter services in the U.S. Gulf of Mexico.

We believe the slowdown will not significantly impact our future results in the U.S. Gulf of Mexico because our activities are mainly focused on longer-term production, maintenance and inspection work rather than on short-term exploration and development projects. For the last five years we have provided transportation services to government inspectors of offshore installations, drilling rigs and platforms and this contract was recently renewed and is expected to run through 2016. As of September 30, 2012, 20 of our helicopters were operating under this contract with customer options to increase the number to up to 28 helicopters.

Brazil is among the most important markets for offshore oil and gas activity world-wide and it may represent a significant opportunity for us in the future. We believe the Brazilian market will require significant additions to the medium and heavy helicopter fleet currently in operation in the country as it expands its production efforts over time. The U.S. Energy Information Administration has stated that recent discoveries of large offshore, pre-salt oil deposits could transform Brazil into one of the larger oil producers in the world, and Petrobras Brazil has estimated that it will achieve an oil production target of approximately six million barrels per day by 2020. We committed to participate in this market by acquiring an ownership interest in Aeróleo, a Brazilian helicopter operator, in July 2011. Subsequently, however, Aeróleo experienced operating difficulties. In July 2011, Aeróleo received notice that it was successful in its bid to place four AW139 helicopters on five year contracts with Petrobras Brazil. In turn, Aeróleo entered into contract-leases with us for four AW139 helicopters for a term of one year with four annual renewal options and the helicopters were mobilized to Brazil. In August 2011, Petrobras Brazil canceled the award for Aeróleo's AW139 helicopters in response to an accident Petrobras Brazil experienced with an AW139 helicopter on contract with it from one of our competitors. As a result, our four AW139 helicopters under contract-lease to Aeróleo were idle from August 2011 until late November 2012, at which time Aeróleo executed contracts with Petrobras Brazil and Petrobras Brazil began to utilize the helicopters. Due to resulting liquidity issues experienced by Aeróleo, as of September 30, 2012, we had deferred the recognition of $7.7 million of revenues from Aeróleo and, together with our partner, have also contributed $9.2 million of additional debt capital to Aeróleo to enable it to continue operating. We expect these operating difficulties will be resolved as a result of the execution of contracts with Petrobras Brazil, although no assurance can be given that these difficulties will be resolved. See “Risk Factors—We rely on relatively few customers for a significant share of our revenues, the loss of any of which could adversely affect our business and results of operations.”

Contract-Leasing

Prior to the Deepwater Horizon incident, we began to deploy helicopters in international markets, frequently under contract-lease arrangements to third parties. The majority of these helicopters are supporting oil and gas activities in regions of rapidly expanding activity, such as Brazil, India and Indonesia. We also have equipment working in the North Sea, Mexico and Spain. As of September 30, 2012, we had 48 helicopters located in foreign jurisdictions compared with 15 helicopters as of December 31, 2006. In many cases the helicopters are contracted to local helicopter operators, which often prefer to lease helicopters rather than purchase them. Contract-leasing affords us the opportunity to access new markets without significant initial infrastructure investment and generally without ongoing operating risk.

As of September 30, 2012, we had three Eurocopter EC225 heavy helicopters and eight AW139 medium helicopters contract-leased to Aeróleo, which provides helicopter transportation services to Petrobras Brazil and OGX Petroleo e Gas Participacoes under multiyear contracts and also markets services to international companies that are acquiring acreage in Brazil. As noted above, a number of the AW139 helicopters on contract-lease to Aeróleo were idle from August 2011 to November 2012.

Internationally we hold a 51% interest in Lake Palma, a joint venture that contract-leases helicopters to Fumigación Aérea Andaluza S.A., a firefighting operator based in Spain (“FAASA”). In addition, we had three light single helicopters and eight medium helicopters contract-leased directly to FAASA. We are also focused on developing our presence in the Australia, India and Indonesia helicopter markets, which we believe represent growth opportunities, primarily in the civil aviation sector.

Other Activities and Services

Consistent with our diversification strategy, we deploy a number of helicopters in support of other industries and activities. In each of the nine months ended September 30, 2012 and the year ended December 31, 2011, approximately 17% of our operating revenues were generated by these other activities and services. In 2007, we entered the air medical services market through the acquisition of the flight operations of Keystone Helicopter Corporation. We now supply helicopters, pilots and mechanics to hospitals and manage helicopters on their behalf. We are also developing a search and rescue service in the U.S. Gulf of Mexico on a subscription basis. We currently have four AW139 helicopters configured for this service and several subscribers.

Alaska is also an important and diverse market for us. In addition to supporting oil company activities in the Cook Inlet and along the North Slope, we operate an FBO at Ted Stevens Anchorage International Airport, provide summer flightseeing tours and support inland firefighting and mining operations.

We have also developed services to the helicopter industry that we believe complement our core activities. We hold a 50% interest in Dart, an international sales and manufacturing organization focused on after-market helicopter parts and accessories. We hold a 50% interest in Era Training Center that provides instruction, flight simulator and other training to our employees, pilots working for third parties, other helicopter companies, including our competitors, and government agencies.

Fleet Developments and Capital Commitments

In recent years, we have continued to focus on the modernization of our fleet and, when possible, standardization of equipment. Our customers require modern helicopters that offer enhanced safety features and greater performance. Increasingly, customers flying offshore tend to prefer twin-engine helicopters to single-engine helicopters due to the additional safety afforded from two engines. In response to this demand, we have transformed our fleet significantly: since the beginning of 2005 we have added 121 helicopters, disposed of 80 helicopters and reduced the average age of our owned fleet from 17 years to 11 years. As of September 30, 2012, 34% of our fleet was five years old or less. We have spent $91.2 million, $158.9 million, $130.8 million and $90.8 million to acquire helicopters and other equipment in the nine months ended September 30, 2012, and in the years ended December 31, 2011, 2010 and 2009, respectively, primarily for medium and heavy helicopters.

As of September 30, 2012, we had commitments of $138.7 million, primarily under agreements to purchase helicopters, consisting of two AW139 medium helicopters, five AW169 light twin helicopters and five AW189 medium helicopters. Approximately $125.0 million of these commitments may be terminated without further liability other than aggregate liquidated damages of $3.3 million. In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters. If these options are exercised, the helicopters will be delivered in 2013 through 2016.

Corporate History

In 1948, Carl F. Brady brought a Bell 47A helicopter to Alaska, establishing what is now the longest serving helicopter company in the U.S. Mr. Brady’s company, Economy Helicopters, assisted federal surveyors in mapping the State of Alaska. By 1960, following various mergers and acquisitions, the company became Era Aviation, Inc. focusing on supporting the growing oil and gas industry operations in Alaska. It was then acquired by Rowan Companies Inc. in 1967, thereby providing additional capital for fleet expansion. In subsequent years it continued to grow and broaden its scope of operations, acquiring a fixed wing division in Alaska in 1978 and establishing a Lake Charles, Louisiana base of operations for the U.S. Gulf of Mexico that same year.

In 2004, SEACOR, which had previously entered the helicopter business via an acquisition of Tex-Air Helicopters Inc., acquired Era Aviation, Inc. Soon after the acquisition, SEACOR sold the fixed wing division and focused on helicopter services. Since the acquisition, and as of September 30, 2012, we have invested $1,028.3 million in property and equipment, of which over $900.0 million was invested in helicopters, and have grown from owning and/or operating 127 helicopters at the beginning of 2005 to 179 helicopters as of September 30, 2012.

Following the consummation of the separation, SEACOR will not own any shares of our capital stock.

Critical Accounting Policies and Estimates

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates include those related to allowance for doubtful accounts, useful lives of property and equipment, impairments, income tax provisions and certain accrued liabilities. Actual results could differ from those estimates and those differences may be material.

Revenue Recognition. We recognize revenue when it is realized or realizable and earned. Revenue is realized or realizable and earned when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price to the buyer is fixed or determinable, and collectability is reasonably assured. Revenue that does not meet these criteria is deferred until the criteria are met.

We charter the majority of our helicopters primarily through master service agreements, subscription agreements, day-to-day charter arrangements and contract-leases. Master service agreements and subscription agreements require incremental payments above a fixed monthly fee based on flight hours flown. These agreements have fixed terms ranging from one month to five years, and generally may be canceled upon 30 days' notice. Day-to-day charter arrangements call for either a combination of a daily fixed fee plus a charge based on hours flown or an hourly rate. Services provided under contract-leases can include only the equipment, or can include the equipment, logistical and maintenance support, insurance and personnel, or a combination thereof. Fixed monthly fee revenues are recognized ratably over the contract term. Usage or hourly based revenues are recognized as hours are flown.

Our air medical services are provided under contracts with hospitals that typically include either a fixed monthly and hourly rate structure or a fee per completed flight. Fixed monthly revenues are recognized ratably over the contract term while per-hour or per-flight based revenues are recognized as hours are flown or flights are completed. Most contracts with hospitals are longer- term, but offer either party the ability to terminate with less than six month's notice. We operate some air medical contracts pursuant to which we collect a fee per flight.

With respect to flightseeing activities, we allocate block space to cruise lines and sell seats directly to customers with revenues recognized as the services are performed. Our FBO sells fuel on an ad-hoc basis and those sales are recognized at the time of fuel delivery.

Trade Receivables. Customers are primarily major integrated and independent exploration and production companies, hospitals, international helicopter operators and the U.S. government. Customers are typically granted credit on a short-term basis and related credit risks are considered minimal. We routinely review our trade receivables and make provisions for probable doubtful accounts; however, those provisions are estimates and actual results could differ from those estimates and those differences may be material. Trade receivables are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when collection efforts have been exhausted.

Derivative Instruments. We account for derivatives through the use of a fair value concept whereby all of our derivative positions are stated at fair value in the accompanying consolidated balance sheets. Realized and unrealized gains and losses on derivatives not designated as hedges are reported in the accompanying consolidated statements of operations as derivative gains (losses), net. Realized and unrealized gains and losses on derivatives designated as fair value hedges are recognized as a corresponding increase or decrease in the fair value of the underlying hedged item to the extent they are effective, with any ineffective portion reported in the accompanying consolidated statements of operations as derivative gains (losses), net.

Inventories. Inventories, which consist primarily of spare parts and fuel, are stated at the lower of cost (using the average cost method) or market. We record write-downs, as needed, to adjust the carrying amount of inventories to the lower of cost or market.

Property and Equipment. Equipment, stated at cost, is depreciated using the straight-line method over the estimated useful life of the asset to an estimated salvage value. With respect to helicopters, the estimated useful life is typically based upon a newly built asset being placed into service and represents the point at which it is typically not justifiable for us to continue to operate the asset in the same or similar manner. From time to time, we may acquire older assets that have already exceeded our useful life policy, in which case we depreciate such assets based on our best estimate of remaining useful life.

As of December 31, 2011, the estimated useful life (in years) of the Company's categories of new property and equipment was as follows:

Helicopters (estimated salvage value at 40% of cost)	15
Machinery, equipment and spares	5-7
Buildings and leasehold improvements	10-30
Furniture, fixtures, vehicles and other	3-5

We review the estimated useful lives and salvage values of our fixed assets on an ongoing basis. Effective July 1, 2011, we changed the estimated useful life and salvage value for helicopters from 12 to 15 years and 30% to 40%, respectively, due to improvements in new helicopter models that continue to increase their long-term value and make them viable for operation over a longer period of time. For the year ended December 31, 2011, the change in estimate increased operating income by $7.6 million, net income by $4.9 million and basic and diluted earnings per share by $0.48. For the nine months ended September 30, 2012, the change in estimate increased operating income by $8.4 million, net income by $5.4 million and basic and diluted earnings per share by $0.26.

Equipment maintenance and repair costs and the costs of routine overhauls and inspections performed on helicopter engines and major components are charged to operating expense as incurred. Expenditures that extend the useful life or improve the marketing and commercial characteristics of equipment as well as major renewals or improvements to other properties are capitalized.

We engage a number of third-party vendors to maintain the engines and certain components on some of our helicopter models under programs known as "power-by-hour" maintenance contracts. These programs require us to pay for the maintenance service ratably over the contract period, typically based on actual flight hours. Power-by-hour providers generally bill monthly based on hours flown in the prior month, the costs being expensed as incurred. In the event we place a helicopter in a program after a maintenance period has begun, it may be necessary to pay an initial buy-in charge based on hours flown since the previous maintenance event. The buy-in charge is normally recorded as a pre-paid expense and amortized as an operating expense over the remaining power-by-hour contract period. If a helicopter is sold or otherwise removed from a program before the scheduled maintenance work is carried out, we may be able to recover part of our payments to the power-by-hour provider, in which case we record a reduction to operating expense when we receive the refund.

Certain interest costs incurred during the construction of equipment are capitalized as part of the assets' carrying values and are amortized over such assets' estimated useful lives.

Impairment of Long-Lived Assets. We perform an impairment analysis on long-lived assets used in operations when indicators of impairment are present. If the carrying value of the assets is not recoverable, as determined by the estimated undiscounted cash flows, the carrying value of the assets is reduced to fair value. Generally, fair value is determined using valuation techniques, such as expected discounted cash flows or appraisals, as appropriate.

Impairment of 50% or Less Owned Companies. We perform regular reviews of each 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 in raising capital to continue operations, and when we expect the decline to be other-than-temporary, the investment is written down to fair value. Actual results may vary from estimates due to the uncertainties 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 we have investments.

Income Taxes. Our results are included in the consolidated U.S. federal income tax return of SEACOR. SEACOR's policy for allocation of U.S. federal income taxes requires its subsidiaries to compute their provision for U.S. federal income taxes on a separate company basis and settle with SEACOR. Net operating loss benefits are settled with SEACOR on a current basis and are used in the consolidated U.S. federal income tax return to offset taxable profits of other affiliates. For all periods presented, the total provision for income taxes included in the consolidated statements of operations would remain as currently reported if we were not eligible to be included in the consolidated U.S. federal income tax return of SEACOR. Deferred income tax assets and liabilities have been provided in recognition of the income tax effect attributable to the book and tax basis differences of assets and liabilities reported in the accompanying consolidated financial statements. Deferred tax assets or liabilities are provided using the enacted tax rates expected to apply to taxable income in the periods in which they are expected to be settled or realized. Interest and penalties relating to uncertain tax positions are recognized in interest expense and administrative and general, respectively, in the accompanying consolidated statements of operations. We record a valuation allowance to reduce our deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Components of Revenues and Expenses

We derive our revenues primarily from operating and contract-leasing our equipment and our profits depend on our cost of capital, the acquisition costs of assets, our operating costs, our contract policy and our reputation.

Operating revenues recorded under U.S. Gulf of Mexico are primarily generated from offshore oil and gas related activities but also include subscriptions for search and rescue services. Similarly, operating revenues recorded under Alaska are primarily generated from offshore oil and gas related activities but also include revenues from operations supporting firefighting and mining activities. In both the U.S. Gulf of Mexico and Alaska, operating revenues are typically earned through a combination of fixed monthly fees plus an incremental charge based on flight hours flown.

Operating revenues recorded under contract-leasing are generated from contract-leases to third-party operators or joint venture partners, where we are not responsible for the operation of the helicopters. For the majority of these contract-leases, we also provide crew training, management expertise, and logistical and maintenance support. Contract-leases typically call for a fixed monthly fee only, but may also include an additional charge based on flight hours flown. The majority of our contract-leasing revenues have been generated by helicopters deployed internationally.

Operating revenues recorded under air medical services include revenues from management services to hospitals. Operating revenues are earned through a fixed monthly fee plus an incremental charge for flight hours flown.

Operating revenues recorded under Flightseeing are generated on a per passenger basis.

The aggregate cost of our operations depends primarily on the size and asset mix of the fleet. Our operating costs and expenses are grouped into the following categories:

- personnel (includes wages, benefits, payroll taxes, savings plans, subsistence and travel);
- repairs and maintenance (primarily routine activities as well as helicopter refurbishments and engine and major component overhauls that are performed in accordance with planned maintenance programs);
- insurance (the cost of hull and liability insurance premiums and loss deductibles);
- fuel;
- leased-in equipment (includes the cost of leasing helicopters and equipment); and
- other (primarily base expenses, property, sales and use taxes, communication costs, freight expenses, and other).

We engage a number of third-party vendors to maintain the engines and certain components on some of our helicopter models under programs known as “power-by-hour” maintenance contracts. These programs require us to pay for the maintenance service ratably over the contract period, typically based on actual flight hours. Power-by-hour providers generally bill monthly based on hours flown in the prior month, the costs being expensed as incurred. In the event we place a helicopter in a program after a maintenance period has begun, it may be necessary to pay an initial buy-in charge based on hours flown since the previous maintenance event. This buy-in charge is normally recorded as a prepaid expense and amortized as an operating expense over the remaining power-by-hour contract period. If a helicopter is sold or otherwise removed from a program before the scheduled maintenance work is carried out, we may be able to recover part of our payments to the power-by-hour provider, in which case we record a reduction to operating expense when we receive the refund.

Our policy of expensing all repair costs as incurred, may result in operating expenses varying substantially when compared with a prior year or prior quarter if a disproportionate number of refurbishments or overhauls are undertaken. This variation can be exacerbated by the timing of entering or exiting third-party power-by-hour programs.

For helicopters that we contract-lease to third parties under arrangements whereby the customer assumes operational responsibility, we often provide maintenance and parts support but generally we incur no other material operating costs. In most instances our contract-leases require clients to procure adequate insurance but we purchase contingent hull and liability coverage to mitigate the risk of a client’s coverage failing to respond. In some instances we provide crews and other services to support our contract-lease customers.

Prior to our entry into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain cash collections of ours were forwarded to SEACOR. We incurred interest on the outstanding advances, which is reported as interest expense on advances from SEACOR in our consolidated statements of operations. Interest was calculated and settled on a quarterly basis using interest rates set at the discretion of SEACOR. Following our entry into our Revolving Credit Facility, we no longer participate in this cash management program.

SEACOR has provided certain support services to us under a shared services arrangement, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management. We were historically charged for our share of actual costs incurred, generally based on volume processed or units supported. On December 30, 2011, we entered into a Transition Services Agreement, providing for the same services described above, pursuant to which SEACOR has continued to provide these support services. The services provided pursuant to the Transition Services Agreement may be terminated within 90 days of notice from either party. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Transition Services Agreement." In connection with the spin-off we will enter into an Amended and Restated Transition Services Agreement with SEACOR pursuant to which such services will continue to be provided for a period of time after the spin-off but not to exceed two years. See "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Related to the Spin-off—Amended and Restated Transition Services Agreement."

SEACOR incurs costs in providing its operating segments with certain corporate services including executive oversight, risk management, legal, accounting and tax, and charges quarterly management fees to its operating segments in order to cover such costs. Total management fees charged by SEACOR to its operating segments include actual corporate costs incurred plus a mark-up and were generally allocated within the consolidated group using income-based performance metrics reported by an operating segment in relation to SEACOR's other operating segments. The costs we incurred for management fees from SEACOR are reported as SEACOR management fees in our consolidated statements of operations. Effective January 1, 2012, SEACOR provides these corporate services under the Transition Services Agreement for a fixed quarterly charge of $500,000, subject to the terms and conditions of the Transition Services Agreement. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Transition Services Agreement." After completion of the spin-off, we will no longer be charged a management fee by SEACOR but will incur costs under the Amended and Restated Transition Services Agreement.

In connection with and upon completion of the separation, we expect to incur additional compensation-related expenses as a result of the issuance of options to purchase shares of our common stock and awards of restricted stock units held by certain of our executive officers and directors. For additional information on these options to purchase our common stock, see "Certain Relationships and Related Party Transactions—Agreements between SEACOR and Era Group Relating to the Separation—Employee Matters Agreement," "Management—Director Compensation" and "Compensation of Executive Officers—Compensation Discussion and Analysis—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer and Vice President—Finance (the Principal Accounting Officer)."

Results of Operations

	For the nine months ended September 30,				For the years ended December 31,					
	2012		2011		2011		2010		2009	
	$'000	%	$'000	%	$'000	%	$'000	%	$'000	%
Operating Revenues:										
United States	161,620	80	140,728	72	185,677	72	178,656	76	201,344	85
Foreign	40,406	20	55,724	28	72,471	28	56,710	24	34,323	15
	202,026	100	196,452	100	258,148	100	235,366	100	235,667	100
Costs and Expenses:										
Operating:										
Personnel	49,008	24	45,790	23	61,527	24	58,835	25	63,195	27
Repairs and maintenance	32,675	16	37,091	19	49,756	19	44,195	19	40,523	18
Insurance	8,128	4	6,598	3	8,479	3	9,114	4	9,867	4
Fuel	15,998	8	15,596	8	20,131	8	15,083	6	16,812	7
Leased-in equipment	1,050	1	1,470	1	2,003	1	2,052	1	2,811	1
Other	18,054	9	15,078	8	20,811	8	17,954	8	14,747	6
	124,913	62	121,623	62	162,707	63	147,233	63	147,955	63
Administrative and general	27,210	14	20,090	10	31,893	12	25,798	11	21,396	9
Depreciation	31,031	15	33,402	17	42,612	17	43,351	18	37,358	16
	183,154	91	175,115	89	237,212	92	216,382	92	206,709	88
Gains on Asset Dispositions and Impairments, net	3,455	2	13,260	7	15,172	6	764	—	316	—
Operating Income	22,327	11	34,597	18	36,108	14	19,748	8	29,274	12
Other Income (Expense):										
Interest income	765	—	376	—	738	—	109	—	52	—
Interest expense	(6,891)	(3)	(847)	—	(1,376)	(1)	(94)	—	(13)	—
Interest expense on advances from SEACOR	—	—	(18,924)	(10)	(23,410)	(9)	(21,437)	(9)	(20,328)	(9)
SEACOR management fees	(1,500)	(1)	(7,476)	(4)	(8,799)	(3)	(4,550)	(2)	(5,481)	(2)
Derivative gains (losses), net	(492)	—	(1,308)	(1)	(1,326)	—	(118)	—	266	—
Foreign currency gains (losses), net	633	—	596	—	516	—	(1,511)	—	1,439	1
Other, net	30	—	—	—	9	—	50	—	—	—
	(7,455)	(4)	(27,583)	(15)	(33,648)	(13)	(27,551)	(11)	(24,065)	(10)
Income (Loss) Before Income Tax Expense (Benefit) and Equity in Earnings (Losses) of 50% or Less Owned Companies	14,872	7	7,014	3	2,460	1	(7,803)	(3)	5,209	2
Income Tax Expense (Benefit)	5,212	2	2,666	1	434	—	(4,301)	(1)	2,883	1
Income (Loss) Before Equity in Earnings (Losses) of 50% or Less Owned Companies	9,660	5	4,348	2	2,026	1	(3,502)	(2)	2,326	1
Equity in Earnings (Losses) of 50% or Less Owned Companies	(5,444)	(3)	1,061	1	82	—	(137)	—	(487)	—
Net Income (Loss)	4,216	2	5,409	3	2,108	1	(3,639)	(2)	1,839	1
Accretion of Redemption Value on Series A Preferred Stock	6,334	3	—	—	210	—	—	—	—	—
Net Income (Loss) Attributable to Common Shares	(2,118)	(1)	5,409	3	1,898	1	(3,639)	(2)	1,839	1

Operating Revenues by Service Line. The following table sets forth, for the years indicated, the amount of operating revenues by service line.

	Nine months ended September 30,				Years Ended December 31,					
	2012		2011		2011		2010		2009	
	$'000	%	$'000	%	$'000	%	$'000	%	$'000	%
Operating Revenues:										
U.S. Gulf of Mexico, primarily from oil and gas activities	112,230	56	88,114	45	119,149	46	112,458	48	121,335	51
Alaska, primarily from oil and gas activities	19,491	9	19,149	10	23,602	9	28,188	12	25,183	11
Contract-leasing	40,605	20	55,724	28	72,700	28	57,538	24	35,441	15
Air Medical Services	15,558	8	19,018	10	25,836	10	22,208	9	37,244	16
Flightseeing	6,999	3	6,868	3	6,861	3	6,437	3	6,957	3
FBO	7,463	4	7,889	4	10,406	4	8,912	4	10,729	5
Eliminations	(320)	—	(310)	—	(406)	—	(375)	—	(1,222)	(1)
	202,026	100	196,452	100	258,148	100	235,366	100	235,667	100

Nine Months Ended September 30, 2012 compared with Nine Months Ended September 30, 2011

Operating Revenues. Operating revenues were $5.6 million higher in the nine months ended September 30, 2012 compared with the nine months ended September 30, 2011. Operating revenues in the U.S. Gulf of Mexico were $24.1 million higher primarily due to newly delivered medium and heavy helicopters being placed on contract, an expansion of government services support and an increase in charter flights primarily in support of hurricane evacuations and additional drilling activity. Operating revenues from contract-leasing activities were $15.1 million lower. Contract-leasing revenues for helicopters chartered to Aeróleo, our Brazilian joint venture, were $10.1 million lower primarily due to the deferral and reduction of contract-leasing revenues as a result of difficulties experienced by Aeróleo in connection with a canceled contract award for four AW139 helicopters under contract-lease from us. In addition, contract-lease revenues from the joint venture were lower due to decreased flight hours for helicopters undergoing major maintenance. Contract-leasing revenues were also lower for another customer primarily due to the net deferral of $3.4 million due to the customer's short-term liquidity issues. In addition, contract-leasing revenues were $6.3 million lower as a result of the expiration of contract-leases in Argentina, Thailand and Trinidad. These decreases were partially offset by new contract-leases in Denmark and the United Kingdom. Operating revenues for air medical services were $3.5 million lower due to the conclusion of a long-term hospital contract in the second quarter of 2012.

Operating Expenses. Operating expenses were $3.3 million higher in the nine months ended September 30, 2012 compared with the nine months ended September 30, 2011. Personnel costs were $3.2 million higher primarily due to the implementation of a pilot pay scale adjustment and the addition of personnel to support increased activity in the U.S. Gulf of Mexico. Repair and maintenance expenses were $4.4 million lower primarily as a result of vendor credits recognized in the nine months ended September 30, 2012, offset by additional flight hours on helicopters under power-by-hour agreements and the timing of repairs. Insurance and loss reserves were $1.5 million higher due to an increase in the overall fleet value and the recognition of a good experience credit from our hull and liability underwriters in the nine months ended September 30, 2011. Other operating expenses were $3.0 million higher primarily due to the receipt in the nine months ended September 30, 2011 of $1.9 million in insurance proceeds related to hurricane damages sustained in 2005.

Administrative and General. Administrative and general expenses were $7.1 million higher in the nine months ended September 30, 2012 primarily due to an allowance for doubtful accounts taken in connection with a customer bankruptcy, severance costs associated with a change in executive management, the recognition of previously deferred legal and professional expenses associated with a contemplated public offering and an increase in administrative support.

Depreciation and Amortization. Depreciation and amortization expenses were $2.4 million lower primarily due to a change in estimate of the useful life and salvage value of helicopters, which reduced depreciation expense in the nine months ended September 30, 2012 by $8.4 million, partially offset by the addition of new and higher cost equipment. Effective July 1, 2011, the Company changed its estimated useful life and salvage value for helicopters from 12 to 15 years and 30% to 40%, respectively, due to improvements in new helicopter models that continue to increase their long-term value and make them viable for operation over a longer period of time.

Gains on Asset Dispositions and Impairments, Net. During the nine months ended September 30, 2012, we sold six helicopters, helicopter components and other equipment for proceeds of $5.2 million and gains of $2.8 million. In addition, we recognized previously deferred gains of $0.7 million. During the nine months ended September 30, 2011, we sold eight helicopters and other equipment for proceeds of $25.3 million and gains of $14.8 million, of which $12.8 million was recognized in the third quarter and $2.0 million was deferred. In addition, we recognized previously deferred gains of $0.5 million.

Operating Income. Excluding the change in depreciation policy noted above, operating income as a percentage of operating revenues was 7% compared with 16% in the nine months ended September 30, 2011. The decrease was primarily due to gains on asset dispositions in the nine months September 30, 2011.

Interest expense and interest expense on advances from SEACOR. On December 22, 2011, we entered into a Revolving Credit Facility and used $242.3 million of borrowings under the facility to settle all of our outstanding advances from SEACOR. As a result, interest expense was $6.9 million for the nine months ended September 30, 2012, compared with $0.8 million for the nine months ended September 30, 2011, and interest expense on advances from SEACOR was $18.9 million lower in the nine months ended September 30, 2012 compared to the nine months ended September 30, 2011.

SEACOR management fees. SEACOR management fees represent various corporate costs incurred by SEACOR, which are in turn charged to all of its operating segments. These fees were previously allocated using income-based performance metrics of us in relation to SEACOR's other operating segments. On December 30, 2011, we entered into the Transition Services Agreement with SEACOR to provide these services at a fixed rate of $2.0 million per annum beginning January 1, 2012. As a result, SEACOR management fees for the nine months ended September 30, 2012 were $1.5 million compared with $7.5 million for the nine months ended September 30, 2011. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Transition Services Agreement."

Derivative gains (losses), net. Derivative losses in the nine months ended September 30, 2012 and the nine months ended September 30, 2011 were primarily due to changes in the market value of our interest rate swap agreements.

Foreign currency gains (losses), net. Foreign currency gains, net in the nine months ended September 30, 2012 and the nine months ended September 30, 2011 were primarily due to the weakening of the U.S. dollar against the euro underlying certain cash balances.

Equity in losses of 50% or less owned companies. During the nine months ended September 30, 2012, we recognized an impairment charge of $5.9 million, net of tax, on our investment in our Brazilian joint venture.

Year Ended December 31, 2011 compared with Year Ended December 31, 2010

Operating Revenues. Operating revenues were $22.8 million higher for the year ended December 31, 2011 compared with the year ended December 31, 2010. Operating revenues in the U.S. Gulf of Mexico were $6.7 million higher primarily due to a $7.3 million increase from search and rescue activities which began in late 2010 and a $9.9 million increase from higher oil and gas related activities, including fuel billings as a result of higher prices. The increases were partially offset by a $10.5 million decrease in operating revenues for activity in support of the Oil Spill Response activities relating to the BP Macondo well incident in the U.S. Gulf of Mexico following the sinking of the semi-submersible drilling rig *Deepwater Horizon* in April 2010 (the "Oil Spill Response"). Operating revenues in Alaska were $4.6 million lower primarily due to the temporary suspension of a contract with a major oil and gas customer whose operations are expected to resume in 2012. Operating revenues from contract-leasing activities increased by $15.2 million as additional medium and heavy helicopters were placed on international contract-leases. As of December 31, 2011, 41 helicopters were dedicated to the contract-leasing market compared with 39 as of December 31, 2010. Operating revenues from air medical services increased by $3.6 million primarily due to $1.1 million of additional revenues generated from a new hospital contract and a $2.7 million increase in activity in support of an existing patient-pay customer. Operating revenues for the FBO were $1.5 million higher primarily due to an increase in fuel sales prices.

Operating Expenses. Operating expenses were $15.5 million higher for the year ended December 31, 2011 compared with the year ended December 31, 2010. Personnel costs were $2.7 million higher as additional personnel were added to support the increased activity discussed above. Repair and maintenance costs increased by $5.6 million primarily due to enrolling additional helicopters in power-by-hour maintenance programs. Fuel costs increased by $5.0 million primarily due to an increase in the price of fuel. Other operating expenses were $2.9 million higher primarily due to a $1.9 million increase in support of search and rescue activities, which began in late 2010, a $0.4 million increase from higher air medical activities and a $2.3 million increase as a result of providing more parts and repair services to contract-leasing customers. These increases were partially offset by the receipt of $1.9 million in insurance reimbursements relating to the 2005 Hurricanes Katrina and Rita, following final settlement with our insurance carriers. In addition, insurance and loss reserves were $0.6 million lower primarily due to the receipt of a good experience credit from our hull and machinery underwriters.

Administrative and General. Administrative and general expenses were $6.1 million higher for the year ended December 31, 2011 compared with the year ended December 31, 2010 primarily due to $4.0 million in severance costs associated with a change in executive management, a $1.1 million increase in wage and benefit costs, a $0.6 million increase in information technology costs and a $0.5 million increase in costs related to international business development and joint venture activities.

Depreciation. Depreciation expenses was $0.7 million lower for the year ended December 31, 2011 compared with the year ended December 31, 2010 primarily due to a change in estimate of the useful life and salvage value of helicopters, which reduced depreciation expense by $7.6 million, partially offset by the addition of new and higher cost equipment. Effective July 1, 2011, we changed the estimated useful life and salvage value for helicopters from 12 to 15 years and 30% to 40%, respectively, due to improvements in new helicopter models that continue to increase their long-term value and make them viable for operation over a longer period of time.

Gains on Asset Dispositions and Impairments, Net. During 2011, we sold ten helicopters and other equipment and received insurance proceeds related to the loss of a helicopter. We received net proceeds of $26.0 million on the disposition of these assets, including insurance proceeds, and had gains of $16.3 million of which $14.3 million was recognized currently and $2.0 million was deferred. In addition, we recognized previously deferred gains of $0.7 million and a gain of $1.3 million from insurance proceeds relating to the loss of a helicopter. During 2010, we sold two helicopters and other equipment for net proceeds of $0.9 million and gains of $0.5 million. In addition, we recognized previously deferred gains of $0.6 million and recognized a loss of $0.3 million relating to the impairment of four EC120 helicopters.

Operating Income. Excluding gains on asset dispositions and impairments, operating income as a percentage of operating revenues was consistent in both periods at 8%.

Interest expense on advances from SEACOR. Interest expense on advances from SEACOR was $2.0 million higher in 2011 primarily due to higher advances.

SEACOR management fees. SEACOR management fees represent various corporate costs incurred by SEACOR, which are in turn charged to all of its operating segments. These fees are allocated using income-based performance metrics of us in relation to SEACOR's other operating segments. SEACOR management fees for the year ended December 31, 2011 were $8.8 million compared with $4.6 million for the year ended December 31, 2010. The increase was primarily due to a higher proportion of SEACOR's corporate costs being charged to us based on our results in comparison with SEACOR's other operating segments. On December 30, 2011, we entered into a Transition Services Agreement with SEACOR to provide these services at a fixed rate of $2.0 million per annum beginning January 1, 2012. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Transition Services Agreement."

Derivative gains (losses), net. Derivative losses in 2011 were primarily the result of losses from interest rate swap agreements.

Foreign currency gains (losses), net. Foreign currency gains, net in 2011 were primarily due to the weakening of the U.S. dollar against the euro underlying certain cash balances. Foreign currency losses, net in 2010 were primarily due to a strengthening of the U.S. dollar against the euro underlying certain cash balances.

Income Tax Expense (Benefit). During the year ended December 31, 2011, our effective income tax rate was 17.6% primarily due to the recognition of an income tax benefit of $0.7 million on adjustments to deferred tax liabilities resulting from changes in state tax apportionment factors and an expense of $0.4 million as a result of allocated non-deductible SEACOR management fees. During the year ended December 31, 2010, our effective income tax rate was 55.1% primarily due to the recognition of an income tax benefit of $1.1 million on adjustments to deferred tax liabilities resulting from changes in state tax apportionment factors and a benefit of $0.3 million relating to participation in share award programs sponsored by SEACOR.

Year Ended December 31, 2010 compared with Year Ended December 31, 2009

Operating Revenues. Operating revenues were $0.3 million lower for the year ended December 31, 2010 compared with the year ended December 31, 2009. Operating revenues in the U.S. Gulf of Mexico were $8.9 million lower primarily due to a $19.4 million decrease driven by a reduction in the number of helicopters operating in the region and lower flight hours supporting oil and gas activities following the Deepwater Horizon incident. These reductions were partially offset by revenues of $10.5 million generated by equipment contracted to the U.S. Coast Guard in support of the Oil Spill Response. Operating revenues in Alaska were $3.0 million higher primarily due to an increase in the number of helicopters on contract in support of oil and gas activities. Operating revenues from contract-leasing activities increased by $22.1 million as additional helicopters were placed on international contract-leases, primarily in Brazil. As of December 31, 2010, 39 helicopters were dedicated to the contract-leasing market compared with 35 as of December 31, 2009. Operating revenues from air medical services were $15.0 million lower due to the non-renewal of several contracts upon their conclusion. Operating revenues for the FBO were $1.8 million lower primarily due to the loss of a significant customer during 2009.

Operating Expenses. Operating expenses were $0.7 million lower for the year ended December 31, 2010 compared with the year ended December 31, 2009. Personnel costs were $4.4 million lower primarily due to a $4.1 million reduction in wage and benefit costs for air medical services in line with reduced activity and a $1.8 million reduction in crew subsistence costs in the

U.S. Gulf of Mexico. These decreases were partially offset by a $1.7 million increase in wage and benefit costs in Alaska in support of additional helicopters on contract. Repair and maintenance costs were $3.7 million higher primarily due to a $5.8 million increase as additional helicopters were placed in power-by-hour maintenance contracts and a $4.2 million increase due to the timing of major repairs, partially offset by a $6.2 million reduction in maintenance spending in air medical services as a result of fewer contracts. Fuel expense decreased by $1.7 million primarily due to a reduction in FBO fuel sales. Other operating expenses were $3.2 million higher primarily due to the receipt of $5.7 million in insurance reimbursements in 2009 for expenses incurred following Hurricanes Gustav and Ike in 2008. This was partially offset by a $2.3 million reduction in costs attributable to a firefighting contract completed in 2009.

Administrative and General. Administrative and general expenses were $4.4 million higher for the year ended December 31, 2010 compared with the year ended December 31, 2009 primarily due to $2.1 million in higher wage and benefit costs and the 2009 reversal of a $1.6 million provision for doubtful accounts following its collection.

Depreciation. Depreciation expense was $6.0 million higher for the year ended December 31, 2010 compared with the year ended December 31, 2009 primarily due to the continued modernization of the fleet through the addition of new and higher cost equipment.

Operating Income. Operating income as a percentage of operating revenues was 8% in 2010 compared with 12% in 2009. The decrease was primarily due to the receipt of insurance proceeds in 2009 for expenses incurred in 2008 following Hurricanes Gustav and Ike and the 2009 reversal of a provision for doubtful accounts following its collection. Excluding the impact of these items, operating income as a percentage of operating revenues was 9% in 2009.

Interest expense on advances from SEACOR. Interest expense on advances from SEACOR was $1.1 million higher in 2010 due to both higher advances as well as higher average interest rates charged on the advances.

SEACOR management fees. These fees are allocated using income-based performance metrics of us in relation to SEACOR’s other operating segments. SEACOR management fees for the year ended December 31, 2010 were $4.6 million compared with $5.5 million for the year ended December 31, 2009. The reduction was primarily due to a lower proportion of SEACOR’s corporate costs being charged to us based on our results in comparison with SEACOR’s other operating segments.

Derivative gains (losses), net. Derivative losses in 2010 were the result of losses relating to the ineffective portion of forward currency exchange contracts. Derivative gains in 2009 were the result of gains relating to the ineffective portion of forward currency exchange contracts.

Foreign currency gains (losses), net. Foreign currency losses, net in 2010 were primarily due to a strengthening of the U.S. dollar against the euro underlying certain cash balances. Foreign currency gains, net in 2009 were primarily due to the weakening of the U.S. dollar against the euro underlying certain cash balances.

Income Tax Expense (Benefit). During the year ended December 31, 2010, our effective income tax rate was 55.1% primarily due to the recognition of an income tax benefit of $1.1 million on adjustments to deferred tax liabilities resulting from changes in state tax apportionment factors and a benefit of $0.3 million relating to participation in share award programs sponsored by SEACOR. During the year ended December 31, 2009, our effective income tax rate was 55.4% primarily due to the recognition of an income tax expense of $0.5 million as a result of allocated non-deductible SEACOR management fees and an expense of $0.2 million on adjustments to deferred tax liabilities resulting from changes in state tax apportionment factors.

Liquidity and Capital Resources

Our ongoing liquidity requirements arise primarily from working capital needs, meeting our capital commitments (including the purchase of helicopters and other equipment) and the repayment of debt obligations. In addition, we may use our liquidity to fund acquisitions or to make other investments. Sources of liquidity are cash balances and cash flows from operations and, from time to time, we may secure additional liquidity through the issuance of equity, debt or borrowings under our Revolving Credit Facility.

Historically, SEACOR advanced substantial amounts of capital to us to fund our expenditures. Prior to entering into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain cash collections were forwarded to SEACOR. As a consequence of this arrangement, we have historically maintained minor cash balances.

On December 22, 2011, we entered into our $350.0 million Revolving Credit Facility. On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of 7.750% Senior Notes and used the net proceeds from the offering to repay $190.0 million of borrowings outstanding under our Revolving Credit Facility. In connection with the Senior Notes Offering, we permanently reduced the borrowing capacity under that facility from $350.0 million to $200.0 million.

On December 23, 2011, we issued 1,400,000 shares of our Series A preferred stock to SEACOR in exchange for $140.0 million of aggregate advances previously provided to us by SEACOR. SEACOR also contributed an additional $180.0 million of capital to us in respect of additional prior advances. Holders of our Series A preferred stock are entitled to receive quarterly cash dividends at the rate of 6% per annum from the date of issuance. See "Certain Relationships and Related Party Transactions—Related Party Transactions—Relationship with SEACOR."

Our Revolving Credit Facility requires that we maintain a maximum RC Leverage Ratio of 5.0 to 1.0 (increased from 4.0 to 1.0 as a result of the issuance of the Senior Notes) and also requires that we comply with certain other financial ratios. Failure to meet these ratios is an event of default under the facility and therefore our ability to borrow under our Revolving Credit Facility is dependent on and limited by our compliance with this RC Leverage Ratio requirement and our ability to comply with other financial ratios. See "—Senior Secured Revolving Credit Facility." After giving effect to the issuance of the Senior Notes, the amount of additional borrowings we could borrow under the Revolving Credit Facility, based on our RC Leverage Ratio as of such date, was $102.2 million.

In the nine months ended September 30, 2012, we drew down $38.0 million from our Revolving Credit Facility, primarily to fund the purchase of an EC225 helicopter and certain other assets. In the nine months ended September 30, 2012, we experienced a decrease in operating income, which had a significant impact on our last 12-months EBITDA (as defined in our Revolving Credit Facility). As a result, SEACOR purchased one million shares of our Series B preferred stock, including 300,000 shares of our Series B preferred stock for $30.0 million on June 8, 2012 and 700,000 shares of our Series B preferred stock for $70.0 million on September 25, 2012. We used a portion of the proceeds from these issuances to repay borrowings under our Revolving Credit Facility so that we would be able to maintain compliance with the financial ratios under the facility. See "—Nine Months Ended September 30, 2012 compared with Nine Months Ended September 30, 2011—Operating Income" and "Recent Sales of Unregistered Securities." If we continue to experience reduced operating income from certain of our contract-leasing activities or for any other reason, our ability to utilize our Revolving Credit Facility may be limited and we may require additional investments in our capital stock to maintain our financial ratios within applicable limits. Furthermore, failure to maintain our financial ratios pursuant to our Revolving Credit Facility would constitute an event of default, allowing the lenders under our Revolving Credit Facility to declare the entire balance of any and all sums payable under the Revolving Credit Facility immediately due and payable. After the spin-off we will not be able to rely on advances from SEACOR to fund acquisitions of equipment, to repay debt or to help us maintain compliance with our Revolving Credit Facility.

As of September 30, 2012, we had unfunded capital commitments of $138.7 million, primarily under agreements to purchase helicopters. Approximately $15.9 million is payable in 2012 with the remaining commitments payable in 2013 through 2016. Approximately $125.0 million of these commitments may be terminated without further liability to us other than aggregate liquidated damages of $3.3 million. In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters. If these options are exercised, the helicopters will be delivered in 2013 through 2016. We expect to finance the remaining acquisition costs through a combination of cash on hand, cash provided by operating activities and borrowings under our Revolving Credit Facility.

Cash Flows

Summary of Cash Flows

	Nine Months Ended September 30,		Years Ended December 31,		
	2012	2011	2011	2010	2009
			(in thousands)		
Cash provided by (used in):					
Operating Activities	$ (7,091)	$ 23,227	$ 40,930	$ 83,743	$ 57,234
Investing Activities	(94,875)	(87,934)	(149,089)	(132,549)	(64,116)
Financing Activities	31,463	64,752	183,094	46,963	9,386
Effect of Exchange Rate Changes on Cash and Cash Equivalents	613	751	489	(1,768)	(1,396)
Net Increase (Decrease) in Cash and Cash Equivalents	$ (69,890)	$ 796	$ 75,424	$ (3,611)	$ 1,108

Cash Flows from Operating Activities

Cash flows used in operating activities increased by $30.3 million during the nine months ended September 30, 2012 compared with the nine months ended September 30, 2011. Cash flows provided by operating activities decreased by $42.8 million during the year ended December 31, 2011 compared with the year ended December 31, 2010. Cash flows provided by operating activities increased by $26.5 million during the year ended December 31, 2010 compared with the year ended December 31, 2009.

The components of cash flows provided by operating activities during the nine months ended September 30, 2012 and 2011 and the years ended December 31, 2011, 2010 and 2009 were as follows:

	Nine Months Ended September 30,		Years Ended December 31,		
	2012	2011	2011	2010	2009
			(in thousands)		
Operating income before depreciation and gains on asset dispositions and impairments, net	$ 49,903	$ 54,739	$ 63,548	$ 62,335	$ 66,316
Changes in operating assets and liabilities before interest and income taxes	(52,715)	(3,477)	(8,977)	327	(11,893)
Dividends received from 50% or less owned companies	(16)	162	1,236	—	—
Interest paid, excluding capitalized interest	(6,269)	(19,766)	(24,524)	(21,516)	(20,341)
Benefit on net tax operating losses purchased by SEACOR	—	—	18,236	47,016	30,346
Income taxes paid, net of refunds	(44)	(1,169)	(557)	(65)	(176)
SEACOR management fees	(1,500)	(7,476)	(8,799)	(4,550)	(5,481)
Other	3,550	214	767	196	(1,537)
Total cash flows provided by operating activities	$ (7,091)	$ 23,227	$ 40,930	$ 83,743	$ 57,234

Operating income before depreciation and gains on asset dispositions and impairments, net was $4.8 million lower in the nine months ended September 30, 2012 compared with the nine months ended September 30, 2011, primarily due to a $15.1 million decrease in contract-leasing revenues, a $3.2 million increase in personnel costs, a $7.1 million increase in administrative and general expenses due primarily to the recognition of previously deferred legal and professional expenses, a $1.9 million increase due to the receipt of insurance proceeds in the period ended September 30, 2011, and a $1.5 million increase in insurance expense, all of which were offset by a $24.1 million increase in revenues from U.S. Gulf of Mexico activity, and a $4.4 million reduction in repairs and maintenance due to the recognition of vendor credits.

Operating income before depreciation and gains on asset dispositions and impairments, net was $1.2 million higher in the year ended December 31, 2011 compared with the year ended December 31, 2010, primarily due to a $15.2 million increase in revenues from contract-leasing activities and a $6.7 million increase in revenues from U.S. Gulf of Mexico activity related to search and rescue and fuel billings offset by a $10.5 million decline in revenues due to decreased activity in support of the Oil Spill Response, an increase in repair and maintenance costs of $5.6 million and higher fuel costs of $5.0 million.

Operating income before depreciation and gains on asset dispositions and impairments, net was $4.0 million lower during the year ended December 31, 2010 compared with the year ended December 31, 2009, primarily due to $2.1 million of higher administrative wage and benefit costs and the 2009 reversal of a $1.6 million provision for doubtful accounts following its collection.

During the nine months ended September 30, 2012, changes in operating assets and liabilities before interest and income taxes used cash flows of $52.7 million primarily due to the settlement of outstanding SEACOR advances in February 2012 as described in "Certain Relationships and Related Party Transactions."

During the year ended December 31, 2011, changes in operating assets and liabilities before interest and income taxes used cash flows of $9.0 million primarily due to increases in working capital due to the settlement of derivative positions and the addition of helicopters placed in power-by-hour maintenance programs.

During the year ended December 31, 2009, changes in operating assets and liabilities before interest and income taxes used cash flows of $11.9 million primarily due to increases in working capital as additional helicopters were placed in power-by-hour maintenance programs.

Cash Flows from Investing Activities

During the nine months ended September 30, 2012, net cash used in investing activities was $94.9 million primarily as follows:

- Capital expenditures were $91.2 million, which consisted primarily of helicopter acquisitions.
- Proceeds from the disposition of property and equipment were $4.9 million.

- Investments in 50% or less owned companies, net of returns, were $11.9 million.
- Net principal receipts from third party notes receivable were $2.7 million.

During the year ended December 31, 2011, net cash used in investing activities was $149.1 million primarily as follows:

- Capital expenditures were $158.9 million, which consisted primarily of helicopter acquisitions.
- Proceeds from the disposition of property and equipment were $26.0 million.
- Cash settlements on derivative transactions, net were $6.1 million.
- Investments in, and advances to, 50% or less owned companies were $21.8 million.

During the year ended December 31, 2010, net cash used in investing activities was $132.5 million primarily as follows:

- Capital expenditures were $130.8 million, which consisted primarily of helicopter acquisitions.
- Proceeds from the disposition of property and equipment were $0.9 million.
- Investments in, and advances to, 50% or less owned companies were $3.2 million.
- Returns of investments and advances from 50% or less owned companies were $1.0 million.

During the year ended December 31, 2009, net cash used in investing activities was $64.1 million primarily as follows:

- Capital expenditures were $90.8 million, which consisted primarily of helicopter acquisitions.
- Proceeds from the dispositions of property and equipment were $26.0 million.
- Returns of investments and advances from 50% or less owned companies were $0.9 million.
- Net principal receipts from third-party notes receivable were $0.9 million.

Cash Flows from Financing Activities

Prior to entering into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain cash collections of ours were forwarded to SEACOR. Our cash flows from financing activities were therefore primarily the result of the net cash advances received from SEACOR and vary primarily based on the timing of our capital expenditures.

During the nine months ended September 30, 2012, net cash received from financing activities was $31.5 million, which included proceeds from borrowings under our Revolving Credit Facility of $38.0 million, proceeds from the issuance of Series B preferred stock of $100.0 million, repayments under our Revolving Credit Facility of $100.0 million and scheduled payments on long-term debt of $2.1 million.

During the year ended December 31, 2011, net cash received from financing activities was $183.1 million, which included repayments to SEACOR of $63.2 million, proceeds from borrowings under our Revolving Credit Facility of $249.0 million, net of $3.0 million of transaction costs, and scheduled payments on long-term debt of $2.7 million.

During the year ended December 31, 2010, net cash received from financing activities was $47.0 million, of which $8.4 million was the result of advances from SEACOR and $38.7 million was for the issuance of secured bank debt to finance the acquisition of two helicopters.

During the year ended December 31, 2009, net cash received from financing activities was $9.4 million, all of which was the result of advances from SEACOR.

Senior Secured Revolving Credit Facility

On December 22, 2011, we entered into a $350.0 million senior secured revolving credit facility (the “Revolving Credit Facility”) that matures in December 2016. After giving effect to the issuance of the Senior Notes and the use of proceeds therefrom, the Revolving Credit Facility provides us with the ability to borrow up to $200.0 million with sub-limits of up to $50.0 million for letters of credit and up to $25.0 million for swingline advances, subject to the terms and conditions specified in the Revolving Credit Facility. Under certain circumstances the borrowing capacity under the Revolving Credit Facility may be increased by up to an additional $100.0 million. Our actual borrowing capacity under the Revolving Credit Facility is limited by our ability to comply with the financial ratios described below under “—Covenants.” After giving effect to the issuance of the Senior Notes, based on our RC Leverage Ratio, we had the ability to borrow an additional $102.2 million under the facility.

Guarantees and Security

Our obligations under the Revolving Credit Facility are guaranteed by our wholly-owned U.S. subsidiaries. In general, our borrowings and other obligations under our Revolving Credit Facility and related loan documents, and the guaranty obligations of the guarantors, are secured, subject to certain exceptions, by substantially all of our and the guarantors tangible and intangible assets (including, without limitation, helicopters).

Interest

Borrowings under our Revolving Credit Facility bear interest at a rate per annum equal to, at our election, either a “base rate” or LIBOR, as defined, plus an applicable margin. The “base rate” is defined as the highest of: (a) the Prime Rate, as defined; (b) the Federal Funds Effective Rate, as defined, plus 50 basis points; or (c) a daily LIBOR for a one-month interest period, as defined, plus the difference between the Applicable Margin for LIBOR Advances, as defined, and the Applicable Margin for Base Rate Advances, as defined. The applicable margin is based on our ratio of funded debt to EBITDA, as defined, and ranges from 100 to 200 basis points on the “base rate” margin and 210 to 335 basis points on the LIBOR margin. The applicable margin as of September 30, 2012, was 140 basis points on the “base rate” margin and 260 basis points on the LIBOR margin. In addition we are required to pay a quarterly commitment fee based on the average unfunded portion of the committed amount at a rate based on our ratio of funded debt to EBITDA, as defined, that ranges from 25 to 70 basis points. As of September 30, 2012 the commitment fee was 50 basis points.

Covenants

Our Revolving Credit Facility contains a number of affirmative and negative covenants, including limitations on the incurrence of additional indebtedness, liens, asset sales, distributions, mergers, consolidations, investments, transactions with affiliates, negative pledges, compliance with certain material documents, acquisitions, change of control, ERISA events, perfection and priority of collateral, solvency, and matters related to helicopters (including covenants related to registration and de-registration events, purchase of additional helicopters, visitation rights and maintenance and repair, and loss, destruction or requisition). In addition, our Revolving Credit Facility prohibits the payment of dividends on our common stock until December 22, 2012. Generally, dividends thereafter on our common stock and at all times on our preferred stock may be declared and paid quarterly provided we are in compliance with the various covenants of our Revolving Credit Facility. In addition, the dividend amount in the case of our common stock, may not exceed 20% of our net income for the previous four consecutive quarters and in the case of our preferred stock, at least $50.0 million must be available under our Revolving Credit Facility after such payments are made.

Our Revolving Credit Facility requires us to maintain certain financial ratios, including a minimum interest coverage ratio of 3.0 to 1.0; maximum funded debt to EBITDA ratio of 5.0 to 1.0 (increased from 4.0 to 1.0 as a result of the issuance of the Senior Notes); a maximum funded debt to the value of all owned helicopters ratio of 60%; a minimum of the aggregate value of mortgaged helicopters, accounts receivable and inventory to funded debt of 120%; and a minimum of the aggregate value of U.S. registered helicopters of 60% of the aggregate value of all mortgaged helicopters. We are also required to maintain a maximum secured funded debt to EBITDA ratio of 3.0 to 1.0 through December 31, 2012 and 2.5 to 1.0 thereafter.

Events of Default

The Revolving Credit Facility contains events of default including: nonpayment of principal, interest or other amounts when due; inaccuracy in any material respect of the representations and warranties made by us or the guarantors; defaults in the performance of specified covenants; cross-defaults with certain other indebtedness; certain judgments are made or ordered; the occurrence of certain bankruptcy or insolvency events; and the occurrence of a Change of Control or Material Adverse Change (as defined in the Revolving Credit Agreement).

Generally, upon the occurrence and during the continuance of an event of default under the Revolving Credit Facility, the lenders' obligations to make the facility available ceases and the lenders may, by notice to us, terminate their commitments and declare all loans and other obligations under the facility immediately due and payable. A bankruptcy or insolvency event of default causes all loans under the facility automatically to become due and payable. Following the occurrence of an event of default, the administrative agent for the benefit of the lenders may take possession of and/or sell the collateral securing the borrowing and other obligations of us and the guarantors under the facility.

Senior Notes

On December 7, 2012, we completed an offering of $200.0 million aggregate principal amount of 7.750% Senior Notes to qualified institutional buyers in reliance on Rule 144A and to non-U.S. persons in reliance on Regulation S of the Securities Act. The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under our Revolving Credit Facility. In connection with the Senior Notes Offering, we permanently reduced the borrowing capacity under that facility from $350.0 million to $200.0 million.

The Senior Notes are governed by an indenture dated as of December 7, 2012 between us, the guarantors named therein and Wells Fargo Bank, National Association, as trustee.

We may redeem the Senior Notes at any time and from time to time on or after December 15, 2017 at the applicable redemption prices set forth in the indenture, plus accrued and unpaid interest if any, to the redemption date. Prior to December 15 , 2017, we may also redeem the Senior Notes, in whole or in part, at a redemption price based on a “make-whole” premium plus accrued and unpaid interest if any, to the redemption date. In addition, at any time on or prior to December 15, 2015, we may redeem up to 35% of the Senior Notes at a redemption price equal to 107.750% of their principal amount, plus accrued and unpaid interest if any, to the redemption date, using the proceeds of certain equity offerings.

In connection with the sale of the Senior Notes, we entered into a registration rights agreement (the “Registration Rights Agreement”), dated December 7, 2012, with the initial purchasers. Under the Registration Rights Agreement, we agreed, among other things, to use our commercially reasonable efforts to cause an exchange offer registration statement to become effective within 180 days of the consummation of the spin-off and to consummate an exchange offer within 30 days after such effectiveness or to cause a shelf registration statement covering the resale of the Senior Notes to be declared effective within specified periods. We will be required to pay additional interest on the Senior Notes if we fail to timely comply with our obligations under the Registration Rights Agreement until such time as we comply.

Guarantees

The payment of principal, interest and premium (if any) on the Senior Notes is unconditionally guaranteed on a general unsecured and unsubordinated basis by all of our wholly-owned existing U.S. subsidiaries that are guarantors under our Revolving Credit Facility.

Maturity and Interest

The Senior Notes will mature on December 15, 2022. The Senior Notes bear interest at a rate of 7.750% per annum, payable semi-annually in arrears on each June 15 and December 15 of each year, beginning on June 15, 2013.

Covenants

The indenture governing the Senior Notes contains covenants that restrict our and our subsidiaries' ability to, among other things:

- incur additional indebtedness;
- pay dividends or make other distributions or repurchase or redeem our capital stock;
- prepay, redeem or repurchase certain debt;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;
- enter into agreements restricting our subsidiaries' ability to pay dividends; and
- consolidate, merge or sell all or substantially all of their assets.

In addition, upon a specified change of control trigger event or a specified asset sales, we may be required to offer to repurchase the Senior Notes.

Events of Default

The indenture governing the Senior Notes provides for customary events of default including, without limitation: (i) payment defaults, (ii) covenant defaults, (iii) cross-acceleration to certain other indebtedness in excess of specified amounts, (iv) certain events of bankruptcy and insolvency or (v) judgment defaults in excess of specified amounts.

Short and Long-Term Liquidity Requirements

Current economic conditions have continued to disrupt the credit markets. To date, our liquidity has not been materially impacted by the current credit environment and management does not expect that we will be materially impacted in the near future. We anticipate that we will generate positive cash flows from operations and that these cash flows will be adequate to meet our working capital requirements. However, during the nine months ended September 30, 2012, our cash used in operations was $7.1 million due to the settlement of outstanding SEACOR advances in February 2012 as described in "Certain Relationships and Related Party Transactions." To support our capital expenditure program and/or other liquidity requirements, we may use operating cash flow, cash balances or proceeds from sales of assets, issue debt or equity, borrow under our Revolving Credit Facility or any combination thereof.

Our availability of long-term financing is dependent upon our ability to generate operating profits sufficient to meet our requirements for working capital, capital expenditures and a reasonable return on investment. We believe that earning such operating profits will permit us to maintain our access to favorably priced financing arrangements. Management will continue to closely monitor our liquidity and the credit markets.

Off-Balance Sheet Arrangements

On occasion, we and our partners will guarantee certain obligations on behalf of our joint ventures. As of September 30, 2012, we had no such guarantees in place.

Contractual Obligations and Commercial Commitments

The following table summarizes our contractual obligations and their aggregate maturities as of December 31, 2011 (in thousands):

	Payments Due By Period				
	Total	**Less than 1 Year**	**1-3 Years**	**3-5 Years**	**After 5 Years**
			(in thousands)		
Contractual Obligations:					
Long-term Debt [1]	$ 332,342	$ 12,005	$ 23,747	$ 296,590	$ —
Capital Purchase Obligations [2]	101,413	60,621	—	40,792	—
Operating Leases [3]	13,971	1,987	3,809	3,428	4,747
Purchase Obligations [4]	4,655	4,655	—	—	—
Other [5]	2,318	1,942	334	42	—
	$ 454,699	$ 81,210	$ 27,890	$ 340,852	$ 4,747

1. Maturities of our borrowings and interest payments pursuant to such borrowings are based on contractual terms. As of September 30, 2012, the amount of our contractual commitments for long-term debt was $252.6 million. Does not give effect to the completion of the offering of the Senior Notes, which will result in annual cash payments of $15.5 million and the full principal amount of $200.0 million payable at maturity in December 2022.
2. Capital purchase obligations represent commitments for the purchase of property and equipment as of December 31, 2011. Such commitments relate to orders we had placed as of December 31, 2011 for 12 new helicopters, consisting of one EC225 heavy helicopter, four AW139 medium helicopters, five AW169 light twin helicopters and two Eurocopter EC135 light twin helicopters. These commitments are not recorded as liabilities on our consolidated balance sheet as of December 31, 2011, as we had not yet received the goods or taken title to the property. As of September 30, 2012, we had capital purchase obligations for the purchase of two AW139 medium helicopters, five AW169 light twin helicopters and five AW189 medium helicopters. The AW139 helicopters are scheduled to be delivered in 2012 and the AW189 helicopters are scheduled to be delivered in 2014 and 2015. Delivery dates for the AW169 helicopters have yet to be determined. As of September 30, 2012, our unfunded commitments under the agreements to purchase these helicopters totaled $138.7 million, of which $125.0 million may be terminated without further liability other than liquidated damages of $3.3 million in the aggregate.
3. Operating leases primarily include leases of helicopters and other property that have a remaining term in excess of one year.
4. Purchase obligations primarily include purchase orders for helicopter inventory and maintenance as of December 31, 2011. These commitments are for goods and services to be acquired in the ordinary course of business and are fulfilled by our vendors within a short period of time.
5. Other primarily includes deferred compensation arrangements.

Qualitative and Quantitative Disclosures about Market Risk

We have entered into and settled positions in Euro-based forward currency exchange contracts designated as fair value hedges for capital purchase commitments. As of September 30, 2012, there were no forward currency exchange contracts designated as fair value hedges as all of the contracts matured or were dedesignated and we settled those contracts with SEACOR. As of September 30, 2012, we had capital purchase commitments of €107.6 million ($138.3 million). An adverse change of 10% in the underlying foreign currency exchange rate would increase the U.S. Dollar equivalent of the non-hedged purchase commitment by $13.8 million.

We had $190.0 million of variable rate borrowings under the Revolving Credit Facility, based on LIBOR as of September 30, 2012, under the Revolving Credit Facility. The average borrowing rate under the facility at September 30, 2012 was 3.2%. A 10% increase in LIBOR would result in additional annual interest expense of $0.1 million, net of tax.

As of September 30, 2012, excluding debt outstanding under our Revolving Credit Facility, we had $33.8 million of variable rate debt due in 2015. These instruments bear a variable interest rate that resets every three months and is computed as the three-month LIBOR rate at the date of each reset plus 260 basis points. The interest rates reset quarterly. As of September 30, 2012, the interest rate on these borrowings was 2.98%. A 10% increase in the underlying LIBOR would raise the rate to 3.02%, reflecting a corresponding increase to gross interest expense of $13,000. In addition, as of September 30, 2012, we had interest rate swap agreements with a notional value of $31.8 million. These agreements call for us to pay a fixed interest rate ranging from 1.67% to 1.83% and receive interest payments based on LIBOR. As of September 30, 2012, we had a liability of $1.1 million having marked to market our positions in these interest rate swap agreements.

Effects of Inflation

Our operations expose us to the effects of inflation. In the event that inflation becomes a significant factor in the world economy, inflationary pressures could result in increased operating and financing costs.

BUSINESS

Our Business

We are one of the largest helicopter operators in the world and the longest serving helicopter transport operator in the U.S., which is our primary area of operations. In the nine months ended September 30, 2012, approximately 56% and 17% of our total operating revenues were earned in the U.S. Gulf of Mexico and Alaska, respectively. We also provide helicopters and related services to third-party helicopter operators in other countries. In addition to our U.S. customers, we currently have customers in Brazil, Canada, Denmark, India, Indonesia, Mexico, Norway, Spain, Sweden and the United Kingdom. Our helicopters are primarily used to transport personnel to, from and between offshore installations, drilling rigs and platforms.

The primary users of our helicopter services are major integrated and independent oil and gas companies, including Anadarko, Shell and Petrobras America, and the U.S. government. In the nine months ended September 30, 2012 and the year ended December 31, 2011, approximately 63% and 55% of our operating revenues, respectively, were derived from helicopter services, including emergency search and rescue services, provided to clients primarily involved in oil and gas activities. In addition to serving the oil and gas industry, we provide helicopters under contract-lease, air medical services, firefighting support and Alaska flightseeing tours, among other activities. Historically, our operations have primarily served the U.S. offshore oil and gas industry. We have initiated efforts to reduce our dependence on that market and take advantage of the mobility and versatility of our helicopters in order to expand into other geographic regions.

We own and operate three classes of helicopters:

- *Heavy* helicopters, which have twin engines and a typical passenger capacity of 19, are primarily used in support of the deepwater offshore oil and gas industry, frequently in harsh environments or in areas with long distances from shore, such as those in the U.S. Gulf of Mexico, Brazil, Australia and the North Sea. Heavy helicopters are also used to support search and rescue operations.
- *Medium* helicopters, which mostly have twin engines and a typical passenger capacity of 11 to 12, are primarily used to support the offshore oil and gas industry, search and rescue services, air medical services, firefighting activities and corporate uses.
- *Light* helicopters, which may have single or twin engines and a typical passenger capacity of four to nine, are used to support a wide range of activities, including the shallow water oil and gas industry, the mining industry, power line and pipeline surveying, air medical services, tourism and corporate uses.

The following table identifies the types of helicopters that comprise our fleet and the number of those helicopters in our fleet as of September 30, 2012. “Owned” are those helicopters owned by us. “Joint Ventured” are those helicopters owned by entities in which we have an interest of 50% or less. “Leased-in” are those helicopters leased-in under operating leases. “Managed” are those helicopters that are owned by non-affiliated entities and operated by us for a fee.

	Owned(1)	Joint Ventured	Leased-in	Managed	Total(2)	Max Pass.(3)	Cruise Speed (mph)	Approx. Range (miles)	Average Age(4) (years)
Heavy:									
EC225	10	—	—	—	10	19	162	582	3
Total Heavy	10	—	—	—	10				3
Medium:									
AW139	31	1	—	—	32	12	173	426	3
Bell 212	13	—	—	—	13	11	115	299	34
Bell 412	6	—	—	—	6	11	138	352	31
S76 A/A++	6	—	1	1	8	12	155	348	26
S76 C/C++	8	—	—	2	10	12	161	348	6
Total Medium	64	1	1	3	69				15
Light—twin engine:									
A109	7	—	—	2	9	7	161	405	6
BK-117	—	—	4	4	8	9	150	336	N/A
EC135	17	—	2	—	19	7	138	288	4
EC145	3	—	—	2	5	9	150	336	4
Total Light—twin engine	27	—	6	8	41				5
Light—single engine:									
A119	17	7	—	—	24	7	161	270	6
AS350	35	—	—	—	35	5	138	361	16
Total Light—single engine	52	7	—	—	59				12
Total Helicopters	153	8	7	11	179				11

(1) Excludes two BO-105s removed from service.

(2) As of September 30, 2012, we had commitments to purchase 12 new helicopters, consisting of two AW139 medium helicopters, five AW169 light twin helicopters and five AW189 medium helicopters, which are not reflected in the table above. In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and "—Contractual Obligations and Financial Commitments."

(3) In typical configuration for our operations.

(4) Reflects the average age of helicopters that are owned by us.

In recent years we have developed helicopter contract-leasing opportunities to enter developing international markets. We contract-lease to third parties and foreign affiliates. We typically own a less than 50% interest in the foreign affiliates and their financial results are not consolidated with our financial results. These third parties and affiliates in turn provide helicopter services to clients in their local markets. Under our contract-lease arrangements, operational responsibility is normally assumed by the lessee, which results in lower investment costs for overseas infrastructure. In certain countries, where we believe it is beneficial to access the local market for offshore helicopter support, we have entered into joint venture relationships. In July 2011, we acquired a 50% economic interest and 20% voting interest in Aeróleo, a Brazilian entity that provides helicopter transport services to the Brazilian offshore oil and gas industry. As of September 30, 2012, we had on contract-lease eleven helicopters to this affiliate and provide support through the supply of spare parts, logistical aid and maintenance support. Recently Aeróleo has experienced operating difficulties. In July 2011, Aeróleo received notice that it was successful in its bid to place four AW139 helicopters on five year contracts with Petrobras Brazil. In turn, Aeróleo entered into contract-leases with us for four AW139 helicopters for a term of one year with four annual renewal options and the helicopters were mobilized to Brazil. In August 2011, Petrobras Brazil cancelled the award for Aeróleo's AW139 helicopters in response to an accident Petrobras Brazil experienced with an AW139 helicopter on contract with it from one of our competitors. As a result, our four AW139 helicopters under contract-lease to Aeróleo were idle from August 2011 until late November 2012, at which time we executed contracts with Petrobras Brazil and Petrobras Brazil began to utilize the helicopters. For further information see "Management's Discussion and Analysis of Results of Operation and Financial Condition—Offshore Oil and Gas Support" and "—Contract-Leasing." We also hold a 51% interest in Lake Palma, a joint venture that leases helicopters to FAASA, a Spain-based firefighting operator.

We provide a number of additional services through joint ventures that complement our core chartering and contract-leasing activities. We hold a 50% interest in our Dart joint venture, which is a sales and manufacturing organization based in Canada that engineers and manufactures after-market helicopter parts and accessories for sale to helicopter manufacturers and operators, and distributes parts and accessories on behalf of other manufacturers. We also hold a 50% interest in Era Training Center, a joint venture based in Lake Charles, Louisiana, that provides instruction, flight simulator and other training to our employees, pilots working for third parties, other helicopter companies, including our competitors, and government agencies.

Safety Record

The safety of our passengers and the maintenance of a safe working environment for our employees is our number one operational priority. Our customers subject our operations to regular audits and evaluate us based on our safety record and operational fitness, and we believe our attention to safety is a critical element in obtaining and retaining customers.

We believe we have an excellent safety record and a strong safety culture throughout our organization. We have implemented a safety program that includes, among many other features, (i) transition and recurrent training using flight training devices, (ii) an FAA approved flight operational quality assurance program and (iii) health and usage monitoring systems, otherwise known as HUMS, which automatically monitor and report on vibrations and other anomalies on key components of certain helicopters in our fleet.

Competitive Strengths

We believe the following are our key competitive strengths:

Blended operating and contract-leasing business model—We believe, based on our industry experience and understanding of the business models of our competitors, the combination of operating helicopters and contract-leasing helicopters to other operators is a distinctive business model in the helicopter services industry. We believe our operating business in the U.S. provides a benefit when offering helicopters to operators outside the U.S. because our U.S. operations are able to serve as a support center for non-U.S. clients. Our contract-leasing activities, which accounted for approximately 20% and 28% of our revenues in the nine months ended September 30, 2012 and the year ended December 31, 2011, respectively, enable us to reach additional geographic markets, benefit from more diverse uses for our helicopters and maintain higher utilization than if we had not conducted contract-leasing activities. In addition, we can penetrate these markets without the cost associated with setting up a full service, proprietary operation. We also offer operational support, training, maintenance and access to our inventory of spare parts.

Our diverse and modern fleet—We have one of the largest U.S.-based helicopter fleets and one of the largest fleets of helicopters operating on a global basis. We own or lease 12 different models of helicopters, including heavy, medium, light twin engine and light single engine helicopters. As of September 30, 2012, 131 of our helicopters were located in the U.S. and 48 in international markets. As of September 30, 2012, we had placed orders for 12 new helicopters and had outstanding options to purchase up to an additional 10 helicopters. We believe our size allows us to purchase helicopters and spare parts on attractive terms. Since 2004, we have invested over $900.0 million to purchase over 120 helicopters and have sold or otherwise divested 80 helicopters, allowing us to upgrade our fleet's capabilities and reduce the average age of our owned fleet to 11 years.

Asset ownership model—We generally prefer to own, rather than lease, our helicopters because of the additional flexibility and the attractive return potential provided by ownership due to the significant asset value retention of helicopters. As of September 30, 2012, we owned 161 helicopters, either directly or through joint ventures, representing 90% of our total fleet. Helicopters have extended useful lives with various uses across multiple end markets and generally retain a significant amount of their value over their useful lives. Since helicopter components are replaced on a regular basis after a certain number of flight hours, we are consistently installing new components to maintain our fleet. Since SEACOR's acquisition of Era Aviation, Inc. in 2004, we have sold over 70 helicopters for aggregate sale proceeds that exceeded original acquisition costs by over $25.0 million and for an aggregate gain of more than $51.0 million over book value at the time of sale.

Long-term customer relationships—We have longstanding relationships with many of our key oil and gas industry customers and international clients. Our customers include major oil and gas companies, such as Anadarko, Shell and Petrobras America. We also have a long-term relationship with the Bureau of Safety and Environmental Enforcement ("BSEE"), a division of the U.S. Department of the Interior, which accounted for 9.4% and 7.2% of revenues for the nine months ended September 30, 2012 and the year ended December 31, 2011, respectively. Effective February 2012, we entered into a new contract with BSEE with an initial term of five years that is subject to annual renewal. We believe that our level of service, our technologically advanced fleet and our focus on safety have helped us establish and maintain our long-term customer relationships.

High quality workforce—Our pilots average over 6,800 hours of flight experience, and a significant number of them are qualified to operate more than one type of helicopter. Our mechanics average over 16 years of experience and receive ongoing training from both helicopter manufacturers and our in-house team of professional instructors, which we believe allows us to differentiate ourselves from smaller competitors.

Strong, experienced leadership team—Our senior management team has a broad range of domestic and international experience in the aviation industry. We believe this team has a proven track record of managing assets through market cycles and identifying, acquiring and integrating assets while maintaining efficient operations. Our management team has also been successful in maintaining strong relationships with our customers.

Strategy

Our goal is to be a leading, cost effective global provider of helicopter transport and related services. The following are our key business strategies:

Expand into new and growing geographic markets—We believe there are significant opportunities in offshore oil and gas markets outside of the U.S., and we continually seek to access these growth markets. In July 2011, we acquired an interest in Aeróleo, a Brazilian company servicing the Brazilian offshore oil and gas industry and to which we contract-lease helicopters and provide support services. We also have working relationships with operators in Africa, Asia and Australia. We believe that several of these markets are underserved by larger multinational helicopter operators and, as a result, provide us with opportunities for growth.

Further develop contract-leasing opportunities—We believe contract-leasing helps to provide a source of revenues and cash flow and access to emerging, international oil and gas markets. We believe customers look to us for helicopter contract-leasing because of our modern, efficient fleet, with a selection of helicopter models to meet their needs. We intend to continue to develop and grow our participation in international markets, where the fundamentals for helicopter demand are favorable, particularly to service offshore deepwater installations and new areas of exploration. We believe that the market for contract-leasing will continue to grow as smaller operators in developing areas prefer the limited financial commitments of contracting equipment over purchasing, which has become increasingly difficult for them given the reduction in capital made available from financial institutions to these smaller operators. Under certain circumstances, we may elect to establish our own operations or acquire operating certificates if we believe there is sufficient opportunity in a market to warrant the cost and effort of us offering and overseeing a full-service operation.

Continue to expand and upgrade our versatile fleet—We regularly review our asset portfolio by assessing market conditions and changes in our customers' demand for different helicopter models. We buy, sell and lease out equipment in the ordinary course of our business. As offshore oil and gas drilling and production move to deeper water in most parts of the world, we believe more heavy and medium helicopters may be required in the future. We believe our strong relationships with the OEMs will help us maintain an asset base suitable for use within our own operations and for contract-leasing to other operators. In addition, we intend to continue to pursue opportunities to realize value from our fleet's versatility by shifting assets between markets when circumstances warrant.

Continue to selectively diversify sources of earnings and cash flow—Where attractive opportunities exist, we seek to diversify into related markets. One of our joint ventures, Dart, engineers and manufactures after-market helicopter parts and accessories for sale to helicopter manufacturers and operators and distributes parts and accessories on behalf of other manufacturers. Another joint venture, Era Training, provides instruction, flight simulator and other training to our employees, pilots working for other helicopter operators, including our competitors and government agencies.

Pursue joint ventures and strategic acquisitions—Over the last few years, in addition to expanding and diversifying our fleet, we have grown our business and entered new markets through joint ventures. Since 2004, we have entered into six joint ventures and partnering arrangements, including Aeróleo, Dart, Era do Brazil LLC, Era Training, Heli-Union Era Australia Pty Ltd. and Lake Palma. We regularly seek to identify potential joint venture opportunities, as well as pursue strategic acquisitions when available. For instance, in 2007 we acquired the air medical services operations of Keystone Helicopter Corporation, which we successfully integrated into our operations.

We will continue to build upon the expertise, relationships and buying power in our operating businesses to develop other business opportunities and sources of revenue.

Equipment and Services

As of September 30, 2012, we owned or operated a total of 179 helicopters, consisting of ten heavy helicopters, 69 medium helicopters, 41 light twin engine helicopters and 59 light single engine helicopters. As of September 30, 2012, we had commitments to purchase 12 new helicopters, consisting of two AW139 medium helicopters, five AW169 light twin helicopters and five AW189 medium helicopters. The AW139 medium helicopters are scheduled to be delivered in 2012 and the AW189 medium helicopters are scheduled to be delivered in 2014 and 2015. Delivery dates for the AW169 light twin helicopters have yet to be determined. In addition, we had outstanding options to purchase up to an additional five AW139 medium helicopters and five AW189 medium helicopters. If these options are exercised, the helicopters will be delivered beginning in 2013 through 2016.

The management of our global helicopters involves a careful evaluation of the expected demand for helicopter services across global oil and gas markets, including the type of helicopter needed to meet this demand. As offshore oil and gas drilling and production globally moves to deeper water, more medium and heavy helicopters and newer technology helicopters may be required. Our orders and options to purchase helicopters are primarily for medium helicopters. These capital commitments reflect our effort to meet customer demand for helicopters suitable for the deepwater market.

Medium and heavy helicopters fly longer distances at higher speeds and can carry heavier payloads than light helicopters and are usually equipped with sophisticated avionics permitting them to operate in more demanding weather conditions and difficult climates. Medium and heavy helicopters are most commonly used for crew changes on large offshore production facilities and drilling rigs servicing the oil and gas industry. They are the preferred helicopter in international offshore markets, where facilities tend to be larger, the drilling locations more remote, and onshore infrastructure more limited.

In recent years we have developed helicopter contract-leasing opportunities to enter developing international markets. We contract-lease to third parties and foreign affiliates in which we typically own a less than 50% percent interest and whose financial results are not consolidated with our financials. These third parties and affiliates in turn provide helicopter services to clients in their local markets. Under our contract-lease arrangements, operational responsibility is normally assumed by the lessee, which results in lower investment costs for overseas infrastructure. In certain countries, where we believe it is beneficial to access the local market for offshore helicopter support, we have entered into joint venture relationships. In July 2011, we acquired a 50% economic interest and 20% voting interest in Aeróleo, a Brazilian entity that provides helicopter transport services to the Brazilian offshore oil and gas industry. As of September 30, 2012, we had on contract-lease eleven helicopters to this affiliate and provide support through the supply of spare parts, logistical aid, and maintenance support. Recently this affiliate has experienced operating difficulties. For further information see "Management's Discussion and Analysis of Results of Operation and Financial Condition—Offshore Oil and Gas Support" and "—Contract-Leasing." We also hold a 51% interest in Lake Palma, a joint venture that leases helicopters to FAASA, a Spain-based firefighting operator.

In the U.S., we provide and operate helicopters under contracts using an FAA issued Part 135 Air Operator's Certificate ("AOC") for a variety of activities, which are primarily offshore oil and gas exploration, development and production; air medical services; firefighting; flightseeing tours; and emergency response search and rescue. For contracts in the U.S., we are required to provide a complete support package including flight crews, helicopter maintenance and management of flight operations.

In international markets, helicopters are typically operated using another operator's AOC, frequently through contract-leases under which our customers handle all the operational support. Certain other international contracts require us to provide more limited operational support, which typically consists of pilot training and/or helicopter maintenance.

We provide a number of additional services through joint ventures that complement our core chartering and contract-leasing activities. We hold a 50% interest in our Dart joint venture, which is a sales and manufacturing organization based in Canada that engineers and manufactures after-market helicopter parts and accessories for sale to helicopter manufacturers and operators, and distributes parts and accessories on behalf of other manufacturers. We also hold a 50% interest in Era Training Center, a joint venture based in Lake Charles, Louisiana that provides instruction, flight simulator and other training to our employees, pilots working for third parties, other helicopter companies, including our competitors, and government agencies.

In Alaska we operate an FBO at Ted Stevens Anchorage International Airport, leasing storage space and selling fuel and other services to a diverse group of general aviation companies and large corporations. In addition, we operate light and medium helicopters on the North Slope and around Prudhoe Bay in support of oil and gas exploration, development and production activities and inland in support of firefighting activities. We also operate light helicopters in a flightseeing operation, primarily in support of the cruise line industry providing passengers with glacier and dog-sled tours from Juneau and Denali.

Our Markets

Our current principal markets for our transportation and search and rescue services to the offshore oil and gas exploration, development and production industry are in the U.S. Gulf of Mexico and Alaska. In addition, we currently conduct our international operations in support of oil and gas exploration, development and production activity, primarily in Brazil, parts of Europe, Asia and Mexico.

U.S. Markets. We are one of the largest suppliers of helicopter services in the U.S. Gulf of Mexico. We operate in the U.S. Gulf of Mexico from 15 bases in the area.

Our client base in the U.S. Gulf of Mexico mostly consists of international, independent and major integrated oil and gas companies. The U.S. Gulf of Mexico is a major offshore oil and gas producing region and the largest oil and gas aviation market in the world. According to PFC Energy in its June 2011 Industry Outlook and Implications for the Helicopter Market presentation, the U.S. Gulf of Mexico has approximately 3,500 production platforms, of which 2,500 have helipads and approximately 1,000 are manned. The deepwater platforms are serviced by medium and heavy helicopters. The shallow water platforms are typically unmanned and are serviced by light helicopters. Among our strengths in this region, in addition to our 15 operating bases, are our advanced proprietary flight-following systems, our Era Training Center training services, our maintenance operations and our search and rescue services.

We also have six operating bases in Alaska, where we also provide support for independent and major integrated oil and gas companies. In addition to supporting oil company activities in the Cook Inlet and along the North Slope of Alaska, we operate an FBO at Ted Stevens Anchorage International Airport, provide summer flightseeing tours and support inland firefighting and mining operations. Despite the remote location of our Alaskan bases, they are strategically located to provide services to our customers. These bases frequently include crew accommodations, hangars and fuel systems, all of which can be otherwise difficult or expensive to secure and maintain in such remote locations.

Our air medical services operations are located primarily in the northeastern U.S. and Florida.

International Markets. We currently conduct our international operations in Brazil and other parts of Latin America, Europe and Asia. The following is a description of international operations. We actively market our services globally.

- Brazil and Latin America—Brazil has one of the largest deepwater offshore exploration and production areas in the world. We hold a 50% economic interest and 20% voting interest in Aeróleo, which we acquired in July 2011. Aeróleo was founded in 1968 to provide logistical air support to the Brazilian oil and gas industry, and has been active mainly in the Campos Basin, the largest offshore oilfield area in Brazil. Aeróleo has a network of seven operating bases distributed strategically in Brazil. As of September 30, 2012, Aeróleo had a fleet of 13 helicopters, of which three EC225 heavy helicopters and eight AW139 medium helicopters are helicopters we contract-lease to Aeróleo. Aeróleo's main customers are Petrobras Brazil and OGX Petroleo e Gas Participacoes S.A. Recently, Aeróleo has experienced operating difficulties. In July 2011, Aeróleo received notice that it was successful in its bid to place four AW139 helicopters on contract with Petrobras Brazil and in turn entered into contract-leases with us for the helicopters and mobilized them to Brazil. In August 2011, Petrobras Brazil cancelled the award and, as a result, our four AW139 helicopters on contract-lease to Aeróleo were idle from August 2011 until late November 2012, at which time Aeróleo executed contracts with Petrobras Brazil and Petrobras Brazil began to utilize the helicopters. See “Management's Discussion and Analysis of Results of Operation and Financial Condition—Offshore Oil and Gas Support” and “—Contract-Leasing” and “Risk Factors—We rely on relatively few customers for a significant share of our revenues, the loss of any of which could adversely affect our business, financial condition and results of operations.” We also contract-lease helicopters in Mexico to service the offshore oil and gas industry, and intend on remaining active in this region in the future.
- Europe—We contract-lease helicopters and provide logistics and spare parts support to five operators in Europe. These helicopters are used in Sweden, Norway, Spain, Denmark and the United Kingdom by operators providing search and rescue services, firefighting operations and oil and gas exploration support. We also hold a 51% interest in Lake Palma, a joint venture that leases helicopters to FAASA, a firefighting operator based in Spain.
- Asia—We contract-lease helicopters, conduct training and provide logistics and spares support to several operators in the region. In India and Indonesia, we contract-lease helicopters to operators in the oil and gas industry.

Demand for helicopters in support of the offshore oil and gas exploration, development and production, both in the U.S. and internationally, is affected by the level of offshore exploration and drilling activities, which in turn is influenced by a number of factors, including:

- expectations as to future oil and gas commodity prices;
- customer assessments of offshore drilling prospects compared with land-based opportunities;
- customer assessments of cost, geological opportunity and political stability in host countries;
- worldwide demand for oil and natural gas;
- the ability of The Organization of Petroleum Exporting Countries (“OPEC”) to set and maintain production levels and pricing;
- the level of production of non-OPEC countries;
- the relative exchange rates for the U.S. dollar; and
- various U.S. and international government policies regarding exploration and development of oil and gas reserves.

Helicopter services to the oil and mining industries in Alaska are provided on a contract or charter basis from bases in Valdez, Anchorage, the Kenai area and Deadhorse. In addition to supporting oil company activities in the Cook Inlet and along the North Slope of Alaska, we operate an FBO at Ted Stevens Anchorage International Airport, provide summer flightseeing tours and support inland firefighting and mining operations. Our air medical services operations are primarily located in the northeastern U.S. and Florida. In addition, we contract-lease helicopters primarily to foreign operators in a number of locations in support of a wide variety of activities, and, in some instances, support their operations with technical assistance, maintenance programs and sourcing of parts.

Customers and Contractual Arrangements

Our principal customers in the U.S. Gulf of Mexico are major integrated and independent exploration and production companies and U.S. government agencies, primarily BSEE. We provide helicopters to BSEE under contract and provide services including the provision of flight crews, helicopter maintenance and management of flight operations. In Alaska, our principal customers are oil and gas companies, mining companies and cruise line passengers. Internationally, we typically contract-lease helicopters to local helicopter companies that operate our helicopters under their operating certificates and retain the operating risk. These companies in turn provide helicopter transportation services to oil and gas companies and other governmental agencies.

During the year ended December 31, 2011, our top ten customers accounted for 59% of total revenues. In 2011, Anadarko Petroleum Corporation and Aeróleo each accounted for 10% or more of our total revenues. In 2010, Anadarko Petroleum Corporation, U.S government agencies and Aeróleo each accounted for 10% or more of our total revenues. In 2009, no single customer accounted for more than 10% of total revenues.

As of December 31, 2011, approximately 53% of our helicopters were utilized in support of customer contracts or services that require us to provide complete operational support. However, in recent years, we have developed contract-leasing opportunities to expand our business, particularly in international markets with local operators that already have regulatory approvals and infrastructure in place. Under these contract-lease arrangements, operational responsibility is normally assumed by the lessee.

We charter the majority of our helicopters primarily through master service agreements, subscription agreements, day-to-day charter arrangements and contract-leases. Master service agreements and subscription agreements typically require a fixed monthly fee plus incremental payments on flight hours flown. These agreements have fixed terms ranging from one month to five years and generally may be canceled upon 30 day's notice. Day-to-day charter arrangements call for either a combination of a daily fixed fee plus a charge based on hours flown or an hourly rate with a minimum number of hours to be charged. Contract-leases generally run from two to five years with no early cancellation provisions. Services provided under contract-leases can include only the equipment, or can include the equipment, logistical and maintenance support, insurance and personnel, or a combination thereof. The rate structure, as it applies to our oil and gas contracts, typically contains terms that limit our exposure to increases in fuel costs over a pre-agreed level. Fuel costs in excess of these levels are passed through to customers.

Air medical services are provided under contracts with hospitals that typically include either a fixed monthly and hourly rate structure or a fee per completed flight. We operate some air medical contracts pursuant to which we charge a fee per flight, either from a hospital or insurance company.

Other markets include international oil and gas industry support activities, agricultural support and general aviation activities.

With respect to flightseeing helicopters, block space is allocated to cruise lines and seats are sold directly to customers. Our FBO sells fuel on an ad-hoc basis. Training revenues are charged at a set rate per training course and include instructors, training materials and flight or flight simulator time, as applicable.

Competition

The helicopter industry is highly competitive. There are, however, barriers to entry as customers rely heavily on existing relationships, an established safety record, knowledge of site characteristics and access to appropriate facilities. Customers evaluate us against our competitors based on a number of factors, including, price, safety record, reliability of service, availability, adaptability and type of equipment, the availability and flexibility to provide incremental helicopters and different models to those primarily required and operational experience.

We are one of the largest helicopter companies operating in the U.S. Gulf of Mexico and one of the largest operating in Alaska. In the U.S. Gulf of Mexico, we have many competitors, the three largest being: Bristow, PHI, Inc. and Rotorcraft Leasing Company LLC. Several customers in the U.S. Gulf of Mexico operate their own helicopter fleets in addition to smaller companies that offer services similar to ours. In Alaska, we compete against a large number of operators, including Evergreen Helicopters Inc., Petroleum Helicopters, Inc. and Bristow. In Brazil and other international regions where we operate, there could be several major competitors depending on the region. Our primary competitors in Brazil consist of Lider Aviação Holding S.A., OMNI Táxi Aéreo Ltda., Senior Taxi Aéreo Executivo Ltda. and Brazilian Helicopter Services Taxi Aéreo Ltda.

In air medical services, there are several major competitors with fleets dedicated to air medical operations including Air Methods Corporation, PHI, Inc. and Med Trans Air Medical Transportation. We compete against national and regional firms, and there is usually more than one competitor in each local market. In addition, we compete against hospitals that operate their own helicopters and, in some cases, against ground ambulances.

In most instances, an operator must have an acceptable safety record, demonstrated reliability and suitable equipment to bid for work. Among bidders meeting these criteria, customers typically make their final choice based on price and helicopter preference.

Our contract-leasing business competes against financial leasing companies, such as Milestone Aviation and GE Capital.

Regulation

Our operations are subject to significant U.S. federal, state and local regulations, as well as international conventions and the laws of foreign jurisdictions where we operate our equipment or where the equipment is registered. We hold the status of an air carrier under the relevant provisions of Title 49 of the Transportation Code and engage in the operating and contract-leasing of helicopters in the U.S. and as such we are subject to various regulations pursuant to the Transportation Code. We are governed principally by: (i) the economic regulations of the DOT, including Part 298 Registration as an On-Demand Air Taxi Operator approved by the DOT; and (ii) the regulations of the FAA applicable to an FAA Part 135 Air Taxi Certificate holder. The DOT regulates our status as an air carrier, including our U.S. citizenship. The FAA regulates our flight operations and, in this respect, has jurisdiction over our personnel, helicopters, ground facilities and certain technical aspects of our operations. In addition to the FAA, the National Transportation Safety Board is authorized to investigate helicopter accidents and to recommend improved safety standards. We are also subject to the Communications Act of 1934, as amended, because of the use of radio facilities in our operations. Our FBO in Alaska is further subject to the oversight of the Anchorage International Airport.

Helicopters operating in the U.S. are subject to registration and their owners are subject to citizenship requirements under the Federal Aviation Act. This Act requires that before a helicopter may be legally operated in the U.S., it must be owned by "citizens of the U.S.," which, in the case of a corporation, means a corporation: (i) organized under the laws of the U.S. or of a state, territory or possession thereof, (ii) of which at least 75% of its voting interests are owned or controlled by persons who are "U.S. citizens" (as defined in the Federal Aviation Act and regulations promulgated thereunder), and (iii) of which the president and at least two-thirds of the board of directors and managing officers are U.S. citizens.

We also are subject to state and local regulations including, but not limited to, significant state regulations for our air medical services and search and rescue operations. In addition, our international operations, primarily helicopter contract-leasing and our joint ventures, are required to comply with the laws and regulations in the jurisdictions in which they conduct business.

Environmental Compliance

As more fully described below, our business is subject to federal, state, local and international laws and regulations relating to environmental protection and occupational safety and health, including laws that govern the discharge of oil and pollutants into navigable waters. Such laws include the federal Water Pollution Control Act, also known as the Clean Water Act, which imposes restrictions on the discharge of pollutants to the navigable waters of the U.S. We are also subject to the Coastal Zone Management Act, which authorizes state development and implementation of certain programs to manage water pollution to restore and protect coastal waters. In addition, because our operations generate and, in some cases, involve the transportation of hazardous wastes, we are subject to the Federal Resource Conservation and Recovery Act, which regulates the generation, transportation, treatment, storage and disposal of hazardous and certain non-hazardous wastes. Violations of these laws, along with comparable state and local laws, may result in civil and criminal penalties, fines, injunctions or other sanctions. We are also subject to the Comprehensive Environmental Response, Compensation and Liability Act and certain comparable state laws, which establish strict and, under certain circumstances, joint and several liabilities for specified parties in connection with liability for the investigation and remediation of releases of hazardous materials into the environment and damages to natural resources.

We believe that our operations are currently in material compliance with all environmental laws and regulations. We do not expect that we will be required to make capital expenditures in the near future that are material to our financial position or operations to comply with environmental laws and regulations; however, because such laws and regulations are frequently changing and may impose increasingly strict requirements, we cannot predict the ultimate cost of complying with these laws and regulations. The recent trend in environmental legislation and regulation is generally toward stricter standards, and it is our view that this trend is likely to continue.

We manage exposure to losses from the above-described laws through our efforts to use only well-maintained, well-managed and well-equipped facilities and equipment and our development of safety and environmental programs, including our insurance program. We believe these efforts will be able to accommodate all reasonably foreseeable environmental regulatory changes. There can be no assurance, however, that any future regulations or requirements or that any discharge or emission of pollutants by us will not have a material adverse effect on our business, financial position or our results of operations.

Safety, Industry Hazards and Insurance

We are committed to safety, and we continually strive to provide safe, reliable and cost-efficient services. As an industry leader, we also look to provide innovative improvements to the overall safety environment in the markets in which we operate. In response to the U.S. Gulf of Mexico's unique conditions, including limited radio coverage and rapidly changing weather conditions, we established an in-house VHF radio network and offshore weather stations and contributed to the introduction of SATCOM/GPS navigation equipment. These efforts culminated in our receiving industry and FAA recognition for our efforts as a major contributor to the success of the FAA's Automated Dependent Surveillance—Broadcast (ADS-B) system. This system greatly improves safety through enhanced flight following, communications and weather reporting. We were the first helicopter operator in Alaska to receive approval for Airborne Radar Approaches.

In early 2007, we became the first Part 135 helicopter operator in the U.S. to receive FAA approval for our Flight Operations Quality Assurance ("FOQA") program. This system monitors a number of flight parameters and flags any diversions from accepted flight profiles. We are also committed to equipping our fleet with health and usage monitoring systems, otherwise known as HUMS which can detect wear and tear on helicopter components before they reach unserviceable condition.

Helicopter operations are potentially hazardous and may result in incidents or accidents. Hazards include adverse weather conditions, collisions, fire and mechanical failures, which may result in death or injury to personnel, damage to equipment, loss of operating revenues, contamination of cargo, pollution and other environmental damages and increased costs. We maintain aviation hull, liability and war risk, general liability, workers compensation and other insurance customary in the industry in which we operate. We also conduct training and safety programs to promote a safe working environment and minimize hazards.

Employees

As of September 30, 2012, we employed 846 individuals, including 289 pilots and 240 mechanics. We consider relations with our employees to be good. None of our employees are covered by collective bargaining agreements.

Facilities

Our executive offices are located in Houston, Texas and we maintain our U.S. Gulf of Mexico regional headquarters in Lake Charles, Louisiana, where we coordinate operations for the entire U.S. Gulf of Mexico, manage the support of our worldwide operations and house our primary maintenance facility and training center. We maintain additional bases in the U.S. Gulf of Mexico near key offshore development sites as well.

In addition, we maintain six operating bases in Alaska, including the regional headquarters in Anchorage and two seasonal locations to support flightseeing activity. Medical services are typically provided from customer-owned facilities.

Seasonality

A significant portion of our operating revenues and profits related to oil and gas industry activity is dependent on actual flight hours. The fall and winter months have fewer hours of daylight, particularly in Alaska and the North Sea, and flight hours are generally lower at these times. In addition, prolonged periods of adverse weather in the fall and winter months coupled with the effect of fewer hours of daylight can adversely impact operating results. In general, the months of December through February in the U.S. Gulf of Mexico and October through April in Alaska have more days of adverse weather conditions than the other months of the year. In the U.S. Gulf of Mexico, June through November is tropical storm season. During tropical storms, we are unable to operate in the area of a storm. However flight activity may increase immediately before and after a storm due to the evacuation and return of offshore workers. The Alaska flight-seeing operation is also seasonal with activity occurring from late May until early September. We have less seasonality in our contract-leasing revenues.

Legal Proceedings

On June 12, 2009, a purported civil class action was filed against SEACOR, Era Group Inc., Era Helicopters LLC and three other defendants (collectively, the "Defendants") in the U.S. District Court for the District of Delaware, Superior Offshore International, Inc. v. Bristow Group Inc., et al., No. 09-CV-438 (D. Del.). The Complaint alleged that the Defendants violated federal antitrust law by conspiring with each other to raise, fix, maintain or stabilize prices for offshore helicopter services in the U.S. Gulf of Mexico during the period January 2001 to December 2005. The purported class of plaintiffs included all direct purchasers of such services and the relief sought included compensatory damages and treble damages. On September 4, 2009, the Defendants filed a motion to dismiss the Complaint. On September 14, 2010, the Court entered an order dismissing the Complaint. On September 28, 2010, the plaintiffs filed a motion for reconsideration and amendment and a motion for re-argument (the "Motions"). On November 30, 2010, the Court granted the Motions, amended the Court's September 14, 2010 Order to clarify that the dismissal was without prejudice, permitted the filing of an amended Complaint, and authorized limited discovery with respect to the new allegations in the amended Complaint. Following the completion of such limited discovery, on February 11, 2011, the Defendants filed a motion for summary judgment to dismiss the amended Complaint with prejudice. On June 23, 2011, the District Court granted summary judgment for the Defendants. On July 22, 2011, the plaintiffs filed a notice of appeal to the

U.S. Court of Appeals for the Third Circuit. On July 27, 2012, the Third Circuit Court of Appeals affirmed the District Court's grant of summary judgment in favor of the defendants. On August 9, 2011, Defendants moved for certain excessive costs, expenses, and attorneys' fees under 28 U.S.C. § 1927 (the "Fee Motion"). On October 9, 2012, the District Court denied the Fee Motion.

In the normal course of our business, we become involved in various other litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. Management has used estimates in determining our potential exposure to these matters and has recorded reserves in its financial statements related thereto as appropriate. It is possible that a change in our estimates related to these exposures could occur, but we do not expect such changes in estimated costs would have a material effect on our consolidated financial position or results of operations.

MANAGEMENT

Our board of directors currently consists of our Chief Executive Officer, Sten L. Gustafson, and executive officers of SEACOR, including Charles Fabrikant and Oivind Lorentzen, Chief Executive Officer of SEACOR. The following table sets forth information regarding our current executive officers and the individuals who are expected to serve as our directors following the distribution, including their anticipated positions with our company following the distribution, a five-year employment history and any directorships held in public companies. In addition to the directors named in the table below, we expect to name and present additional nominees for election by SEACOR, our sole shareholder, prior to the separation. Once a determination to appoint an additional executive officer or elect a new director is made, we will update this Information Statement to reflect the determination or election.

All of our executive officers are currently officers and/or employees of SEACOR or its subsidiaries (including us). After the distribution, none of our executive officers will be employees of SEACOR.

Name	Age	Position
Charles Fabrikant	67	Chairman of the Board of Directors
Sten L. Gustafson	45	Chief Executive Officer and Director
Christopher S. Bradshaw	36	Executive Vice President and Chief Financial Officer
Anna Goss	43	Senior Vice President—Finance and Chief Accounting Officer
Stuart Stavley	40	Senior Vice President—Fleet Management
Robert Reguero	37	Senior Vice President—International
Paul White	37	Senior Vice President—Domestic
Richard Fairbanks	71	Director
Blaine Fogg	72	Director
Steven Webster	60	Director

Charles Fabrikant served as our President and Chief Executive Officer from October 2011 to April 2012 and has served as Chairman of our board of directors since July 2011. Effective on April 1, 2012, Mr. Fabrikant resigned from his position as President and Chief Executive Officer. He continues to serve as Non-Executive Chairman of the board of directors. Mr. Fabrikant is the Executive Chairman of SEACOR and has been a director of SEACOR and several of its subsidiaries since its inception in 1989. Mr. Fabrikant served as President and Chief Executive Officer of SEACOR from 1989 through September 2010. Mr. Fabrikant is a graduate of Columbia University School of Law and Harvard University. Mr. Fabrikant is a director of Diamond Offshore Drilling, Inc., a contract oil and gas driller. He is also President of Fabrikant International Corporation ("FIC"), a privately owned corporation engaged in marine investments. FIC may be deemed an affiliate of ours.

With over 30 years experience in the maritime, transportation, investment and environmental industries and his position as the founder of our parent company, SEACOR, Mr. Fabrikant's broad experience and deep understanding of our company make him uniquely qualified to serve as our Non-Executive Chairman of the Board.

Sten L. Gustafson has served as our Chief Executive Officer since April 1, 2012. Prior to joining us, Mr. Gustafson spent 17 years in energy investment banking, most recently serving as Managing Director and Head of Energy, Americas at Deutsche Bank Securities from 2009 until 2012. From 2004 until 2009, Mr. Gustafson was an investment banker at UBS Investment Bank. Mr. Gustafson received a B.A. in English from Rice University and a J.D. from the University of Houston Law Center. Mr. Gustafson adds a valuable perspective to our board of directors given his strong background in corporate finance and international and investment banking.

Christopher S. Bradshaw has served as our Chief Financial Officer and Executive Vice President since October 22, 2012. Prior to joining us, Mr. Bradshaw spent 13 years in the financial services industry, most recently as a Managing Partner and Chief Financial Officer of U.S. Capital Advisors LLC, an independent financial advisory firm. Prior to co-founding U.S. Capital Advisors in 2009, Mr. Bradshaw was an Executive Director in the Global Energy Group at UBS Investment Bank, where he worked from 2004 until 2009. Mr. Bradshaw worked in the energy investment banking group at Morgan Stanley & Co. from 2000 to 2004. He began his investment banking career in June 1999 at PaineWebber Inc. Mr. Bradshaw received an B.A. in Economics and Government from Dartmouth College.

Anna Goss serves as our Senior Vice President—Finance and Chief Accounting Officer. Ms. Goss served as our Chief Financial Officer and Vice President from December 2004 through October 2011, Vice President from May 2006 through October 2011 and Secretary from April 2010 through July 2011. Ms. Goss joined SEACOR in 2002 as the Controller for Chiles Offshore, Inc., a publicly traded affiliate of SEACOR prior to its sale. Ms. Goss began her career in July 1995 in public accounting and is a licensed certified public accountant. She has a degree in accounting from Louisiana State University.

Stuart Stavley was appointed our Senior Vice President—Fleet Management in October 2012. Prior to this he served as our Vice President—Fleet Management from October 2010 to October 2012, Director of Technical Services from September 2008 to October 2010 and Director of Maintenance from September 2005 to September 2008. Mr. Stavley has been with us and our predecessors for over 18 years, and during this time, also served as our Chief Inspector and Field AMT. Mr. Stavley holds Federal Aviation Administration Airframe and Power Plant licenses and Federal Communications Commission endorsements obtained while attending the Spartan School of Aeronautics.

Robert Reguero serves as our Senior Vice President—International. Mr. Reguero joined our company in November 2009 as Director of International Business Development and was appointed Director of Marketing in April 2012. Prior to joining our company, Mr. Reguero was Commercial Director of AVINCO SAM from August 2007 to October 2009. From April 2005 to August 2007, Mr. Reguero was Key Account Manager for Oil and Gas America. Prior to that, Mr. Reguero was Product and Services Policy Manager for Eurocopter France from February 2002 to April 2005. Prior to that, he was the Maintenance and Repair Manager for Eurocopter USA. Mr. Reguero holds a Master's degree in Helicopter Engineering from E.N.S.I.C.A. in Toulouse, France, and a Bachelor's degree in Mechanical Aerospace and Design Engineering from Worcester Politechnic Institute in Massachusetts.

Paul White was appointed our Senior Vice President—Domestic in October 2012. Prior to that he served as our Vice President, General Manager Gulf of Mexico, Era Helicopters, LLC from August 2010 to October 2012, General Manager of Era Training from September 2008 to August 2010 and Director of Training for Era Helicopters, LLC from 2007 to 2010. Mr. White has been with us and our predecessors for over 8 years. Mr. White served as a line pilot for our company from 2002 to 2009, Check Airman and Senior Check Airman from 2004 to 2009 and Assistant Chief Pilot CFR Part 135 from 2006 to 2007. Mr. White has more than 2,500 hours as a company Instructor and Training Captain.

Richard Fairbanks will become a member of our board of directors upon the consummation of the separation and will resign from SEACOR's board of directors as of such time. Mr. Fairbanks has served on SEACOR's board of directors since April 1993. Mr. Fairbanks has been a Counselor at the Center for Strategic and International Studies, a Washington, D.C. based research organization, since April 2000. He served as Managing Director for Domestic and International Issues from 1994 until April 1999, and President and Chief Executive Officer from May 1999 to April 2000. Mr. Fairbanks was the Managing Partner of the Washington, D.C. office of Paul, Hastings, Janofsky & Walker LLP, a law partnership, from 1985 to 1992, when he became Senior Counsel, a position he held until 1994. Mr. Fairbanks served as a director of Hercules Inc. between 1995 and 2000, SPACEHAB, Inc. between 1998 and 2005 and GATX Corporation, a leader in leasing transportation assets, between July 1996 and April 2011. Mr. Fairbanks was also founder and Chairman of Layalina Productions, a non-profit Arabic language television production company. He formerly served as an Ambassador-at-Large for the U.S. and was International Chairman of the Pacific Economic Cooperation Council. Mr. Fairbanks is admitted to practice law in the District of Columbia and before the U.S. Supreme Court.

Mr. Fairbanks' leadership experience with companies operating in the rail and marine transportation business combined with his legal and government background will provide the board of directors with strategic insight in the areas of transportation, government, international policy, and law.

Blaine V. ("Fin") Fogg will become a member of our board of directors upon the consummation of the spin-off and will resign from SEACOR's board of directors as of such time. Mr. Fogg has served on SEACOR's board of directors since September 2010. Mr. Fogg is Of Counsel at the law firm of Skadden, Arps, Slate, Meagher & Flom LLP, practicing corporate and securities law. He previously was a partner at the firm from 1972 until 2004. Mr. Fogg has been a director of Griffon Corporation, a diversified management and holding company, since May 2005, and has been President of The Legal Aid Society of New York since November 2009.

Mr. Fogg's decades of experience as a corporate and securities lawyer concentrating on mergers, acquisitions and other corporate transactions add great value to our board of directors with respect to its transactional matters and corporate governance.

Steven Webster will become a member of our board of directors upon the consummation of the separation and will resign from SEACOR's board of directors as of such time. Mr. Webster has served on SEACOR's board of directors since September 2005. Mr. Webster has been a Co-Managing Partner of Avista Capital Partners LP, a private equity investment business he co-founded that focuses on the energy, healthcare and other industries, since 2005. From 2000 through June 2005, Mr. Webster was Chairman of Global Energy Partners, an affiliate of Credit Suisse First Boston's Alternative Capital Division. From 1988 through 1997, Mr. Webster was Chairman and CEO of Falcon Drilling Company, Inc. (Falcon Drilling) an offshore drilling company he founded, and through 1999, served as President and CEO of R&B Falcon Corporation (R&B Falcon), the successor to Falcon Drilling formed through its merger with Reading & Bates Corporation. Mr. Webster served as a Vice Chairman of R&B Falcon until 2001 when it merged with Transocean, Inc. Mr. Webster formerly served on the Board of Directors of Crown Resources Corporation, Brigham Exploration Company, Goodrich Petroleum Corporation, Grey Wolf, Inc., Encore Bancshares, Inc., Solitario Exploration & Royalty Corporation and Pinnacle Gas Resource. Mr. Webster currently serves as Chairman of Carrizo Oil & Gas, Inc., a Houston based independent energy company engaged in the exploration, development and production of natural gas and oil, and Basic Energy Services Inc., a company that provides well site services to domestic oil and gas producers. He is also a Trust Manager of Camden Property Trust, a real estate investment trust specializing in multi-family housing, and a director of Hercules Offshore, Inc., an international provider of offshore contract drilling, liftboat and inland barge services, Geokinetics Inc., a global geophysical company providing seismic acquisition, seismic and interpretation services, and various private companies. Mr. Webster served as a director of Seabulk International, Inc. both before and following its merger with SEACOR in July 2005 until March 2006.

Mr. Webster's extensive experience with private equity and equity-related investments provides additional depth to the board's analysis of investment and acquisition opportunities. His board positions and his experience as Chairman and Chief Executive Officer of a public company provide additional experience to the board in evaluating corporate opportunities.

Board of Directors

Our business and affairs are managed under the direction of our board of directors. The amended and restated bylaws that we will adopt upon consummation of the spin-off will provide that our board of directors will consist of not less than 3 and not more than 15 directors. We expect that our board of directors will consist of 6 directors after the spin-off.

Our Board of Directors Following the Separation and Director Independence

Our amended and restated bylaws will vest in the board the authority to fix the number of directors as long as there are not fewer than three or more than eleven.

Following the spin-off at least a majority of our directors are expected to be independent, non-employee directors who meet the criteria for independence required by the NYSE within the time frame required by the transition rules of the NYSE Marketplace rules.

Committees of Our Board Following the Spin-Off

Upon the completion of the distribution, our board of directors will have the following committees, each of which will operate under a written charter that will be posted to our website prior to the distribution.

Audit Committee.

Committee Function. The Audit Committee will assist the board of directors in fulfilling its responsibility to oversee:

- management's execution of our financial reporting process, including the reporting of any material events, transactions, changes in accounting estimates or changes in important accounting principles and any significant issues as to adequacy of internal controls;
- the selection, performance and qualifications of our independent registered public accounting firm (including its independence);
- the review of the financial reports and other financial information provided by us to any governmental or regulatory body, the public or other users thereof;
- our systems of internal accounting and financial controls and the annual independent audit of our financial statements;
- risk management and controls, which includes assisting management with identifying and monitoring risks, developing effective strategies to mitigate risk, and incorporating procedures into its strategic decision-making (and reporting developments related thereto to the board of directors); and
- the processes for handling complaints relating to accounting, internal accounting controls and auditing matters.

The Audit Committee's role is one of oversight. Our management is responsible for preparing our financial statements and the independent auditors are responsible for auditing those financial statements. Our management, including the internal audit staff, or outside provider of such services, and the independent auditors have more time, knowledge and detailed information about us than do Audit Committee members. Consequently, in carrying out its oversight responsibilities, the Audit Committee will not provide any expert or special assurance as to our financial statements or any professional certification as to the independent auditors' work.

The Audit Committee's principal responsibilities will include:

- appointing and reviewing the performance of the independent auditors;

- reviewing and, if appropriate and necessary, pre-approving audit and permissible non-audit services of the independent auditors;
- reviewing the adequacy of our internal and disclosure controls and procedures;
- reviewing and reassessing the adequacy of our charter;
- reviewing with management any significant risk exposures;
- reviewing with management and the independent auditors our annual and quarterly financial statements;
- reviewing and discussing with management and the independent auditors all critical accounting policies and practices used by us and any significant changes thereto;
- reviewing and discussing with management, the independent auditors and the internal auditors any significant findings during the year, including the status of previous audit recommendations;
- assisting the board of directors in monitoring compliance with legal and regulatory requirements; and
- establishing and maintaining procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Committee Members. The initial members of the Audit Committee will be determined after the spin-off. We intend to rely on the transition rules provided in the NYSE Marketplace Rules related to the independence and financial literacy of the members of our Audit Committee. By the date required by the transition provisions of the rules of the NYSE all members of the Audit Committee will be independent and financially literate and have the necessary accounting or financial management experience.

Charter. Prior to or upon completion of the separation, it is intended that our board of directors will adopt a written charter for our Audit Committee, which will then be available on our corporate website at www.eragroupinc.com.

Compensation Committee.

Committee Function. The Compensation Committee, among other things will:

- review all of our compensation practices;
- establish and approve compensation for the Chief Executive Officer, the Chief Financial Officer, other executive officers, and certain officers or managers who receive an annual base salary of more than $200,000;
- evaluate officer and director compensation plans, policies and programs;
- review and approve benefit plans;
- produce a report on executive compensation to be included in our proxy statements; and
- approve all grants of equity awards.

The Chairman will set the agenda for meetings of the Compensation Committee. The meetings will be attended by the Chairman of the board of directors and the General Counsel, if requested. At each meeting, the Compensation Committee will have the opportunity to meet in executive session. The Chairman of the Compensation Committee will report the Compensation Committee’s actions regarding compensation of executive officers to the full board of directors. The Compensation Committee will have the sole authority to retain compensation consultants to assist in the evaluation of director or executive officer compensation.

Committee Members. The initial members of the Compensation Committee will be determined after the spin-off. We intend to rely on the transition rules provided in the NYSE Marketplace Rules related to the independence of the members of our Compensation Committee. By the date required by the transition provisions of the rules of the NYSE all members of the Compensation Committee will be independent.

Compensation Committee Interlocks and Insider Participation.

We expect that none of our directors will have interlocking or other relationships with other boards, compensation committees or our executive officers that would require disclosure under Item 407(e)(4) of Regulation S-K.

Nominating and Corporate Governance Committee.

Committee Function. The Nominating and Corporate Governance Committee will assist the board of directors with:

- identifying, screening and reviewing individuals qualified to serve as directors and recommending to the board of directors candidates for election at our Annual Meeting of Stockholders and to fill vacancies on the board of directors;
- recommending modifications, as appropriate, to our policies and procedures for identifying and reviewing candidates for the board of directors, including policies and procedures relating to candidates for the board of directors submitted for consideration by stockholders;
- reviewing the composition of the board of directors as a whole, including whether the board of directors reflects the appropriate balance of independence, sound judgment, business specialization, technical skills, diversity and other desired qualities;
- reviewing periodically the size of the board of directors and recommending any appropriate changes;
- overseeing the evaluation of the board of directors and management;
- recommending changes in director compensation; and
- various governance responsibilities.

Committee Members. The initial members of the Nominating and Corporate Governance Committee will be determined after the spin-off. We intend to rely on the transition rules provided in the NYSE Marketplace Rules related to the independence of the members of our Nominating and Corporate Governance Committee. By the date required by the transition provisions of the rules of the NYSE all members of the Nominating and Corporate governance Committee will be independent.

Selection of Nominees for the Board of Directors. To fulfill its responsibility to recruit and recommend to the full board of directors nominees for election as directors, the Nominating and Corporate Governance Committee will review the composition of the full board of directors to determine the qualifications and areas of expertise needed to further enhance the composition of the board of directors and work with management in attracting candidates with those qualifications.

In identifying new director candidates, the Nominating and Corporate Governance Committee will seek advice and names of candidates from Nominating and Corporate Governance Committee members, other members of the board of directors, members of management and other public and private sources. The Nominating and Corporate Governance Committee, in formulating its recommendation of candidates to the board of directors will consider each candidate's personal qualifications, and how such personal qualifications effectively address the perceived then current needs of the board of directors. Appropriate personal qualifications and criteria for membership on the board of directors include the following:

- experience investing in and/or guiding complex businesses as an executive leader or as an investment professional within an industry or area of importance to us;
- proven judgment and competence, substantial accomplishments, and prior or current association with institutions noted for their excellence;
- complementary professional skills and experience addressing the complex issues facing a multifaceted international organization;
- an understanding of our businesses and the environment in which we operate; and
- diversity as to business experiences, educational and professional backgrounds and ethnicity.

After the Nominating and Corporate Governance Committee completes its evaluation, it will present its recommendations to the board of directors for consideration and approval. The Nominating and Corporate Governance Committee may also, but need not, retain a search firm in order to assist it in these efforts.

Stockholder Recommendations. The Nominating and Corporate Governance Committee will consider director candidates suggested by our stockholders provided that the recommendations are made in accordance with the same procedures required under our bylaws for nomination of directors by stockholders. Stockholder nominations that comply with these procedures and that meet certain criteria outlined will receive the same consideration that the Nominating and Corporate Governance Committee's nominees receive.

Code of Business Conduct and Ethics

Prior to or upon completion of the separation, it is intended that our board of directors will adopt a set of Corporate Governance Guidelines, a Code of Business Conduct and Ethics and a Supplemental Code of Ethics. A copy of each of these documents will then be available on our website at www.eragroupinc.com, by clicking "Corporate Governance" on the "Investors" link and is also available to stockholders in print without charge upon written request to our Investor Relations Department, 818 Town & Country Blvd. Suite 200, Houston, Texas, 77024.

Our Corporate Governance Guidelines will address areas such as director responsibilities and qualifications, director compensation, management succession, board committees and annual self-evaluation. Our Code of Business Conduct and Ethics will be applicable to our directors, officers, and employees and our Supplemental Code of Ethics will be applicable to our Chief Executive Officer and senior financial officers. We will disclose future amendments to, or waivers from, certain provisions of our Supplemental Code of Ethics on our website within two business days following the date of such amendment or waiver.

Executive Officers

Each of our executive officers has been elected by our board of directors and will serve until his or her successor is duly elected and qualified.

Indemnification of Officers and Directors

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers to the fullest extent permitted by Delaware General Corporation Law ("DGCL"). Upon the completion of the separation, we intend to have in place directors' and officers' liability insurance that insures such persons against the costs of defense, settlement or payment of a judgment under certain circumstances.

In addition, our amended and restated certificate of incorporation provides that our directors will not be liable for monetary damages for breach of fiduciary duty, except for liability relating to any breach of the director's duty of loyalty, acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, violations under Section 174 of the DGCL or any transaction from which the director derived an improper personal benefit.

In addition, prior to the completion of the separation, we will enter into indemnification agreements with each of our executive officers and directors. The indemnification agreements will provide the executive officers and directors with contractual rights to indemnification, expense advancement and reimbursement, to the fullest extent permitted under the DGCL.

There is no pending litigation or proceeding naming any of our directors or officers to which indemnification is being sought, and we are not aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

COMPENSATION OF DIRECTORS

Director Compensation

Prior to the separation, we have not paid our directors for their service on our board of directors. We expect our board of directors to approve a plan for compensation for our directors who are not our employees. It is expected that such compensation will consist of an annual retainer and equity award and may also consist of additional cash compensation for each meeting attended. In addition, we expect that the members of the committees of our board of directors will receive additional cash retainers. The specific amount of the retainers and equity awards will be determined after the spin-off. Employees of ours on our board of directors will not receive cash compensation, but will be eligible to receive stock option grants or restricted stock awards in respect of our common stock as part of their annual compensation.

COMPENSATION OF EXECUTIVE OFFICERS

Compensation Discussion and Analysis

This compensation discussion and analysis section provides information about the material elements of compensation paid, awarded to or earned by our "named executive officers."

For 2011, our named executive officers were:

- Edward Washecka, President and Chief Executive Officer; Mr. Washecka ceased to be President and Chief Executive Officer in October 2011 and will not be a named executive officer for 2012. For a description of the terms of Mr. Washecka's separation agreement and any related benefits received, see "—Elements of Compensation/Components of Our Executive Compensation Program" and "—Employment Contracts/Termination of Employment/Change of Control Agreements";
- Charles Fabrikant, Chairman of the Board, President and Chief Executive Officer;
- Anna Goss, Chief Financial Officer and Vice President, Vice President—Finance; Ms. Goss ceased to be Chief Financial Officer in October 2011. Although Ms. Goss continues to serve as an executive officer, Mr. Fagerstal was appointed Chief Financial Officer in October 2011;
- Dick Fagerstal, Chief Financial Officer and Executive Vice President;
- Robert Van de Vuurst, Chief Operating Officer and Vice President; Mr. Van de Vuurst ceased to be our Chief Operating Officer and Vice President effective October 1, 2012. For a description of the terms of Mr. Van de Vuurst's separation agreement and any related benefits received, see "—Elements of Compensation/Components of Our Executive Compensation Program" and "—Employment Contracts/ Termination of Employment/Change of Control Agreements"; and
- Paul Robinson, Vice President, General Counsel and Secretary.

Sten L. Gustafson was appointed our Chief Executive Officer effective April 1, 2012. Mr. Gustafson will also serve as a director of ours after the spin-off. In October 2012, Christopher S. Bradshaw was appointed our Chief Financial Officer effective October 22, 2012. See "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary" for a description of the initial terms of the compensation of Messrs. Gustafson and Bradshaw.

Evolution of Our Compensation Approach and Compensation Processes and Procedures

We are a wholly owned subsidiary of SEACOR. Accordingly, the cash compensation of our executive officers has been determined by SEACOR's executive management and the equity compensation of our executive officers has been determined by SEACOR's Compensation Committee at the recommendation of SEACOR's executive management.

We intend to establish a Compensation Committee in connection with the separation. We expect that the Compensation Committee will:

- review all of our compensation practices;
- establish and approve compensation for the Chief Executive Officer, the Chief Financial Officer, other executive officers, and certain officers or managers who receive an annual base salary of more than $200,000;
- evaluate officer and director compensation plans, policies and programs;
- review and approve benefit plans;
- produce a report on executive compensation to be included in our proxy statements; and
- approve all grants of equity awards.

Our compensation approach has been tied to the compensation philosophy of SEACOR but will differ after the separation to the extent necessary to reflect that we will be a separate public company upon the consummation of the separation, and to provide us with the flexibility to establish appropriate compensation policies to attract, motivate and retain our executives. Specifically, it will permit us to compensate our executives with non-cash, equity-based compensation reflective of our stock performance. The following discussion outlines the processes that SEACOR has followed, but which may be modified by our Compensation Committee, in setting compensation for the Chief Executive Officer, the Chief Financial Officer, other executive officers and other employees.

Sten Gustafson serves as our Chief Executive Officer. Mr. Gustafson will focus on evaluating senior executives and their progress in meeting goals in relation to how well their peers and the entire company have performed. In a series of informal group discussions and formal Compensation Committee meetings that will typically be held in the latter part of each year through March of the following year, our Compensation Committee will meet with the Chief Executive Officer to review the following factors in setting compensation for senior executives:

- the safe operation of our business;
- our financial results and projections;
- the performance of our executive officers;
- the Chief Executive Officer's recommendations; and
- the job market.

In addition to our Compensation Committee's and the Chief Executive Officer's assessment of the contributions and results for our senior executives, our Compensation Committee will consider the following factors:

- market comparisons for cash and equity compensation;
- the potential for future roles within our company;
- the risk in not retaining an individual;
- total compensation levels before and after the recommended compensation amounts;
- compensation summaries for each senior executive that total the dollar value of all compensation-related programs, including salary, annual incentive compensation, long-term compensation, deferred compensation, retention payments and other benefits; and
- holding of equity in our company.

Our Compensation Committee will also meet in executive session to consider the factors above for senior executives and to utilize these factors in evaluating the Chief Executive Officer's proposed compensation and performance. Additional meetings of our Compensation Committee will be held as appropriate to review and approve stock option grants and restricted stock awards to newly hired employees or to current employees in connection with promotions within our company.

Our Compensation Committee will consider the impact the compensation program will have on our evolving risk management efforts. We believe that our compensation program is structured to provide proper incentives for executives to balance risk and reward appropriately and in accordance with our current and evolving risk management philosophy.

Historically, SEACOR has reviewed, and following consummation of the separation, we will review, the total expenses attributed to executive compensation, and the accounting and tax treatment of such programs. We plan to address the impact of Section 162(m) of the Internal Revenue Code by obtaining stockholder approval of a Management Incentive Plan (the "MIP") and by allowing certain grants under the Era Group Inc. 2012 Share Incentive Plan to qualify as performance-based compensation, consistent with SEACOR's past practice. Our Compensation Committee will consider the benefits 162(m) of the Internal Revenue Code provides for federal income tax purposes and other relevant factors when determining executive compensation, consistent with SEACOR's past practice.

Principles of Our Executive Compensation Program

We will establish compensation policies each year that are tailored to recruit and retain senior executives capable of executing our business strategy and overseeing our assets and our various operations.

Our financial success and growth are dependent on maintaining a relevant asset base for our business, anticipating trends in helicopter design and logistics and market movements, maintaining efficient operations spread over diverse geographic regions, finding new investments and acquisitions to grow our existing businesses, pro-actively managing our cash and balance sheet and ensuring access to capital. Mergers and acquisitions, the successful formation and maintenance of joint ventures, investing in modern, safe equipment, developing training, leasing and sales and distribution and manufacturing opportunities are critical elements of our strategy, with particular emphasis on developing less capital intensive services. Contributions to and leadership in conceiving and executing our strategy, and participation in overseeing them, have been and will continue to be key elements in evaluating the contribution and performance of executive officers and key managers.

We intend to evaluate and set executive compensation in the context of the current economic conditions, our performance and the performance of our key personnel. Compensation decisions will be determined with a view toward ensuring that management avoids high-risk strategies and does not focus on short-term results. Although, as discussed below, we plan to utilize performance targets in setting certain bonus and equity awards in accordance with Section 162(m) of the Internal Revenue Code, we believe reasoned judgment, rather than mechanical formulas, is the appropriate basis by which to set compensation, and the use of our discretion to alter awards is critical to sound management of a business. We also believe using mechanical formulas tends to focus efforts on meeting formulaic goals, which may often need to be revised to achieve long-term business objectives. Consequently, we will construct our compensation incentives to reward consistent and durable performance.

We plan to adopt and seek stockholder approval of the MIP following consummation of the separation. Under the MIP maximum cash bonuses would be based on objective, quantitative performance criteria. Under Section 162(m) of the Internal Revenue Code, in order for compensation in excess of $1,000,000 to be paid in any year to any “covered employee” (as defined in Section 162(m) of the Internal Revenue Code (currently, “covered employee” is defined as a company’s principal executive officer and any of such company’s three other most highly compensated executive officers named in the proxy statement (not including the chief financial officer)) to be deductible by us, such compensation would need to qualify as “performance based.” Under the MIP, the maximum bonuses payable would be based on the achievement of certain formulaic performance criteria set forth in the MIP and selected by the Compensation Committee at the beginning of each performance period. Under the terms of the MIP, however, the Compensation Committee would retain the discretion to reduce an award under the MIP if it considered such award inappropriate under the circumstances. The Compensation Committee does not intend to set pre-established performance targets or determine in a formulaic way the amount of any such annual bonus. In addition to an emphasis on using reasoned judgment as opposed to formulaic targets in gauging performance, we will measure the success of our strategies over a period of years, as our primary strategy is to identify and invest in assets and markets that are cyclical. Obtaining good returns often requires investing at a time when a business or asset class is underperforming. In compensating senior management for results that are currently strong, we believe we will be rewarding management for prudent prior decisions that, although may not provide immediate payback, will demonstrate long-term benefits. We will also measure success by relative results when overall conditions of a cyclical business are poor. Returns in such years depend on decisions taken during cyclical upturns and maintaining discipline in operations. Consequently, future compensation decisions will not only be reflective of our current performance, but will also take into account results of prior years in determining the success or failure of prior business decisions.

In measuring returns and performance of management, the Compensation Committee subjectively will consider, among other factors:

- safe operations of our business;
- stockholder returns on equity on both a before and after-tax basis;
- our operating cash flow as a percentage of assets and equity;
- growth, competitive position and safety record of the company;
- returns on operating assets;
- cash generated relative to cost of replacement;
- quality of the asset base;
- results of trading assets;
- tax strategies and cash retention; and
- general business climate.

Specifically, different macro economic conditions determine risk, capital availability and cost. These factors are critical to our business and essential to judging the quality of our returns. As these conditions change from time to time, sometimes suddenly, we believe flexibility better serves stockholders in achieving growth and appropriate returns, consistent with a conservative risk profile and prevailing cost of capital.

In doing its research, the Compensation Committee will acquire information and data from industry trade journals and recognized publications that report trends in compensation and primary sources such as proxy statements and compensation-related public disclosures discussing policy and strategy of compensation as it relates to corporate objectives and will also employ consultants as it deems necessary. In addition to companies that appear to be directly in our line of business, such as Bristow, CHC Holding Corporation, PHI, Inc., Air Lease Corporation and Air Methods Corporation, the Compensation Committee will also look at companies in other businesses. In looking at companies that are similar or directly competitive, the Compensation Committee will review their pay practices as to base compensation, bonus and incentives determining bonus, and equity awards, and will also look carefully at risk tolerance, strategy and goals, aggregate responsibilities of key managers, and compare these factors in other companies to those adopted by the board of directors. We believe that any comparison to companies in essentially similar businesses must account for differences in balance sheets, acceptance of risk, and focus on short- and long-term objectives. Due to differences in reporting and accounting practices, levels of balance sheet leverage and quality of asset base, we do not believe performance of others necessarily provides useful “benchmarks.”

It is intended that the Compensation Committee will routinely review the skills needed for key senior management positions. The Compensation Committee will also consider competitive compensation levels and pay practices within industries and professions that hire personnel with the types of skill required to oversee and grow our business in order to attract and retain these individuals. Leadership, familiarity with finance, negotiating and structuring transactions, a commercial awareness of legal concepts, and ability to work in international markets are among the skills required, and these are typically found in personnel working in fields such as banking, finance, law, investment management and private equity. The relevant universe of companies includes those in energy services, finance and leasing, international marketing, aviation, manufacturing and investment management sectors.

Skill Requirements and Compensation Objectives

We believe our senior executives have abilities similar to those required by financial institutions and private equity investment firms. The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and General Counsel and those mandated to maintain financial controls are or will be professionals in accounting, business or law. We intend to seek to align the interests of our executive officers and key managers with those of our stockholders by granting stock options and awarding restricted stock under an extended vesting schedule of five years. We believe that using five-year vesting for both restricted stock and stock option awards reflects our expectation that senior executives with influence over our strategic decisions will regard themselves as long-term owners with values consistent with long-term stockholders. In addition, we intend to pay out bonuses over three years, with 60% distributed in the first year and 20% distributed in each of the following two years, further demonstrating our philosophy of rewarding longer-term financial and operating performance.

In light of our strategy of pursuing mergers, combinations and other corporate transactions, restricted shares frequently vest during company imposed blackout periods, thus precluding award recipients from selling shares to cover taxes imposed on the vested shares. In such circumstances the Compensation Committee may, at its discretion, authorize the company to purchase shares from employees sufficient to cover taxes due, providing that the employee agrees to hold the balance of the shares vesting for no less than two years.

Elements of Compensation/Components of Our Executive Compensation Program

Base Compensation

Base pay levels reflect the experience and skill required for executing our business strategy and overseeing operations and are typically set at a level that anticipates a bonus award for the year, providing that our performance and the performance of the senior executives meet or exceed expectations, goals and objectives set by the Compensation Committee. The Compensation Committee will place an emphasis on the compensation for the Chief Executive Officer to ensure it reflects operating performance. Together with Mr. Gustafson, the Compensation Committee will also review the compensation of other named executives and senior officers to achieve the right balance of incentives to appropriately reward and retain our best executives and maximize their performance over the long-term.

Base compensation will be established at levels designed to be consistent with professional and market norms based on relevant experience. An increase in base pay would be awarded to reflect increased responsibility, success in meeting market conditions, growth in job performance, and cost of living changes. As explained above, the Chief Executive Officer will assess senior employees on their progress in meeting goals in relation to how well their peers and the entire company perform.

The Compensation Committee will consider the following factors in setting base compensation:

- experience;
- conditions in the job market for individuals with skill and experience required to perform the job;
- job performance;
- industry conditions and market compensation levels, generally;
- potential for future growth roles within the company; and
- the risk in not retaining an individual.

Base compensation levels for senior executives will also be set in recognition of the fact that we have no:

- formal retirement program or severance plans;
- supplemental employee retirement program;
- employment agreements or pre-committed bonuses;
- gross-up provisions; or

- non-ordinary course benefit plans.

We do not pay and do not plan to pay for club dues or memberships and will not maintain any dwellings for any senior manager.

Bonus Compensation

Bonus awards will continue to be discretionary. Historically, cash bonuses were determined by SEACOR's executive management. Following the consummation of the separation, management and the Compensation Committee will determine bonuses on a case-by-case basis for each individual, which we believe is the best approach for us.

With reference to the MIP performance targets discussed above under "Principles of our Executive Compensation Program," the Compensation Committee will determine cash and equity bonus awards (i.e., reducing the amounts otherwise payable under the MIP) by considering our financial performance and each individual's contribution to that performance without providing particular weight to either factor. The Compensation Committee, in conjunction with the Chief Executive Officer, will also evaluate the performance of senior executives in achieving specific initiatives, such as implementing corporate strategies and tactics, improving safety records, controlling costs, increasing output of work, and creativity in performing assigned responsibilities. Performance will be reviewed for senior executives in a multi-year context, considering contributions to decisions and strategies initiated in the past that may affect the present.

The cash component of bonus compensation is currently paid over three years, 60% in the year awarded (for services in the prior calendar year) and 20% in each of the next two subsequent years. Interest is paid on the deferred portion of bonus compensation at the rate of LIBOR plus 60 bps, currently approximately 1.5% per annum. This rate was set by SEACOR's Compensation Committee for 2010. Following consummation of the separation, it will be reviewed by our Compensation Committee. The objective is to establish a retention system that links executives to the outcome of their decisions over a period of years.

We believe that the use of equity awards to align the interests of senior employees with our long-term growth will foster a sense of ownership. The Compensation Committee may approve annual equity grants at regularly pre-scheduled meetings. These grants will be made in respect of our common stock on dates to be established by the Compensation Committee and we will not time the release of non-public information for the purpose of affecting the value of equity awards. Prior to the consummation of the separation, equity grants in respect of SEACOR's common stock were made as determined by SEACOR's Compensation Committee.

The Compensation Committee may award stock option awards, in any given year for service during the preceding calendar year, but post separation will be priced in four equal installments during the immediately following calendar year on dates set by the Compensation Committee. We believe that by pricing stock options four times per year, the exercise prices will more approximately mirror share price levels during the year and reduce the random nature of pricing once per year. Stock option awards shall be in such form, and dependent on such conditions, as the Compensation Committee shall determine, including without limitation, the right to receive one or more shares of our common stock upon the completion of a specified period of service, the occurrence of an event and or the attainment of performance objectives. Prior to the consummation of the separation, stock options awards were made in respect of SEACOR's common stock, as determined by SEACOR's Compensation Committee. In connection with the separation, we expect to grant options to purchase our common stock, which will vest ratably over five years, to our executive officers. See "Principal Stockholders."

The Compensation Committee may award restricted stock to our management team. The Compensation Committee will determine the period(s) of restriction, the number of shares of restricted stock subject to the award, the performance, employment or other conditions under which the restricted stock may be forfeited to us and such other provisions as the Compensation Committee shall determine. We have no formal policy requiring employees to retain vested restricted stock or options, but we prefer that executive officers maintain ownership and consider this factor when determining compensation packages. If recipients of equity awards do not hold at least 25% of the awards after vesting and payment of tax, if any due, it is expected that the Compensation Committee will adjust the compensation mix for such personnel providing greater levels of cash emolument. In connection with the separation, we expect to grant shares of our restricted stock, which will vest ratably over five years, to our executive officers. See "Principal Stockholders."

The Compensation Committee will annually review grant history and dispositions of options and restricted stock to determine if awards serve the purpose of building ownership. In keeping with SEC rules, tables are included to show the grant date fair value, the value realized on the exercise of stock options (based on the difference between the exercise price and the market price of such common stock on the date of exercise) and the value realized on vesting of restricted stock (determined by multiplying the number of shares vesting by the market price at the close of business on the date of vesting). We expect that grants made immediately prior to or following consummation of the separation will be in respect of our common stock. However, grants made as of September 30, 2012 were in respect of SEACOR's common stock.

Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President - Finance and General Counsel and Secretary

President and Chief Executive Officer (Principal Executive Officer): Mr. Ed Washecka

Mr. Washecka served as our President and Chief Executive Officer through October 2011. SEACOR's Compensation Committee did not use a formula in determining Mr. Washecka's salary, bonus and equity awards and our Compensation Committee will also not use formulas in determining compensation. Mr. Washecka's salary and bonus for 2011 and prior years were determined by SEACOR's executive management, and his equity awards for prior years were determined by SEACOR's Compensation Committee at the recommendation of SEACOR's executive management.

As President and Chief Executive Officer, Mr. Washecka was responsible for operations. Mr. Washecka oversaw the overall strategic direction and growth of the business, asset purchases and acquisitions, business development and identification of new investment opportunities. In addition, he was responsible for our profit and loss, return on capital and returns on stockholder equity.

Mr. Washecka's base compensation reflected his skill and experience, including the ability to work comfortably outside the U.S., manage joint ventures, his experience in acquisitions, working with fluctuating exchange rates and his understanding of the macro factors that drive the demand for our equipment and services.

In determining Mr. Washecka's compensation in 2011, SEACOR's executive management considered his contribution to operating performance, his leadership of our operations, SEACOR's overall performance and the financial and non-financial factors described above. In 2011, Mr. Washecka assisted in implementing corporate strategies and tactics, and worked with the entire SEACOR executive team in preparing us for the separation. SEACOR and Era Group both experienced higher than expected earnings in 2010, in part, due to our operations throughout the clean-up of the Deep Water Horizon oil spill, the successful redeployment of our helicopters idled by the reduction in work in the Gulf of Mexico as a result of the Deep Water Horizon oil spill, the development of our investment in the Dart business, and the expansion of business activities in Brazil. SEACOR's executive management determined that Mr. Washecka's base salary for 2011 was $350,000. In November 2011, Mr. Washecka resigned as an employee of ours effective December 31, 2011. He received a severance payment of $1,500,000 on January 4, 2012 and $350,000 representing a bonus related to his performance in 2011. See "—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control" for a more detailed description of Mr. Washecka's separation and consulting agreement.

President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant

Mr. Fabrikant served as our President and Chief Executive Officer between October 2011 and March 2012.

Mr. Fabrikant received one dollar as compensation for his service as our President and Chief Executive Officer in 2011. Mr. Fabrikant also serves as Executive Chairman of SEACOR, of which we were a wholly owned subsidiary prior to the separation and which will not own any of our common stock following the separation.

As President and Chief Executive Officer, Mr. Fabrikant oversaw the overall strategic direction and growth of the business, asset purchases and acquisitions, business development and identification of new investment opportunities. In addition, he was responsible for our profit and loss, return on capital and returns on stockholder equity.

Chief Executive Officer (Principal Executive Officer): Mr. Sten L. Gustafson

Effective April 2012, Mr Gustafson became our President and Chief Executive Officer. Mr. Gustafson will receive a base salary of $400,000 for 2012 and may be entitled to receive a bonus for 2012. In connection with the separation, we intend to grant Mr. Gustafson stock options and restricted stock.

As Chief Executive Officer, Mr. Gustafson is responsible for our operations and oversees the overall strategic direction and growth of the business, asset purchases and acquisitions, business development and identification of new investment opportunities. In addition, he is responsible for our profit and loss, return on capital and returns on stockholder equity.

Chief Financial Officer (Principal Financial Officer): Mr. Christopher S. Bradshaw

Mr. Bradshaw became our Executive Vice President and Chief Financial Officer in October 2012. Mr. Bradshaw will receive a base salary of $300,000 for 2012 and may be entitled to receive a bonus for 2012.

As Chief Financial Officer, Mr. Bradshaw is responsible for managing all financial personnel and supervising reporting and preparation of financial statements, internal controls, overseeing information technology, complying with public reporting requirements and the Sarbanes-Oxley Act, and providing services to the board of directors, including development of analytical tools for understanding our operating performance. Mr. Bradshaw reports directly to the Chief Executive Officer.

Chief Financial Officer (Principal Financial Officer) / Vice President—Finance (Principal Accounting Officer): Ms. Anna Goss

Ms. Goss served as our Chief Financial Officer and Vice President through October 2011 when she was reassigned to the position of Vice President—Finance. SEACOR's Compensation Committee did not use a formula in determining Ms. Goss's salary, bonus and equity awards and our Compensation Committee will also not use formulas in determining compensation. Ms. Goss's salary and bonus for 2011 and prior years were determined by SEACOR's executive management in accordance with SEACOR's policies and the judgment of SEACOR's Principal Executive Officer as reviewed by SEACOR's Compensation Committee, and her equity awards for prior years were determined by SEACOR's Compensation Committee at the recommendation of our executive management. The Compensation Committee will employ a subjective determination based upon the factors described below in determining Ms. Goss's future compensation. Each of the factors will be considered independently and together as a group, such that the final compensation for Ms. Goss will not be dependent on any one factor or any specific combination of factors. We believe that the subjective consideration of these different elements provides the flexibility necessary to make appropriate compensation decisions.

Ms. Goss assists the Chief Financial Officer in managing all financial personnel and in the supervision of reporting and preparation of financial statements. She is also responsible for assisting with internal controls, overseeing information technology and complying with public reporting requirements and the Sarbanes-Oxley Act. In order to handle these responsibilities, the Chief Executive Officer and the Compensation Committee believe that familiarity with international transactions, accounting experience and background in operations are important skills. Ms. Goss reports directly to the Chief Financial Officer.

In determining Ms. Goss's compensation in 2011, SEACOR's executive management considered her skills and experience, her leadership of the financial group, her efforts in improving financial administration, our overall performance, our safety record and the financial and non-financial factors described above. In 2011, Ms. Goss assisted SEACOR's corporate officers in implementing corporate strategies and tactics and worked with the entire SEACOR executive team. SEACOR and Era Group experienced higher than expected earnings in 2010, in part, due to our operations throughout the clean-up of the Deepwater Horizon oil spill, the successful redeployment of our helicopters grounded due to the reduction in work in the Gulf of Mexico as a result of the Deepwater Horizon oil spill, the development of our investment in the Dart business and the expansion of business activities in Brazil. SEACOR's executive management determined that Ms. Goss's base salary for 2011 was $200,000, her cash bonus was $80,000 and her SEACOR restricted stock award was 1,500 shares. For further information regarding Ms. Goss's restricted stock awards in 2011, see "—Grants of Plan-Based Awards (Fiscal year 2011)."

Chief Financial Officer and Executive Vice President (Principal Financial Officer): Mr. Dick Fagerstal

Mr. Fagerstal has served as our Chief Financial Officer and Executive Vice President since October 2011. Mr. Fagerstal will cease to act as our Chief Financial Officer and Executive Vice President prior to consummation of the spin-off.

Mr. Fagerstal received one dollar as compensation for his service as Chief Financial Officer and Executive Vice President in 2011. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR, of which we were a wholly owned subsidiary prior to the separation and which will not own any of our common stock following the separation.

Mr. Fagerstal, in addition to being responsible for managing all financial personnel and supervising reporting and preparation of financial statements, is responsible for internal controls, overseeing information technology, complying with public reporting requirements and the Sarbanes-Oxley Act, and providing services to the board of directors, including development of analytical tools for understanding our operating performance. In order to handle these responsibilities, the Chief Executive Officer and the Compensation Committee believe that familiarity with international transactions, accounting experience and background in operations are important skills. Mr. Fagerstal reports directly to the Chief Executive Officer.

Chief Operating Officer and Vice President: Mr. Robert Van de Vuurst

Mr. Van de Vuurst served as our Chief Operating Officer and Executive Vice President between February 1, 2011 and October 1, 2012. His base salary of $275,000 was established by the Compensation Committee by taking into account his skills and experience. In determining Mr. Van de Vuurst's bonus and non-cash compensation in 2011, SEACOR's executive management considered his contribution to operating performance, his leadership of our operations, our overall performance and the financial and non-financial factors described above. Mr. Van de Vuurst's bonus for 2011 was $125,000, his SEACOR stock option grant award was 3,000 shares and his SEACOR restricted stock award was 5,000 shares. For further information regarding Mr.Van de Vuurst's stock option grant and restricted stock award in 2011, see "—Grants of Plan-Based Awards (Fiscal year 2011)".

Prior to becoming our Chief Operating Officer and Vice President, Mr. Van de Vuurst served as our General Counsel. As General Counsel, Mr. Van de Vuurst was responsible for all legal and compliance aspects of our operations. He served as our Chief Operating Officer since February 2011 and as President/Chief Executive Officer of Era Helicopters, LLC from November 2011 through September 2012. As Chief Operating Officer, Mr. Van de Vuurst was responsible for our daily operation, concentrating on our operating aviation businesses. As President of Era Helicopters, LLC, Mr. Van de Vuurst assumed a leadership role in assisting the Chief Executive Officer in the development of a strategic plan to advance our objectives to promote revenue, profitability and growth, approve operational procedures, evaluate the performance of our executives and assist in the promotion of local, regional, national and international operations. In September 2012, Mr. Van de Vuurst resigned as an employee of ours effective October 1, 2012. He is entitled to receive a severance payment of $83,000 on December 31, 2012 and $51,281 representing a bonus related to his performance in 2012. See "—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control" for a more detailed description of Mr. Van de Vuurst's separation and consulting agreement.

General Counsel, Secretary and Vice President: Mr. Paul Robinson

Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011. Mr. Robinson will cease to act as our General Counsel, Secretary and Vice President prior to the consummation of the spin-off.

Mr. Robinson received one dollar as compensation for his service as General Counsel, Secretary and Vice President in 2011. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR, of which we were a wholly owned subsidiary prior to the separation and which will not own any shares of our common stock following the separation.

Mr. Robinson is responsible for managing our litigation, handling and overseeing acquisitions, dispositions, securities filings, financings and enhancing our legal flexibility and reducing our costs.

Summary Compensation Table

The following table sets forth compensation information for our named executive officers with respect to the fiscal years ended December 31, 2010 and December 31, 2011. All share information relates to SEACOR common stock.

Name and Principal Position	Year	Salary ($)	Bonus [1] ($)	Stock Awards [2] ($)	Option Awards [2] ($)	All Other Compensation ($)	Total ($)
Charles Fabrikant [3]	2011	1	—	—	—	—	1
President and Chief Executive Officer	2010	—	—	—	—	—	—
Edward Washecka [4][5]	2011	350,000	350,000	639,405	521,783	1,506,035	3,367,229
	2010	340,000	375,000	516,945	474,911	10,321	1,717,177
Dick Fagerstal [6]	2011	1	—	—	—	—	1
Chief Financial Officer and Executive Vice President	2010	—	—	—	—	—	—
Anna Goss [7]	2011	200,000	80,000	147,555	—	6,899	434,454
Vice President – Finance [8]	2010	180,000	90,000	119,295	40,707	7,403	437,407
Robert Van de Vuurst [9]	2011	275,000	125,000	491,850	89,448	3,576	984,874
Chief Operating Officer and Vice President [10]	2010	—	—	—	—	—	—
Paul Robinson [11]	2011	1	—	—	—	—	1
General Counsel, Secretary and Vice President	2010	—	—	—	—	—	—

(1) Sixty percent (60%) of the bonus is paid at the time of the award and the remaining forty percent (40%) is paid in two equal annual installments approximately one and two years after the date of the grant. Any outstanding balance is payable upon the death, disability, qualified retirement, termination without "cause" of the employee, or the occurrence of a "change-in-control," however, the outstanding balance is generally forfeited if the employee is terminated with "cause" or resigns without "good reason."

(2) The dollar amount of restricted stock and stock options set forth in these columns reflects the aggregate grant date fair value of restricted stock and option awards made during 2011 and 2010, respectively, in accordance with the FASB ASC Topic 718 without regard to forfeitures. Discussion of the policies and assumptions used in the calculation of the grant date fair value are set forth in Notes 1 and 13 of the Consolidated Financial Statements included in SEACOR's 2011 Annual Report to Stockholders.

(3) Mr. Fabrikant served as our President and Chief Executive Officer between October 2011 and March 2012 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fabrikant also serves as Executive Chairman of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant."

(4) “All Other Compensation” includes $2,971 in 2010 of interest earned on the second and third installments of bonus payments, $7,350 in 2010 and $6,035 in 2011, of contributions made by SEACOR to match pre-tax elective deferral contributions (included under Salary) made under the SEACOR Savings Plan, a defined contribution plan established by SEACOR, effective July 1, 1994, that meets the requirements of Section 401(k) of the Internal Revenue Code, and a $1.5 million severance payment in 2011 made to Mr. Washecka pursuant to his separation and consulting agreement. For a description of the terms of and amounts payable to Mr. Washecka pursuant to his separation and consulting agreement, See “—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control.”

(5) Mr. Washecka served as our President and Chief Executive Officer through October 2011. For a description of the terms of and amounts payable to Mr. Washecka pursuant to his separation and consulting agreement, See “—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control.”

(6) Mr. Fagerstal has served as our Chief Financial Officer and Executive Vice President since October 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR. For more information, see “—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President —Finance and General Counsel and Secretary—Chief Financial Officer and Executive Vice President (Principal Financial Officer): Mr. Dick Fagerstal.”

(7) “All Other Compensation” includes $649 in 2010 and $864 in 2011, of interest earned on the second and third installments of bonus payments, and $6,756 in 2010 and $6,035 in 2011, of contributions made by SEACOR to match pre-tax elective deferral contributions (included under Salary) made under the SEACOR Savings Plan, a defined contribution plan established by SEACOR, effective July 1, 1994, that meets the requirements of Section 401(k) of the Internal Revenue Code.

(8) Ms. Goss served as our Chief Financial Officer and Vice President through October 2011. She has served as our Vice President-Finance since October 2011.

(9) “All Other Compensation” includes $3,576 in 2011 of contributions made by SEACOR to match pre-tax elective deferral contributions (included under Salary) made under the SEACOR Savings Plan, a defined contribution plan established by SEACOR, effective July 1, 1994, that meets the requirements of Section 401(k) of the Internal Revenue Code.

(10) Mr. Van de Vuurst served as our Chief Operating Officer from February 2011 through September 2012. See “—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control” for a description of Mr. Van de Vuurst’s separation and consulting agreement.

(11) Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR. For more information, see “—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President-Finance and General Counsel and Secretary-General Counsel, Secretary and Vice President: Mr. Paul Robinson.”

Grants of Plan-Based Awards (Fiscal year 2011)

The following table sets forth certain information with respect to grants of share plan-based awards during the year ended December 31, 2011 to each of the named executive officers. All share information relates to SEACOR common stock.

Name	Approval Date	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (1)(2)	All Other Option Awards: Number of Securities Underlying Options (3)(4)	Exercise or Base Price of Option Awards	Market Price on Grant Date	Grant Date Fair Value of Stock and Option Awards (5)
			(#)	(#)	($)	($)	($)
Charles Fabrikant (6) President and Chief Executive Officer	—	—	—	—	—	—	—
Ed Washecka (7)	3/4/2011	3/4/2011	6,500			98.37	639,405
	3/4/2011	3/4/2011		4,375	98.37	98.37	145,737
	3/4/2011	6/3/2011		4,375	96.96	96.96	136,986
	3/4/2011	9/6/2011		4,375	84.92	84.92	116,235
	3/4/2011	12/5/2011		4,375	87.77	87.77	122,825
Dick Fagerstal (8) Chief Financial Officer and Executive Vice President	—	—	—	—	—	—	—
Anna Goss (9) Vice President – Finance	3/4/2011	3/4/2011	1,500			98.37	147,555
Robert Van de Vuurst (10) Chief Operating Officer and Vice President	3/4/2011	3/4/2011	5,000			98.37	491,850
	3/4/2011	3/4/2011		750	98.37	98.37	24,983
	3/4/2011	6/3/2011		750	96.96	96.96	23,483
	3/4/2011	9/6/2011		750	84.92	84.92	19,926
	3/4/2011	12/5/2011		750	87.77	87.77	21,056
Paul Robinson(11) General Counsel, Secretary and Vice President	—	—	—	—	—	—	—

(1) The amounts set forth in this column reflect the number of shares of restricted stock granted in March 2011. SEACOR generally provides restricted stock awards that vest in five equal annual installments commencing approximately one year after the date of the award. Restricted stock awards vest immediately upon the death, disability, qualified retirement, termination of the employee by SEACOR "without cause," or the occurrence of a "change in control" of SEACOR. If cash dividends are paid by SEACOR, holders of restricted stock are entitled to receive such dividends whether or not the shares of restricted stock have vested.

(2) Excludes restricted stock granted on March 2, 2012, with respect to 2011 compensation as follows: Ms. Goss - 500 shares and Mr. Van de Vuurst - 500 shares.

(3) Options granted are exercisable in 20% annual increments beginning on March 4, 2012. The options are priced in four equal installments over a one-year period, with the first such installment being priced on the date of grant at an exercise price equal to the market price on that date and the remaining installments being priced quarterly thereafter at a price equal to the closing market price of SEACOR common stock on the date of the pricing. Options not yet exercisable become immediately exercisable upon the death, disability, qualified retirement, termination of the employee by SEACOR "without cause," or the occurrence of a "change-in-control" of SEACOR.

(4) Excludes stock options granted on March 2, 2012, with respect to 2011 compensation for Mr. Van de Vuurst - 1,000 shares. One fourth of such options are exercisable at $98.34 and the exercise price of the remainder will be determined based on the closing market price of SEACOR common stock at each of three, six and nine months after the grant date.

(5) The dollar amount of restricted stock and stock options set forth in this column reflects the aggregate grant date fair value of restricted stock and option awards made during 2011 in accordance with the FASB ASC Topic 718 without regard to forfeitures. Discussion of the policies and assumptions used in the calculation of the grant date fair value are set forth in Notes 1 and 13 of the Consolidated Financial Statements in the Company's 2011 Annual Report to Stockholders.

(6) Mr. Fabrikant served as our President and Chief Executive Officer between October 2011 and March 2012 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fabrikant also serves as Executive Chairman of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant."

(7) Mr. Washecka served as our President and Chief Executive Officer through October 2011.

(8) Mr. Fagerstal has served as our Chief Financial Officer and Executive Vice President since October 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—Chief Financial Officer (Principal Financial Officer): Mr. Dick Fagerstal."

(9) Ms. Goss served as our Chief Financial Officer and Vice President until October 2011. She has served as our Vice President-Finance since October 2011.

(10) Mr. Van de Vuurst served as our Chief Operating Officer from February 2011 through September 2012.

(11) Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—General Counsel, Secretary and Vice President: Mr. Paul Robinson."

Outstanding Equity Awards at Fiscal Year-end (2011)

The following table sets forth certain information with respect to outstanding equity awards at December 31, 2011, held by the named executive officers. All share information relates to SEACOR common stock.

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (Exercisable)**	**Number of Securities Underlying Unexercised Options (Unexercisable)** (1)	**Option Exercise Price**	**Option Expiration Date**	**Number of Shares or Units of Stock that Have Not Vested**	**Market Value of Shares or Units that Have Not Vested** (2)
	(#)	**(#)**	**($)**		**(#)**	**($)**
Charles Fabrikant (3) President and Chief Executive Officer	—	—	—	—	—	—
Ed Washecka (4)	500(5)	—	58.20	12/31/14	16,800(5)	1,494,528
	500(5)	—	68.59	12/31/14		
	500(5)	—	72.42	12/31/14		
	2,500(5)	—	79.45	12/31/14		
	2,000(5)	500(5)	80.45	12/31/14		
	2,000(5)	500(5)	79.36	12/31/14		
	2,000(5)	500(5)	72.80	12/31/14		
	2,000(5)	500(5)	75.57	12/31/14		
	1,500(5)	1,000(5)	79.95	12/31/14		
	1,205(5)	1,000(5)	73.50	12/31/14		
	—	1,000(5)	67.70	12/31/14		
	—	1,000(5)	44.00	12/31/14		
	—	2,250(5)	41.65	12/31/14		
	—	2,250(5)	62.95	12/31/14		
	—	2,250(5)	60.56	12/31/14		
	—	2,250(5)	59.67	12/31/14		
	—	3,500(5)	64.53	12/31/14		
	—	3,500(5)	52.92	12/31/14		
	—	3,500(5)	66.02	12/31/14		
	875(5)	3,500(5)	97.30	12/31/14		
	—	4,375(5)	98.37	12/31/14		
	—	4,375(5)	96.96	12/31/14		
	—	4,375(5)	84.92	12/31/14		
	—	4,375(5)	87.77	12/31/14		

The following table sets forth certain information with respect to outstanding equity awards at December 31, 2011, held by the named executive officers. All share information relates to SEACOR common stock.

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (Exercisable)	Number of Securities Underlying Unexercised Options (Unexercisable) (1)	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested	Market Value of Shares or Units that Have Not Vested (2)
	(#)	(#)	($)		(#)	($)
Dick Fagerstal (6) Chief Financial Officer and Executive Vice President	—	—	—	—	—	—
Anna Goss (7) Vice President – Finance	25	—	58.20	3/2/2016	1,150(8)	102,304
	25	—	68.59	3/2/2016	1,050(9)	93,408
	25	—	72.42	3/2/2016	900(10)	80,064
	125	—	79.45	3/2/2016	600(11)	53,376
	400	100(12)	80.45	3/4/2017	300(13)	26,688
	400	100(12)	79.36	3/4/2017		
	400	100(12)	72.80	3/4/2017		
	400	100(12)	75.57	3/4/2017		
	75	50(14)	79.95	3/4/2018		
	75	50(14)	73.50	3/4/2018		
	75	50(14)	67.70	3/4/2018		
	75	50(14)	44.00	3/4/2018		
	150	225(15)	41.65	3/4/2019		
	150	225(15)	62.95	3/4/2019		
	150	225(15)	60.56	3/4/2019		
	150	225(15)	59.67	3/4/2019		
	75	300(16)	64.53	3/4/2020		
	75	300(16)	52.92	3/4/2020		
	75	300(16)	66.02	3/4/2020		
	75	300(16)	97.30	3/4/2020		
Robert Van de Vuurst (17) Chief Operating Officer and Vice President	—	750(18)	98.37	3/4/2021	1,000(4)	88,960
	—	750(18)	96.96	3/4/2021	1,000(5)	88,960
	—	750(18)	84.92	3/4/2021	1,000(6)	88,960
	—	750(18)	87.77	3/4/2021	1,000(7)	88,960
					1,000(8)	88,960
Paul Robinson(19) General Counsel, Secretary and Vice President	—	—	—	—	—	—

(1) Options vest incrementally at a rate of one-fifth per year.

(2) The amounts set forth in this column equal the number of shares of restricted stock indicated multiplied by the closing price of the SEACOR's common stock on December 31, 2011, which was $88.96.

(3) Mr. Fabrikant served as our Chief Executive Officer and Executive Vice President between October 2011 and March 2012 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fabrikant also serves as Executive Chairman of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer and Vice President—Finance—President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant."

(4) Mr. Washecka served as our President and Chief Executive Officer through October 2011.

(5) In accordance with Mr. Washecka's separation and consulting agreement discussed in "—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control" and "Employment Contracts/Termination of Employment/Change of Control

Agreements," all of his unvested stock options and restricted stock awards will become fully vested on January 30, 2012 and he has three years from his separation date to exercise his outstanding stock options.

(6) Mr. Fagerstal has served as our Chief Financial Officer since October 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—Chief Financial Officer (Principal Financial Officer): Mr. Dick Fagerstal."

(7) Ms. Goss served as our Chief Financial Officer and Vice President until October 2011 when she was reassigned to the position of Vice President-Finance.

(8) These shares will vest on March 4, 2012, assuming continued employment with us.

(9) These shares will vest on March 4, 2013, assuming continued employment with us.

(10) These shares will vest on March 4, 2014, assuming continued employment with us.

(11) These shares will vest on March 4, 2015, assuming continued employment with us.

(12) These options will vest on March 4, 2012, assuming continued employment with us.

(13) These shares will vest on March 4, 2016, assuming continued employment with us.

(14) These options will vest in equal proportions on March 4 of 2012 and 2013, assuming continued employment with us.

(15) These options will vest in equal proportions on March 4 of 2012, 2013 and 2014, assuming continued employment with us.

(16) These options will vest in equal proportions on March 4 of 2012, 2013, 2014 and 2015, assuming continued employment with us.

(17) Mr. Van de Vuurst served as our Chief Operating Officer from February 2011 through September 2012.

(18) These options will vest in equal proportions on March 4 of 2012, 2013, 2014, 2015 and 2016, assuming continued employment with us.

(19) Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011 and received a nominal compensation of $1.00 for this position. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—General Counsel, Secretary and Vice President: Mr. Paul Robinson."

Option Exercises and Stock Vested (Fiscal year 2011)

The following table sets forth certain information with respect to the number of options that the named executive officers exercised in 2011 and the value realized from the vesting of restricted stock awards. All share information relates to SEACOR common stock.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise**	**Value Realized on Exercise (1)**	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting (2)**
	(#)	**($)**	**(#)**	**($)**
Charles Fabrikant (3) President and Chief Executive Officer	—	—	—	—
Ed Washecka (4)	6,920	220,029	—	—
Dick Fagerstal (5) Chief Financial Officer and Executive Vice President	—	—	—	—
Anna Goss (6) Vice President - Finance	—	—	—	—
Robert Van de Vuurst (7) Chief Operating Officer and Vice President	—	—	—	—
Paul Robinson(8) General Counsel, Secretary and Vice President	—	—	—	—

(1) The value realized on the exercise of stock options is based on the difference between the exercise price and the market price on the date of exercise.

(2) The value realized on vesting is determined by multiplying the number of shares vesting by the market price at the close of business on the date of vesting.

(3) Mr. Fabrikant served as our President and Chief Executive Officer between October 2011 and March 2012 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fabrikant also serves as Executive Chairman of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary-President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant."

(4) Mr. Washecka served as our President and Chief Executive Officer through October 2011.

(5) Mr. Fagerstal has served as our Chief Financial Officer and Executive Vice President since October 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—Chief Financial Officer (Principal Financial Officer): Mr. Dick Fagerstal."

(6) Ms. Goss served as our Chief Financial Officer and Vice President until October 2011 when she was reassigned to the position of Vice President-Finance.

(7) Mr. Van de Vuurst served as our Chief Operating Officer from February 2011 through September 2012.

(8) Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—General Counsel, Secretary and Vice President: Mr. Paul Robinson."

Non-Qualified Deferred Compensation

A non-qualified deferred compensation plan (the "Deferred Compensation Plan") was established by SEACOR and provides non-employee directors and a select group of highly compensated employees (including the named executive officers) the ability to defer receipt of up to 75% of their cash base salary, up to 100% of their cash bonus and up to 100% of their vested restricted stock for each fiscal year. Each participant's compensation deferrals are credited to a bookkeeping account and, subject to certain restrictions, each participant may elect to have their cash deferrals in such account indexed against one or more investment options, solely for purposes of determining amounts payable for earnings or losses under the Deferred Compensation Plan (however, the terms of the plan do not require SEACOR to invest any deferred amounts in the selected investment options as long as the return is paid). Participants may receive a distribution of deferred amounts, plus any earnings thereon (or less any losses), on a date specified by the participant or, if earlier, upon a separation from service or upon a change of control. All distributions to participants following a separation from service must be in the form of a lump sum, except if such separation qualifies as "retirement" under the terms of the Deferred Compensation Plan, in which case it may be paid in installments if previously elected by the participant. Distributions to "Key Employees" upon a separation from service (other than due to death) will not commence until at least six months after the separation from service. Participants are always 100% vested in the amounts that they contribute to their Deferred Compensation Plan accounts. SEACOR, at its option, may contribute amounts to participants' accounts, which may be subject to vesting requirements.

The following table sets forth for the named executive officers certain information as of December 31, 2011, and for the year then ended with respect to the Deferred Compensation Plan.

Name	Executive Contributions in Last Fiscal Year	Aggregate Earnings in Last Fiscal Year	Aggregate Withdrawals/Distributions in Last Fiscal Year	Aggregate Balance at Last Fiscal Year End
	($)	($)	($)	($)
Charles Fabrikant (1) President and Chief Executive Officer	—	—	—	—
Ed Washecka (2)	—	(13,050)	(332,506)	473,608
Dick Fagerstal (3) Chief Financial Officer and Executive Vice President	—	—	—	—
Anna Goss (4) Vice President - Finance	—	—	—	—
Robert Van de Vuurst (5) Chief Operating Officer and Vice President	—	—	—	—
Paul Robinson (6) General Counsel, Secretary and Vice President	—	—	—	—

(1) Mr. Fabrikant served as our President and Chief Executive Officer between October 2011 and March 2012 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fabrikant also serves as Executive Chairman of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—President and Chief Executive Officer (Principal Executive Officer): Mr. Charles Fabrikant."

(2) Mr. Washecka served as our President and Chief Executive Officer until October 2011. All amounts reported as deferred compensation were deferred in respect of compensation earned in 2009 and prior years; as a result, such deferrals are not reflected in the Summary Compensation table above.

(3) Mr. Fagerstal has served as our Chief Financial Officer and Executive Vice President since October 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Fagerstal also serves as Senior Vice President Corporate Development and Finance of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—Chief Financial Officer (Principal Financial Officer): Mr. Dick Fagerstal."

(4) Ms. Goss served as our Chief Financial Officer and Vice President until October 2011 when she was reassigned to the position of Vice President-Finance.

(5) Mr. Van de Vuurst served as our Chief Operating Officer since February 2011 through September 2012.

(6) Mr. Robinson has served as our General Counsel, Secretary and Vice President since July 2011 and received a nominal compensation of $1.00 in 2011 for this position. Mr. Robinson also serves as Senior Vice President, General Counsel and Secretary of SEACOR. For more information, see "—Compensation of the President and Chief Executive Officer (the Principal Executive Officer), Chief Financial Officer (the Principal Financial Officer), Chief Operating Officer, Vice President—Finance and General Counsel and Secretary—General Counsel, Secretary and Vice President: Mr. Paul Robinson."

Employment Contracts/Termination of Employment/Change of Control Agreements

The named executive officers do not have employment, severance or change-of-control agreements with us. Certain plans or arrangements, however, may provide for payments to named executive officers upon a termination of employment or a change in control. The information in "—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control" describes and quantifies certain compensation that would become payable under existing plans and arrangements if a named executive officer's employment had terminated on December 31, 2011, given the named executive officer's compensation as of such date. These benefits are in addition to benefits available generally to salaried employees, such as distributions under our 401(k) savings plan, disability benefits and accrued vacation pay.

Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the time during the year of any such event and our stock price.

All outstanding cash bonus payments, stock options and restricted stock are payable or vest upon the death, disability, qualified retirement, termination without "cause" of the employee, or the occurrence of a "change in control," however, the outstanding balance is generally forfeited if the employee is terminated with "cause" or resigns without "good reason." For these purposes, "disability" generally means disability resulting in the named executive being unable to perform his job. See "Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control" below for the intrinsic value (that is, the value based upon our stock price, and, in the case of stock options, minus the exercise price) of equity awards that would become exercisable or vested if the named executive officer had died or become disabled as of December 31, 2011.

Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control

As of December 31, 2011, our named executive officers would not have received any payments upon a change of control of us.

On November 28, 2011, we entered into a Separation and Consulting Agreement with Mr. Washecka pursuant to which Mr. Washecka's ceased to be an employee as of December 31, 2011. The Separation and Consulting Agreement provided Mr. Washecka with a $1.5 million severance payment, paid in January 2012, and a $350,000 bonus payment for the fiscal year ended December 31, 2011. Mr. Washecka was entitled to the unpaid portion of his annual bonuses for the 2009 and 2010 fiscal years, payable on the Bonus Payment Date. Following the delivery of a claims release by Mr. Washecka to us, all of Mr. Washecka's SEACOR restricted stock not previously vested have vested and became non-forfeitable and all of Mr. Washecka's options to purchase SEACOR shares not previously vested have vested, became exercisable and remain exercisable for three years thereafter.

Under the terms of the Separation and Consulting Agreement, Mr. Washecka served as a consultant to us on an as-needed basis regarding our business and operations as well as with the transition of duties from January 1, 2012 to June 30, 2012. Mr. Washecka received a consulting fee of $29,166.67 per month for these consulting services.

Payments made to Mr. Washecka pursuant to the Separation and Consulting Agreement were subject to his compliance with certain covenants on nondisclosure of Era Group information, non-disparagement and non-competition.

On September 30, 2012, we entered into a Separation and Consulting Agreement with Mr. Van de Vuurst pursuant to which Mr. Van de Vuurst ceased to be an employee as of October 1, 2012. The Separation and Consulting Agreement provides Mr. Van de Vuurst with a severance payment of $83,000 on December 31, 2012 and $51,281 representing a bonus related to his performance in 2012, payable within 30 days of his termination. Following the delivery of a claims release by Mr. Van de Vuurst to us, all of Mr. Van de Vuurst's SEACOR restricted stock not previously vested have vested and become non-forfeitable and all of Mr. Van de Vuurst's options to purchase SEACOR shares not previously vested have vested, become exercisable and remain exercisable through June 2013.

Under the terms of the Separation and Consulting Agreement, Mr. Van de Vuurst will continue to serve as a consultant to us on an as-needed basis regarding our business and operations and the transition of duties from October 1, 2012 to March 30, 2013. Mr. Van de Vuurst will receive a consulting fee of $25,000 per month for these consulting services. Payments made to Mr. Van de Vuurst pursuant to his Separation and Consulting Agreement are subject to his compliance with certain covenants on nondisclosure of Era Group information, non-disparagement and non-competition.

As employees of SEACOR as of December 31, 2011, Messrs. Fabrikant, Fagerstal and Robinson and Ms. Goss would have received $2,925,391, $619,958, $660,983 and $133,473, respectively, in bonus awards; $1,472,790, $526,909, $3,923, $278,955 and $63,801, respectively, in option awards; and $12,338,752, $1,021,261, $1,071,078 and $355,840, respectively, in stock awards, upon their respective death, disability, qualified retirement, termination without "cause" or "change in control" of SEACOR.

The bonus award amounts represent the total of all remaining annual installments of bonus payments yet to be paid as of December 30, 2011. The option award amounts reflect the accumulated value based on the difference between strike prices and the closing price of the SEACOR common stock on December 30, 2011, which was $88.96 for unvested options that would accelerate upon a death, disability, qualified retirement, termination without "cause" or change of control of SEACOR and do not include options to purchase SEACOR common stock with strike prices greater than $88.96. The stock award amounts reflect the closing price of the SEACOR common stock as of December 30, 2011, which was $88.96, for unvested shares that would accelerate upon the death, disability, qualified retirement or termination without "cause" of the employee, or the occurrence of a "change in control" of SEACOR.

Share Incentive Plan

We will adopt the Era Group Inc. 2012 Share Incentive Plan (the "2012 Share Incentive Plan"). The 2012 Share Incentive Plan is intended to provide incentives which will attract, retain and motivate highly competent persons as non-employee directors, officers and employees of, and consultants to, us and our subsidiaries and affiliates, and further align their interests with those of our other stockholders by providing them opportunities to acquire shares of our common stock or to receive monetary payments based on the value of such shares.

The following summary describes the material features of the 2012 Share Incentive Plan but is not intended to be complete, and therefore the summary is qualified in its entirety by the 2012 Share Incentive Plan, which is filed as an exhibit to the Registration Statement of which this Information Statement forms a part.

Shares Available

The maximum number of shares of common stock that may be delivered to participants under the 2012 Share Incentive Plan, subject to certain adjustments, is 4,000,000 shares of our common stock. In addition, any shares of common stock covered by a Benefit (defined below) granted under the 2012 Share Incentive Plan, which for any reason is canceled, forfeited or expires or, in the case of a Benefit other than a stock option, is settled in cash, shall again be available for Benefits under the 2012 Share Incentive Plan. If any stock option is exercised by tendering shares of common stock to us as full or partial payment in connection with the exercise of a stock option under the 2012 Share Incentive Plan, only the number of shares of common stock issued net of the shares tendered will be deemed delivered for purposes of determining the maximum number of shares of common stock available for delivery under the 2012 Share Incentive Plan.

Administration

The 2012 Share Incentive Plan provides for administration by a committee of our board of directors appointed from among its members (the "Committee"), which is comprised, unless otherwise determined by the board of directors, of not less than two members who shall be (1) "Non-Employee Directors" within the meaning of Rule 16b-3(b)(3) (or any successor rule) promulgated under the Exchange Act, and (2) "outside directors" within the meaning of Treasury Regulation Section 1.162-27(e)(3) under Section 162(m) of the Internal Revenue Code (the "Code"). The Committee is authorized, subject to the provisions of the 2012 Share Incentive Plan, to establish such rules and regulations as it deems necessary for the proper administration of the 2012 Share Incentive Plan and to make such determinations and interpretations and to take such action in connection with the 2012 Share Incentive Plan and any Benefits granted as it deems necessary or advisable. Thus, among the Committee's powers are the authority to select non-employee directors, officers and other employees of, and consultants to, us and our subsidiaries to receive Benefits, and to determine the form, amount and other terms and conditions of Benefits. The Committee also has the power to modify or waive restrictions on Benefits, to amend Benefits and to grant extensions and accelerations of Benefits. The board of directors will act in lieu of the Committee with respect to Benefits made to non-employee directors under the 2012 Share Incentive Plan.

Eligibility for Participation

Non-employee directors, officers and employees of, and consultants to, us or any of our subsidiaries and affiliates are eligible to participate in the 2012 Share Incentive Plan. The selection of participants from eligible persons is within the discretion of the Committee.

Types of Benefits

The 2012 Share Incentive Plan provides for the grant of any or all of the following types of benefits: (1) stock options, including non-qualified stock options and incentive stock options; (2) stock appreciation rights; (3) stock awards; (4) performance awards; and (5) restricted stock units (collectively, “Benefits”). Benefits may be granted singly, in combination, or in tandem as determined by the Committee. Stock awards, performance awards and restricted stock units may, as determined by the Committee in its discretion, constitute Performance-Based Awards (defined below) for certain executive officers under Section 162(m) of the Code.

Stock Options

Under the 2012 Share Incentive Plan, the Committee may grant awards in the form of non-qualified stock options or incentive stock options to purchase shares of common stock. A stock option granted as an incentive stock option will, to the extent it fails to qualify as an incentive stock option, be treated as a non-qualified stock option. The Committee will, with regard to each stock option, determine the number of shares subject to the option, the manner and time of the option’s exercise and vesting, and the exercise price of the option. The exercise price will not be less than 100% of the Fair Market Value (as defined in the 2012 Share Incentive Plan) of the common stock on the date the stock option is granted. The exercise price may be paid in cash or, in the discretion of the Committee, by the delivery of shares of common stock then owned by the participant, by the withholding of shares of common stock for which a stock option is exercisable, or by a combination of these methods. In the discretion of the Committee, payment may also be made by delivering a properly executed exercise notice to us together with a copy of irrevocable instructions to a broker to deliver promptly to us the amount of sale or loan proceeds to pay the exercise price. The Committee may prescribe any other method of paying the exercise price that it determines to be consistent with applicable law and the purpose of the 2012 Share Incentive Plan. In determining which methods a participant may utilize to pay the exercise price, the Committee may consider such factors as it determines are appropriate. No stock option is exercisable later than 10 years after the date it is granted except in the event of a participant’s death, in which case, the exercise period of a non-qualified stock option may be extended but no later than one year after the participant’s death.

Stock Appreciation Rights (“SARs”)

The 2012 Share Incentive Plan authorizes the Committee to grant a SAR either in tandem with a stock option or independent of a stock option. A SAR is a right to receive a payment, in cash, common stock, or a combination thereof, equal to the excess of (x) the Fair Market Value, or other specified valuation, of a specified number of shares of common stock on the date the right is exercised over (y) the Fair Market Value, or other specified valuation (which shall not be less than Fair Market Value), of such shares of common stock on the date the right is granted, all as determined by the Committee. SARs granted under the 2012 Share Incentive Plan are subject to terms and conditions relating to exercisability that are similar to those imposed on stock options, and each SAR is subject to such terms and conditions as the Committee shall impose from time to time.

Stock Awards and Restricted Stock Awards

The Committee may, in its discretion, grant stock awards (which may include mandatory payment of bonus incentive compensation in stock) consisting of common stock issued or transferred to participants with or without other payments therefor. Stock awards may be subject to such terms and conditions as the Committee determines appropriate, including, without limitation, restrictions on the sale or other disposition of such shares, our right to reacquire such shares for no consideration upon termination of the participant’s employment or service within specified periods, and may constitute Performance-Based Awards, as described below. Stock awards subject to forfeiture upon the occurrence of specified events are referred to as “Restricted Stock Awards.” The stock award will specify whether the participant will have, with respect to the shares of common stock subject to a stock award, all of the rights of a holder of shares of common stock, including the right to receive dividends and to vote the shares.

Performance Awards

The 2012 Share Incentive Plan allows for the grant of performance awards which may take the form of shares of common stock or Restricted Stock Units (defined below), or any combination thereof and which may constitute Performance-Based Awards. Such awards will be contingent upon the attainment, over a period to be determined by the Committee, of certain performance goals. The length of the performance period, the performance goals to be achieved and the measure of whether and to what degree such goals have been achieved will be determined by the Committee. Payment of earned performance awards will be made in accordance with terms and conditions prescribed or authorized by the Committee. The Committee may require or permit the deferral of, the receipt of performance awards upon such terms as the Committee deems appropriate and in accordance with Section 409A of the Code.

Restricted Stock Units

The Committee may, in its discretion, grant Restricted Stock Units to participants, which may constitute Performance-Based Awards. A "Restricted Stock Unit" means a notional account representing one share of common stock. The Committee determines the criteria for the vesting of Restricted Stock Units and whether a participant granted a Restricted Stock Unit shall be entitled to Dividend Equivalent Rights (as defined in the 2012 Share Incentive Plan). Upon vesting of a Restricted Stock Unit, unless the Committee has determined to defer payment with respect to such unit or a participant has elected to defer payment, shares of common stock representing the Restricted Stock Units will be distributed to the participant (unless the Committee, with the consent of the participant, provides for the payment of the Restricted Stock Units in cash, or partly in cash and partly in shares of common stock, equal to the value of the shares of common stock which would otherwise be distributed to the participant).

Performance-Based Awards

Certain Benefits granted under the 2012 Share Incentive Plan may be granted in a manner such that the Benefit qualifies for the performance-based compensation exemption to Section 162(m) of the Code ("Performance-Based Awards"). As determined by the Committee in its sole discretion, either the vesting or the exercise of such Performance-Based Awards will be based upon achievement of hurdle rates and/or growth in one or more of the following business criteria: (1) net sales; (2) pre-tax income before allocation of corporate overhead and bonus; (3) budget; (4) earnings per share; (5) net income; (6) division, group or corporate financial goals; (7) return on stockholders' equity; (8) return on assets; (9) attainment of strategic and operational initiatives; (10) appreciation in and/or maintenance of the price of our common stock or any other publicly traded securities; (11) market share; (12) gross profits; (13) earnings before interest and taxes; (14) earnings before interest, taxes, depreciation and amortization; (15) economic value-added models and comparisons with various stock market indices; (16) reductions in costs; or (17) any combination of the foregoing. In addition, Performance-Based Awards may include comparisons to the performance of other companies, such performance to be measured by one or more of the foregoing criteria. With respect to Performance-Based Awards, the Committee shall establish in writing (x) the performance goals applicable to a given period, and such performance goals shall state, in terms of an objective formula or standard, the method for computing the amount of compensation payable to the participant if such performance goals are obtained and (y) the individual participants or class of participants to which such performance goals apply no later than 90 days after the commencement of such period (but in no event after 25% of such period has elapsed). No Performance-Based Award shall be payable to, or vest with respect to, as the case may be, any participant for a given fiscal period until the Committee certifies in writing that the objective performance goals (and any other material terms) applicable to such period have been satisfied.

Other Terms

In order to comply with the requirements of Section 162(m) of the Code, the maximum number of shares of common stock with respect to which Benefits may be granted or measured to any individual participant under the 2012 Share Incentive Plan during the term of the 2012 Share Incentive Plan, and the maximum number of shares of common stock with respect to which options and SARs may be granted to an individual participant under the 2012 Share Incentive Plan during any calendar year, subject to certain adjustments, may not exceed 30% of the maximum number of shares of common stock that may be delivered to participants under the 2012 Share Incentive Plan.

The 2012 Share Incentive Plan provides that Benefits may be transferred by will or the laws of descent and distribution. The Committee determines the treatment to be afforded to a participant in the event of termination of employment for any reason including death, disability or retirement. In addition to the foregoing, the Committee may permit the transfer of a Benefit by a participant to certain members of the participant's immediate family or trusts for the benefit of such persons or other entities owned by such persons.

Upon the grant of any Benefit under the 2012 Share Incentive Plan, the Committee may, by way of an agreement with the participant, establish such other terms, conditions, restrictions and/or limitations covering the grant of the Benefit as are not inconsistent with the 2012 Share Incentive Plan. The Committee reserves the right to amend, suspend or terminate the 2012 Share Incentive Plan at any time. However, no amendment may be made without approval of our stockholders if the amendment will: (i) increase the aggregate number of shares of common stock that may be delivered through Stock Options under the 2012 Share Incentive Plan; (ii) increase the maximum amounts which can be paid to an individual participant under the 2012 Share Incentive Plan; (iii) change the types of business criteria on which Performance-Based Awards can be based under the 2012 Share Incentive Plan; or (iv) modify the requirements as to eligibility for participation in the 2012 Share Incentive Plan.

The 2012 Share Incentive Plan contains provisions for equitable adjustment of Benefits in the event of a merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, split-up, spin-off, combination of shares, exchange of shares, dividend in kind or other like change in capital structure or distribution (other than normal cash dividends) to our stockholders. In addition, if there is a Change in Control (as defined in the 2012 Share Incentive Plan) of us, Benefits that have not vested or become exercisable at the time of such Change in Control will immediately vest and become exercisable and all performance targets relating to such Benefits will be deemed to have been satisfied as of the time of such

Change in Control; *provided*, *however*, that: (i) any spin-off of one of our divisions or subsidiaries to our stockholders, and (ii) any event that would otherwise constitute a Change in Control that the board of directors determines, in its sole discretion, not to be a Change in Control for purposes of the 2012 Share Incentive Plan, will not constitute a Change in Control. Furthermore, the Committee, in its sole discretion, may determine upon the occurrence of a Change in Control (without regard to any contrary determination by the board of directors) that each Benefit outstanding will terminate and each holder will receive: (i) an amount equal to the excess of the Fair Market Value of such shares of common stock that are subject to Stock Options or SARs and that are then vested, over the exercise price thereof, and (ii) the Fair Market Value of shares of common stock that are subject to a Stock Award or Restricted Stock Unit and that are then vested. Such amounts, in either case, may be paid in cash, property or a combination thereof.

The Committee may grant Benefits to participants who are subject to the tax laws of nations other than the U.S., which Benefits may have terms and conditions as determined by the Committee as necessary to comply with applicable foreign laws. The Committee may take any action which it deems advisable to obtain approval of such Benefits by the appropriate foreign governmental entity; *provided*, *however*, that no such Benefits may be granted, and no action may be taken which would violate the Exchange Act, the Code or any other applicable law.

Certain Federal Income Tax Consequences

The following is a general description of the U.S. federal income tax consequences applicable to grants under the 2012 Share Incentive Plan, as currently in effect. Federal tax treatment may change should the Code be amended. State, local and foreign tax treatment, which is not discussed below, may vary from such federal income tax treatment. The following is not to be considered as tax advice to any participant, and any such persons are advised to consult their own tax counsel. Neither we nor the administrator are in a position to assure any particular tax result.

Non-Qualified Stock Options and Stock Appreciation Rights. A participant who receives a non-qualified stock option or a SAR will not recognize any taxable income upon the grant of such non-qualified stock option or SAR. However, the participant generally will recognize ordinary income upon exercise of a non-qualified stock option in an amount equal to the excess of the Fair Market Value of the shares of common stock at the time of exercise over the exercise price. Similarly, upon the receipt of cash or shares pursuant to the exercise of a SAR, the participant generally will recognize ordinary income in an amount equal to the sum of the cash and the Fair Market Value of the shares received. The ordinary income recognized with respect to the receipt of shares or cash upon exercise of a non-qualified stock option or SAR will be subject to both wage withholding and other employment taxes. In addition to the customary methods of satisfying the withholding tax liabilities that arise upon the exercise of a SAR for shares or upon the exercise of a non-qualified stock option, we may satisfy the liability in whole or in part by withholding shares of common stock from those that otherwise would be issuable to the participant or by the participant tendering other shares owned by him or her, valued at their Fair Market Value as of the date that the tax withholding obligation arises. A federal income tax deduction generally will be allowed to us in an amount equal to the ordinary income included by the participant with respect to his or her non-qualified stock option or SAR, provided that such amount constitutes an ordinary and necessary business expense to us and is reasonable and the limitations of Sections 280G and 162(m) of the Code do not apply. If a participant exercises a non-qualified stock option by delivering shares of common stock, the participant will not recognize gain or loss with respect to the exchange of such shares, even if their then Fair Market Value is different from the participant's tax basis. The participant, however, will be taxed as described above with respect to the exercise of the non-qualified stock option as if he or she had paid the exercise price in cash, and we likewise generally will be entitled to an equivalent tax deduction.

Incentive Stock Options. A participant does not recognize ordinary taxable income when an incentive stock option is granted or exercised. However, the excess of the Fair Market Value of the underlying shares of common stock over the exercise price on the date of exercise is an item of tax preference for alternative minimum tax purposes. If the participant exercises the option and holds the acquired shares of common stock for more than two years following the date of the option grant and more than one year after the date of exercise, the difference between the sale price and exercise price is taxed as long-term capital gain or loss. If the participant sells the acquired shares before the end of the two-year and one-year holding periods, he or she generally recognizes ordinary income at the time of sale equal to the Fair Market Value of the shares on the exercise date (or the sale price, if less) minus the exercise price of the option. Any additional gain is capital gain.

Restricted Stock. In general, a participant does not recognize taxable income upon the grant of Restricted Stock. Instead, the participant recognizes ordinary income at the time of vesting equal to the Fair Market Value of the shares (or cash) received minus any purchase price paid for the Restricted Stock. Any subsequent gain or loss is capital gain or loss. However, a participant may instead elect to be taxed at the time of grant. If the participant makes such an election, upon subsequent sale of the shares of common stock, any additional gain or loss is capital gain or loss.

Other Stock-Based Benefits. The tax consequences associated with other stock-based Benefits will vary depending on the specific terms of such Benefits. Among the relevant factors are whether or not the other stock-based Benefit has a readily ascertainable Fair Market Value, whether or not the Benefit is subject to forfeiture provisions or restrictions on transfer, the nature of the property to be received under the Benefit and the tax basis for the Benefit.

Section 409A of the Code. Section 409A of the Code, which was enacted in 2004, treats certain Benefits as "non-qualified deferred compensation." If a Benefit is treated as "non-qualified deferred compensation" and the Benefit does not comply with or is not exempt from Section 409A of the Code, Section 409A may impose additional taxes, interest and penalties on the participant. Neither we nor the administrator is obligated to ensure that Benefits comply with Code Section 409A or to take any actions to ensure such compliance.

Tax Effect for Us. We generally receive a deduction for any ordinary income recognized by a participant with respect to an award. However, special rules limit the deductibility of compensation paid to certain award holders, including pursuant to Section 162(m) and Section 280G of the Code.

Era Management Incentive Plan

We will adopt the Era Group Inc. Management Incentive Plan (the "MIP") to allow the Company to award annual bonus compensation that complies with the requirements of Section 162(m) of the Code. Generally, Section 162(m) denies a deduction to publicly held corporations for compensation paid to certain executive officers in excess of $1 million per executive per taxable year. An exception applies to certain performance based compensation that meets the requirements of Section 162(m). The Company believes that bonus opportunities granted under the MIP should qualify for the performance based compensation exception to Section 162(m).

We will adopt the MIP because we believe that the MIP promotes our financial interests, including growth, by (i) attracting and retaining officers and key executives of outstanding competence; (ii) motivating officers and key executives by means of performance-related incentives; and (iii) providing competitive incentive compensation opportunities.

Administration

The MIP will be administered by the Compensation Committee of the Board. The Compensation Committee has the power to select employees to participate in the MIP, determine the size of awards under the MIP and make all necessary determinations under the MIP.

Eligibility and Participation

Executive employees who are, or are expected to be, "covered employees" under Section 162(m) and other executive employees, selected in the sole discretion of the Compensation Committee, are eligible to participate in the MIP. A participant may be designated as being eligible to receive an incentive cash bonus with respect to an annual performance period ("Annual Bonus"). The maximum Annual Bonus payable to any participant is $6 million. Unless otherwise determined by the Compensation Committee or the Board, the annual performance period will begin on January 1 of each calendar year and end on December 31 of that calendar year. Within 90 days after the beginning of each performance period, the Compensation Committee will establish specific performance goals for such annual performance period.

Performance Goals

The performance goals are specific targets and objectives established by the Compensation Committee. These performance goals will primarily be based on the earnings before interest, taxes, depreciation, amortization and non-cash items of the Company, or any business or division thereof, but may also be based on one or more, individually or in combination, of the following objective performance measures: (i) revenue growth, (ii) earnings, (iii) operating income; (iv) pre- or after-tax income; (v) cash flow (before or after dividends); (vi) cash flow per share (before or after dividends); (vii) earnings per share; (viii) return on equity; (ix) return on capital (including return on total capital or return on invested capital); (x) cash flow return on investment; (xi) return on assets; (xii) economic value added (or an equivalent metric); (xiii) market share or penetration; (xiv) share price performance; (xv) total shareholder return; (xvi) improvement in or attainment of expense levels or expenses ratios; (xvii) employee satisfaction; (xviii) customer satisfaction; (xix) customer retention; (xx) rating agency ratings and (xxi) attainment of strategic and/or organizational development goals. Performance goals may also be based on comparisons to the performance of other companies or an index covering multiple companies, measured by one or more of the foregoing performance measures.

Bonus Determinations and Payment

As soon as reasonably practical following the completion of each annual performance period, the Compensation Committee shall confirm which of the applicable performance goals, if any, have been achieved and the amount of bonuses payable as a result. The evaluation of performance measures against the performance goals may (A) be adjusted consistent with exclusions or adjustments provided for in our financing agreements, or (B) exclude or adjust for the impact of certain events or occurrences that were not budgeted or planned for in setting the goals, including but not limited to changes in accounting standards or tax laws and the effects of non-operational or extraordinary items as defined by generally accepted accounting principles. The Annual Bonus shall be paid to each participant within a reasonable period of time after the end of the annual performance period. The Compensation Committee may not increase any Annual Bonus payable. The Compensation Committee may, however, reduce or eliminate any

Annual Bonus payable; provided, however, such action will not result in any increase in the amount of any Annual Bonus payable to any other MIP participant.

Employee Stock Purchase Plan

We expect to establish an employee stock purchase plan (the “ERA ESPP”) following the consummation of the separation.

SECURITY OWNERSHIP BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

As of the date of this Information Statement, all of the outstanding shares of our capital stock are beneficially owned by SEACOR. After the spin-off, SEACOR will not own any shares of our capital stock. The following table provides information with respect to the anticipated beneficial ownership of our common stock by:

- each of our stockholders who we believe (based on the assumptions described below) will beneficially own more than 5% of our outstanding shares of common stock;
- each person we expect will be a director of ours following the spin-off;
- each officer named in the summary compensation table; and
- all of our directors and executive officers following the spin-off as a group.

Except as otherwise noted below, we based the share amounts on each person's beneficial ownership of SEACOR shares on October 31, 2012, giving effect to a distribution ratio of one share of Era Group's common stock for each common share of SEACOR common stock held by such person. As of October 26, 2012, SEACOR had approximately 20,852,751 shares of common stock outstanding.

To the extent our directors and executive officers own SEACOR common stock at the record date of the spin-off, they will participate in the distribution on the same terms as other holders of SEACOR common stock. The beneficial owners listed in the table below may have also been granted stock-based awards whose value is derived from the value of SEACOR's common stock, including options and restricted stock. In connection with the spin-off, holders of restricted stock awards of SEACOR common stock will be entitled to receive one fully-vested share of our common stock for each share of SEACOR restricted stock held by such person. These shares are included in the table below. In addition, options to purchase SEACOR common stock held by our employees and directors of SEACOR that will join our board after the spin-off will become options to purchase our common stock. However, the shares of our common stock underlying these options are not shown in the table below because in connection with the spin-off the number of shares underlying such options will be adjusted based, in part, on the trading price of our common stock on the distribution date. Therefore we cannot estimate the number of shares of our common stock underlying stock options that, immediately after the share distribution, each person will be entitled to acquire within 60 days. See "The Spin-Off—Treatment of SEACOR Stock Awards".

Except as otherwise noted in the footnotes below, each person or entity identified in the table has sole voting and investment power with respect to the securities they hold.

Immediately following the spin-off, we estimate that million shares of Era Group common stock will be issued and outstanding, based on the number of SEACOR shares expected to be outstanding as of the record date. The actual number of our outstanding shares of common stock following the spin-off will be determined on the record date for the distribution.

Name	Amount and Nature of Beneficial Ownership	Percentage of Class
Directors and Named Executive Officers:		
Charles Fabrikant(1)	997,119	4.78%
Sten L. Gustafson	—	*
Christopher S. Bradshaw	—	*
Edward Washecka(2)	—	*
Dick Fagerstal(3)	40,853	*
Robert Van de Vuurst(2)	—	*
Paul Robinson(4)	17,759	*
Anna Goss(5)	5,679	*
Richard Fairbanks	1,875	*
Blaine Fogg	2,125	*
Steven Webster	23,962	*
All directors and executive officers as a group (10 individuals)(6)	1,034,366	4.96%
Principal Stockholders:		
Baron Capital Group Inc. (7) 767 Fifth Avenue, 49th Floor New York, NY 10153	1,218,067	5.84%
BlackRock Inc. (8) 40 East 52nd Street New York, NY 10022	1,602,163	7.68%
Dimensional Fund Advisors LP (9) Palisades Wes, Building ONe 6300 Bee Cave Road Austin, TX 78476	1,090,038	5.23%
The Vanguard Group, Inc. (10) 100 Vanguard Blvd. Malvern, PA 19355	1,157,910	5.55%
Wellington Management Company, LLP (11) 280 Congress Street Boston, MA 02110	1,783,719	8.55%

(1) Includes 502,536 shares of common stock that Mr. Fabrikant may be deemed to own through his interest in, and control of, (i) Fabrikant International Corporation (FIC), of which he is President, the record owner of 372,727 shares of SEACOR Common stock, (ii) the E Trust, of which he is trustee, the record owner of 3,789 shares of SEACOR common stock, (iii) the H Trust, of which he is trustee, the record owner of 3,789 shares of SEACOR common stock, (iv) VSS Holding Corporation (VSS Holdings), of which he is President and sole stockholder, the record owner of 103,236 shares of SEACOR common stock, and (v) 18,995 shares of SEACOR common stock owned by his mother's estate over which he is a trustee and has discretion. Also includes 104,200 shares of restricted stock over which Mr. Fabrikant exercises sole voting power.

(2) Due to the resignation of Mr. Van de Vuurst effective October 1, 2012 and Mr. Washecka in October 2011, we are unable to confirm beneficial ownership information for either Mr. Van de Vuurst or Mr. Washecka.

(3) Includes 11,920 shares of restricted stock over which Mr. Fagerstal exercises sole voting power.

(4) Includes 12,880 shares of restricted stock over which Mr. Robinson exercises sole voting power.

(5) Includes 3,350 shares of restricted stock over which Ms. Goss exercises side voting power.

(6) Includes Ms. Goss and Messrs. Fabrikant, Gustafson, Bradshaw, Fairbanks, Fogg, Webster, Stavley, Reguero and White.

(7) According to a Schedule 13G amendment filed jointly on February 14, 2012, by Baron Capital Group, Inc. ("BCG"), BAMCO, Inc. ("BAMCO"), Baron Capital Management, Inc. ("BCM") and Ronald Baron ("Mr. Baron"), the filers are collectively the beneficial owners of more than 5% of the outstanding SEACOR common stock. BCG and Mr. Baron have shared voting power with respect to 1,106,817 shares of SEACOR common stock and shared dispositive power with respect to 1,218,067 shares of SEACOR common stock. BAMCO has shared voting power with respect to 1,050,200 shares of SEACOR common stock and shared dispositive power with respect to 1,160,200 shares of SEACOR common stock. BCM has shared voting power with respect to 56,617 shares of SEACOR common stock and shared dispositive power with respect to 57,867 shares of SEACOR common stock. BAMCO and BCM serve as an investment advisor and for purposes of the reporting requirements of the Exchange Act may be deemed to beneficially own 1,218,067 shares of SEACOR common stock. Various persons have the right to receive, or the power to direct, the receipt of dividends from, or the proceeds from the sale of, such shares of SEACOR common stock. No one person's interest in such shares of SEACOR common stock is more than 5% of the total Common Stock outstanding. The information in the table is based on the information contained in the 13G amendment and assumes that the aforesaid filer will own all such shares on the record date for the distribution.

(8) According to a Schedule 13G amendment filed on February 10, 2012, by BlackRock Inc. ("BlackRock"), BlackRock has sole dispositive power and sole voting power with respect to 1,602,163 shares of SEACOR common stock. BlackRock serves as a parent holding company, and, for purposes of the reporting requirements of the Exchange Act, may be deemed to beneficially own 1,602,163 shares of SEACOR common stock. Various persons have the right to receive, or the power to direct, the receipt of dividends from, or the proceeds from the sale of, such shares of SEACOR common stock. No one person's interest in such shares of SEACOR common stock is more than 5% of the total Common Stock outstanding. The information in the table is based on the information contained in the 13G amendment and assumes that the aforesaid filer will own all such shares on the record date for the distribution.

(9) According to a Schedule 13G filed on February 14, 2012, by Dimensional Fund Advisors LP ("Dimensional"), Dimensional has sole voting power with respect to 1,056,714 shares of SEACOR common stock and sole dispositive power with respect to 1,090,838 shares of Co SEACOR common stock. Dimensional furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts (collectively, the "Funds"). In certain cases, subsidiaries of Dimensional may act as advisor or sub-advisor to certain Funds. In its role as investment advisor, sub-advisor and/or manager, neither Dimensional nor its subsidiaries possess voting and/or investment power over the shares of SEACOR common stock owned by the Funds and may be deemed to be the beneficial owner of the shares of SEACOR common stock. However, all of the SEACOR common stock is owned by the Funds and Dimensional disclaims beneficial ownership of all such securities. Various funds have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of the securities held in their respective accounts. No one such Fund's interest in such shares of SEACOR common stock is more than 5% of the total SEACOR common stock outstanding. The information in the table is based on the information contained in the 13G and assumes that the aforesaid filer will own all such shares on the record date for the distribution.

(10) According to a Schedule 13G filed on February 10, 2012, by The Vanguard Group, Inc. ("Vanguard"), Vanguard has sole voting power with respect to 15,175 shares of SEACOR common stock, sole dispositive power with respect to 1,142,735 shares of SEACOR common stock and shared dispositive power with respect to 15,175 shares of SEACOR common stock. Vanguard Fiduciary Trust Company ("VFTC"), a wholly owned subsidiary of Vanguard, is the beneficial owner of 15,175 shares of the SEACOR common stock as a result of its serving as an investment manager of collective trust accounts. VFTC directs the voting of these shares. Vanguard may be deemed to beneficially own 1,157,910 shares of SEACOR common stock. The information in the table is based on the information contained in the 13G and assumes that the aforesaid filer will own all such shares on the record date for the distribution.

(11) According to a Schedule 13G amendment filed on February 14, 2012, by Wellington Management Company, LLP ("Wellington"), Wellington has shared voting power with respect to 734,356 shares of SEACOR common stock and shared dispositive power with respect to 1,783,719 shares of SEACOR common stock. Wellington serves as an investment advisor and for purposes of the reporting requirements of the Exchange Act may be deemed to beneficially own 1,783,719 shares of SEACOR common stock. Various persons have the right to receive, or the power to direct, the receipt of dividends from, or the proceeds from the sale of, such shares of SEACOR common stock. No one person's interest in such shares of SEACOR common stock is more than 5% of the total SEACOR common stock outstanding. The information in the table is based on the information contained in the 13G amendment and assumes that the aforesaid filer will own all such shares on the record date for the distribution.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Indemnification Agreements

We intend to enter into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us to indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Separation and Consulting Agreements

On November 28, 2011, we entered into a Separation and Consulting Agreement with Mr. Washecka, pursuant to which Mr. Washecka ceased to be an employee as of December 31, 2011. On September 30, 2012, we entered into a Separation and Consulting Agreement with Mr. Van de Vuurst pursuant to which Mr. Van de Vuurst ceased to be an employee as of October 1, 2012. For a description of the terms of these agreements, please see "Compensation of Executive officers—Compensation Discussion and Analysis—Elements of Compensation/Components of Our Executive Compensation Program—Potential Payments Upon Death, Disability, Qualified Retirement, Termination Without Cause or a Change of Control."

Agreements between SEACOR and Era Group Relating to the Separation

Following the separation, SEACOR and Era Group will operate independently, and neither will have any ownership interest in the other. In order to govern certain ongoing relationships between SEACOR and Era Group after the separation and to provide mechanisms for an orderly transition, SEACOR and Era Group intend to enter into agreements pursuant to which certain services and rights will be provided for following the separation, and SEACOR and Era Group will indemnify each other against certain liabilities arising from our respective businesses. The following is a summary of the terms of the material agreements we expect to enter into with SEACOR.

This summary does not purport to be complete and may not contain all of the information about these agreements that is important to you. These summaries are subject to, and qualified in their entirety by reference to, the agreements described below, the form of each of which will be included as an exhibit to the Registration Statement on Form 10 of which this Information Statement is a part. You are encouraged to read each of these agreements carefully and in their entirety, as they are the primary legal documents governing the relationship between SEACOR and Era Group following the separation.

Distribution Agreement

We will enter into the Distribution Agreement with SEACOR before the separation. The Distribution Agreement will set forth the agreements between us and SEACOR regarding the principal transactions necessary to separate us from SEACOR. It also will set forth other agreements that govern certain aspects of our relationship with SEACOR after the completion of the separation.

Except for matters covered by the Distribution Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the Series B Preferred Stock Exchange Agreement and the other arms-length transactions entered into in the ordinary course of business, any and all agreements, arrangements, commitments and understandings, between us and our subsidiaries and other affiliates, on the one hand, and SEACOR and its subsidiaries and other affiliates (other than us and our affiliates), on the other hand, will terminate as of the distribution date.

In general, neither us nor SEACOR will make any representations or warranties regarding the transactions contemplated by the Distribution Agreement or the respective businesses, assets, liabilities, condition or prospects of SEACOR or us.

Distribution. On the distribution date, after giving effect to the Recapitalization, SEACOR will distribute to its stockholders one share of our common stock for every share of SEACOR common stock held by SEACOR stockholders.

Removal of Guarantees and Releases from Liabilities. The Distribution Agreement will provide for any removal of guarantees that are necessary in advance of the separation of Era Group from SEACOR. Each of us and SEACOR generally will be required to use commercially reasonable efforts to obtain such removal of guarantees, if any. The Distribution Agreement will also provide for the settlement or extinguishment of certain liabilities and other obligations between us and SEACOR, if any.

Release of Claims. We will agree to broad releases pursuant to which we will release SEACOR and its affiliates, successors and assigns from, and indemnify and hold harmless all such persons against and from, any claims against any of them that arise out of or relate to the management of our business and affairs on or prior to the distribution date.

Indemnification. We and SEACOR will agree to indemnify each other and each of our and their respective affiliates and representatives, and each of the heirs, executors, successors and assigns of such representatives against certain liabilities in connection with the separation, all liabilities to the extent relating to or arising out of our or their respective business as conducted at any time, and any breach by such company of the Distribution Agreement.

Exchange of Information. We and SEACOR will agree to provide each other with information relating to the other party or the conduct of its business prior to the separation, and information reasonably necessary to prepare financial statements and any reports or filings to be made with any governmental authority. We and SEACOR will also agree to retain such information in accordance with our and their respective record retention policies as in effect on the date of the Distribution Agreement and to afford each other access to former and current representatives as witnesses or records as reasonably be required in connection with any relevant litigation.

Further Assurances. We and SEACOR will agree to take all actions reasonably necessary or desirable to consummate and make effective the transactions contemplated by the Distribution Agreement and the ancillary agreements related thereto, including using commercially reasonable efforts to promptly obtain all consents and approvals, to enter into all agreements and to make all filings and applications that may be required for the consummation of such transactions.

Termination. The Distribution Agreement will provide that it may be terminated by SEACOR at any time prior to the separation by and in the sole discretion of SEACOR without the approval of us or the stockholders of SEACOR.

Amended and Restated Transition Services Agreement

SEACOR currently provides us with a number of support services, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management pursuant to the terms of a Transition Services Agreement. Prior to the separation, we and SEACOR will enter into an Amended and Restated Transition Services Agreement, pursuant to which SEACOR will continue to provide us with these services on an interim basis to help ensure an orderly transition following the separation. SEACOR will have no obligation to provide additional services.

Under the Amended and Restated Transition Services Agreement, SEACOR will provide us with the services described above in a manner historically provided to us by SEACOR during the 12 months prior to the date of the agreement, and we will use such services for substantially the same purposes and substantially the same manner as we used them during such 12 month period.

Amounts payable for services provided under the Amended and Restated Transition Services Agreement will be calculated on a fixed-fee basis, with the Amended and Restated Transition Services Agreement specifying fixed fees for each category of services described therein. Era Group will also be responsible for its own transition-related costs and expenses (e.g., for Era Group to procure its own IT infrastructure) and certain costs and expenses incurred by SEACOR to transfer software licenses to Era Group, including (i) transfer fees charged by third party software licensors and (ii) unamortized SEACOR costs and expenses to procure and deploy the software being transferred to Era Group.

Subject to limited exceptions, each of us and SEACOR has agreed to limit its liability to the other in respect of causes of action arising under the agreement. In addition, we will indemnify SEACOR against third party claims stemming from our (i) failure to fulfill obligations under the agreement and (ii) infringement of the intellectual property of any third party; provided that we will not be required to indemnify SEACOR for losses resulting from SEACOR's willful misconduct, bad faith or gross negligence. SEACOR will indemnify us against third party claims stemming from SEACOR's (i) failure to fulfill its confidentiality obligations as set forth in the Transition Services Agreement and (ii) infringement of the intellectual property of any third party; provided that SEACOR will not be required to indemnify us for losses resulting from our willful misconduct, bad faith or gross negligence.

Pursuant to the Amended and Restated Transition Services Agreement, each of us and SEACOR will agree to customary confidentiality agreements regarding any confidential information of the other party received in the course of performance of the services.

The Amended and Restated Transition Services Agreement will continue in effect for two years. In the event that we default under the agreement, SEACOR may, in addition or as an alternative to terminating the agreement, declare immediately due and payable all sums for which we are liable under the agreement or suspend the agreement and decline to continue to perform any of its obligations thereunder. In the event SEACOR outsources its functions or resources used by SEACOR to provide us services under the Amended and Restated Transition Services Agreement, SEACOR will have the option, but not the obligation, to transition us along with SEACOR to the new outsourced solution. If SEACOR opts not to transition us to the new SEACOR outsourced solution, SEACOR may opt to stop providing us these outsourced services upon 90 days' notice.

Employee Matters Agreement

Prior to the spin-off, we will enter into the Employment Matters Agreement with SEACOR. The Employee Matters Agreement will allocate liabilities and responsibilities between us and SEACOR relating to employee compensation and benefit plans and programs, including the treatment of retirement and health plans, equity incentive and employee stock purchase plans.

In general, the Employee Matters Agreement will provide that, following the distribution, our employees will participate in our equity incentive plans and will cease to participate in SEACOR's equity incentive plans. We will be responsible for all employment and benefit-related obligations and liabilities of our employees following the spin-off.

Specific provisions of the Employee Matters Agreement include the following:

- *401(k) Plan*. Our employees currently participate in the SEACOR 401(k) Plan. In connection with the distribution, our employees will cease to participate in the SEACOR 401(k) Plan, and we will establish a replacement 401(k) plan for the benefit of our employees with substantially similar terms and conditions as the SEACOR 401(k) Plan. Account balances of our employees will be transferred from the SEACOR 401(k) Plan to the Era Group 401(k) Plan in connection with the distribution
- *Health and Welfare Plans*. Our employees currently participate in health and welfare plans sponsored by SEACOR, including medical, dental, prescription drug, disability and life insurance. In connection with the distribution, our employees will cease to participate in the SEACOR health and welfare plans, and we will establish health and welfare plans that mirror the SEACOR health and welfare plans for the benefit of our employees.
- *Employee Equity Plans*. Our employees currently participate in the SEACOR Employee Share Purchase Plan (the "ESPP"). Pursuant to the terms of the ESPP, upon the effective date of the distribution, our employees will cease participation in the SEACOR ESPP, and will be repaid any contributions to the ESPP that have not been used to purchase shares of SEACOR common stock. In connection with the distribution, we will establish a replacement employee stock purchase plan for our employees to purchase shares of our common stock.

Tax Matters Agreement

Prior to the separation, we and SEACOR will enter into the Tax Matters Agreement that will govern the parties' respective rights, responsibilities and obligations with respect to taxes, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and assistance and cooperation in respect of tax matters. In general, liabilities for taxes attributable to us and our subsidiaries allocable to a tax period (or portion thereof) ending on or before the distribution date will be allocable to SEACOR (other than taxes of our foreign subsidiaries), and liabilities for taxes attributable to us and our subsidiaries allocable to a tax period (or portion thereof) beginning after the distribution date will be allocable to us. Taxes relating to or arising out of the failure of certain of the transactions described in the private letter ruling request and the opinion of tax counsel to qualify as a tax-free transaction for U.S. federal income tax purposes will be borne by SEACOR, except, in general, if such failure is attributable to our action or inaction or SEACOR's action or inaction, as the case may be, or any event (or series of events) involving our assets or stock or the assets or stock of SEACOR, as the case may be, in which case the resulting liability will be borne in full by us or SEACOR, respectively.

Our obligations under the Tax Matters Agreement are not limited in amount or subject to any cap. Further, even if we are not responsible for tax liabilities of SEACOR and its subsidiaries under the Tax Matters Agreement, we nonetheless could be liable under applicable tax law for such liabilities if SEACOR were to fail to pay them. If we are required to pay any liabilities under the circumstances set forth in the Tax Matters Agreement or pursuant to applicable tax law, the amounts may be significant.

The Tax Matters Agreement also will contain restrictions on our ability (and the ability of any member of our group) to take actions that could cause the separation to fail to qualify as a tax-free reorganization for U.S. federal income tax purposes, including entering into, approving or allowing any transaction that results in a sale or other disposition of a substantial portion of our assets or stock and the liquidation or dissolution of us and certain of our subsidiaries. These restrictions will apply for the two-year period after the distribution, unless SEACOR obtains a private letter ruling from the IRS or an unqualified opinion of a nationally recognized law firm that such action will not cause the distribution or certain related transactions to fail to qualify as tax-free transactions for U.S. federal income tax purposes. Notwithstanding receipt of such ruling or opinion, in the event that such action causes the distribution or certain related transactions to fail to qualify as a tax-free transaction for U.S. federal income tax purposes, we will continue to remain responsible for taxes arising therefrom.

Series B Preferred Stock Exchange Agreement

We will enter into the Series B Preferred Stock Exchange Agreement with SEACOR prior to the Series B Exchange. In accordance with the Series B Preferred Stock Exchange Agreement, prior to the Recapitalization, SEACOR will transfer a portion of our Series B preferred stock that it holds to us in partial satisfaction for the benefit that SEACOR (and other SEACOR U.S. federal consolidated group members) received by applying U.S. federal net operating tax losses generated by us in 2012 against SEACOR group taxable income, currently estimated at approximately \$50.0 million. No assurance can be given as to whether our 2012 net operating tax losses as finally determined will increase or decrease from our current estimate. We expect to repurchase for cash the remainder of the outstanding Series B preferred stock for approximately \$50.0 million based on our current estimate of our 2012 net operating losses. Any adjustments will generally be cash-settled pursuant to the Tax Matters Agreement upon the completion of SEACOR's 2012 financial statements, and again to the extent necessary upon the filing of SEACOR's 2012 federal consolidated income tax return. However, if our net operating losses as finally determined are significantly less than SEACOR's current estimate or if we do not have sufficient availability under our Revolving Credit Facility, it is likely that we will reach an agreement with SEACOR whereby we will not be required to pay the full amount of the adjustment otherwise payable.

Related Party Transactions

Set forth below is a description of certain relationships and related person transactions between us or our subsidiaries and our directors, executive officers and holders of more than 5% of our voting securities during the nine months ended September 30, 2012 and the fiscal years ended December 31, 2011, 2010 and 2009. We believe that all of the following transactions were entered into with terms as favorable as could have been obtained from unaffiliated third parties in an arms-length transaction.

Board of Directors Compensation

Following consummation of the separation, directors who are our employees will receive no cash compensation for their service as members of our board of directors. Members of our board of directors who are not our employees will be compensated as set forth under "Management—Director Compensation." For more information regarding these arrangements, see "Management—Director Compensation."

Relationship with SEACOR

We were acquired by SEACOR in 2004 and have conducted our business as SEACOR's Aviation Services segment. All of the shares of our issued and outstanding capital stock are currently owned by SEACOR. Following completion of the separation, SEACOR will not own any shares of our common stock.

Prior to our entry into our Revolving Credit Facility on December 22, 2011, we participated in a cash management program whereby certain of our operating and capital expenditures were funded through advances from SEACOR and certain of our cash collections were forwarded to SEACOR. Net amounts due to SEACOR under this program were reported as advances from SEACOR in the accompanying consolidated balance sheets. We incurred interest on the outstanding advances, which was reported as interest expense on advances from SEACOR in the accompanying consolidated statements of operations. Interest was calculated and settled on a quarterly basis using interest rates set at the discretion of SEACOR. As a consequence of this arrangement, we had historically maintained minor cash on hand balances.

On December 23, 2011, SEACOR recapitalized Era Group in connection with our entry into our Revolving Credit Facility. As part of the recapitalization, we issued 1,400,000 shares of our Series A preferred stock to SEACOR in exchange for $140.0 million of aggregate advances previously provided to us by SEACOR. SEACOR owns all of the outstanding shares of our Series A preferred stock. Our Series A preferred stock is convertible into shares of our common stock at the applicable conversion rates. SEACOR also contributed an additional $180.0 million of capital to us in respect of additional prior advances. We settled all remaining outstanding advances from SEACOR through November 30, 2011 with a cash payment of $199.7 million to SEACOR on December 23, 2011. Advances from SEACOR for the period from December 1, 2011 through December 23, 2011 primarily consisted of capital expenditures on helicopters and were partially offset by SEACOR's purchase of our 2011 tax operating loss benefit of $18.2 million, and were settled by us with a cash payment of $42.6 million to SEACOR on February 9, 2012. SEACOR purchased 1.0 million shares of our Series B preferred stock, including 300,000 shares of our Series B preferred stock on June 8, 2012 and 700,000 shares of our Series B preferred stock on September 25, 2012. We used a portion of the proceeds from the issuance of the Series B preferred stock to repay borrowings under our Revolving Credit Facility originally incurred to finance the purchase of an EC225 helicopter and certain other equipment in order to maintain our compliance with our financial ratios. See "Management's Discussion and Analysis of Financial Condition and Results of Operation—Liquidity and Capital Resources—Overview."

As a subsidiary of SEACOR, we benefit from opportunities to cross-market our aviation services to SEACOR's customers that require aviation support for their offshore oil and gas activities and opportunities to utilize our helicopters in support of emergency responses, such as the 2010 earthquake in Haiti. During the nine months ended September 30, 2012 and during 2011, we provided no aviation services to SEACOR under flight charter arrangements. During 2010, we provided less than $0.1 million of aviation services to SEACOR under flight charter arrangements. During 2009, we provided $0.1 million of aviation services to SEACOR.

Transition Services Agreement

On December 30, 2011, we entered into a Transition Services Agreement pursuant to which SEACOR provides us with a number of support services including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing and treasury management. SEACOR charges us for these services based on our share of actual costs incurred, which is generally based on volume processed or units supported. In addition, SEACOR provides us with certain corporate services including executive oversight provided by SEACOR's senior management team in areas such as corporate strategies, business development and financing, risk management related to management of our insurance programs, legal, accounting and tax, for which it charges us a quarterly fee. We have negotiated an initial quarterly charge of $500,000 for these corporate services. The Transition Services Agreement will continue until the earlier of when the provision of all services has been terminated at either our or SEACOR's option or upon an event of default. Termination of any service provided under the Transition Services Agreement requires 90 days prior written notice by us or SEACOR. An event of default will occur if a party commits a material breach of the Transition Services Agreement and the breach is incurred for 30 days following notice of such breach, a party makes a general assignment for the benefit of its creditors or upon certain filings of bankruptcy by a party. Following the termination of any service, we will be required to pay SEACOR the aggregate amount of all out-of-pocket costs and expenses reasonably incurred by SEACOR in connection with the termination. In connection with the spin-off, we will amend and restate the Transition Services Agreement. See "—Agreements between SEACOR and Era Group Relating to the Separation—Amended and Restated Transition Services Agreement."

We also may incur direct fees for any additional services that we ask SEACOR to provide. We will be billed for these additional services based on hourly rates to be negotiated between us and SEACOR that will depend on the nature of the services to be provided.

Other Transactions with SEACOR

As part of a consolidated group, certain of our costs and expenses are incurred by SEACOR and charged to us. These costs and expenses are included in both operating expenses and administrative and general expenses in the accompanying consolidated statements of operations and are summarized as follows for the nine months ended September 30 and the years ended December 31 (in thousands):

	Nine Months Ended September 30,		Years Ended December 31,		
	2012	2011	2011	2010	2009
Payroll costs for SEACOR personnel assigned to us and participation in SEACOR employee benefit plans, defined contribution plan and share award plans	$ 6,129	$ 6,952	$ 11,404	$ 8,411	$ 8,255
Shared services allocation for administrative support	1,965	1,935	2,692	2,042	2,099
	$ 8,094	$ 8,887	$ 14,096	$ 10,453	$ 10,354

- Actual payroll costs of SEACOR personnel assigned to us were charged to us.
- SEACOR maintains self-insured health benefit plans for participating employees, including ours, and charges us for its share of total plan costs incurred based on the percentage of its participating employees.
- SEACOR provides a defined contribution plan for participating employees, including ours, and charged us for its share of employer matching contributions based on 50% of the participating employees' first 6% of wages contributed to the plan.
- Certain of our officers and employees receive compensation through participation in SEACOR share award plans, consisting of grants of restricted stock and options to purchase stock as well as participation in an employee stock purchase plan. We were charged for the fair value of its employees share. As of December 31, 2011, SEACOR had $1.4 million of unrecognized compensation costs on unvested share awards which are expected to be charged to us in future years as follows (in thousands):

2012	$ 474
2013	363
2014	303
2015	223
2016	36

- SEACOR also provides certain administrative support services to us under a shared services arrangement, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing, and treasury management.

SEACOR incurs various corporate costs in connection with providing certain corporate services, including, but not limited to, executive oversight, risk management, legal, accounting and tax, and charges quarterly management fees to its operating segments in order to fund its corporate overhead to cover such costs. Prior to entering into the Transition Services Agreement, total management fees charged by SEACOR to us included actual corporate costs incurred plus a mark-up and were generally allocated within the consolidated group using income-based performance metrics reported by an operating segment in relation to

SEACOR's other operating segments. Costs we incurred for management fees from SEACOR are reported as SEACOR management fees in our consolidated statements of operations.

Following the spin-off our employees will cease to participate in any SEACOR sponsored compensation or insurance and health and welfare plans and the only services that SEACOR will provide to us are those contemplated under the Amended and Restated Transition Services Agreement. See “—Agreements between SEACOR and Era Group Relating to the Separation.”

During 2011, SEACOR received insurance proceeds from one of its insurance carriers for damages related to Hurricanes Katrina and Rita. Our share of these proceeds totaled $1.9 million and were offset against our other operating expenses.

On March 31, 2011, we distributed to SEACOR a receivable from SEACOR Asset Management LLC in the amount of $69.8 million representing a return of capital to SEACOR.

Mr. Charles Fabrikant is a director of Diamond Offshore Drilling, Inc. (“Diamond”), a customer of ours. Total revenues from business conducted with Diamond did not exceed $0.1 million in any of the years ended December 31, 2011, 2010 or 2009 and was $0.1 million in the nine months ended September 30, 2012.

Related Person Transactions Policy

In connection with the separation, we will establish a written policy for the review and approval or ratification of transactions with related persons (the “Related Person Transactions Policy”) to assist us in reviewing transactions in excess of $120,000 (“Transactions”) involving us and our subsidiaries and Related Persons (as defined below). Examples include, among other things, sales, purchases or transfers of real or personal property, use of property or equipment by lease or otherwise, services received or furnished, borrowing or lending (including guarantees) and employment by us of an immediate family member of a Related Person or a change in the material terms or conditions of employment of such an individual.

The Related Person Transactions Policy will supplement our other conflict of interest policies set forth in our Corporate Governance Guidelines, our Code of Conduct and Business and Ethics and our other internal procedures. A summary description of the Related Person Transactions Policy is set forth below.

For purposes of the Related Person Transactions Policy, a Related Person will include our directors, director nominees and executive officers since the beginning of our last fiscal year, beneficial owners of 5% or more of any class of our voting securities and members of their respective Immediate Family (as defined in the Related Person Transactions Policy).

The Related Person Transactions Policy will provide that Transactions since the beginning of the last fiscal year must be approved or ratified by the board of directors. The board of directors is expected to delegate to the Audit Committee the review and, when appropriate, the approval or ratification of Transactions. Upon the presentation of a proposed Transaction, the Related Person will be excused from participation and voting on the matter. In approving, ratifying or rejecting a Transaction, the Audit Committee will consider such information as it deems important to conclude if the transaction is fair and reasonable to us.

Whether a Related Person’s interest in a Transaction is material or not will depend on all facts and circumstances, including whether a reasonable investor would consider the Related Person’s interest in the Transaction important, together with all other available information, in deciding whether to buy, sell or hold our securities. In administering this Related Person Transaction Policy, the board of directors or the relevant committee will be entitled (but not required) to rely upon such determinations of materiality by our management.

The following factors will be taken into consideration in determining whether to approve or ratify a Transaction with a Related Person:

i. the Related Person’s relationship to us and their interest in the Transaction;

ii. the material facts of the Transaction, including the proposed aggregate value of such Transaction;

iii. the materiality of the Transaction to the Related Person and us, including the dollar value of the Transaction, without regard to profit or loss;

iv. the business purpose for and reasonableness of the Transaction, taken in the context of the alternatives available to us for attaining the purposes of the Transaction;

v. whether the Transaction is comparable to an arrangement that could be available on an arms-length basis and is on terms that are generally available;

vi. whether the Transaction is in the ordinary course of our business and was proposed and considered in the ordinary course of business; and

vii. the effect of the transaction on our business and operations, including on our internal control over financial reporting and system of disclosure controls or procedures, and any additional conditions or controls (including reporting and review requirements) that should be applied to such transaction.

The following arrangements will not generally give rise to transactions with a Related Person for purposes of the Related Person Transactions Policy given their nature, size and/or degree of significance to us:

i. use of property, equipment or other assets owned or provided by us, including helicopters, vehicles, housing and computer or telephonic equipment, by a Related Person primarily for our business purposes where the value of any personal use during the course of a year is less than $10,000;

ii. reimbursement of business expenses incurred by a director or executive officer in the performance of his or her duties and approved for reimbursement by us in accordance with our customary policies and practices;

iii. compensation arrangements for non-employee directors for their services as such that have been approved by the board of directors or a committee thereof;

iv. compensation arrangements, including base pay and bonuses (whether in the form of cash or equity awards), for employees or consultants (other than a director or nominee for election as a director) for their services as such that have been approved by the Compensation Committee and employee benefits regularly provided under plans and programs generally available to employees; however, personal benefits from the use of our-owned or provided assets (“Perquisites”), including but not limited to personal use of our-owned or provided helicopters and housing, not used primarily for our business purposes may give rise to a transaction with a Related Person;

v. a transaction where the rates or charges involved are determined by competitive bids or involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; and

vi. a transaction involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

DESCRIPTION OF OUR CAPITAL STOCK

The following is a description of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws as they will be in effect upon the consummation of the separation. This summary does not purport to be complete and is qualified in its entirety by reference to the actual terms and provisions of our amended and restated certificate of incorporation and bylaws, copies of which will be filed as exhibits to the registration statement of which this prospectus is a part.

Authorized Capitalization

We currently have two classes of authorized common stock: Class A and Class B common stock, of which only Class B common stock is issued and outstanding. All of our issued and outstanding Class B common stock is owned by SEACOR. We also currently have issued and outstanding 1,400,000 shares of Series A preferred stock and 1,000,000 shares of Series B preferred stock, all of which are owned by SEACOR. Immediately before the spin-off and distribution we will effect the Recapitalization. In the Recapitalization, we will exchange our then outstanding Class B common stock, Series A preferred stock and Series B preferred stock for shares of newly-issued common stock, par value $0.01. Following the Recapitalization, we will have only one class of common stock issued and outstanding, and no preferred stock will be outstanding. The common stock that SEACOR receives in the Recapitalization, which will represent all of our outstanding capital stock, will be the stock distributed by SEACOR in the spin-off.

Common Stock

The holders of our common stock are entitled to the following rights.

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, and do not have cumulative voting rights. The common stock votes together as a single class. Directors will be elected by a plurality of the votes of the shares of common stock present in person or by proxy at a meeting of stockholders and voting for nominees in the election of directors. Except as otherwise provided in our amended and restated certificate of incorporation or required by law, all matters to be voted on by our stockholders must be approved by a majority of the shares present in person or by proxy at a meeting of stockholders and entitled to vote on the subject matter.

Dividend Rights

Holders of common stock are entitled to receive proportionately any dividends as may be declared by our board of directors, subject to any preferential dividend rights of outstanding preferred stock.

Liquidation Rights

Upon our liquidation, dissolution or winding up, the holders of common stock are entitled to receive proportionately our net assets available after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock.

Other Rights

Holders of common stock have no preemptive, subscription, redemption or other conversion rights and do not have any sinking fund provisions. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Conversion of Our Common Stock

Shares of our common stock are not convertible into any other shares of our capital stock.

Preferred Stock

Our board of directors is authorized to provide for the issuance of preferred stock in one or more series and to fix the preferences, powers and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including the dividend rate, conversion rights, voting rights, redemption rights and liquidation preference and to fix the number of shares to be included in any such series without any further vote or action by our stockholders. Any preferred stock so issued may rank senior to our common stock with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up, or both. In addition, any such shares of preferred stock may have class or series voting rights. The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by the stockholders and may adversely affect the voting and other rights of the holders of our common stock.

Anti-Takeover Effects of the Delaware General Corporate Law and Our Amended and Restated Certificate of Incorporation and Bylaws

Section 203 of the Delaware General Corporate Law

Upon the closing of the separation, we will be subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who owns 15% or more of the corporation's outstanding stock, or an affiliate or associate of the corporation who did own 15% or more of the corporation's voting stock within three years prior to the determination of interested stockholder status. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, the board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or
- at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

A Delaware corporation may opt out of Section 203 either with an express provision in its original certificate of incorporation or in an amendment to its certificate of incorporation or bylaws approved by its stockholders. However, we have not opted out, and do not currently intend to opt out, of this provision. The statute could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us.

Amended and Restated Certificate of Incorporation and Bylaw Provisions

Upon the closing of the separation, our amended and restated certificate of incorporation and bylaws will contain provisions that may delay, defer or discourage another party from acquiring control of us. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they also give our board of directors the power to discourage acquisitions that some stockholders may favor.

Filling Vacancies on the Board of Directors. Any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board of directors, may only be filled by the affirmative vote of a majority of our directors then in office even if less than a quorum. Any director appointed to fill a vacancy will hold office until the next election of directors or until their successors are duly elected and qualified.

Meetings of Stockholders. Our bylaws will provide that only a majority of the members of our board of directors then in office or the Chief Executive Officer may call special meetings of the stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. Our bylaws will limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance Notice Requirements. Our bylaws will establish an advance notice procedure for stockholders to make nominations of candidates for election as directors or to bring other business before an annual meeting of our stockholders. The bylaws will provide that any stockholder wishing to nominate persons for election as directors at, or bring other business before, an annual meeting must deliver to our secretary a written notice of the stockholder's intention to do so. To be timely, the stockholder's notice must be delivered to us not later than the 90th day nor earlier than the 120th day prior to the anniversary date of the preceding annual meeting. If the date of the annual meeting is more than 30 days before or more than 60 days after the anniversary date of the preceding annual meeting, then to be timely, notice must be delivered to us 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 Company.

Amendment to Bylaws and Amended and Restated Certificate of Incorporation. As required by Delaware law, any amendment to our amended and restated certificate of incorporation must first be approved by a majority of our board of directors and, if required by law or our amended and restated certificate of incorporation, thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment. Our bylaws may be amended (i) by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws, without further stockholder action or (ii) the affirmative vote of the holders of at least a majority of the voting power of all then outstanding shares of our capital stock entitled to vote thereon, voting together as a single class.

Blank Check Preferred Stock. The board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. Issuing preferred stock provides flexibility in connection with possible acquisitions and other corporate purposes, but could also, among other things, have the effect of delaying, deferring or preventing a change in control of our company and may adversely affect the market price of our common stock and the voting and other rights of the holders of common stock.

Foreign Ownership

We are subject to the Federal Aviation Act, under which our helicopters may be subject to deregistration, and we may lose our ability to operate within the U.S., if persons other than citizens of the U.S. should come to own or control more than 25% of our voting interest. Consistent with the requirements of the Federal Aviation Act, our amended and restated certificate of incorporation provides that persons or entities that are not "citizens of the U.S." (as defined in the Federal Aviation Act) shall not collectively own or control more than 24.9% of the voting power of our outstanding capital stock (the "Permitted Foreign Ownership Percentage") and that, if at any time persons that are not citizens of the U.S. nevertheless collectively own or control more than the Permitted Foreign Ownership Percentage, the voting rights of our outstanding voting capital stock in excess of the Permitted Foreign Ownership Percentage owned by stockholders who are not citizens of the U.S. shall automatically be reduced.

Listing

We intend to apply to have our common stock listed on the NYSE under the symbol "ERA."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company.

RECENT SALES OF UNREGISTERED SECURITIES

On August 1, 2011, upon the effectiveness of the Registrant's amended and restated certificate of incorporation, each share of the Registrant's previously issued and outstanding shares of common stock was automatically reclassified and became 24,500 shares of Class B common stock.

On December 23, 2011, the Registrant issued 1,400,000 shares of 6% Cumulative Perpetual Preferred Stock, Series A (the "Series A preferred stock") to SEACOR in exchange for $140,000,000 of aggregate advances from SEACOR. The issuance of the Series A preferred stock was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

On June 8, 2012, the Registrant issued 300,000 shares of Preferred Stock, Series B (the "Series B preferred stock") to SEACOR for aggregate cash proceeds of $30,000,000. The issuance of the Series B preferred stock was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

On September 25, 2012, the Registrant issued 700,000 shares of Series B preferred stock to SEACOR for aggregate cash proceeds of $70,000,000. The issuance of Series B preferred stock was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

INDEMNIFICATION AND LIMITATION OF LIABILITY OF DIRECTORS AND OFFICERS

Section 145 of the Delaware General Corporation Law (the "DGCL"), provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he 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 no reasonable cause to believe his conduct was unlawful. Section 145 further provides that a corporation similarly may indemnify any such person serving in any such capacity who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or such other court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

The Registrant's Bylaws authorize the indemnification of our officers and directors, consistent with Section 145 of the DGCL, as amended. The Registrant intends to enter into indemnification agreements with each of its directors and executive officers. These agreements, among other things, will require the Registrant to indemnify each director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Reference is made to Section 102(b)(7) of the DGCL, which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director for violations of the director's fiduciary duty, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends of unlawful stock purchase or redemptions or (iv) for any transaction from which a director derived an improper personal benefit.

The Registrant expects to maintain standard policies of insurance that provide coverage (i) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (ii) to the Registrant with respect to indemnification payments that it may make to such directors and officers.

CHANGES IN ACCOUNTANTS

In connection with an internal corporate reorganization, through which we contributed our ownership in Dart Helicopter Services, LLC (“Dart Helicopters”) to Dart Holding Company Ltd. (“Dart”) on July 31, 2011 for a 50% interest in Dart, Dart’s board of directors, on November 7, 2011, approved the dismissal of Ernst & Young LLP as Dart Helicopters’ independent auditors and the engagement of KPMG LLP as Dart’s independent registered public accounting firm for the five-month period ended December 31, 2011, effective November 7, 2011. Prior to the corporate reorganization, KPMG served as the independent registered public accounting firm for Dart Aerospace Ltd., which was contributed to Dart by the other 50% stockholder.

In connection with the audits of the consolidated financial statements for Dart Helicopters at July 31, 2011, December 31, 2010 and 2009 and for the seven months ended July 31, 2011, and the fiscal years ended December 31, 2010 and 2009, there were no disagreements between Dart Helicopters and Ernst & Young LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreement if not resolved to their satisfaction would have caused them to make reference in connection with their opinion to the subject matter of the disagreement. Ernst & Young LLP’s report on Dart Helicopters consolidated financial statements at July 31, 2011, December 31, 2010 and 2009 and for the seven months ended July 31, 2011, and the fiscal years ended December 31, 2010 and 2009 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles.

Ernst & Young LLP has furnished a letter addressed to the Securities and Exchange Commission and filed as an exhibit to our Form 10 stating its agreement with the statements made herein.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a Registration Statement on Form 10 with the SEC with respect to the shares of our common stock being distributed as contemplated by this Information Statement. This Information Statement is a part of, and does not contain all of the information set forth in, the Registration Statement and the exhibits and schedules to the Registration Statement. For further information with respect to our company and our common stock, please refer to the Registration Statement, including its exhibits and schedules. Statements made in this Information Statement relating to any contract or other document are not necessarily complete, and you should refer to the exhibits attached to the Registration Statement for copies of the actual contract or document. You may review a copy of the Registration Statement, including its exhibits and schedules, at the SEC's public reference room, located at 100 F Street, N.E., Washington, D.C. 20549, as well as on the Internet website maintained by the SEC at www.sec.gov. Please call the SEC at 1-800-SEC-0330 for more information on the public reference room. Information contained on any website referenced in this Information Statement does not and will not constitute a part of this Information Statement or the Registration Statement on Form 10 of which this Information Statement is a part.

As a result of the distribution, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we will file periodic reports, proxy statements and other information with the SEC.

You may request a copy of any of our filings with the SEC at no cost, by writing or telephoning us at the following address:

Era Group Inc.
818 Town & Country Blvd.
Suite 200
Houston, Texas 77024
Attention: General Counsel
Telephone: (281) 606-4900

We intend to furnish holders of our common stock with annual reports containing consolidated financial statements prepared in accordance with United States generally accepted accounting principles and audited and reported on, with an opinion expressed thereto, by an independent registered public accounting firm.

You should rely only on the information contained in this Information Statement or to which we have referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this Information Statement.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS'

ERA GROUP INC.

Except for the Financial Statement Schedule set forth above, all other required schedules have been omitted since the information is either included in the consolidated financial statements, not applicable or not required.

DART HOLDING COMPANY LTD.

DART HELICOPTER SERVICES, LLC

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of Era Group Inc.

We have audited the accompanying consolidated balance sheets of Era Group Inc. as of December 31, 2011 and 2010, and the related consolidated statements of operations, comprehensive income (loss), changes in equity, and cash flows for each of the three years in the period ended December 31, 2011. Our audits also included the financial statement schedule listed in the Index to Consolidated Financial Statements. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits. The 2011financial statements of Dart Holding Company Ltd. (a corporation in which the Company has an 50% interest), have been audited by other auditors whose report has been furnished to us, and our opinion on the 2011 consolidated financial statements, insofar as it relates to the amounts included for Dart Holding Company Ltd., is based solely on the report of the other auditors. In the 2011 consolidated financial statements, the Company's investment in Dart Holding Company Ltd. is stated at $25,128,000 at December 31, 2011 and the Company's equity in the net income of Dart Holding Company Ltd., is stated at $443,000 for the period then ended.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Era Group Inc. at December 31, 2011 and 2010, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ Ernst & Young LLP
Certified Public Accountants

Miami, Florida
March 9, 2012, except for Note 16, as to which the date is December 7, 2012

ERA GROUP INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	December 31, 2011	December 31, 2010
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 79,122	$ 3,698
Receivables:		
Trade, net of allowance for doubtful accounts of $59 and $205 in 2011 and 2010, respectively	42,834	35,848
Other	7,250	5,309
Inventories	24,504	23,153
Prepaid expenses	1,776	2,077
Deferred income taxes	2,293	1,672
Total current assets	157,779	71,757
Property and Equipment:		
Helicopters	693,197	645,807
Construction-in-progress	116,130	46,525
Machinery, equipment and spares	65,709	52,803
Buildings and leasehold improvements	24,830	24,243
Furniture, fixtures, vehicles and other	11,939	11,746
	911,805	781,124
Accumulated depreciation	(202,354)	(169,046)
	709,451	612,078
Investments, at Equity, and Advances to 50% or Less Owned Companies	50,263	27,912
Goodwill	352	352
Other Assets	15,379	6,925
	$ 933,224	$ 719,024
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 20,004	$ 16,171
Accrued wages and benefits	7,108	4,967
Due to SEACOR	42,609	—
Current portion of long-term debt	2,787	2,690
Other current liabilities	5,744	5,344
Total current liabilities	78,252	29,172
Long-Term Debt	285,098	35,885
Advances from SEACOR	—	355,952
Deferred Income Taxes	146,177	127,799
Deferred Gains and Other Liabilities	8,340	6,623
Total liabilities	517,867	555,431
Series A Preferred Stock, at redemption value, 10,000,000 shares authorized; 1,400,000 shares issued in 2011; none issued in 2010	140,210	—
Stockholder Equity:		
Common stock, no par value, 3,000 shares authorized; none issued in 2011; 1,000 shares issued in 2010	—	1
Class A common stock, $0.01 par value, 60,000,000 shares authorized; none issued in 2011 and 2010	—	—
Class B common stock, $0.01 par value, 60,000,000 shares authorized; 24,500,000 issued in 2011, none issued 2010	245	—
Additional paid-in capital	287,307	177,584
Accumulated deficit	(11,812)	(13,920)
Accumulated other comprehensive loss	(593)	(72)
Total stockholder equity	275,147	163,593
	$ 933,224	$ 719,024

The accompanying notes are an integral part of these consolidated financial statements
and should be read in conjunction therewith.

ERA GROUP INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share data)

	For the years ended December 31,		
	2011	**2010**	**2009**
Operating Revenues	$ 258,148	$ 235,366	$ 235,667
Costs and Expenses:			
Operating	162,707	147,233	147,955
Administrative and general	31,893	25,798	21,396
Depreciation	42,612	43,351	37,358
	237,212	216,382	206,709
Gains on Asset Dispositions and Impairments, Net	15,172	764	316
Operating Income	36,108	19,748	29,274
Other Income (Expense):			
Interest income	738	109	52
Interest expense	(1,376)	(94)	(13)
Interest expense on advances from SEACOR	(23,410)	(21,437)	(20,328)
SEACOR management fees	(8,799)	(4,550)	(5,481)
Derivative gains (losses), net	(1,326)	(118)	266
Foreign currency gains (losses), net	516	(1,511)	1,439
Other, net	9	50	—
	(33,648)	(27,551)	(24,065)
Income (Loss) Before Income Tax Expense (Benefit) and Equity in Earnings (Losses) of 50% or Less Owned Companies	2,460	(7,803)	5,209
Income Tax Expense (Benefit):			
Current	(17,905)	(46,315)	(29,409)
Deferred	18,339	42,014	32,292
	434	(4,301)	2,883
Income (Loss) Before Equity in Earnings (Losses) of 50% or Less Owned Companies	2,026	(3,502)	2,326
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	82	(137)	(487)
Net Income (Loss)	2,108	(3,639)	1,839
Accretion of redemption value on Series A Preferred Stock	210	—	—
Net Income (Loss) attributable to Common Shares	$ 1,898	$ (3,639)	$ 1,839
Earnings (Loss) Per Common Share:			
Basic and Diluted Earnings (Loss) Per Common Share	$ 0.18	$ (3,639.00)	$ 1,839.00
Weighted Average Common Shares Outstanding	10,270,444	1,000	1,000

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

ERA GROUP INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	For the Years Ended December 31,		
	2011	**2010**	**2009**
Net Income (Loss)	$ 2,108	$ (3,639)	$ 1,839
Other Comprehensive Income (Loss):			
Foreign currency translation adjustments	(802)	(406)	597
Income tax (expense) benefit	281	142	(209)
	(521)	(264)	388
Comprehensive Income (Loss)	$ 1,587	$ (3,903)	$ 2,227

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

ERA GROUP INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands)

	Series A Convertible Preferred Stock	Common Stock	Class B Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholder Equity
Year Ended December 31, 2008	$ —	$ 1	$ —	$ 177,584	$ (12,120)	$ (196)	$ 165,269
Net income	—	—	—	—	1,839	—	1,839
Currency translation adjustments, net of tax	—	—	—	—	—	388	388
Year Ended December 31, 2009	—	1	—	177,584	(10,281)	192	167,496
Net loss	—	—	—	—	(3,639)	—	(3,639)
Currency translation adjustments, net of tax	—	—	—	—	—	(264)	(264)
Year Ended December 31, 2010	—	1	—	177,584	(13,920)	(72)	163,593
Non-cash distribution to SEACOR	—	—	—	(69,823)	—	—	(69,823)
Non-cash contribution from SEACOR	—	—	—	180,000	—	—	180,000
Share exchange (see Note 10)	—	(1)	245	(244)	—	—	—
Issuance of Series A Preferred Stock	140,000	—	—	—	—	—	—
Accretion of redemption value on Series A Preferred Stock	210	—	—	(210)	—	—	(210)
Net income	—	—	—	—	2,108	—	2,108
Currency translation adjustments, net of tax	—	—	—	—	—	(521)	(521)
Year Ended December 31, 2011	$ 140,210	$ —	$ 245	$ 287,307	$ (11,812)	$ (593)	$ 275,147

The accompanying notes are an integral part of these consolidated financial statements
and should be read in conjunction therewith.

ERA GROUP INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the Years Ended December 31,		
	2011	2010	2009
Cash Flows from Operating Activities:			
Net income (loss)	$ 2,108	$ (3,639)	$ 1,839
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	42,612	43,351	37,358
Amortization of deferred financing costs	25	—	—
Bad debt expense (recoveries), net	20	37	(1,589)
Gains on asset dispositions and impairments, net	(15,172)	(764)	(316)
Derivative (gains) losses, net	1,326	118	(266)
Foreign currency (gains) losses, net	(516)	1,511	(1,439)
Deferred income tax expense	18,339	42,014	32,292
Equity in (earnings) losses of 50% or less owned companies	(82)	137	487
Dividends received from 50% or less owned companies	1,236	—	—
Changes in operating assets and liabilities:			
(Increase) decrease in receivables	(9,311)	(2,383)	3,780
Increase in prepaid expenses and other assets	(5,967)	(3,098)	(6,640)
Increase (decrease) in accounts payable, accrued expenses and other liabilities	6,312	6,459	(8,272)
Net cash provided by operating activities	40,930	83,743	57,234
Cash Flows from Investing Activities:			
Purchases of property and equipment	(158,929)	(130,770)	(90,762)
Cash settlements on derivative transactions, net	6,109	(471)	(771)
Proceeds from disposition of property and equipment	26,043	880	25,980
Investments in and advances to 50% or less owned companies	(21,840)	(3,150)	(312)
Return of investments and advances from 50% or less owned companies	—	962	861
(Advances) principal payments received on third-party notes receivable, net	(472)	—	888
Net cash used in investing activities	(149,089)	(132,549)	(64,116)
Cash Flows from Financing Activities:			
(Payments to) advances from SEACOR, net	(63,166)	8,388	9,386
Proceeds from issuance of long-term debt, net of offering costs	248,950	38,673	—
Payments on long-term debt	(2,690)	(98)	—
Net cash provided by financing activities	183,094	46,963	9,386
Effects of Exchange Rate Changes on Cash and Cash Equivalents	489	(1,768)	(1,396)
Net (Decrease) Increase in Cash and Cash Equivalents	75,424	(3,611)	1,108
Cash and Cash Equivalents, Beginning of Period	3,698	7,309	6,201
Cash and Cash Equivalents, End of Period	$ 79,122	$ 3,698	$ 7,309

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

1. NATURE OF OPERATIONS AND ACCOUNTING POLICIES

Nature of Operations. Era Group Inc. and its subsidiaries (collectively referred to as the "Company") is one of the largest helicopter operators in the world and the longest serving helicopter transport operator in the United States, which is its primary area of operation. The Company is primarily engaged in transportation services to the offshore oil and gas exploration, development and production industry. Its major customers are major integrated and independent oil and gas companies and U.S. government agencies. In addition to serving the oil and gas industry, the Company provides air medical services, firefighting support, flightseeing tours in Alaska, and emergency search and rescue services. The Company operates a fixed base operation ("FBO") at Ted Stevens Anchorage International Airport and a Federal Aviation Administration ("FAA") approved maintenance repair station in Lake Charles, Louisiana. The Company has an interest in Dart Holding Company Ltd., a sales and manufacturing organization based in Canada that engineers, manufactures and distributes after-market helicopter parts and accessories, and has an interest in a training center based in Lake Charles, Louisiana, that provides instruction, flight simulator and other training service.

Basis of Consolidation. The consolidated financial statements include the accounts of Era Group Inc. and its wholly-owned subsidiaries. The Company is wholly owned by SEACOR Holdings Inc. (along with its other majority-owned subsidiaries being collectively referred to as "SEACOR") and represents SEACOR's aviation services business segment. All significant inter-company accounts and transactions are eliminated in consolidation.

The Company employs the equity method of accounting for investments in business ventures when it has the ability to exercise significant influence over the operating and financial policies of the ventures. Significant influence is generally deemed to exist if the Company has between 20% and 50% of the voting rights of an investee. The Company reports its investments in and advances to equity investees in the accompanying consolidated balance sheets as investments, at equity, and advances to 50% or less owned companies. The Company reports its share of earnings or losses of equity investees in the accompanying consolidated statements of operations as equity in earnings (losses) of 50% or less owned companies, net of tax.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates include those related to allowance for doubtful accounts, useful lives of property and equipment, impairments, income tax provisions and certain accrued liabilities. Actual results could differ from those estimates and those differences may be material.

Revenue Recognition. The Company recognizes revenue when it is realized or realizable and earned. Revenue is realized or realizable and earned when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price to the buyer is fixed or determinable and collectability is reasonably assured. Revenue that does not meet these criteria is deferred until the criteria are met.

The Company charters the majority of its helicopters primarily through master service agreements, subscription agreements, day-to-day charter arrangements and contract-leases. Master service agreements and subscription agreements require incremental payments above a fixed monthly fee based on flight hours flown. These agreements have fixed terms ranging from one month to five years and generally may be canceled upon 30 days' notice. Day-to-day charter arrangements call for either a combination of a daily fixed fee plus a charge based on hours flown or an hourly rate. Services provided under contract-leases can include only the equipment, or can include the equipment, logistical and maintenance support, insurance and personnel, or a combination thereof. Fixed monthly fee revenues are recognized ratably over the contract term. Usage or hourly based revenues are recognized as hours are flown.

The Company's air medical services are provided under contracts with hospitals that typically include either a fixed monthly and hourly rate structure or a fee per completed flight. Fixed monthly revenues are recognized ratably over the month while per-hour or per-flight based revenues are recognized as hours are flown or flights are completed. Most contracts with hospitals are longer-term, but offer either party the ability to terminate with less than six months' notice. The Company operates some air medical contracts pursuant to which it collects a fee per flight, either from a hospital or an insurance company.

With respect to flightseeing activities, the Company allocates block space to cruise lines and sells seats directly to customers with revenues recognized as the services are performed. The Company's fixed base operation sells fuel on an ad hoc basis and those sales are recognized at the time of fuel delivery. Training revenues are charged at a set rate per training course and include instructors, training materials and flight or flight simulator time, as applicable. Training revenues are recognized as services are provided.

Cash Equivalents. The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash equivalents consist of overnight investments.

Trade Receivables. Customers are primarily major integrated and independent exploration and production companies, hospitals, international helicopter operators and the U.S. government. Customers are typically granted credit on a short-term basis and related credit risks are considered minimal. The Company routinely reviews its trade receivables and makes provisions for probable doubtful accounts; however, those provisions are estimates and actual results could differ from those estimates and those differences may be material. Trade receivables are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when collection efforts have been exhausted.

Derivative Instruments. The Company accounts for derivatives through the use of a fair value concept whereby all of the Company's derivative positions are stated at fair value in the accompanying consolidated balance sheets. Realized and unrealized gains and losses on derivatives not designated as hedges are reported in the accompanying consolidated statements of operations as derivative gains (losses), net. Realized and unrealized gains and losses on derivatives designated as fair value hedges are recognized as a corresponding increase or decrease in the fair value of the underlying hedged item to the extent they are effective, with any ineffective portion reported in the accompanying consolidated statements of operations as derivative gains (losses), net.

Concentrations of Credit Risk. The Company is exposed to concentrations of credit risk relating to its receivables due from customers in the industries described above. The Company does not generally require collateral or other security to support its outstanding receivables. The Company minimizes its credit risk relating to receivables by performing ongoing credit evaluations and, to date, credit losses have not been material. The Company is also exposed to concentrations of credit risk associated with cash, cash equivalents and derivative instruments. The Company minimizes its credit risk relating to these positions by monitoring the financial condition of the financial institutions and counterparties involved and by primarily conducting business with large, well-established financial institutions and diversifying its counterparties. The Company does not currently anticipate nonperformance by any of its significant counterparties.

Inventories. Inventories, which consist primarily of spare parts and fuel, are stated at the lower of cost (using the average cost method) or market. The Company records write-downs, as needed, to adjust the carrying amount of inventories to lower of cost or market. There were no inventory write-downs in 2011, 2010 or 2009.

Property and Equipment. Equipment, stated at cost, is depreciated using the straight-line method over the estimated useful life of the asset to an estimated salvage value. With respect to helicopters, the estimated useful life is typically based upon a newly built asset being placed into service and represents the point at which it is typically not justifiable for the Company to continue to operate the asset in the same or similar manner. From time to time, the Company may acquire older assets that have already exceeded the Company's useful life policy, in which case the Company depreciates such assets based on its best estimate of remaining useful life.

As of December 31, 2011, the estimated useful life (in years) of the Company's categories of new property and equipment was as follows:

Helicopters (estimated salvage value at 40% of cost)	15
Machinery, equipment and spares	5-7
Buildings and leasehold improvements	10-30
Furniture, fixtures, vehicles and other	3-5

The Company reviews the estimated useful lives and salvage values of its fixed assets on an ongoing basis. Effective July 1, 2011, the Company changed its estimated useful life and salvage value for helicopters from 12 to 15 years and 30% to 40%, respectively, due to improvements in new helicopter models that continue to increase their long-term value and make them viable for operation over a longer period of time. For the six months ended December 31, 2011, the change in estimate increased operating income by $7.6 million , net income by $4.9 million and basic and diluted earnings per share by $0.48.

Equipment maintenance and repair costs and the costs of routine overhauls and inspections performed on helicopter engines and major components are charged to operating expense as incurred. Expenditures that extend the useful life or improve the marketing and commercial characteristics of equipment as well as major renewals or improvements to other properties are capitalized.

The Company engages a number of third-party vendors to maintain the engines and certain components on some of its helicopter models under programs known as "power-by-hour" maintenance contracts. These programs require the Company to pay for the maintenance service ratably over the contract period, typically based on actual flight hours. Power-by-hour providers generally bill monthly based on hours flown in the prior month, the costs being expensed as incurred. In the event the Company places a helicopter in a program after a maintenance period has begun, it may be necessary to pay an initial buy-in charge based on hours flown since the previous maintenance event. The buy-in charge is normally recorded as a prepaid expense and amortized as an operating expense over the remaining power-by-hour contract period. If a helicopter is sold or otherwise removed from a program before the scheduled maintenance work is carried out, the Company may be able to recover part of its payments to the power-by-hour provider, in which case, the Company records a reduction to operating expense when it receives the refund.

Certain interest costs incurred during the construction of equipment are capitalized as part of the assets' carrying values and are amortized over such assets' estimated useful lives. Capitalized interest totaled $2.7 million, $2.3 million and $0.9 million in 2011, 2010 and 2009, respectively.

Impairment of Long-Lived Assets. The Company performs an impairment analysis on long-lived assets used in operations when indicators of impairment are present. The Company's helicopters in operation are evaluated for impairment on an aggregate fleet basis. If the carrying value of the assets is not recoverable, as determined by the estimated undiscounted cash flows, the carrying value of the assets is reduced to fair value. Generally, fair value is determined using valuation techniques, such as expected discounted cash flows or appraisals, as appropriate. For the year ended December 31, 2011, the Company recognized no impairment charges. For the years ended December 31, 2010 and 2009, the Company recognized impairment charges of $0.3 million and $1.2 million respectively, related to four helicopters, one owned and three leased-in, of a type that the Company no longer operates in its fleet.

Impairment of 50% or Less Owned Companies. The Company performs regular reviews of each 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 in 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. The Company did not recognize any impairment charges in 2011, 2010 or 2009 related to its 50% or less owned companies.

Goodwill. Goodwill is recorded when the purchase price paid for an acquisition exceeds the fair value of net identified tangible and intangible assets acquired. The Company performs an annual impairment test of goodwill and further periodic tests to the extent indicators of impairment develop between annual impairment tests. The Company's impairment review process compares the fair value of the acquired entity to its carrying value, including goodwill. To determine its fair value, the Company uses a discounted future cash flow approach that uses estimates for revenues, costs, and appropriate discount rates, among others. These estimates are reviewed each time the Company tests goodwill for impairment and are typically developed as part of the Company's routine business planning and forecasting process. While the Company believes its estimates and assumptions are reasonable, variations from those estimates could produce materially different results. The Company did not recognize any goodwill impairments in 2011, 2010 or 2009.

Business Combinations. The Company recognizes, with certain exceptions, 100 percent of the fair value of assets acquired, liabilities assumed, and non-controlling interests when the acquisition constitutes a change in control of the acquired entity. Shares issued in consideration for a business combination, contingent consideration arrangements and pre-acquisition loss and gain contingencies are all measured and recorded at their acquisition-date fair value. Subsequent changes to fair value of contingent consideration arrangements are generally reflected in earnings. Any in-process research and development assets acquired are capitalized as are certain acquisition-related restructuring costs if the criteria related to exit or disposal cost obligations are met as of the acquisition date. Acquisition-related transaction costs are expensed as incurred and any changes in an acquirer's existing income tax valuation allowances and tax uncertainty accruals are recorded as an adjustment to income tax expense. The operating results of entities acquired are included in the accompanying consolidated statements of operations from the date of acquisition.

Deferred Financing Costs. Deferred financing costs incurred in connection with the issuance of debt are amortized over the life of the related debt using the effective interest rate method for term loans and straight line method for revolving credit facilities. Amortization expense for deferred financing costs totaled less than $0.1 million in 2011 and is included in interest expense in the accompanying consolidated statements of operations. There were no deferred financing costs in 2010 and 2009.

Income Taxes. The Company is included in the consolidated U.S. federal income tax return of SEACOR. SEACOR's policy for allocation of U.S. federal income taxes requires its subsidiaries to compute their provision for U.S. federal income taxes on a separate company basis and settle with SEACOR. Net operating loss benefits are settled with SEACOR on a current basis and are used in the consolidated U.S. federal income tax return to offset taxable profits of other affiliates. For all periods presented, the total provision for income taxes included in the consolidated statements of operations would remain as currently reported if the Company was not eligible to be included in the consolidated U.S. federal income tax return of SEACOR. Deferred income tax assets and liabilities have been provided in recognition of the income tax effect attributable to the book and tax basis differences of assets and liabilities reported in the accompanying consolidated financial statements. Deferred tax assets or liabilities are provided using the enacted tax rates expected to apply to taxable income in the periods in which they are expected to be settled or realized. Interest and penalties relating to uncertain tax positions are recognized in interest expense and administrative and general, respectively, in the accompanying consolidated statements of operations. The Company records a valuation allowance to reduce its deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Deferred Gains. A portion of the gains realized from sales of the Company's helicopters to its 50% or less owned companies is not immediately recognized in income and has been recorded in the accompanying consolidated balance sheets in deferred gains and other liabilities. Effective January 1, 2009, the Company adopted new accounting rules relating to the sale of its equipment to its non-controlled 50% or less owned companies. For transactions occurring subsequent to the adoption of the new accounting rules, gains are deferred only to the extent the Company has financed the transactions. For transactions occurring prior to the adoption of the new accounting rules, gains were deferred and are being amortized based on the Company's ownership interest, cash received and the helicopters' depreciable lives.

During the year ended December 31, 2011, the Company sold one helicopter to Era do Brazil. In addition, the Company previously sold two helicopters to a finance company that were in turn leased back by Lake Palma and sold four helicopters directly to Lake Palma. Deferred gain activity related to these transactions for the years ended December 31 was as follows (in thousands):

	2011	2010	2009
Balance at beginning of year	$ 1,084	$ 1,677	$ 2,269
Deferred gains arising from equipment sales	2,000	—	—
Amortization of deferred gains included in gains on asset dispositions and impairments, net	(706)	(593)	(592)
Balance at end of year	$ 2,378	$ 1,084	$ 1,677

Foreign Currency Translation. Certain of the Company's investments, at equity, and advances to 50% or less owned companies were measured using their functional currency, which is the currency of the primary foreign economic environment in which they operate. These investments are translated to U.S. dollars at currency exchange rates as of the balance sheet dates and its equity earnings (losses) at the weighted average currency exchange rates during the applicable reporting periods. Translation adjustments are reported in other comprehensive income (loss) in the accompanying consolidated statements of comprehensive income (loss).

Foreign Currency Transactions. From time to time, the Company enters into transactions denominated in currencies other than its functional currency. Gains and losses resulting from changes in currency exchange rates between the functional currency and the currency in which a transaction is denominated are included in foreign currency gains (losses), net in the accompanying consolidated statements of operations in the period which the currency exchange rates change.

Earnings (Loss) Per Common Share. Basic earnings (loss) per common share of the Company are computed based on the weighted average number of common shares issued and outstanding during the relevant periods. Diluted earnings (loss) per common share of the Company are computed based on the weighted average number of common shares issued and outstanding plus the effect of potentially dilutive securities through the application of the if-converted method that assumes all common shares have been issued and outstanding during the relevant periods pursuant to the conversion of all outstanding Series A preferred stock. For the year ended December 31, 2011, diluted earnings per common share of the Company excluded 151,027 weighted average common shares issuable upon the conversion of Series A preferred stock as the effect of their inclusion in the computation would have been antidilutive.

2. FAIR VALUE MEASUREMENTS

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value. *Level 1* inputs are quoted prices in active markets for identical assets or liabilities. *Level 2* inputs are observable inputs other than quoted prices included in *Level 1* that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs derived from observable market data. *Level 3* inputs are unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The Company's financial assets and liabilities as of December 31 that are measured at fair value on a recurring basis were as follows (in thousands):

	Level 1	Level 2	Level 3
2011			
LIABILITIES			
Derivative instruments (included in other current liabilities)	$ —	$ 954	$ —
2010			
ASSETS			
Derivative instruments (included in other receivables)	$ —	$ 1,368	$ —
LIABILITIES			
Derivative instruments (included in other current liabilities)	—	697	—

The estimated fair value of the Company's other financial assets and liabilities as of December 31 were as follows (in thousands):

	2011		2010	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
ASSETS				
Cash and cash equivalents	$ 79,122	$ 79,122	$ 3,698	$ 3,698
Notes receivable from other business ventures (included in other receivables and other assets)	1,661	1,661	—	—
LIABILITIES				
Advances from SEACOR	—	—	355,952	*see below*
Long-term debt, including current portion	287,885	287,805	38,575	38,575

The carrying values of cash, cash equivalents and the Company's recently issued notes receivable from other business ventures approximate fair value. It was not practical to estimate fair value of advances from SEACOR because the timing of settlement was not certain. The Company's long-term debt was estimated using discounted cash flow analysis based on estimated current rates. Considerable judgment was required in developing certain of the estimates of fair value and accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

The Company's non-financial assets and liabilities that were measured at fair value during the years ended December 31 were as follows (in thousands):

	Level 1	Level 2	Level 3
2011			
LIABILITIES			
Lease obligations for Helicopters (included in other current liabilities)(1)	$ —	$ —	$ 395
2010			
ASSETS			
Held for Sale Helicopter (included in Other Assets)(2)	$ —	$ —	$ 200
LIABILITIES			
Lease obligations for Helicopters (included in other current liabilities)(3)	—	—	879

1. During the year ended December 31, 2011, the Company recorded a gain of $0.2 million to decrease the carrying value of its exit obligations for three leased-in helicopters.
2. During the year ended December 31, 2010, the Company recorded an impairment charge of $0.1 million to reduce its carrying value of one helicopter.
3. During the year ended December 31, 2010, the Company recorded an impairment charge of $0.2 million to increase the carrying value of its exit obligations for three leased-in helicopters to fair value.

3. DERIVATIVE INSTRUMENTS AND HEDGING STRATEGIES

SEACOR has entered into forward currency exchange contracts on behalf of the Company. These derivative instruments are classified as either assets that are included in other receivables or liabilities that are included in other current liabilities based on their individual fair values. As of December 31, 2011, none of these derivative instruments were outstanding. The fair values of the Company's derivative instruments as of December 31, 2010 were assets of $1.4 million and liabilities of $0.7 million.

As of December 31, 2010, the Company had designated its forward currency exchange contracts with notional values of €56.0 million as fair value hedges in respect of capital commitments denominated in Euros. During the year ended December 31, 2011, the Company designated €87.3 million and €85.5 million notional value of these contracts matured. Additionally, €57.8 million notional value were dedesignated and the Company settled those contracts with SEACOR. By entering into these forward currency exchange contracts, the Company had fixed a portion of its euro capital commitments in U.S. dollars to protect against currency fluctuations for equipment that was scheduled to be delivered in 2011 through 2013.

The Company recognized gains (losses) on derivative instruments designated as fair value hedges for the years ended December 31 as follows (in thousands):

	2011	2010	2009
Foreign currency exchange contracts, effective and ineffective portions	$ 5,770	$ (1,973)	$ 206
Increase (decrease) in fair value of hedged items included in property and equipment corresponding to the effective portion of derivative (gains) losses	(5,810)	1,855	60
	$ (40)	$ (118)	$ 266

During the year ended December 31, 2011, the Company entered into two interest rate swap agreements maturing in 2014 and 2015 that call for the Company to pay fixed interest rates of 1.67% and 1.83% on an aggregate notional value of $31.8 million and receive a variable interest rate based on the London Interbank Offered Rate ("LIBOR") on these notional values. The general purpose of these interest rate swap agreements is to provide protection against increases in interest rates, which might lead to higher interest costs for the Company. The fair value of these derivative instruments at December 31, 2011 were liabilities of $1.0 million. The Company recognized losses of $1.3 million on these derivative instruments for the year ended December 31, 2011.

4. ACQUISITIONS AND DISPOSITIONS

Equipment Additions. The Company's capital expenditures were $158.9 million, $130.8 million and $90.8 million in 2011, 2010 and 2009, respectively. Major equipment placed in service for the years ended December 31 were as follows (unaudited):

	2011	2010	2009
Light helicopters - single engine	1	—	2
Light helicopters - twin engine	3	—	3
Medium helicopters	4	5	1
Heavy helicopters	1	1	2
	9	6	8

Equipment Dispositions. The Company sold property and equipment for $26.0 million, $0.9 million and $26.0 million in 2011, 2010 and 2009, respectively. Major equipment dispositions for the years ended December 31 were as follows (unaudited):

	2011(1)	2010	2009(2)
Light helicopters - single engine	3	—	1
Light helicopters - twin engine	3	2	4
Medium helicopters	2	—	—
Heavy helicopters	3	—	1
	11	2	6

1. Includes one EC120 helicopter that had previously been removed from service.
2. Excludes one EC120 and one BK-117 helicopter removed from service.

5. INVESTMENTS, AT EQUITY, AND ADVANCES TO 50% OR LESS OWNED COMPANIES

Investments, at equity, and advances to 50% or less owned companies as of December 31 were as follows (in thousands):

	Ownership	2011	2010	2009
Dart	50.0%	$ 25,128	$ 19,701	$ 20,285
Aeróleo	50.0%	9,160	—	—
Era do Brazil	50.0%	6,744	—	—
Era Training Center	50.0%	5,874	4,877	1,755
Lake Palma(1)	51.0%	3,357	3,334	4,672
		$ 50,263	$ 27,912	$ 26,712

1. The Company owns a 51% financial interest in this joint venture; however, it does not consolidate the venture as it only controls 50% of the venture's voting rights.

Combined Condensed Financials. The stand alone financial statements of Dart Holding Company Ltd. for the five months ended December 31, 2011 (organized on July 31, 2011) and of Dart Helicopter Services LLC for the seven months ended July 31, 2011 and for the years ended December 31, 2010 and 2009 are included elsewhere in this Registration Statement on Form S-1. Summarized financial information for the Company's other investments, at equity, as of and for the years ended December 31 was as follows (in thousands):

	2011	2010
Current Assets	$ 36,271	$ 4,067
Noncurrent Assets	33,129	17,318
Current Liabilities	26,556	641
Noncurrent Liabilities	26,496	7,366

	2011	2010	2009
Operating Revenues	$ 53,827	$ 3,225	$ 3,072
Costs and Expenses:			
Operating and administrative	51,726	381	329
Depreciation	3,081	2,189	2,544
	54,807	2,570	2,873
Operating Income	$ (980)	$ 655	$ 199
Net Income (Loss)	$ (1,590)	$ 57	$ (251)

As of December 31, 2011 and 2010, cumulative undistributed net earnings (losses) of 50% or less owned companies included in the Company's consolidated accumulated deficit were a loss of $1.8 million and earnings of $0.4 million, respectively.

Dart . A wholly owned subsidiary of the Company, Era DHS LLC, acquired 49% of the capital stock of Dart Helicopter Services LLC ("Dart Helicopters"), a sales, marketing and parts manufacturing organization based in North America that engineers and manufactures after-market parts and equipment for sale to helicopter manufacturers and operators. During 2009, the Company provided a $0.3 million loan to Dart Helicopters with a maturity of June 2012 and an annual interest rate of 5%, which is payable quarterly and the principal due at maturity. On February 28, 2011, the Company made an additional investment of $5.0 million in Dart Helicopters and, on July 31, 2011, contributed its ownership in Dart Helicopters to Dart Holding Company Ltd. ("Dart") in exchange for a 50% interest in Dart and a note receivable of $5.1 million. The note receivable bears an interest rate of 4.0% per annum, requires quarterly principal and interest payments and matures on July 31, 2023. During the years ended December 31, 2011, 2010 and 2009, the Company purchased $2.3 million, $1.1 million and $1.1 million, respectively of products from Dart Helicopters and Dart. During the years ended December 31, 2010 and 2009, the Company received management fees of $0.2 million and $0.2 million, respectively. The management fees earned during the year ended December 31, 2011 were not material.

Aeróleo. On July 1, 2011, the Company acquired a 50% economic interest and a 20% voting interest in Aeróleo Taxi Aereo S/A ("Aeróleo"), a Brazilian entity that provides helicopter transport services to the Brazilian offshore oil and gas industry, for $4.8 million in cash. The Company and its partner also each loaned Aeróleo $6.0 million at an interest rate of 6% per annum. The note requires monthly interest payments and matures in June 2013. The Company leases 11 helicopters to Aeróleo and for the period July 1, 2011 through December 31, 2011, the Company recognized $14.0 million of operating revenues from these leases, of which $3.0 million was outstanding as of December 31, 2011. The Company has performed a preliminary fair value analysis of Aeroleo as of the acquisition date. The excess of the purchase price over the Company's interest in Aeróleo's net assets has been initially allocated to intangible assets and goodwill in the amount of $3.2 million each. Finalization of the preliminary fair value analysis may result in revisions to this allocation.

Era do Brazil. On July 1, 2011, the Company and its partner each contributed $4.8 million in cash to Era do Brazil LLC ("Era do Brazil"), a 50-50 joint venture. Era do Brazil immediately acquired a helicopter, subject to a lease to Aeróleo, from the Company for $11.5 million ($9.5 million in cash and a $2.0 million note payable). The note payable bears an interest rate of 7.0% per annum, requires 60 monthly principal and interest payments, and is secured by the helicopter and the Aeróleo lease. The Company provides maintenance services to Era do Brazil and for the period July 1, 2011 through December 31, 2011, the Company recognized $0.3 million of operating revenues from these services, all of which was outstanding as of December 31, 2011.

Era Training Center. Era Training Center LLC ("Era Training Center") operates flight training devices and provides training services to the Company and third-party customers. During the years ended December 31, 2011, 2010 and 2009, the Company provided helicopter, management and other services to the joint venture totaling $0.7 million, $0.6 million and $0.4 million, respectively, and paid the joint venture $0.1 million, $0.2 million and $0.1 million for simulator fees in 2011, 2010 and 2009, respectively. In December 2010, Era Training Center signed a $3.2 million note with the Company to purchase two flight simulators. The note is secured by the two flight simulators and bears interest at 6%. Terms of the note require quarterly interest-only payments for the first year and $0.1 million quarterly payments of principal and interest thereafter until January 2026. In 2011, the Company made additional advances of $1.2 million under the note.

Lake Palma. Lake Palma, S.L. ("Lake Palma") operates six helicopters in Spain.

6. ESCROW DEPOSITS ON LIKE-KIND EXCHANGES

From time to time, the Company enters into Qualified Exchange Accommodation Agreements with a third party to meet the like-kind exchange requirements of Section 1031 of the Internal Revenue Code and the provisions of Revenue Procedure 2000-37. In accordance with these provisions, the Company is permitted to deposit proceeds from the sale of assets into escrow accounts for the purpose of acquiring other assets and qualifying for the temporary deferral of taxable gains realized. Consequently, the Company established escrow accounts with financial institutions for the deposit of funds received on sale of equipment, which were designated for replacement property within a specified period of time. As of December 31, 2011 and 2010, there were no deposits in like-kind exchange escrow accounts.

7. INCOME TAXES

The components of income tax expense (benefit) for the years ended December 31 were as follows (in thousands):

	2011	2010	2009
Current:			
Federal	$ (18,986)	$ (46,423)	$ (29,698)
State	39	69	98
Foreign	1,042	39	191
	(17,905)	(46,315)	(29,409)
Deferred:			
Federal	19,313	43,415	31,956
State	(974)	(1,401)	336
	18,339	42,014	32,292
	$ 434	$ (4,301)	$ 2,883

The following table reconciles the difference between the statutory federal income tax rate for the Company and the effective income tax rate for the years ended December 31:

Provision (Benefit):	2011	2010	2009
Statutory rate	35.0 %	(35.0)%	35.0%
Non-deductible SEACOR management fees	16.4 %	—	10.0%
SEACOR share award plans	2.2 %	(3.5)%	0.9%
State taxes	(9.6)%	(3.0)%	4.2%
State effective tax rate changes	(29.0)%	(14.4)%	3.4%
Other	2.6 %	0.8 %	1.8%
	17.6 %	(55.1)%	55.3%

During the years ended December 31, 2011, 2010 and 2009, the Company recognized an income tax benefit of $0.7 million, an income tax benefit of $1.1 million and an income tax expense of $0.2 million, respectively on adjustments to deferred tax liabilities resulting from changes in state tax apportionment factors. The Company participates in share award programs sponsored by SEACOR and receives an additional income tax benefit or expense based on the difference between the fair market value of share awards at the time of grant and the fair market value at the time of vesting or exercise.

The components of net deferred income tax liabilities as of December 31 were as follows (in thousands):

	2011	2010
Deferred tax liabilities:		
Property and equipment	$ 147,954	$ 127,241
Buy-in on maintenance programs	3,288	2,123
Other	—	952
Total deferred tax liabilities	151,242	130,316
Deferred tax assets:		
Equipment leases	1,153	1,613
Other	6,205	2,576
Total deferred tax assets	7,358	4,189
Net deferred tax liabilities	$ 143,884	$ 126,127

8. LONG-TERM DEBT

The Company's borrowings as of December 31 were as follows (in thousands):

	2011	2010
Senior Secured Revolving Credit Facility	$ 252,000	$ —
Promissory Notes	35,885	38,575
	287,885	38,575
Portion due with one year	(2,787)	(2,690)
	$ 285,098	$ 35,885

The Company's long-term debt maturities for the years ended December 31 are as follows (in thousands):

2012	$ 2,787
2013	2,787
2014	2,787
2015	27,524
2016	252,000
	$ 287,885

Senior Secured Revolving Credit Facility. On December 22, 2011, the Company entered into a $350.0 million senior secured revolving credit facility that matures in December 2016 and is secured by substantially all of the tangible and intangible assets of the Company. Advances under the senior secured revolving credit facility are available for general corporate purposes and can be used to issue up to $50.0 million in letters of credit. Interest on advances are at the option of the Company of either a "base rate" or LIBOR as defined plus an applicable margin. The "base rate" is defined as the highest of: (a) the Prime Rate, as defined; (b) the Federal Funds Effective Rate, as defined, plus 50 basis points; or (c) a daily LIBOR, as defined, plus an applicable margin. The applicable margin is based on the Company's funded debt to earnings before interest, taxes, depreciation and amortization ("EBITDA"), as defined, and ranges from 100 to 160 basis points on the "base rate" margin and 210 to 285 basis points on the LIBOR margin. The applicable margin as of December 31, 2011, was 140 basis points on the "base rate" margin and 260 basis points on the LIBOR margin. A quarterly commitment fee is payable based on the average unfunded portion of the committed amount at a rate based on the Company's funded debt to EBITDA, as defined, and ranges from 25 to 50 basis points, and as of December 31, 2011 the commitment fee was 50 basis points.

The senior secured revolving credit facility contains various restrictive covenants including interest coverage, funded debt to EBITDA, secured funded debt to EBITDA, funded debt to the fair market value of owned helicopters, fair market value of mortgaged helicopters to funded debt, fair market value of mortgaged helicopters registered in the United States to fair market value of all mortgaged helicopters, as well as other customary covenants, representations and warranties, funding conditions and events of default, all as defined in the senior secured revolving credit facility. In addition, the senior secured revolving credit facility restricts the payment of dividends on the Company's common stock for one year, until December 22, 2012 and, under certain conditions thereafter, may restrict the ability of the Company to distribute dividends on its preferred and common stock. Generally, dividends may be declared and paid quarterly provided the Company is in compliance with the various covenants of the senior secured revolving credit facility, as defined, and the dividend amount does not exceed 20% of the net income of the Company for the previous four consecutive quarters.

As of December 31, 2011, the Company had $252.0 million outstanding advances under the senior secured revolving credit facility at an annual rate of 3.23% and had no issued letters of credit. The remaining amounts under the senior secured revolving credit facility are available to fund working capital needs. On February 29, 2012, the Company drew an additional $15.0 million under the senior secured revolving credit facility for capital expenditures and working capital requirements.

Promissory Notes. On December 23, 2010, the Company entered into a promissory note for $27.0 million to purchase a heavy helicopter. The note is secured by the helicopter and bears a variable interest rate that resets every three months and is computed as the three-month LIBOR rate at the date of each reset plus 260 basis points. At December 31, 2011, the interest rate on this note was 3.15%. The note requires $0.1 million monthly payments of principal plus accrued interest with a final payment of $19.0 million in December 2015.

On November 24, 2010, the Company entered into a promissory note for $11.7 million to purchase a medium helicopter. The note is secured by the helicopter and bears a variable interest rate that resets every three months and is computed as the three-month LIBOR rate at the date of each reset plus 260 basis points. At December 31, 2011, the interest rate on this note was 3.15%.

The note requires $0.1 million monthly payments of principal plus accrued interest with a final payment of $5.9 million in December 2015.

9. SERIES A PREFERRED STOCK

In July 2011, the Company's Board of Directors adopted the Company's amended and restated certificate of incorporation to authorize the issuance of 10,000,000 shares $0.01 par value preferred stock in one or more series and to fix the preferences, powers and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, including the dividend rate, conversion rights, voting rights, redemption rights and liquidation preference and to fix the number of shares to be included in any such series without any further vote or action by our stockholders. Any preferred stock so issued may rank senior to the Company's common stock with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up, or both. In addition, any such shares of preferred stock may have class or series voting rights.

On December 23, 2011, the Company's Board of Directors designated 1,400,000 shares of preferred stock as 6% Cumulative Perpetual Preferred Stock, Series A ("Series A Preferred Stock"), all of which were issued to SEACOR in exchange for $140.0 million of advances from SEACOR. The stated value per share of Series A Preferred Stock is $100 (the "Original Issue Price"). The shares of the Series A Preferred Stock are redeemable at the option of the Company, in whole or in part, at the Original Purchase Price plus any accrued but unpaid dividends on the Series A Preferred Stock.

Holders of Series A Preferred Stock may convert all or any portion of the Series A Preferred Stock, at their option, at any time prior to the initial public offering at the conversion rate of 4.375 shares of Class B common stock for each share of Series A Preferred Stock, subject to certain anti-dilution adjustments. For a period of 45 days following a qualified public offering (as defined by the amended and restated certificate of incorporation of the Company), holders of Series A Preferred Stock may convert all or any portion of the Series A Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares to be converted divided by the initial public offering price of the Company's Class A common stock. Following this period, holders of Series A Preferred Stock may convert all or any portion of the Series A Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares being converted divided by the applicable trading value of the Class A common stock.

In the event of the Company's liquidation, dissolution or winding up, the holders of Series A Preferred Stock will receive, in priority over the holders of the Company's common stock, a liquidation preference equal to the Original Issue Price of such shares plus accrued but unpaid dividends on the shares. Holders of Series A Preferred Stock do not have voting rights, except under certain limited circumstances.

Holders of outstanding shares of Series A Preferred Stock are entitled to receive cumulative dividends in cash out of any funds and assets of the Company legally available therefor, before any dividend will be paid or declared on any shares of the Company's common stock, at the rate of 6% per annum from the date of issuance through the date of conversion or redemption, payable quarterly in arrears, and compounded on a quarterly basis if not previously paid.

As SEACOR controls the redemption of the Series A Preferred Stock through its control of the Company, the Company has classified the Series A Preferred Stock outside of stockholder equity.

10. COMMON STOCK

In July 2011, the Company's Board of Directors adopted the Company's amended and restated articles of incorporation to authorize the issuance of 60,000,000 shares $0.01 par value Class A common stock and 60,000,000 shares $0.01 par value Class B common stock. Effective August 1, 2011, each then issued share of the Company's no par value common stock was exchanged for 24,500 shares of Class B common stock. The rights of the holders of Class A and Class B common shares are substantially identical, except with respect to voting and conversion. Specifically, the holders of Class B common stock shall be entitled to eight votes per share and the holders of Class A common stock shall be entitled to one vote per share. The shares of Class B common stock are convertible into Class A common stock (i) at the holder's option and (ii) automatically upon the transfer of any such shares of Class B common stock to a person other than SEACOR or a subsidiary of SEACOR (except in the case of a tax-free spinoff to stockholders of SEACOR) or if the aggregate number of shares of Class B common stock beneficially owned by SEACOR and its affiliates falls below 20% of the aggregate number of shares of common stock then outstanding (except in the case of a tax-free spinoff to stockholders of SEACOR). In addition, if SEACOR were to effect a tax-free spinoff, following such tax-free spinoff, all of the outstanding shares of Class B common stock may be converted into shares of Class A common stock with the consent of a majority of the holders of Class A common stock and the holders of Class B common stock, voting as separate classes. The shares of Class A common stock are not convertible into any other shares of our capital stock.

11. SHARE-BASED COMPENSATION

In July 2011, the Company's Board of Directors approved the 2011 Share Incentive Plan. The 2011 Share Incentive Plan provides for the grant of options to purchase shares of the Company's common stock, restricted stock, stock appreciation rights, stock awards, performance awards, restricted stock units and performance-based awards to the Company's non-employee directors, officers, employees and consultants. A committee appointed by the Board of Directors administers the 2011 Share Incentive Plan. A total of 3,000,000 shares of Class A common stock have been authorized for grant under this plan. All shares issued pursuant to such grants will be newly issued shares of Class A common stock. In accordance with the terms of the plan, the exercise price per share of options granted cannot be less than 100% of the fair market value of Class A common stock at the date of grant. To date, the Company has not granted any share awards under the Share Incentive Plan.

12. RELATED PARTY TRANSACTIONS

Prior to the Company's entry into a senior secured revolving credit facility on December 22, 2011, the Company participated in a cash management program whereby certain operating and capital expenditures of the Company were funded through advances from SEACOR and certain cash collections of the Company were forwarded to SEACOR. Net amounts due to SEACOR under this program were reported as advances from SEACOR in the accompanying consolidated balance sheets. The Company incurred interest on the outstanding advances, which was reported as interest expense on advances from SEACOR in the accompanying consolidated statements of operations. Interest was calculated and settled on a quarterly basis using interest rates set at the discretion of SEACOR.

On December 23, 2011, SEACOR recapitalized the Company in connection with the Company's entry into a senior secured revolving credit facility. As part of the recapitalization, the Company issued 1,400,000 shares of its Series A preferred stock to SEACOR in exchange for $140.0 million of aggregate advances previously provided to it by SEACOR. SEACOR also contributed an additional $180.0 million of capital to the Company in respect of additional prior advances. All remaining outstanding advances from SEACOR through November 30, 2011 were settled by the Company with a cash payment of $199.7 million to SEACOR on December 23, 2011. The Company's advance activity with SEACOR from December 1, 2011 through December 23, 2011, primarily consisting of capital expenditures on helicopters and partially offset by SEACOR's purchase of the Company's 2011 tax operating loss benefit of $18.2 million, were settled by the Company with a cash payment of $42.6 million to SEACOR on February 9, 2012.

During 2011, the Company provided no aviation services to SEACOR under flight charter arrangements. During 2010, the Company provided less than $0.1 million of aviation services to SEACOR under flight charter arrangements. During 2009, the Company provided $0.1 million of aviation services to SEACOR.

As part of a consolidated group, certain costs and expenses of the Company are borne by SEACOR and charged to the Company. These costs and expenses are included in both operating expenses and administrative and general expenses in the accompanying consolidated statements of operations and are summarized as follows for the years ended December 31 (in thousands):

	2011	2010	2009
Payroll costs for SEACOR personnel assigned to the Company and participation in SEACOR employee benefit plans, defined contribution plan and share award plans	$ 11,404	$ 8,411	$ 8,255
Shared services allocation for administrative support	2,692	2,042	2,099
	$ 14,096	$ 10,453	$ 10,354

- Actual payroll costs of SEACOR personnel assigned to the Company are charged to the Company.
- SEACOR maintains self-insured health benefit plans for participating employees, including those of the Company, and charges the Company for its share of total plan costs incurred based on the percentage of its participating employees.
- SEACOR provides a defined contribution plan for participating employees, including those of the Company, and charges the Company for its share of employer matching contributions based on 50% of the participating employees' first 6% of wages contributed to the plan.
- Certain officers and employees of the Company receive compensation through participation in SEACOR share award plans, consisting of grants of restricted stock and options to purchase stock as well as participation in an employee stock purchase plan. The Company is charged for the fair value of its employees share. As of December 31, 2011, SEACOR had $1.4 million of unrecognized compensation costs on unvested share awards which are expected to be charged to the Company in future years as follows (in thousands):

2012	$	474
2013		363
2014		303
2015		223
2016		36

- SEACOR also provides certain administrative support services to the Company under a shared services arrangement, including payroll processing, information systems support, benefit plan management, cash disbursement support, cash receipt processing, and treasury management.

SEACOR incurs various corporate costs in connection with providing certain corporate services, including, but not limited to, executive oversight, risk management, legal, accounting and tax, and charges quarterly management fees to its operating segments in order to fund its corporate overhead to cover such costs. Total management fees charged by SEACOR to its operating segments include actual corporate costs incurred plus a mark-up and are generally allocated within the consolidated group using income-based performance metrics reported by an operating segment in relation to SEACOR's other operating segments. On December 30, 2011, the Company and SEACOR entered into an agreement for SEACOR to provide these services at a fixed rate of $2.0 million per annum beginning January 1, 2012. Costs the Company incurred for management fees from SEACOR are reported as SEACOR management fees in the Company's consolidated statements of operations. The Company's costs for such services could differ if it was not part of SEACOR's consolidated group.

During 2011, SEACOR received insurance proceeds from one of its insurance carriers for damages related to Hurricanes Katrina and Rita. The Company's share of these proceeds totaled $1.9 million and were offset against the Company's other operating expenses.

On March 31, 2011, the Company distributed to SEACOR a receivable from SEACOR Asset Management LLC in the amount of $69.8 million representing a return of capital to SEACOR.

Mr. Charles Fabrikant, Chairman of the Board of the Company, is a director of Diamond Offshore Drilling, Inc. (Diamond), a customer of the Company. The total amount earned by the Company from business conducted with Diamond did not exceed $1.0 million in any of the years ended December 31, 2011, 2010 or 2009.

13. COMMITMENTS AND CONTINGENCIES

The Company's unfunded capital commitments as of December 31, 2011 consisted primarily of helicopters and totaled $101.4 million, of which $60.6 million is payable in 2012. Of these commitments, $43.6 million may be terminated without further liability other than liquidated damages of $1.4 million in the aggregate. Delivery dates on the remaining commitments have yet to be determined. Subsequent to December 31, 2011, the Company committed to purchase one helicopter and additional equipment for $29.6 million.

On June 12, 2009, a purported civil class action was filed against SEACOR, Era Group Inc., Era Helicopters LLC and three other defendants (collectively, the "Defendants") in the U.S. District Court for the District of Delaware, Superior Offshore International, Inc. v. Bristow Group Inc., et al., No. 09-CV-438 (D. Del.). The Complaint alleges that the Defendants violated federal antitrust law by conspiring with each other to raise, fix, maintain or stabilize prices for offshore helicopter services in the U.S. Gulf of Mexico during the period January 2001 to December 2005. The purported class of plaintiffs includes all direct purchasers of such services and the relief sought includes compensatory damages and treble damages. The Company believes that the claims set forth in the Complaint are without merit and intends to vigorously defend the action. On September 4, 2009, the Defendants filed a motion to dismiss the Complaint. On September 14, 2010, the Court entered an order dismissing the Complaint. On September 28, 2010, the plaintiffs filed a motion for reconsideration and amendment and a motion for re-argument (the "Motions"). On November 30, 2010, the Court granted the Motions, amended the Court's September 14, 2010 Order to clarify that the dismissal was without prejudice, permitted the filing of an Amended Complaint, and authorized limited discovery with respect to the new allegations in the Amended Complaint. Following the completion of such limited discovery, on February 11, 2011, the Defendants filed a motion for summary judgment to dismiss the Amended Complaint with prejudice. On June 23, 2011, the Court granted summary judgment for the Defendants. On July 22, 2011, the plaintiffs filed a notice of appeal to the U.S. Court of Appeals for the Third Circuit. On August 9, 2011, Defendants moved for certain excessive costs, expenses, and attorneys' fees under 28 U.S.C. § 1927. That motion is fully briefed and a decision is pending. On October 11, 2011, the plaintiffs filed their opening appeal brief with the U.S. Court of Appeals for the Third Circuit. That motion is fully briefed and oral argument is calendared for March 20, 2012. The Company is unable to estimate the possible exposure, if any, resulting from these claims but believes they are without merit and will continue to vigorously defend the action.

In the normal course of its business, the Company becomes involved in various other litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. Management has used estimates in determining the Company's potential exposure to these matters and has recorded reserves in its financial statements related thereto where appropriate. It is possible that a change in the Company's estimates of that exposure could occur, but the Company does not expect such changes in estimated costs would have a material effect on the Company's consolidated financial position, or its results of operations or its cash flows.

As of December 31, 2011, the Company leased 11 helicopters and certain facilities and equipment. These leasing agreements have been classified as operating leases for financial reporting purposes and related rental fees are charged to expense over the lease terms. The leases generally contain purchase and lease renewal options or rights of first refusal with respect to sale or lease of the equipment. The lease terms range in duration from one to ten years. Total rental expense for the Company's operating leases in 2011, 2010 and 2009 was $4.3 million, $4.2 million and $5.1 million, respectively. Future minimum payments in the years ended December 31 under operating leases that have a remaining term in excess of one year as of December 31, 2011 were as follows (in thousands):

	Minimum Payments
2012	$ 1,987
2013	1,952
2014	1,857
2015	1,729
2016	1,699
Years subsequent to 2016	4,747

14. SEGMENT INFORMATION, MAJOR CUSTOMERS AND GEOGRAPHICAL DATA

The Company has determined that its operations comprise a single segment. Helicopters are highly mobile and may be utilized in any of the Company's service lines as business needs dictate.

In 2011, Anadarko Petroleum Corporation ("Anadarko") and Aeróleo accounted for 12% and 11%, respectively, of the Company's revenues. In 2010, Anadarko, U.S. government agencies and Aeróleo accounted for 11%, 11% and 10%, respectively, of the Company's revenues. In 2009, the Company did not earn revenues from any single customer that were greater than or equal to 10% of total consolidated operating revenues. For the years ended December 31, 2011, 2010 and 2009, approximately 28%, 24% and 15%, respectively, of the Company's operating revenues were derived from foreign operations. The Company's foreign revenues are primarily derived from international contract-leasing activities.

The following represents the Company's operating revenues attributed by geographical region in which services are provided to customers for the years ended December 31 (in thousands):

	2011	2010	2009
Operating Revenues:			
United States	$ 185,677	$ 178,656	$ 201,344
Europe	21,352	17,097	16,062
Latin America and the Caribbean	38,321	29,689	15,047
Australia	—	—	1,158
Canada	318	369	1,461
Asia	12,480	9,555	595
	$ 258,148	$ 235,366	$ 235,667

The Company's long-lived assets are primarily its property and equipment employed in various geographical regions of the world The following represents the Company's property and equipment based upon the assets' physical location as of December 31 (in thousands):

	2011	2010	2009
Property and Equipment:			
United States	$ 429,346	$ 371,610	$ 321,077
Europe	103,061	82,836	86,080
Latin America and the Caribbean	140,324	119,493	92,912
Australia	—	—	7,027
Canada	615	614	9,244
Asia	36,105	37,525	6,855
	$ 709,451	$ 612,078	$ 523,195

15. SUPPLEMENTAL INFORMATION FOR STATEMENTS OF CASH FLOWS

Supplemental information for the years ended December 31 was as follows (in thousands):

	2011	2010	2009
Benefit on net tax operating losses purchased by SEACOR	$ 18,236	$ 47,016	$ 30,346
Income taxes paid, net of refunds	557	65	176
Interest paid to SEACOR, excluding capitalized interest	23,410	21,437	20,328
Interest paid to others	1,114	79	13
Schedule of Non-Cash Investing and Financing Activities:			
Company financed sale of equipment and parts	3,189	—	—
Non-cash distribution to SEACOR	69,823	—	—
Non-cash contribution from SEACOR	180,000	—	—
Exchange of advances from SEACOR for Series A Preferred Stock	140,000	—	—

16. SUBSEQUENT EVENTS

Series B Preferred Stock. On June 8, 2012, the Company's Board of Directors designated 300,000 shares of Series B Preferred Stock, all of which were issued to SEACOR in exchange for $30.0 million. The stated value per share of Series B Preferred Stock is $100 (the "Original Issue Price"). The shares of the Series B Preferred Stock are redeemable at the option of the Company, in whole or in part, at the Original Purchase Price.

Holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time prior to an initial public offering of the Company's Class A common stock at the conversion rate of 4.375 shares of Class B common stock for each share of Series B Preferred Stock, subject to certain anti-dilution adjustments. Prior to the 46 calendar days following a qualified public offering (as defined by the amended and restated certificate of incorporation of the Company), holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares to be converted divided by the initial public offering price of the Company's Class A common stock. Following this period, holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares being converted divided by the applicable trading value of the Class A common stock.

No dividends shall accumulate or be declared or paid on issued shares of outstanding Series B Preferred Stock.

In the event of the Company's liquidation, dissolution or winding up, the holders of Series B Preferred Stock will receive, in priority over the holders of the Company's common stock and subordinate to the holders of the Company's Series A Preferred Stock, a liquidation preference equal to the Original Issue Price of such shares. Holders of Series B Preferred Stock do not have voting rights, except under certain limited circumstances.

As SEACOR controls the redemption of the Series B Preferred Stock through its control of the Company, the Company has classified the Series B Preferred Stock outside of stockholder equity.

On September 25, 2012, the Company issued 700,000 shares of Series B Preferred Stock to SEACOR for $70.0 million. The proceeds were used to reduce outstanding borrowings under the Company's senior secured revolving credit facility.

Spin-off. On October 1, 2012, the Board of Directors of SEACOR announced it has determined to pursue a spin-off of the Company by means of a distribution of all of the outstanding shares of common stock of the Company on a pro rata basis to the holders of common stock of SEACOR. In connection therewith, SEACOR has submitted a private letter ruling to the Internal Revenue Service regarding the tax-free nature of the spin-off. There can be no assurance that the spin-off will be consummated.

7.750% Senior Notes. On December 7, 2012, the Company issued $200.0 million aggregate principal amount of its 7.750% senior unsecured notes due December 15, 2022 (the "7.750% Senior Notes") and received net proceeds of $193.3 million. The 7.750% Senior Notes were issued under an indenture dated as of December 7, 2012 between the Company and Wells Fargo Bank, National Association, as trustee (the "Indenture"). The 7.750% Senior Notes were issued to qualified institutional buyers in reliance on Rule 144A and to non-U.S. persons in reliance on Regulation S of the Securities Act of 1933, as amended. Interest on the 7.750% Senior Notes is payable semi-annually in arrears on each June 15 and December 15 of each year, beginning on June 15, 2013. The 7.750% Senior Notes may be redeemed at any time, and from time to time on or after December 15, 2017 at the applicable redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any, to the redemption date. Prior to December 15, 2017, the Company may also redeem the 7.750% Senior Notes, in whole or in part, at a redemption price based on a "make-whole" premium plus accrued and unpaid interest, if any, the redemption date. In addition, at any time on or prior to December 15, 2015, the Company may redeem up to 35% of the 7.750% Senior Notes at a redemption price equal to 107.750% of their principal amount, plus accrued and unpaid interest if any, to the redemption date, using the proceeds of certain equity offerings. The Indenture contains covenants that restrict the Company's ability to, among other things, incur additional indebtedness, pay dividends or make other distributions or repurchase or redeem its capital stock, prepay, redeem or repurchase certain debt, make loans and investments, sell assets, incur liens, enter into transactions with affiliates, enter into agreements restricting its subsidiaries' ability to pay dividends, and consolidate, merge or sell all or substantially all of their assets. In addition, upon a specified change of control trigger event or a specified asset sales, the Company may be required to offer to repurchase the 7.750% Senior Notes.

In connection with the sale of the Senior Notes, the Company entered into a registration rights agreement (the "Registration Rights Agreement"), dated December 7, 2012, with the initial purchasers. Under the Registration Rights Agreement, the Company agreed, among other things, to use its commercially reasonable efforts to cause an exchange offer registration statement to become effective within 180 days of the consummation of the spin-off and to consummate an exchange offer within 30 days after such effectiveness or to cause a shelf registration statement covering the resale of the Senior Notes to be declared effective within specified periods. The Company will be required to pay additional interest on the Senior Notes if it fails to timely comply with its obligations under the Registration Rights Agreement until such time as it complies.

The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under the Revolving Credit Facility. In connection with the issuance of the 7.750% Senior Notes, the borrowing capacity under the Revolving Credit Facility was permanently reduced from $350.0 million to $200.0 million.

17. QUARTERLY FINANCIAL INORMATION (UNAUDITED)

Selected financial information for interim quarterly periods is presented below (in thousands, except share data). Earnings (loss) per common share are computed independently for each of the quarters presented and the sum of the quarterly earnings (loss) per share may not necessarily equal the total for the year:

	Three Months Ended			
	Mar. 31	Jun. 30	Sep. 30	Dec. 31
2011				
Operating Revenues	$ 56,155	$ 68,493	$ 71,804	$ 61,696
Operating Income	$ 5,945	$ 13,589	$ 15,063	$ 1,511
Net Income (Loss) attributable to Common Shares	$ (1,368)	$ 3,430	$ 3,347	$ (3,511)
Basic and Diluted Earnings (Loss) Per Common Share	$ (1,368.00)	$ 3,430.00	$ 0.21	$ (0.14)
2010				
Operating Revenues	$ 50,275	$ 62,433	$ 67,136	$ 55,522
Operating Income (Loss)	$ 2,501	$ 5,452	$ 11,893	$ (98)
Net Income (Loss)	$ (3,715)	$ (1,199)	$ 4,449	$ (3,174)
Basic Earnings (Loss) Per Common Share	$ (3,715.00)	$ (1,199.00)	$ 4,449.00	$ (3,174.00)

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

For the Years Ended December 31, 2011, 2010 and 2009
(in thousands)

	Balance Beginning of Year	Charges (Reductions) to Cost and Expenses	Deductions (1)	Balance End of Year
Year Ended December 31, 2011				
Allowance for doubtful accounts (deducted from trade and other receivables)	$ 205	$ 20	$ (166)	$ 59
Year Ended December 31, 2010				
Allowance for doubtful accounts (deducted from trade and other receivables)	$ 186	$ 37	$ (18)	$ 205
Year Ended December 31, 2009				
Allowance for doubtful accounts (deducted from trade and other receivables)	$ 2,017	$ (1,589)	$ (242)	$ 186

1. Trade and notes receivable deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts.

ERA GROUP INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data, unaudited)

	September 30, 2012	December 31, 2011
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 9,232	$ 79,122
Receivables:		
Trade, net of allowance for doubtful accounts of $2,627 and $59 in 2012 and 2011, respectively	55,753	42,834
Other	6,491	7,250
Inventories	26,590	24,504
Prepaid expenses	1,443	1,776
Deferred income taxes	51,979	2,293
Total current assets	151,488	157,779
Property and Equipment, Net	777,706	709,451
Investments, at Equity, and Advances to 50% or Less Owned Companies	35,755	50,263
Goodwill	352	352
Other Assets	15,480	15,379
	$ 980,781	$ 933,224
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 20,084	$ 20,004
Accrued wages and benefits	6,810	7,108
Due to SEACOR	3,275	42,609
Current portion of long-term debt	2,787	2,787
Other current liabilities	4,631	5,744
Total current liabilities	37,587	78,252
Long-Term Debt	221,008	285,098
Deferred Income Taxes	198,068	146,177
Deferred Gains and Other Liabilities	8,226	8,340
Total liabilities	464,889	517,867
Preferred Stock, $0.01 par value, 10,000,000 shares authorized:		
Series A Preferred Stock, at redemption value; 1,400,000 shares issued in 2012 and 2011	142,097	140,210
Series B Preferred Stock, at redemption value; 1,000,000 shares issued in 2012 and none in 2011	100,000	—
Total preferred stock	242,097	140,210
Equity:		
Class A common stock, $0.01 par value, 60,000,000 shares authorized; none issued in 2012 and 2011	—	—
Class B common stock, $0.01 par value, 60,000,000 shares authorized; 24,500,000 issued in 2012 and 2011	245	245
Additional paid-in capital	280,973	287,307
Accumulated deficit	(7,596)	(11,812)
Accumulated other comprehensive loss	(74)	(593)
	273,548	275,147
Non-controlling interest	247	—
Total equity	273,795	275,147
	$ 980,781	$ 933,224

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

ERA GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data, unaudited)

	Nine Months Ended September 30,	
	2012	**2011**
Operating Revenues	$ 202,026	$ 196,452
Costs and Expenses:		
Operating	124,913	121,623
Administrative and general	27,210	20,090
Depreciation	31,031	33,402
	183,154	175,115
Gains on Asset Dispositions and Impairments, Net	3,455	13,260
Operating Income	22,327	34,597
Other Income (Expense):		
Interest income	765	376
Interest expense	(6,891)	(847)
Interest expense on advances from SEACOR	—	(18,924)
SEACOR management fees	(1,500)	(7,476)
Derivative losses, net	(492)	(1,308)
Foreign currency gains, net	633	596
Other, net	30	—
	(7,455)	(27,583)
Income Before Income Tax Expense and Equity in Earnings (Losses) of 50% or Less Owned Companies	14,872	7,014
Income Tax Expense	5,212	2,666
Income Before Equity in Earnings (Losses) of 50% or Less Owned Companies	9,660	4,348
Equity in Earnings (Losses) of 50% or Less Owned Companies, Net of Tax	(5,444)	1,061
Net Income	4,216	5,409
Accretion of redemption value on Series A Preferred Stock	6,334	—
Net Income (Loss) attributable to Common Shares	$ (2,118)	$ 5,409
Earnings (Loss) Per Common Share:		
Basic and Diluted Earnings (Loss) Per Common Share	$ (0.09)	$ 0.99
Weighted Average Common Shares Outstanding	24,500,000	5,475,136

The accompanying notes are an integral part of these consolidated financial statements
and should be read in conjunction therewith.

ERA GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands, unaudited)

	For the Nine Months Ended September 30,	
	2012	2011
Net Income	$ 4,216	$ 5,409
Other Comprehensive Income (Loss):		
Foreign currency translation adjustments	798	(532)
Income tax expense	(279)	186
	519	(346)
Comprehensive Income	$ 4,735	$ 5,063

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

ERA GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands, unaudited)

	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock	Class B Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-controlling Interest	Total Equity
As of December 31, 2011	$ 140,210	$ —	$ 245	$ 287,307	$ (11,812)	$ (593)	$ —	$ 275,147
Issuance of Series B Preferred Stock	—	100,000	—	—	—	—	—	—
Accretion of redemption value on Series A Preferred Stock	6,334	—	—	(6,334)	—	—	—	(6,334)
Preferred Stock Dividend	(4,447)	—	—	—	—	—	—	—
Acquisition of subsidiary with noncontrolling interest	—	—	—	—	—	—	247	247
Net income	—	—	—	—	4,216	—	—	4,216
Currency translation adjustments, net of tax	—	—	—	—	—	519	—	519
As of September 30, 2012	$ 142,097	$ 100,000	$ 245	$ 280,973	$ (7,596)	$ (74)	$ 247	$ 273,795

The accompanying notes are an integral part of these consolidated financial statements and should be read in conjunction therewith.

ERA GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	Nine Months Ended September 30,	
	2012	**2011**
Net Cash Provided by (Used in) Operating Activities	$ (7,091)	$ 23,227
Cash Flows from Investing Activities:		
Purchases of property and equipment	(91,155)	(88,894)
Cash settlements on derivative transactions, net	(307)	7,000
Proceeds from disposition of property and equipment	4,887	22,089
Investments in and advances to 50% or less owned companies	(11,857)	(21,936)
Return of investments and advances from 50% or less owned companies	2,725	—
Net increase in escrow deposits on like-kind exchanges	—	(5,046)
Principal payments received on third-party notes receivable, net	832	(1,147)
Net cash used in investing activities	(94,875)	(87,934)
Cash Flows from Financing Activities:		
Advances from SEACOR, net	—	66,842
Dividends paid to parent	(4,447)	—
Proceeds from issuance of Series B Preferred Stock	100,000	—
Proceeds from issuance of long-term debt	38,000	—
Payments on long-term debt	(102,090)	(2,090)
Net cash provided by financing activities	31,463	64,752
Effects of Exchange Rate Changes on Cash and Cash Equivalents	613	751
Net Increase (Decrease) in Cash and Cash Equivalents	(69,890)	796
Cash and Cash Equivalents, Beginning of Period	79,122	3,698
Cash and Cash Equivalents, End of Period	$ 9,232	$ 4,494

The accompanying notes are an integral part of these consolidated financial statements
and should be read in conjunction therewith.

1. BASIS OF PRESENTATION AND ACCOUNTING POLICY

The condensed consolidated financial information as of September 30, 2012 and for the nine months ended September 30, 2012 and 2011 has been prepared by the Company and has not been audited by its independent registered public accounting firm. The condensed consolidated financial statements include the accounts of Era Group Inc. and its consolidated subsidiaries (collectively referred to as the "Company"). All significant inter-company accounts and transactions are eliminated in consolidation. In the opinion of management, all adjustments (consisting of normal recurring adjustments) have been made to fairly present the Company's financial position as of September 30, 2012, its results of operations for the nine months ended September 30, 2012 and 2011, its comprehensive income for the nine months ended September 30, 2012 and 2011, its changes in equity for the nine months ended September 30, 2012, and its cash flows for the nine months ended September 30, 2012 and 2011. Results of operations for the interim periods presented are not necessarily indicative of operating results for the full year or any future periods.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with the financial statements and related notes thereto for the year ended December 31, 2011 included elsewhere in this Information Statement.

The Company is wholly owned by SEACOR Holdings Inc. (along with its other majority-owned subsidiaries being collectively referred to as "SEACOR") and represents SEACOR's aviation services business segment.

Revenue Recognition. The Company recognizes revenue when it is realized or realizable and earned. Revenue is realized or realizable and earned when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price to the buyer is fixed or determinable, and collectability is reasonably assured. Revenue that does not meet these criteria is deferred until the criteria are met. Deferred revenues for the nine months ended September 30 were as follows (in thousands):

	2012	2011
Balance at beginning of period	$ 123	$ 216
Revenues deferred during period	18,921	891
Revenues recognized during period	(7,920)	(356)
Balance at end of period	$ 11,124	$ 751

As of September 30, 2012, deferred revenues included $7.7 million related to contract-lease revenues for certain helicopters leased by the Company to Aeroleo Taxi Aero S/A ("Aeroleo"), its Brazilian joint venture (see Note 5). The deferral resulted from difficulties experienced by Aeroleo following one of its customer's cancellation of certain contracts for a number of AW139 helicopters under contract-lease from the Company. The Company will recognize revenues as cash is received or earlier should future collectability become reasonably assured. All costs and expenses related to these contract-leases were recognized as incurred.

As of September 30, 2012, deferred revenues also included $3.4 million related to contract-lease revenues for certain helicopters leased by the Company to one of its customers. The deferral resulted from the customer having its operating certificate revoked for a period of time and therefore being unable to operate. The certificate has since been reinstated but uncertainty still remains regarding the collectability of the contract-lease revenues. The Company will recognize revenues as cash is received or earlier should future collectability become reasonably assured. All costs and expenses related to these contract-leases were recognized as incurred.

Earnings (Loss) Per Common Share. Basic earnings (loss) per common share of the Company are computed based on the weighted average number of common shares issued and outstanding during the relevant periods. Diluted earnings (loss) per common share of the Company are computed based on the weighted average number of common shares issued and outstanding plus the effect of potentially dilutive securities through the application of the if-converted method that assumes all common shares have been issued and outstanding during the relevant periods pursuant to the conversion of all outstanding Series A and Series B preferred stock. For the nine months ended September 30, 2012, diluted earnings per common share of the Company excluded 6,729,167 weighted average common shares issuable upon the conversion of Series A and Series B preferred stock as the effect of their inclusion in the computation would have been antidilutive.

Property and Equipment. Effective July 1, 2011, the Company changed its estimated useful life and salvage value for helicopters from 12 to 15 years and 30% to 40%, respectively, due to improvements in new helicopter models that continue to increase their long-term value and make them viable for operation over a longer period of time. For the nine months ended September 30, 2012, the change in estimate increased operating income by $8.4 million, net income by $5.4 million and basic and diluted earnings per share by $0.26.

2. FAIR VALUE MEASUREMENTS

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value. *Level 1* inputs are quoted prices in active markets for identical assets or liabilities. *Level 2* inputs are observable inputs other than quoted prices included in *Level 1* that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs derived from observable market data. *Level 3* inputs are unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

The Company's financial assets and liabilities as of September 30, 2012 that are measured at fair value on a recurring basis were as follows (in thousands):

	Level 1	Level 2	Level 3
LIABILITIES			
Derivative instruments (included in other current liabilities)	$ —	$ 1,139	$ —

The estimated fair value of the Company's other financial assets and liabilities as of September 30, 2012 were as follows (in thousands):

		Estimated Fair Value		
	Carrying Amount	Level 1	Level 2	Level 3
ASSETS				
Cash and cash equivalents	$ 9,232	$ 9,232	$ —	$ —
Notes receivable from other business ventures (included in other receivables and other assets)	1,179	1,179	—	—
LIABILITIES				
Long-term debt, including current portion	223,795	—	223,749	—

The carrying values of cash, cash equivalents and the Company's recently issued notes receivable from other business ventures approximate fair value. The Company's long-term debt was estimated using discounted cash flow analysis based on estimated current rates. Considerable judgment was required in developing certain of the estimates of fair value and accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

3. DERIVATIVE INSTRUMENTS AND HEDGING STRATEGIES

The Company recognized gains (losses) on derivative instruments designated as fair value hedges for the nine months ended September 30 as follows (in thousands):

	2012	2011
Foreign currency exchange contracts, effective and ineffective portions	$ —	$ 6,517
Decrease in fair value of hedged items included in property and equipment corresponding to the effective portion of derivative gains	—	(6,557)
	$ —	$ (40)

During the year ended December 31, 2011, the Company entered into two interest rate swap agreements maturing in 2014 and 2015 that call for the Company to pay fixed interest rates of 1.67% and 1.83% on an aggregate notional value of $31.8 million and receive a variable interest rate based on the London Interbank Offered Rate ("LIBOR") on these notional values. The general purpose of these interest rate swap agreements is to provide protection against increases in interest rates, which might lead to higher interest costs for the Company. The fair value of these derivative instruments at September 30, 2012 were liabilities of $1.1 million. The Company recognized losses of $0.5 million and $1.3 million on these derivative instruments for the nine months ended September 30, 2012 and 2011, respectively.

4. EQUIPMENT ACQUISITIONS AND DISPOSITIONS

Equipment Additions. The Company's capital expenditures were $91.2 million in the nine months ended September 30, 2012. Major equipment placed in service for the nine months ended September 30, 2012 were as follows:

Light helicopters - twin engine	4
Medium helicopters	6
Heavy helicopters	3
	13

Equipment Dispositions. The Company sold property and equipment for $5.2 million in the nine months ended September 30, 2012. Major equipment dispositions for the nine months ended September 30, 2012 were as follows:

Light helicopters - twin engine	5
Medium helicopters	2
	7

5. INVESTMENTS, AT EQUITY, AND ADVANCES TO 50% OR LESS OWNED COMPANIES

Condensed Combined Financials. Summarized financial information for Dart Holding Company Ltd. and Dart Helicopter Services LLC for the nine months ended September 30 was as follows (in thousands):

	2012	2011
Operating Revenues	$ 33,561	$ 33,039
Cost and Expenses		
Operating and administrative	25,016	26,834
Depreciation	4,030	1,450
	29,046	28,284
Operating Income	$ 4,515	$ 4,755
Net Income	$ 1,215	$ 2,776

Aeroleo. On March 1, 2012, the Company recorded an impairment charge of $5.9 million, net of tax, on its investment in and advances to Aeroleo. The impairment charge resulted from difficulties experienced by Aeroleo following one of its customer's cancellation of certain contracts for a number of AW139 helicopters under contract-lease from the Company.

Era do Brazil. During the nine months ended September 30, 2012, the Company loaned $10.8 million to Era do Brazil LLC ("Era do Brazil") secured by a helicopter purchased from the Company in 2011 and Era do Brazil's ownership interests. Upon receipt of the proceeds from the loan, Era do Brazil repaid the outstanding principal amount of $1.6 million remaining on the original helicopter acquisition note due to the Company and loaned $9.2 million to Aeroleo Taxi Aereo S/A ("Aeroleo") in the form of two notes, each of an equal amount. Era do Brazil then distributed the two notes due from Aeroleo to its members. As a result of these transactions, Era do Brazil is a highly leveraged entity with all its outstanding debt due to the Company. As the primary beneficiary, the Company has consolidated Era do Brazil in its financial statements effective September 30, 2012.

6. INCOME TAXES

As of September 30, 2012, current deferred tax assets includes a net operating tax loss benefit of $49.7 million generated by the Company during the nine months ended September 30, 2012. The net operating tax loss benefit is primarily the result of accelerated tax depreciation on equipment acquired during the period and is classified as a short-term asset as the Company currently expects the benefit to be purchased and utilized by SEACOR in December 2012 for its consolidated federal tax return.

7. LONG-TERM DEBT

As of September 30, 2012, the Company had $190.0 million of outstanding borrowings under its senior secured revolving credit facility. The Company's availability under this facility was $44.9 million, net of issued letters of credit of $0.3 million, and was limited by financial covenant ratios under the Company's borrowing agreement. During the nine months ended September 30, 2012, the Company borrowed $38.0 million under this facility and repaid $100.0 million.

During the nine months ended September 30, 2012, the Company made scheduled payments on other long-term debt of $2.1 million.

8. SERIES B PREFERRED STOCK

On June 8, 2012, the Company's Board of Directors designated 300,000 shares of Series B Preferred Stock and on September 25, 2012, designated an additional 700,000 shares of Series B Preferred Stock, all of which were issued to SEACOR in exchange for $100.0 million. The proceeds were used to reduce outstanding borrowings under the Company's senior secured revolving credit facility. The stated value per share of Series B Preferred Stock is $100 (the "Original Issue Price"). The shares of the Series B Preferred Stock are redeemable at the option of the Company, in whole or in part, at the Original Purchase Price.

Holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time prior to an initial public offering of the Company's Class A common stock at the conversion rate of 4.375 shares of Class B common stock for each share of Series B Preferred Stock, subject to certain anti-dilution adjustments. Prior to the 46 calendar days following a qualified public offering (as defined by the amended and restated certificate of incorporation of the Company), holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares to be converted divided by the initial public offering price of the Company's Class A common stock. Following this period, holders of Series B Preferred Stock may convert all or any portion of the Series B Preferred Stock, at their option, at any time, into the number of shares of Class B common stock equal to the aggregate stated value of the shares being converted divided by the applicable trading value of the Class A common stock.

No dividends shall accumulate or be declared or paid on issued shares of outstanding Series B Preferred Stock.

In the event of the Company's liquidation, dissolution or winding up, the holders of Series B Preferred Stock will receive, in priority over the holders of the Company's common stock and subordinate to the holders of the Company's Series A Preferred Stock, a liquidation preference equal to the Original Issue Price of such shares. Holders of Series B Preferred Stock do not have voting rights, except under certain limited circumstances.

As SEACOR controls the redemption of the Series A and B Preferred Stock through its control of the Company, the Company has classified the Series A and B Preferred Stock outside of stockholders' equity.

9. RELATED PARTY TRANSACTIONS

As part of a consolidated group, certain costs and expenses are incurred by SEACOR and charged to the Company. These costs and expenses are included in both operating expenses and administrative and general expenses in the accompanying consolidated statements of operations and are summarized as follows for the nine months ended September 30 (in thousands):

	Nine Months Ended September 30, 2012	Nine Months Ended September 30, 2011
Payroll costs for SEACOR personnel assigned to the Company and participation in SEACOR employee benefit plans, defined contribution plan and share award plans	$ 6,129	$ 6,952
Shared services allocation for administrative support	1,965	1,935
	$ 8,094	$ 8,887

10. COMMITMENTS AND CONTINGENCIES

The Company's unfunded capital commitments as of September 30, 2012 consisted primarily of helicopters and totaled $138.7 million, of which $15.9 million is payable in 2012. Of these commitments, $125.0 million may be terminated without further liability other than liquidated damages of $3.3 million in the aggregate.

In the normal course of its business, the Company becomes involved in various other litigation matters including, among other things, claims by third parties for alleged property damages and personal injuries. Management has used estimates in determining the Company's potential exposure to these matters and has recorded reserves in its financial statements related thereto where appropriate. It is possible that a change in the Company's estimates of that exposure could occur, but the Company does not expect such changes in estimated costs would have a material effect on the Company's consolidated financial position or its results of operations, or cash flows.

On June 12, 2009, a purported civil class action was filed against SEACOR, Era Group Inc., Era Helicopters LLC and three other defendants (collectively, the "Defendants") in the U.S. District Court for the District of Delaware, Superior Offshore

International, Inc. v. Bristow Group Inc., et al., No. 09-CV-438 (D. Del.). The Complaint alleged that the Defendants violated federal antitrust law by conspiring with each other to raise, fix, maintain or stabilize prices for offshore helicopter services in the U.S. Gulf of Mexico during the period January 2001 to December 2005. The purported class of plaintiffs included all direct purchasers of such services and the relief sought included compensatory damages and treble damages. On September 4, 2009, the Defendants filed a motion to dismiss the Complaint. On September 14, 2010, the Court entered an order dismissing the Complaint. On September 28, 2010, the plaintiffs filed a motion for reconsideration and amendment and a motion for re-argument (the "Motions"). On November 30, 2010, the Court granted the Motions, amended the Court's September 14, 2010 Order to clarify that the dismissal was without prejudice, permitted the filing of an amended Complaint, and authorized limited discovery with respect to the new allegations in the amended Complaint. Following the completion of such limited discovery, on February 11, 2011, the Defendants filed a motion for summary judgment to dismiss the amended Complaint with prejudice. On June 23, 2011, the District Court granted summary judgment for the Defendants. On July 22, 2011, the plaintiffs filed a notice of appeal to the U.S. Court of Appeals for the Third Circuit. On July 27, 2012, the Third Circuit Court of Appeals affirmed the District Court's grant of summary judgment in favor of the defendants. On August 9, 2011, Defendants moved for certain excessive costs, expenses, and attorneys' fees under 28 U.S.C. § 1927 (the "Fee Motion"). On October 9, 2012, the District Court denied the Fee Motion.

11. SUBSEQUENT EVENTS

Spin-off. On October 1, 2012, the Board of Directors of SEACOR announced it has determined to pursue a spin-off of the Company by means of a distribution of all of the outstanding shares of common stock of the Company on a pro rata basis to the holders of common stock of SEACOR. In connection therewith, SEACOR has submitted a request for a private letter ruling to the Internal Revenue Service regarding the tax-free nature of the spin-off. There can be no assurance that the spin-off will be consummated.

7.750% Senior Notes. On December 7, 2012, the Company issued $200.0 million aggregate principal amount of its 7.750% senior unsecured notes due December 15, 2022 (the "7.750% Senior Notes") and received net proceeds of $193.3 million. The 7.750% Senior Notes were issued under an indenture dated as of December 7, 2012 between the Company and Wells Fargo Bank, National Association, as trustee (the "Indenture"). The 7.750% Senior Notes were issued to qualified institutional buyers in reliance on Rule 144A and to non-U.S. persons in reliance on Regulation S of the Securities Act of 1933, as amended. Interest on the 7.750% Senior Notes is payable semi-annually in arrears on each June 15 and December 15 of each year, beginning on June 15, 2013. The 7.750% Senior Notes may be redeemed at any time, and from time to time on or after December 15, 2017 at the applicable redemption prices set forth in the Indenture, plus accrued and unpaid interest, if any, to the redemption date. Prior to December 15, 2017, the Company may also redeem the 7.750% Senior Notes, in whole or in part, at a redemption price based on a "make-whole" premium plus accrued and unpaid interest, if any, the redemption date. In addition, at any time on or prior to December 15, 2015, the Company may redeem up to 35% of the 7.750% Senior Notes at a redemption price equal to 107.750% of their principal amount, plus accrued and unpaid interest if any, to the redemption date, using the proceeds of certain equity offerings. The Indenture contains covenants that restrict the Company's ability to, among other things, incur additional indebtedness, pay dividends or make other distributions or repurchase or redeem its capital stock, prepay, redeem or repurchase certain debt, make loans and investments, sell assets, incur liens, enter into transactions with affiliates, enter into agreements restricting its subsidiaries' ability to pay dividends, and consolidate, merge or sell all or substantially all of their assets. In addition, upon a specified change of control trigger event or a specified asset sales, the Company may be required to offer to repurchase the 7.750% Senior Notes.

In connection with the sale of the Senior Notes, the Company entered into a registration rights agreement (the "Registration Rights Agreement"), dated December 7, 2012, with the initial purchasers. Under the Registration Rights Agreement, the Company agreed, among other things, to use its commercially reasonable efforts to cause an exchange offer registration statement to become effective within 180 days of the consummation of the spin-off and to consummate an exchange offer within 30 days after such effectiveness or to cause a shelf registration statement covering the resale of the Senior Notes to be declared effective within specified periods. The Company will be required to pay additional interest on the Senior Notes if it fails to timely comply with its obligations under the Registration Rights Agreement until such time as it complies.

The net proceeds of the offering were used to repay $190.0 million of borrowings outstanding under the Revolving Credit Facility. In connection with the issuance of the 7.750% Senior Notes, the borrowing capacity under the Revolving Credit Facility was permanently reduced from $350.0 million to $200.0 million.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Dart Holding Company Ltd.

We have audited the accompanying consolidated balance sheet of Dart Holding Company Ltd., as of December 31, 2011, and the related consolidated statements of income, comprehensive income and retained earnings, and cash flows for the period from August 1, 2011 to December 31, 2011. 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 audit.

We conducted our audit in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dart Holding Company Ltd. as of December 31, 2011, and the results of its operations and its cash flows for the period from August 1, 2011 to December 31, 2011 in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Calgary, Canada

March 7, 2012

DART HOLDING COMPANY LTD.
Consolidated Balance Sheet
(expressed in US dollars)
(in thousands)

		December 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	$	2,869
Accounts receivable, net of allowances of $153		4,951
Accounts receivable from related parties (note 14)		644
Inventories (note 3)		9,086
Prepaid expenses and other current assets		370
Total current assets		17,920
Property and equipment, net (note 4)		2,181
Intangible assets, net (note 5)		27,364
Equity investment (note 6)		839
Goodwill		13,244
Total assets	$	61,548
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$	4,326
Due to stockholders and related party (note 14)		887
Customer deposits		685
Income taxes payable		106
Current portion of long-term debt (note 8)		1,476
Current portion of notes payable to stockholders and related party (note 9)		759
Total current liabilities		8,239
Long-term debt (note 8)		6,943
Notes payable to stockholders and related party (note 9)		4,175
Deferred income taxes (note 10)		2,777
Total liabilities		22,134
Stockholders' equity:		
Common stock (note 11)		1
Contributed surplus (note 11)		36,970
Accumulated other comprehensive income (note 12)		(111)
Retained earnings		1,818
Total stockholders' equity attributed to stockholders		38,678
Non-controlling interest in subsidiaries		736
Total stockholders' equity		39,414
Commitments and contingencies (notes 11 and 13)		
Subsequent events (notes 7 and 18)		
Total liabilities and stockholders' equity	$	61,548

See accompanying notes to consolidated financial statements.

DART HOLDING COMPANY LTD.
Consolidated Statement of Income, Comprehensive Income and Retained Earnings

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

Revenue	$	18,999
Cost of sales		8,529
		10,470
General and administrative expenses		5,695
Interest on long-term debt		269
Depreciation		260
Amortization		1,956
Foreign exchange gain		(24)
		8,156
Income before income tax expense and equity earnings		2,314
Income tax expense (recovery) (note 10):		
Current		1,516
Deferred		(934)
		582
Income before equity earnings		1,732
Equity earnings		89
Net income		1,821
Net income attributable to non-controlling interest in subsidiaries		(3)
Net income attributable to stockholders, being retained earnings end of period	$	1,818
Other comprehensive income:		
Foreign currency translation adjustments		(111)
Comprehensive income	$	1,707

See accompanying notes to consolidated financial statements.

DART HOLDING COMPANY LTD.
Consolidated Statement of Cash Flow

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

Cash flows from operating activities:		
Net income	$	1,821
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation		260
Amortization		1,956
Amortization of net premium on long-term debt		(18)
Deferred income tax recovery		(934)
Equity earnings		(89)
		2,996
Changes in operating assets and liabilities:		
Accounts receivable		324
Inventories		(36)
Prepaid expenses and other current assets		14
Accounts payable and accrued liabilities		(28)
Due to stockholders		(520)
Income taxes payable		(250)
Customer deposits		(416)
		2,084
Cash flows from financing activities:		
Payments on long-term debt		(697)
Payments on notes payable to stockholders and related party		(69)
		(766)
Cash flows from investing activities:		
Purchases of property and equipment		(394)
Net increase in cash and cash equivalents		924
Cash and cash equivalents, beginning of period		—
Cash and cash equivalents, contributed businesses		1,945
Cash and cash equivalents, end of period	$	2,869
Supplemental information:		
Income taxes paid, net of refunds received	$	1,380
Interest paid		212

See accompanying notes to consolidated financial statements.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

Nature of operations:

Dart Holding Company Ltd. ("Dart" or the "Company") was incorporated on February 28, 2011 and established as a joint venture of Era DHS LLC ("Era") and Eagle Copters Ltd. ("Eagle") on July 31, 2011, the date of formation. Operations commenced on August 1, 2011. There were no transactions between the dates of incorporation to July 31, 2011. Era contributed its 77.33% interest in Dart Helicopter Services, Inc. ("DHS") in exchange for a 50% interest in Dart and a promissory note from the Company in the amount of $5,112,040, and Eagle contributed its 22.67% interest in DHS and 100% interest in Dart Aerospace Ltd. ("DAS") to Dart in exchange for a 50% interest in the Company. On October 31, 2011, Eagle transferred its 50% ownership interest to O'Reilly Holding Company Ltd. ("OHC"), a company controlled by the owner of Eagle. Eagle is a related party from this date forward. The contributions of the entities to the joint venture were accounted for at fair value. See note 2 for further details.

The Company is an international distribution and manufacturing organization with a primary focus on developing innovative helicopter products that are supplemental type certificated ("STC"). The Company designs and manufactures certified parts tailored to the helicopter market and distributes aftermarket helicopter parts and accessories.

1. Significant accounting policies:

(a) Basis of presentation:

The consolidated financial statements herein include the accounts of the Company, and its wholly-owned subsidiaries, DAS and DHS along with DHS' wholly-owned subsidiaries, Apical Industries, Inc. ("Apical Industries"), Geneva Aviation, Inc. ("Geneva Aviation") and Canam Aerospace, Inc. ("Canam Aerospace") and 80% majority-owned subsidiary Offshore Helicopter Services, Inc. ("Offshore Helicopter Services"). The remaining 20% interest in Offshore Helicopter Services is accounted for as a non-controlling interest in the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in consolidation. The Company has no involvement with variable interest entities.

(b) Use of estimates:

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates include those related to allowance for doubtful accounts, inventory reserves, useful lives of property and equipment and intangible assets, impairments, income tax provisions, warranty provisions and certain accrued liabilities. Actual results could differ from those estimates and those differences may be material.

(c) Revenue recognition:

The Company recognizes revenue when it is realized or realizable and earned. Revenue is realized or realizable and earned when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the selling price to the buyer is fixed or determinable and collectability is reasonably assured. Revenue that does not meet these criteria is deferred until the criteria are met.

The Company's revenue is generated through both the sale of aftermarket helicopter parts and accessories to customers and repair and maintenance services provided in support of those parts and accessories. Sales to customers are recognized when the parts and accessories are shipped either from the Company or directly from the manufacturer for which the Company distributes. Revenues from services are recognized when the service is complete and the part or accessory is shipped back to the customer.

Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from revenues in the consolidated statements of income.

(d) Cash equivalents:

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

1. Significant accounting policies (continued):

(e) Trade receivables:

The Company's primary customers include aircraft manufacturers, major operators of large U.S. and international helicopter fleets and local owner-operators. Trade receivables are recorded at the invoiced amount and do not bear interest. Customers are typically granted credit on a short-term basis and related credit risks are considered minimal. The Company requires deposits in advance from certain customers or for large orders. The Company routinely reviews its trade receivables and makes provisions for doubtful accounts when necessary. Trade receivables are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when collection efforts have been exhausted and the potential for recovery is considered remote.

(f) Product warranties:

The Company provides various warranties on its products. Estimated future warranty costs are accrued and charged to costs of sales in the period the related revenue is recognized. These estimates are derived from historical data and trends of product reliability and costs of repairing and replacing defective products.

(g) Shipping and handling costs:

Shipping costs incurred by the Company are included in cost of goods sold.

(h) Advertising expense:

The Company records advertising costs as incurred and all amounts have been expensed for the period. Advertising expense during the five months ended December 31, 2011 was $0.1 million.

(i) Concentration of credit risk:

The Company is exposed to concentrations of credit risks relating to accounts receivable due from customers in the helicopter aviation industry. The Company does not generally require additional collateral or other security to support its outstanding receivables. The Company minimizes its credit risk relating to receivables by performing ongoing credit evaluations and placing certain customers on prepayment required credit terms as a result of those evaluations. To date, credit losses have not been material. The Company is also exposed to concentrations of credit risk associated with cash and cash equivalents. The Company minimizes its credit risk by placing its cash and cash equivalents with well-established accredited banking institutions.

(j) Inventories:

Inventories, which include raw materials used in the manufacture of helicopter after-market parts and accessories, work-in-process and finished goods, are stated at the lower of cost or market. Cost is determined on a first in first out basis for DHS and a weighted average basis for DAS.

Finished goods include direct labor, materials and allocations of manufacturing overhead. The Company records write-downs, as needed, to adjust the carrying amount of inventories to lower of cost or market. In addition, the Company periodically reviews inventory for evidence of slow-moving or obsolete parts, and an inventory valuation allowance is recorded based on management's reviews of inventories on hand compared to estimated future usage and sales, shelf-life estimates and assumptions about the likelihood of obsolescence.

(k) Property and equipment:

Property and equipment are stated at cost.

Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful life of buildings is 20 years, while the estimated useful lives of equipment, and computer equipment and software ranges from three to seven years. Leasehold improvements are stated at cost and depreciated on a straight-line basis over the lesser of the expected remaining lease term or the remaining useful life of the asset.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

1. Significant accounting policies (continued):

(l) Intangible assets:

Intangible assets consist of manufacturing licenses referred to as supplemental-type certificates (“STCs”), trademarks, customer relationships, distribution agreements and non-compete agreements. These intangible assets are amortized over their useful lives as follows:

STCs	20 years
Trademarks	5 years
Customer Relationships	5 years
Other	5 years

(m) Impairment of long-lived assets:

The Company performs an impairment analysis of long-lived assets used in operations, including intangibles, when indicators of impairment are present. If the carrying values of the assets are not recoverable, as determined by the estimated undiscounted cash flows, the carrying values of the assets are reduced to fair value. Generally, fair value is determined using valuation techniques, such as expected discounted cash flows or appraisals, as appropriate. The Company did not recognize any impairment charges in the five months ended December 31, 2011.

(n) Investments:

Equity investments in 50% or less owned companies are accounted for using the equity method.

(o) Goodwill:

Goodwill is recorded when the purchase price paid for an acquisition exceeds the fair value of net identified tangible and intangible assets acquired or when contributing entities to a joint venture. The Company performs an annual impairment test of goodwill and conducts periodic impairment tests when indicators of impairment develop between annual impairment tests. The Company’s impairment review process compares the fair value of the Company to its carrying value, including goodwill. To determine its fair value, the Company uses a discounted future cash flow approach that uses estimates for revenues, costs, and appropriate discount rates, among others. These estimates are reviewed each time the Company tests for goodwill impairment and are typically developed as part of the Company’s routine business planning and forecasting process. The Company did not recognize any goodwill impairments in the five months ended December 31, 2011.

(p) Income taxes:

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences of the differences between the financial reporting and tax basis of assets and liabilities using current enacted tax rates. Valuation allowances are recorded when the realizability of such deferred tax assets does not meet the more likely than not threshold. The revised guidance prescribes a recognition threshold and measurement attribute criteria for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The Company’s tax policy is to recognize interest and penalties in income tax. The Company has not incurred and accordingly has not recognized interest and penalties in the balance sheets or statements of operations. The Company and its subsidiaries are subject to Canadian and U.S. federal, state, and foreign income tax, respectively.

(q) Foreign currency translation:

The assets, liabilities and results of operations of DAS, a self sustaining business, are initially measured in its functional currency of Canadian dollars. Upon consolidation, assets and liabilities are translated to U.S. dollars at currency exchange rates as of the balance sheet date and revenues and expenses are translated at the weighted average currency exchange rates during the applicable reporting periods.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

1. Significant accounting policies (continued):

(r) Foreign currency transactions:

Certain subsidiaries of the Company enter into transactions denominated in currencies other than their functional currency. Changes in currency exchange rates between the functional currency and the currency in which a transaction is denominated are included in foreign currency gains (losses), net in the accompanying consolidated statements of income.

(s) Comprehensive income:

Comprehensive income is the total of net income and all other changes in equity of the Company that result from transactions and other economic events of a reporting period other than transactions with owners. Included in other comprehensive income are changes related to cumulative translation amounts related to the Company's self sustaining operations.

(t) Fair value measurements:

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value.

Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or inputs derived from observable market data. Level 3 inputs are unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Fair value disclosures are included in note 17.

2. Contributed businesses:

DAS and DHS were recorded at fair value upon contribution and formation of the joint venture on July 31, 2011. The contributed values of assets and liabilities on July 31, 2011 are as follows:

	DHS	DAS	Consolidated
Assets			
Cash	$ 421	$ 1,524	$ 1,945
Accounts receivable	4,889	1,029	5,918
Inventories	6,125	2,925	9,050
Prepaid expenses and other current assets	307	77	384
Property and equipment	504	1,654	2,158
Intangible assets	25,820	3,500	29,320
Equity investment	750	—	750
Goodwill	9,165	4,079	13,244
Total assets	$ 47,981	$ 14,788	$ 62,769
Liabilities			
Accounts payable and accrued expenses	$ 2,663	$ 691	$ 3,354
Due to stockholders	1,407	—	1,407
Customer deposits	1,101	—	1,101
Income taxes payable	331	25	356
Long-term debt	7,969	1,179	9,148
Notes payable to stockholders	420	4,569	4,989
Deferred income taxes	2,766	945	3,711
Total liabilities	$ 16,657	$ 7,409	$ 24,066
Non-controlling interest in subsidiaries			733
Contributed surplus			$ 37,970

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

3. Inventories:

Inventory consisted of the following (in thousands):

Raw materials	$	5,953
Work-in-process		997
Finished goods		2,136
	$	9,086

Inventory write-downs included in cost of sales were $0.2 million for the five months ended December 31, 2011.

4. Property and Equipment:

Property and equipment consisted of the following (in thousands):

Buildings	$	1,083
Equipment		850
Computer equipment and software		264
Leasehold improvements		121
Land		123
		2,441
Less accumulated depreciation		(260)
	$	2,181

Depreciation expense was $0.3 million for the period ended December 31, 2011.

5. Intangible assets:

During the period ended December 31, 2011, the Company recognized amortization expense of $2.0 million. The weighted average remaining amortization period as of December 31, 2011 is 11.5 years.

The Company's intangible assets by type are as follows (in thousands):

STCs	$	13,000
Trademarks		7,100
Customer relationships		7,800
Other		1,420
		29,320
Less accumulated amortization		(1,956)
	$	27,364

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

5. Intangible assets (continued):

Future amortization expense of intangible assets for each of the years ended December 31 thereafter is as follows (in thousands)

2012	$	4,672
2013		4,663
2014		3,076
2015		3,066
2016		2,987
Years subsequent to 2016		8,900
	$	27,364

6. Equity investment:

The Company has a 30% interest in Heli Tech, Inc. The Company accounts for this investment over which it has significant influence but not a controlling interest using the equity method of accounting.

7. Bank operating loan:

The Company's subsidiary DHS has available a $2.0 million line of credit with JP Morgan Chase Bank. The line of credit is secured primarily by the DHS' accounts receivable, and secondarily by the inventory of Apical Industries. The Company maintains a zero-balance master account and the line of credit is used to fund payables. Deposits to the master account automatically pay down the line of credit balance. The line of credit contains various restrictive covenants including interest coverage, funded debt to total capitalization ratios, as well as other customary covenants, representations and warranties, funding conditions and events of default. The Company was in compliance with all financial debt covenants for the period presented. The line of credit is subject to certain borrowing limits and at December 31, 2011, there were no restrictions on the maximum amount available of $2.0 million. There was no balance due on the line of credit at December 31, 2011. The line of credit expires and is required to be renewed on an annual basis. In January 2012, the line of credit expired and the bank has provided a commitment letter for a new line of credit.

The line of credit also contains a subjective Material Adverse Change clause which, among other rights, allows the lender to declare the debt immediately due and payable if they believe there has been a material adverse change in the Company's financial condition or business operations.

8. Long-term debt:

The Company's borrowings were as follows (in thousands):

4% Notes	$	1,475
5% Notes		5,549
Mortgage on land and building		1,053
Other loans		200
Debt premium		142
		8,419
Less current portion of long-term debt		(1,476)
	$	6,943

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

8. Long-term debt (continued):

(a) Four percent secured notes:

The Company has three secured notes issued in 2007 in the original amount totaling $5.8 million that bears a fixed interest rate of 4% per year and mature on February 28, 2013. Fixed payments of principal and interest of $0.3 million are due each quarter over the life of the notes. The Company recorded a $0.1 million reduction to the stated amount of the notes based on a fair market value assessment at the time of the Company's formation on July 31, 2011. The valuation adjustment is being amortized over the lives of the notes. Accretion expense totaled $41 thousand for the period ended December 31, 2011 using the effective interest rate method.

(b) Five percent secured notes:

The Company has a note issued in 2007 in the original amount of $8.0 million that is secured and bears a fixed interest rate of 5% per year, with a maturity date of August 29, 2014. The note requires quarterly interest only payments through November 2012, followed by graduated payments of principal and interest through maturity. As of December 31, 2011, the Company had made voluntary principal reductions of $2.5 million on the note. The Company recorded a $0.3 million increase to the stated amount of the note based on a fair market value assessment at the time of the Company's formation on July 31, 2011. The valuation adjustment is being amortized over the life of the note. Amortization of the premium totaled $73 thousand for the period ended December 31, 2011 using the effective interest rate method.

(c) Mortgage on land and building:

In April, 2011, the Company entered into a mortgage with a Canadian bank to fund the acquisition of the land and building. The mortgage is denominated in Canadian dollars and is payable in monthly installments of $10.35 thousand CAD plus interest, secured by real property located in Canada, due August, 2020. The mortgage bears an interest rate of the bank's floating base rate per year.

The Company's long-term debt maturities for the years ended December 31 are as follows (in thousands):

2012	$	1,476
2013		459
2014		1,242
2015		4,549
2016		122
Years subsequent to 2016		429
	$	8,277

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

9. Notes payable to stockholders and related party:

The Company's notes payable to stockholders and related party are as follows (in thousands):

5% Notes to Era	$	312
5% Notes to Eagle		108
4% Promissory note to Era		5,029
Debt discount		(515)
		4,934
Less current portion of notes payable to stockholders		(759)
	$	4,175

The unsecured notes payable to Era and Eagle bear interest at a fixed rate of 5% per year with principal due on June 1, 2012. Payments for interest only are made on a quarterly basis. As of December 31, 2011, the Company has $0.4 million of notes payable due to its stockholders.

In July 2011, Era contributed its interest in exchange for a 50% interest in Dart and a promissory note from the Company in the face amount of $5.1 million. The note bears interest at a fixed rate of 4% per year and matures on July 31, 2023. Fixed payments of principal and interest of $0.1 million are due each quarter over the life of the note. As the note was issued at a below fair market value interest rate, the Company recorded a $0.5 million decrease to the stated amount of the note based on a fair market value assessment at the time of commencement of the note. Accretion expense totaled $14 thousand for the period ended December 31, 2011 using the effective interest rate method.

The Company's notes payable to stockholders and related party maturities for the years ended December 31 are as follows (in thousands):

2012	$	759
2013		356
2014		371
2015		386
2016		402
Years subsequent to 2016		3,175
	$	5,449

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

10. Income taxes:

Income tax expense is calculated by using the combined federal, state and provincial statutory income tax rates. The provision for income taxes differs from that which would be expected by applying statutory rates.

A reconciliation of the difference is as follows:

	United States	Canadian	Total
Income before income taxes	$ 1,131	$ 1,183	$ 2,314
Combined federal and provincial statutory income tax rate	41.4%	27%	34%
Expected income tax provision	468	319	787
Non-deductible expenses	16	—	16
State tax adjustments	(25)	—	(25)
General business credit	(34)	—	(34)
Change in income tax rate and other	(94)	(68)	(162)
	$ 331	$ 251	$ 582

The components of the income tax expense were as follows (in thousands):

	United States	Canadian	Total
Current:			
Federal	$ 1,015	$ 197	$ 1,212
State/ Provincial	209	95	304
	1,224	292	1,516
Deferred:			
Federal	(864)	(27)	(891)
State/ Provincial	(29)	(14)	(43)
	(893)	(41)	(934)
	$ 331	$ 251	$ 582

The components of the net deferred tax liabilities were as follows (in thousands):

	United States	Canadian	Total
Deferred tax assets (liabilities):			
Accruals and reserves	$ 593	$ —	$ 593
Net operating loss carryforwards	255	—	255
Other	(13)	—	(13)
Depreciation and amortization	(2,848)	(904)	(3,752)
UNICAP	140	—	140
Net deferred tax liabilities	$ (1,873)	$ (904)	$ (2,777)

As of December 31, 2011, the Company had federal net operating loss carryforwards of approximately $0.7 million that will begin to expire in 2025.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

11. Stockholders' equity:

(a) Authorized: The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares subject to rights, privileges, restrictions and conditions listed on the Company Articles of Incorporation.

(b) Issued: The Company was incorporated on February 28, 2011, at which time a total of 100 shares of common stock, par value of $1, were issued to Era and Eagle in exchange for 100% interests in Dart Helicopter Services, Inc. and Dart Aerospace Ltd. The value of the interests received, net of the promissory note issued by the Company in connection with the exchange, was $37.97 million which was recorded as $100 of common stock and $37.97 million in contributed surplus.

In a February 2011 agreement related to their 2011 acquisition of DHS by the stockholders, Era and Eagle agreed to pay an earn-out provision to the selling members under certain performance criteria in addition to the initial cash consideration paid to the former members of DHS. If certain sales targets are met, the earn-out is to be paid to the DHS former members for the 2011 and four subsequent years up to a maximum earn-out of $2.0 million. As of December 2011, one sales target was met and the stockholders became liable to the DHS former members in the amount of $1.0 million, payable by March 31, 2012. The Company is paying the amount directly to the former members on behalf of its stockholders. Accordingly, the Company has recorded a liability in accounts payable and accrued liabilities with an offset to contributed surplus. The maximum remaining liability to the stockholders under the arrangement is $1.0 million.

12. Accumulated other comprehensive income:

Accumulated other comprehensive income relates to cumulative translation adjustments of $0.1 million related to the Company's self sustaining operations.

13. Commitments and contingencies:

(a) Leases:

The Company leases its manufacturing and office facilities under non-cancelable operating leases. Total rent expense for the Company's operating leases was $0.2 million for the five months ended December 31, 2011. Future minimum payments under operating leases for the years ended December 31 are as follows in thousands):

2012	$	374
2013		218
2014		142
2015		85
2016		87
Years subsequent to 2016		44
	$	950

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

13. Commitments and contingencies (continued):

(b) Royalties:

In November 2006, the Company entered into an agreement with Helinet Aviation Services LLC whereby a royalty equal to 10 percent of the net collected selling price on STC parts and products is paid quarterly until November 2016. Total royalty expense for the five months ended December 31, 2011 was $53 thousand included in general and administrative expenses. Future estimated payments under the royalty agreement for the years ended December 31 are as follows (in thousands):

2012	$	120
2013		120
2014		120
2015		120
2016		120
	$	600

14. Related party transactions:

The Company sells its products to stockholders and Eagle. These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Sales to the stockholders and the related party were $3.3 million in the five months ended December 31, 2011. The accounts receivable from related parties totaling $0.6 million at December 31, 2011 are non-interest bearing and collection is subject to normal trade operating terms.

The amount due to stockholders and related parties of $0.9 million are unsecured, non-interest bearing and due on demand.

For the period from August 1, 2011 to December 31, 2011
(expressed in US dollars)
(in thousands)

15. Geographical data:

For the five months ended December 31, 2011, approximately 25% of the Company's sales were made to customers outside the United States or Canada. The following represents the Company's sales for the years ended December 31 by geographical region (in thousands):

Canada	$	2,678
United States		11,604
Europe		1,600
Latin America		1,197
Asia		915
Australia		645
Africa		360
	$	18,999

16. Savings plan:

Apical Industries and Geneva Aviation provide defined contribution plans to their employees ("the Plans"). Contributions to the Plans are limited to 50% of an employee's first 6% of wages invested in the Plans.

Contributions to the Plans made by the Company were $100 thousand for the five months ended December 31, 2011. DAS provides employer paid contributions to employee registered retirement savings plans, matched to employee contributions, up to a maximum of 4% of the employee's earnings. Employer paid contributions to employee registered retirement savings plans were $30 thousand for the five months ended December 31, 2011.

17. Fair value and financial instruments:

The carrying amounts of cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, accounts receivable from related parties, accounts payable and accrued liabilities and income tax payable approximate fair value due to short terms to maturity.

As of December 31, 2011, the carrying value and face value of the Company's long-term debt and notes payable to stockholders and related party was $13.4 million and $13.7 million, respectively. The carrying value of the Company's long-term debt and notes payable to stockholders and related party was estimated by using discounted cash flow analyses based on estimated comparable rates for similar types of debt (see notes 8 and 9). The fair values of the Company's long-term debt and notes payable to stockholders and related party approximate carrying values at December 31, 2011 based on values for similar liabilities in active markets. Considerable judgment was required in developing certain of the estimates of fair value and, accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

18. Subsequent events:

Subsequent to close of business on December 31, 2011, the Company's line of credit with JP Morgan Chase expired. The Company has obtained a commitment letter from the bank and terms of the new line of credit are similar to those in effect during 2011.

The Company has performed an evaluation of subsequent events through March 7, 2012, the date the financial statements were available to be issued.

Report of Independent Auditors

Board of Managers
Dart Helicopter Services, LLC

We have audited the accompanying consolidated balance sheets of Dart Helicopter Services, LLC (the Company) as of July 31, 2011, and December 31, 2010 and 2009, and the related consolidated statements of income, changes in members' equity, and cash flows for the seven months ended July 31, 2011, and the years ended December 31, 2010 and 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Dart Helicopter Services, LLC at July 31, 2011, and December 31, 2010 and 2009, and the consolidated results of its operations and its cash flows for the seven months ended July 31, 2011, and the years ended December 31, 2010 and 2009, in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young LLP

San Diego, California

February 6, 2012

Dart Helicopter Services, LLC

Consolidated Balance Sheets
(In Thousands)

	July 31, 2011	December 31, 2010	December 31, 2009
Assets			
Current assets:			
Cash	$ 421	$ —	$ 83
Receivables:			
Trade, net of allowance for doubtful accounts of $111, $152 and $148 at December 31, 2010 and 2009, respectively	5,268	3,977	3,496
Trade due from related parties	417	266	295
Inventories	6,125	6,074	6,521
Prepaid expenses and other current assets	346	397	216
Deferred income taxes	780	450	464
Assets held for sale	—	—	624
Total current assets	13,357	11,164	11,699
Property and equipment	1,081	953	678
Accumulated depreciation	(578)	(459)	(243)
	503	494	435
Intangible assets	8,080	8,080	8,080
Accumulated amortization	(2,962)	(2,506)	(1,735)
	5,118	5,574	6,345
Equity investment in 50% or less owned companies	750	716	—
Goodwill	2,419	2,419	2,419
Total assets	$ 22,147	$ 20,367	$ 20,898
Liabilities and members' equity			
Current liabilities:			
Accounts payable	$ 1,541	$ 1,361	$ 1,420
Accounts payable to related parties	872	388	652
Accrued expenses	1,925	917	1,227
Customer deposits	1,101	347	373
Deferred rent	44	44	42
Income taxes payable	331	347	715
Line of credit	—	1,140	1,070
Current portion of long-term debt	1,557	1,342	809
Total current liabilities	7,371	5,886	6,308
Deferred income taxes	2,012	1,746	2,082
Long-term debt	6,295	7,188	8,229
Total liabilities	15,678	14,820	16,619
Members' equity:			
Contributed capital	900	900	900
Retained earnings	5,258	4,363	3,173
Total members' equity attributed to Dart Helicopter Services, LLC	6,158	5,263	4,073
Noncontrolling interest in subsidiaries	311	284	206
Total members' equity	6,469	5,547	4,279
Total liabilities, noncontrolling interest, and members' equity	$ 22,147	$ 20,367	$ 20,898

See accompanying notes.

Dart Helicopter Services, LLC

Consolidated Statements of Income
(In Thousands)

	Seven Months Ended July 31,	Year Ended December 31,	
	2011	2010	2009
Revenue	$ 22,159	$ 27,292	$ 27,781
Revenue from related parties	2,040	3,904	4,306
Costs and expenses:			
Operating	14,436	18,190	18,323
Administrative and general	4,744	8,079	9,547
Sales and marketing	1,027	1,278	1,488
Depreciation and amortization	530	890	805
Income from operations	3,462	2,759	1,924
Other income (expense):			
Interest expense	(345)	(712)	(686)
Income before income tax expense and equity in earnings of 50% or less owned companies	3,117	2,047	1,238
Income tax expense	968	872	603
Income before equity in earnings of 50% or less owned companies	2,149	1,175	635
Equity earnings of 50% or less owned companies	34	92	—
Net income	2,183	1,267	635
Net income attributable to noncontrolling interest in subsidiaries	27	77	60
Net income attributable to Dart Helicopter Services, LLC	$ 2,156	$ 1,190	$ 575

See accompanying notes.

Dart Helicopter Services, LLC

Consolidated Statements of Changes in Members' Equity
(In Thousands)

	Ownership Units	Contributed Capital	Retained Earnings	Noncontrolling Interest in Subsidiaries	Total Members' Equity
Year ended December 31, 2008	100	$ 900	$ 2,620	$ 210	$ 3,730
Net income	—	—	575	60	635
Dividend to noncontrolling interest	—	—	—	(60)	(60)
Cumulative effect of FIN 48 accounting change	—	—	(22)	(4)	(26)
Year ended December 31, 2009	100	900	3,173	206	4,279
Net income	—	—	1,190	77	1,267
Sale of Cargo Net Innovations	—	—	—	1	1
Year ended December 31, 2010	100	900	4,363	284	5,547
Partner distributions	—	—	(1,261)	—	(1,261)
Net income	—	—	2,156	27	2,183
Seven months ended July 31, 2011	100	$ 900	$ 5,258	$ 311	$ 6,469

See accompanying notes.

Dart Helicopter Services, LLC

Consolidated Statements of Cash Flows
(In Thousands)

	Seven Months Ended July 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Cash flows from operating activities			
Net income	$ 2,156	$ 1,190	$ 575
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	576	964	876
Amortization of discount on long-term debt	95	164	166
Bad debt expense	—	107	53
Equity method investments	(34)	(92)	—
Changes in operating assets and liabilities:			
Trade receivables	(1,442)	(559)	(19)
Inventories	(51)	447	(463)
Prepaid expenses and other current assets	77	(103)	453
Accounts payable	664	(323)	152
Accrued expenses	1,008	(310)	33
Income taxes payable	(16)	(368)	398
Deferred income taxes	(64)	(320)	(385)
Customer deposits	754	(26)	(757)
Net cash provided by operating activities	3,723	771	1,082
Cash flows from investing activities			
Purchases of inventory for Heli-tech investment	—	—	(624)
Purchases of property and equipment	(129)	(252)	(164)
Net cash used in investing activities	(129)	(252)	(788)
Cash flows from financing activities			
Payments on long-term debt, net of proceeds	(1,140)	(682)	(1,742)
Payments on member debt, net of proceeds	(773)	—	637
Payments on operating line of credit, net of proceeds	(1,260)	80	563
Net cash used in financing activities	(3,173)	(602)	(542)
Net increase (decrease) in cash	421	(83)	(248)
Cash, beginning of period	—	83	331
Cash, end of period	$ 421	$ —	$ 83
Supplemental information			
Income taxes paid, net of refunds received	$ 1,137	$ 1,349	$ 447
Interest paid	$ 212	$ 319	$ 397

See accompanying notes.

1. Nature of Operations and Accounting Policies

Nature of Operations

Dart Helicopter Services, LLC (the Company) incorporated and commenced its operations on October 1, 2004. The Company is a privately held international distribution and manufacturing organization with a primary focus on developing supplemental type certificated (STC) products. The Company designs and manufactures emergency float systems with integrated life-rafts, high-tech avionics equipment, long-line related components and other parts tailored to the helicopter market and distributes aftermarket helicopter parts and accessories manufactured by both the Company and third parties through its industry parts catalog.

Basis of Consolidation

The Company's consolidated financial statements include the accounts of Dart Helicopter Services, LLC, its wholly owned subsidiaries Apical Industries, Inc. (Apical Industries), Geneva Aviation, Inc. (Geneva Aviation), and Canam Aerospace, Inc. (Canam Aerospace) and its 80% majority-owned subsidiary Offshore Helicopter Services, Inc. (Offshore Helicopter Services). The remaining 20% interest in Offshore Helicopter Services is accounted for as a noncontrolling interest in the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

On July 22, 2008, Era DHS, LLC (Era) purchased a 49% interest in the Company from its existing members Shapiro Group, LP (Shapiro), Peak Aviation, LLC (Peak) and Eagle Copters LTD (Eagle Copters). As a result of that transaction, those members each retained a 17% interest in the Company. On February 28, 2011, Era and Eagle Copters acquired the shares held by Shapiro and Peak, resulting in each holding a 50% voting interest in the Company. Subsequent to close of business on July 31, 2011, a series of transactions occurred in which the Company was converted from a limited liability company to a corporation, and its shares were contributed to a newly formed company, Dart Holding Company Ltd., in which Era and Eagle Copters each acquired a 50% interest.

Basis of Presentation

The Company has limited cash and cash equivalents and working capital. Based on the Company's current operating plan and access to a $2 million line of credit, renewable annually (Note 2), the Company believes it can fund its planned operating expenses and payments under its debt agreements without additional sources of cash for at least the next 12 months.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates include those related to allowance for doubtful accounts, inventory reserves, useful lives of property and equipment, and intangible assets, impairments, income tax provisions, and certain accrued liabilities. Actual results could differ from those estimates, and those differences may be material.

Revenue Recognition

The Company recognizes revenue when it is realized or realizable and earned. Revenue is realized or realizable and earned when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the selling price to the buyer is fixed or determinable, and collectability is reasonably assured. Revenue that does not meet these criteria is deferred until the criteria are met.

The Company's revenue is generated through both the sale of aftermarket helicopter parts and accessories to customers, and repair and maintenance services provided in support of those parts and accessories. Sales to customers are recognized when the parts and accessories are shipped either from the Company or directly from the manufacturer for which the Company distributes. Revenues from services are recognized when the service is complete and the part or accessory is shipped back to the customer.

1. Nature of Operations and Accounting Policies (continued)

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Trade Receivables

The Company's primary customers include aircraft manufacturers, major operators of large U.S. and international helicopter fleets, and local owner-operators. Customers are typically granted credit on a short-term basis, and related credit risks are considered minimal. The Company requires deposits in advance from certain customers or for large orders. The Company routinely reviews its trade receivables and makes provisions for doubtful accounts when necessary. Trade receivables are deemed uncollectible and removed from accounts receivable and the allowance for doubtful accounts when collection efforts have been exhausted.

Shipping and Handling Costs

Shipping costs incurred by the Company are included in cost of goods sold.

Advertising Expense

The Company records advertising costs as incurred. Advertising expense during the seven months ended July 31, 2011, was $0.1 million and for the years ended December 31, 2010 and 2009, was $0.2 million and $0.2 million, respectively.

Concentration of Credit Risk

The Company is exposed to concentrations of credit risks relating to accounts receivable due from customers in the industries described above. The Company does not generally require additional collateral or other security to support its outstanding receivables. The Company minimizes its credit risk relating to receivables by performing ongoing credit evaluations and placing certain customers on prepayment-required credit terms as a result of those evaluations. To date, credit losses have not been material. The Company is also exposed to concentrations of credit risk associated with cash. The Company minimizes its credit risk by placing its cash with well-established accredited banking institutions.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, prepaid assets, accounts payable, accrued expenses, short-term line of credit, and notes payable to members approximate fair value. As of July 31, 2011, the carrying value and face value of the Company's long-term debt was $8.0 million and $8.4 million, respectively. As of December 31, 2010, the carrying value and face value of the Company's long-term debt was $8.5 million and $9.0 million, respectively. As of December 31, 2009, the carrying value and face value of the Company's long-term debt was $9.0 million and $9.7 million, respectively. The carrying value of the Company's long-term debt was estimated by using discounted cash flow analyses based on estimated comparable rates for similar types of debt (see Note 2). Considerable judgment was required in developing certain of the estimates of carrying value and, accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

Inventories

Inventories, which include raw materials used in the manufacture of helicopter aftermarket parts and accessories, work-in-process, and finished goods, are stated at the lower of cost or market. Finished goods include direct labor, materials, and manufacturing overhead. The Company records write-downs, as needed, to adjust the carrying amount of inventories to lower of cost or market. Inventory write-downs were $0.2 million for the seven months ended July 31, 2011. There were no inventory write-downs in 2010 or 2009. In addition, the Company periodically reviews inventory for evidence of slow-moving or obsolete parts, and an inventory valuation allowance is recorded based on management's reviews of inventories on hand compared to estimated future usage and sales, shelf-life estimates, and assumptions about the likelihood of obsolescence.

1. Nature of Operations and Accounting Policies (continued)

Inventory consisted of the following (in thousands):

	July 31,	December 31,	
	2011	2010	2009
Raw materials	$ 4,505	$ 4,340	$ 2,684
Work-in-process	535	633	333
Finished goods	1,085	1,101	3,504
	$ 6,125	$ 6,074	$ 6,521

Property and Equipment

Equipment, which consists primarily of manufacturing, office, and computer equipment, is stated at cost and depreciated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. Leasehold improvements are stated at cost and depreciated on a straight-line basis over the lesser of the expected remaining lease term or the remaining useful life of the asset. Depreciation expense was $0.1 million, $0.2 million, and $0.1 million for the seven months ended July 31, 2011, and the years ended December 31, 2010 and 2009, respectively.

Property and equipment consisted of the following (in thousands):

	July 31,	December 31,	
	2011	2010	2009
Computer equipment and software	$ 379	$ 341	$ 370
Equipment	485	461	144
Leasehold improvements	183	116	114
Other	34	35	50
	1,081	953	678
Less accumulated depreciation	(578)	(459)	(243)
	$ 503	$ 494	$ 435

Intangible Assets

The Company's intangible assets arose from business acquisitions and consist of supplemental-type certificates (STCs), trademarks, lease agreements, and customer lists. These intangible assets are amortized over their useful lives ranging from 5 to 20 years. During the seven months ended July 31, 2011, and for the years ended December 31, 2010 and 2009, the Company recognized amortization expense of $0.4 million, $0.8 million, and $0.8 million, respectively, which includes $0.1 million for the seven months ended July 31, 2011, and $0.1 million for both prior years related to the lease agreement and recorded as rent expense. The weighted-average remaining amortization period as of July 31, 2011, is 12.2 years.

The Company's intangible assets by type were as follows (in thousands):

	July 31,	December 31,	
	2011	2010	2009
STCs (amortized over 20 years)	$ 4,400	$ 4,400	$ 4,400
Trademarks (amortized over 5 to 7 years)	2,990	2,990	2,990
Other (amortized over 7 years)	690	690	690
	8,080	8,080	8,080
Less accumulated amortization	(2,962)	(2,506)	(1,735)
	$ 5,118	$ 5,574	$ 6,345

1. Nature of Operations and Accounting Policies (continued)

As of July 31, 2011, future amortization expense of intangible assets is expected to be as follows (in thousands):

Years ended December 31,		
2011	$	326
2012		788
2013		782
2014		627
2015		281
Years subsequent to 2015		2,314
Total estimated amortization expense	$	5,118

Impairment of Long-Lived Assets

The Company performs an impairment analysis of long-lived assets used in operations, including intangibles, when indicators of impairment are present. If the carrying values of the assets are not recoverable, as determined by the estimated undiscounted cash flows, the carrying values of the assets are reduced to fair value. Generally, fair value is determined using valuation techniques, such as expected discounted cash flows or appraisals, as appropriate. The Company did not recognize any impairment charges in the seven months ended July 31, 2011, and in the years ended December 31, 2010 and 2009.

Goodwill

Goodwill is recorded when the purchase price paid for an acquisition exceeds the fair value of net identified tangible and intangible assets acquired. The Company performs an annual impairment test of goodwill and conducts periodic impairment tests when indicators of impairment develop between annual impairment tests. The Company's impairment review process compares the fair value of the Company to its carrying value, including goodwill. To determine its fair value, the Company uses a discounted future cash flow approach that uses estimates for revenues, costs, and appropriate discount rates, among others. These estimates are reviewed each time the Company tests for goodwill impairment and are typically developed as part of the Company's routine business planning and forecasting process. The Company did not recognize any goodwill impairments in the seven months ended July 31, 2011, and in the years ended December 31, 2010 or 2009.

Income Taxes

The Company accounts for income taxes in accordance with Financial Accounting Standard Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes* (ASC 740). Under ASC 740, deferred tax assets and liabilities reflect the future tax consequences of the differences between the financial reporting and tax bases of assets and liabilities using current enacted tax rates. Valuation allowances are recorded when the realizability of such deferred tax assets does not meet the more-likely-than-not threshold under ASC 740. The Company adopted the new provisions of the accounting guidance on accounting for uncertainty in income taxes on January 1, 2009.

The revised guidance prescribes recognition threshold and measurement attribute criteria for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities.

The Company's tax policy is to recognize interest and penalties in income tax. The Company has not recognized interest and penalties in the balance sheets or statements of income. The Company is subject to U.S. federal, state, and foreign income tax. As of July 31, 2011, the Company's tax years beginning 2005 to date are subject to examination by taxing authorities.

1. Nature of Operations and Accounting Policies (continued)

Comprehensive Income

Comprehensive income is the total of net income and all other changes in equity of the Company that result from transactions and other economic events of a reporting period other than transactions with owners. Comprehensive income was the same as net income for all periods presented.

Fair Value Measurements

The fair value of an asset or liability is the price that would be received to sell an asset or transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value and defines three levels of inputs that may be used to measure fair value.

2. Long-Term Debt

The Company's borrowings were as follows (in thousands):

	July 31,	December 31	
	2011	2010	2009
4% notes (excluding unamortized discount of $0.2 million, $0.2 million, and $0.3 million, respectively)	$ 2,027	$ 2,569	$ 3,327
5% notes (excluding unamortized discount of $0.2 million, $0.2 million, and $0.4 million, respectively)	5,549	5,549	5,480
Notes payable to members	420	637	637
JP Morgan line of credit	—	1,140	1,070
Other	212	224	207
Debt discount	(356)	(449)	(613)
	$ 7,852	$ 9,670	$ 10,108

Five Percent Secured Notes

In August 2007, the Company signed an $8.0 million secured note in connection with the acquisition of Apical Industries. The note bears an interest rate of 5% per year, with a maturity date of August 29, 2014. The note requires quarterly interest-only payments through November 2012, followed by graduated payments of principal and interest through maturity. As of July 31, 2011, the Company had made voluntary principal reductions of $2.5 million on the note.

As the note was issued at a below fair market value interest rate, the Company recorded a $0.5 million reduction to the stated amount of the note based on a fair market value assessment at the time of acquisition. The valuation adjustment is being amortized over the life of the note to reflect the economic benefit of the below market interest rate received by the Company.

Four Percent Secured Notes

In August 2007, the Company assumed three secured notes in connection with the acquisition of Apical Industries in the amounts of $4.2 million, $1.1 million, and $0.5 million. All three notes bear an interest rate of 4% per year and mature on February 28, 2013. Fixed payments of principal and interest of $0.3 million are due each quarter over the life of the notes.

As the notes were issued at below fair market value interest rates, the Company recorded a $0.5 million reduction to the stated amount of the notes based on a fair market value assessment at the time of acquisition. The valuation adjustment is being amortized over the life of the note to reflect the economic benefit of below market interest rates received by the Company.

2. Long-Term Debt (continued)

Notes Payable to Members

In June 2009, the Company entered into notes totaling $0.6 million with its four members to purchase the inventory and other assets from a tool manufacturer that were subsequently contributed for a 30% investment in another company (see Note 2). The notes bear interest at 5% per year, with principal due on June 1, 2012. Payments for interest-only are made to members on a quarterly basis. On February 28, 2011, the Company paid the balances due on the notes to two members in the amount of $0.2 million.

JP Morgan Chase Bank Line of Credit

In January 2009, the Company obtained a $2.0 million line of credit from JP Morgan Chase Bank. The credit line is secured primarily by the Company's accounts receivable, and secondarily by the inventory of Apical Industries. The Company maintains a zero-balance master account, and the line of credit is used to fund payables. Deposits to the master account automatically pay down the line of credit balance. The line of credit contains various restrictive covenants, including interest coverage and funded debt to total capitalization ratios, as well as other customary covenants, representations and warranties, funding conditions, and events of default. The Company was in compliance with all financial debt covenants for the periods presented. There was no balance due on the line of credit at July 31, 2011.

The line of credit expires annually and was renewed by the Company in January 2010 and 2011. The Company intends to renew the line of credit in January 2012.

The line of credit also contains a subjective Material Adverse Change (MAC) clause that, among other rights, allows the lender to declare the debt immediately due and payable if the lender believes there has been a material adverse change in the Company's financial condition or business operations.

The Company's long-term debt maturities for the years ended July 31 are as follows (in thousands):

2012	$ 1,557
2013	1,652
2014	1,160
2015	3,839
	$ 8,208

3. Commitments and Contingencies

The Company leases its manufacturing and office facilities under noncancelable operating leases. In October 2008, the Company moved into an office facility located in Oceanside, California, under a two-year lease. In June 2007, a subsidiary of the Company renewed the lease on a manufacturing facility located in Oceanside, California, for a term of five years, with the option to extend two consecutive three-year periods afterwards. In July 2007, a subsidiary of the Company moved into a manufacturing and office facility located in Kent, Washington, under a five-year lease. This lease has escalating rent payments that increase on the lease anniversary date each year. Accordingly, a deferred rent liability has been recorded in the consolidated balance sheets. Total rent expense for the Company's operating leases was $0.2 million for the seven months ended July 31, 2011, and $0.3 million in each of the years ended December 31, 2010 and 2009. As of July 31, 2011, future minimum payments under operating leases are as follows in thousands:

	Minimum Payment
Years ended December 31,	
2011	$ 157
2012	374
2013	218
2014	142
2015	85
Years subsequent to 2015	131
	$ 1,107

4. Income Taxes

The components of income tax expense were as follows (in thousands):

	Seven Months Ended July 31,	Year Ended December 31,	
	2011	2010	2009
Current:			
Federal	$ 858	$ 988	$ 623
State	156	193	136
Foreign	44	18	16
	1,058	1,199	775
Deferred:			
Federal	(77)	(283)	(134)
State	(13)	(44)	(38)
	(90)	(327)	(172)
	$ 968	$ 872	$ 603

4. Income Taxes (continued)

The components of the net deferred tax liabilities were as follows (in thousands):

	Seven Months Ended July 31,	Year Ended December 31,	
	2011	2010	2009
Deferred tax assets (liabilities):			
Accruals and reserves	$ 360	$ 380	$ 257
Net operating loss carryforwards	259	337	322
Other	19	12	5
Depreciation and amortization	(2,010)	(2,131)	(2,383)
UNICAP	140	181	181
Net deferred tax liabilities	$ (1,232)	$ (1,221)	$ (1,618)

As of July 31, 2011, the Company had federal net operating loss carryforwards of approximately $760,000 that will begin to expire in 2025.

The Company considers any operating earnings of foreign subsidiaries to be indefinitely invested outside the United States. No provision has been made for U.S. federal and state or foreign taxes that may result from future remittances of undistributed earnings of foreign subsidiaries. Should the Company repatriate foreign earnings, it would adjust the income tax provision in the period in which the decision to repatriate earnings is made.

On January 1, 2009, the Company adopted the provisions of ASC 740-10, which resulted in the recognition of a $0.2 million increase in liabilities for gross unrecognized tax benefit, of which $26,000 was accounted for as an adjustment to retained earnings. The Company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense. The Company accrued an additional $2,728, $9,000, and $10,000 for interest and penalties at July 31, 2011, December 31, 2010, and December 31, 2009, respectively. The Company accrued approximately $9,000 for interest and penalties upon the adoption of ASC 740-10. The Company does not expect any significant increases or decreases to its unrecognized tax benefits within the next 12 months. The following is a rollforward of the ASC 740-10 liability for the seven months ended July 31, 2011 (in thousands):

Balance at December 31, 2010	$ 201
Deductions based on tax positions related to the current year	(184)
Balance at July 31, 2011	$ 17

The Company is subject to U.S. federal, state, and foreign income tax. The Company is no longer subject to U.S. federal or state income tax examinations for years before tax years 2006 and 2005, respectively. However, to the extent allowed by law, the tax authorities may have the right to examine prior periods, where net operating losses were generated and carried forward, and make adjustments up to the amount of the net operating loss or credit carryforward amount. The Company's foreign affiliates are subject to statutes of limitations ranging from three to seven years. In cases, where the Company has not filed or is delinquent on its tax filings, the statute of limitations does not run until the applicable return is filed. The Company is not currently under Internal Revenue Service, state, or foreign tax examinations.

5. Related-Party Transactions

The Company sells its products to two of its members. Pricing terms offered to members are not materially different from those offered to third-party customers purchasing at similar volumes.

Sales to these members were $2.0 million, $3.2 million, and $4.3 million in the seven months ended July 31, 2011, and the years ended December 31, 2010 and 2009, respectively.

5. Related-Party Transactions (continued)

Certain parts distributed by the Company are manufactured by Dart Aerospace, Inc. (DAS), a subsidiary of one of the Company's members. Through agreement, the Company has an exclusive distribution right of DAS parts through July 2018. During the seven months ended July 31, 2011, the Company's sales included $7.0 million, and for the years ended December 31, 2010 and 2009, the Company's sales included $7.9 million and $9.1 million, respectively, of DAS parts.

The Company is obligated under a lease through July 2014 for one of its manufacturing and office facilities from one of its members under terms that are materially favorable to the Company as compared to an arm's-length transaction. The fair value of the lease benefit was recorded as an intangible asset and is being amortized to rent expense over seven years. The Company recognized rent expense of $46,000 for the seven months ended July 31, 2011, and $0.1 million for each of the years ended December 31, 2010 and 2009, related to this lease agreement.

In 2009, the Company entered into notes payable with its members (see Note 2).

Tax Distributions

For the seven months ended July 31, 2011, the Company paid $1.3 million of taxes on behalf of the holders of its ownership units.

6. Shareholder Transactions

During 2011, a series of transactions occurred in which the Company was converted from a limited liability company to a corporation, and its shares were contributed to a newly formed company in which Era and Eagle Copters each acquired a 50% interest.

In addition to the cash consideration paid by Era and Eagle Copters in February 2011 to Shapiro and Peak, there was an earn-out provision for the current and each of the next four calendar years entitling the sellers to additional consideration, up to $2 million, to be paid by the Company if certain sales targets were attained. As of July 31, 2011, the sales targets had not been met, and the Company had not accrued any portion of the consideration payable under the earn-out provision.

7. Geographical Data

For the seven months ended July 31, 2011, approximately 42% and for the years ended December 31, 2010 and 2009, approximately 40%, and 49%, respectively, of the Company's sales were made to foreign customers. The following represents the Company's sales for the years ended December 31 by geographical region (in thousands):

	Seven Months Ended July 31,	Year Ended December 31,	
	2011	2010	2009
United States	$ 14,137	$ 18,759	$ 16,475
Canada	4,190	4,277	5,766
Europe	2,129	2,864	3,510
Latin America	1,081	1,406	3,098
Asia	1,107	679	1,687
Australia	1,192	2,185	797
Africa	363	1,026	754
	$ 24,199	$ 31,196	$ 32,087

8. Savings Plans

Apical Industries and Geneva Aviation provide defined contribution plans to their employees (the Plans). Contributions to the Plans are limited to 50% of an employee's first 6% of wages invested in the Plans. Contributions to the Plans made by the Company were $0.1 million for the seven months ended July 31, 2011, and each of the years ended December 31, 2010 and 2009.

9. Subsequent Events

The Company has performed an evaluation of subsequent events through February 6, 2012, the date the financial statements were available to be issued.

As of November 2011, one of the sales targets under the February 2011 earn-out provision was met, and the Company became liable to Shapiro and Peak for $1 million, payable by March 31, 2012. Since the Company is paying the earn-out on behalf of its owners, it recorded the liability with an offset to equity. The Company did not meet the second sales target for the 2011 calendar year.

Milbank, Tweed, Hadley & McCloy LLP
One Chase Manhattan Plaza
New York, NY 10005

December 17, 2012

VIA EDGAR

Ms. Loan Lauren P. Nguyen, Special Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549

Re: Era Group Inc.
Registration Statement on Form 10-12B
Filed on October 12, 2012
File No. 001-35701

Dear Ms. Nguyen:

On behalf of Era Group Inc. ("Era Group" or the "Company"), a Delaware corporation, we submit in electronic form for filing the accompanying Amendment No. 1 to the Registration Statement on Form 10 (the "Registration Statement") of the Company, together with the Information Statement incorporated therein by reference (the "Information Statement") and other exhibits thereto, marked to indicate changes to the Registration Statement and Information Statement as originally filed with the Securities and Exchange Commission (the "Commission") on October 12, 2012.

Amendment No. 1 to the Registration Statement and the related Information Statement reflect the responses of the Company to comments received from the Staff of the Commission (the "Staff") in a letter from Loan Lauren P. Nguyen, dated November 8, 2012 (the "Comment Letter"). The discussion below is presented in the order of the numbered comments in the Comment Letter. Certain capitalized terms set forth in this letter are used as defined in the Information Statement. For your convenience, references in the responses to page numbers are to the marked version of the Information Statement. The Company's written acknowledgement is attached hereto as Exhibit A.

The Company has asked us to convey the following as its responses to the Staff:

General

1. *Please be advised that your registration statement will automatically become effective 30 days after receipt by the Commission of a certification by the New York Stock Exchange that the security had been approved by the exchange for listing and registration. Upon effectiveness, you will become subject to the reporting requirement of the Securities Exchange Act of 1934, even if we have outstanding comments. Please confirm your understanding that the registration statement will be deemed effective 30 days after receipt of the exchange certification.*

Response to Comment 1

The Company confirms its understanding that the Registration Statement will automatically become effective 30 days after receipt by the Commission of a certification by the New York Stock Exchange that the Company's common stock has been approved by the exchange for listing and registration and that upon effectiveness the Company will be subject to the reporting requirements of the Securities Exchange Act of 1934.

2. *Prior to printing and distribution of the materials, please provide us mock-ups of any pages that include any pictures or graphics to be presented. Accompanying captions, if any, should be provided. We may have comments after reviewing the materials.*

Response to Comment 2

The Company has informed us that at this time it does not intend to present any pictures or graphics in the Information Statement and confirms that should it choose to include pictures or other graphics it will provide the Staff with mock-ups of any such pages for review.

Questions and Answers about the Company and the Spin-Off, page 3

3. *Please revise to add a question and answer that discloses the estimated separation timeframe and all related costs expected to be incurred by you. Also revise here or the summary section to disclose the material terms of the distribution and transition services agreement.*

Response to Comment 3

The Company notes that page 5 of the Information Statement includes questions and answers on the expected record date and distribution date for the spin-off and confirms that it will include those dates in the Information Statement as soon as they are available. The Company has included a new question and answer on Page 5 of the Information Statement to disclose the date on which the spin-off dividend was declared by the SEACOR board of directors and confirms it will include such date in the Information Statement as soon as the dividend is declared.

The Information Statement has also been revised in response to the Staff's comment to disclose the estimated costs the Company expects to incur in connection with the separation and to include a summary of the material terms of the Distribution Agreement and the Amended and Restated Transition Services Agreement in the question and answer section of the Information Statement. Please see pages 5, 6 and 15 of the Information Statement.

Questions and Answers about the Company and the Spin-Off, page 3

4. *We note your disclosure on page 3 that "[you] have found that potential targets in [your] industry are more interested in receiving stock of a company…rather than stock of a more diversified company." Please disclose whether you have current plans to engage in a merger or similar transaction and whether you have identified such potential targets. Alternatively, revise the statement to state as a belief.*

Response to Comment 4

The Information Statement has been revised in response to the Staff's comment. Please see pages 4 and 49 of the Information Statement.

What is the Reason for the Spin-Off, page 3

5. *Please explain why SEACOR's board of directors believes that after the spin-off the aggregate value of your common stock and SEACOR's will exceed the pre-spin-off value of SEACOR's common stock. We note your statement on page 35 that certain SEACOR shareholders may initially sell their shares of ERA Group after the spin-off. Additionally, please balance your disclosure throughout by clarifying that you cannot assure aggregate value will be greater than or equal to the pre-spin-off value.*

Response to Comment 5

The Company has informed us that SEACOR's board of directors view concerning the post spin-off value of the Company's and SEACOR's common stock is based its belief that the public markets and securities analysts have a difficult time comparing SEACOR to competitors in SEACOR's other businesses that do not have business activities in the helicopter services business. As a result, the board believes that the market value of SEACOR's common stock does not accurately reflect the Company's value. The board believes that after the spin-off investors and analysts will be able to better understand the strengths and prospects of the Company's and SEACOR's respective businesses, leading to a higher aggregate stock price for the Company's and SEACOR's common stock. The Company has included disclosure to this effect on pages 4 and 49 of the Information Statement.

The Information Statement has been revised in response to the Staff's comment to include disclosure indicating no assurances can be given that after the spin-off the aggregate value the Company's and SEACOR's common stock will be greater than or equal to the pre-spin-off value of SEACOR's common stock. Please see pages 4, 7, 41 and 50 of the Information Statement.

6. *We note that you have included a cross-reference to the place in your information statement where you describe the potentially negative factors that the board considered when evaluating the separation. However, in order to balance your discussion of the positive factors in your question and answer section, please revise to briefly describe some of the potentially negative factors of the spin-off.*

Response to Comment 6

The Information Statement has been revised in response to the Staff's comment. Please see pages 4 and 5 of the Information Statement.

7. *Please revise this question or add another question and answer to discuss why you have elected a spin-off rather than a sale or other alternatives.*

Response to Comment 7

The Information Statement has been revised in response to the Staff's comment to indicate that the Company had initially considered conducting an IPO but for a variety of reasons it was determined that the Company abandon the IPO and pursue a spin-off. Please see pages 3, 48 and 49 of the Information Statement.

Summary, page 7

8. *Please revise to include summary disclosure regarding your debt structure and your revolving credit facility. We note that as a stand-alone company, you will no longer have access to cash advances from SEACOR.*

Response to Comment 8

The Information Statement has been revised in response to the Staff's comment. Please see page 15 of the Information Statement.

Competitive Strengths, page 8

9. *In the interest of balancing your disclosure here, please revise to remove the marketing language from this section. For example, please explain whether your pilots are more skilled than pilots at competing companies and balance the last sentence of the last paragraph to state that you cannot provide any assurance that you will be able to maintain the strong relationships with your customers in the future after the spin-off.*

Response to Comment 9

The Information Statement has been revised in response to the Staff's comment. Please see pages 11 and 12 of the Information Statement. In addition, the Company notes that in the interest of balancing the disclosure in the summary section of the Information Statement, it has included a summary of some of the more significant risks it to which it is subject, including the fact that it can not provide any assurance that it will be able maintain strong relationships with its customers after the spin-off.

Relationship with SEACOR, page 10

10. *We note your disclosure in the third paragraph of this section that SEACOR will continue to provide certain supporting functions to you on an interim basis after the separation. Please revise to disclose here the length of time that SEACOR will provide such services and the cost of such services to balance the disclosure as we note that you state on page 18 that you do not expect to receive additional cash advances from SEACOR in the future.*

Response to Comment 10

The information Statement has been revised in response to the Staff's comment. Please see pages 6 and 15 of the Information Statement.

Risk Factors, page 17

11. *We note the news reports regarding the incident on October 22, 2012 in the North Sea involving an EC225 aircraft and the resulting decision by various helicopter operators to put on hold all flights using EC225 and Super Puma aircrafts. Please include a risk factor addressing the incident and the potential impact on the company in relation to your EC225 aircrafts or tell us why you believe this information in not material.*

Response to Comment 11

The Information Statement has been revised in response to the Staff's comment to include the requested disclosure in the risk factor discussing operational risks the Company may encounter. Please see page 31 of the Information Statement.

We Rely on Relatively Few Customers, Some of Which are Our Affiliates, page 19

12. *With a view towards revised disclosure, please quantify the reductions in revenues you have received from Aeroleo as a result of the cancellation of the contract for AW139 helicopters, the number of helicopters that were subject to the cancelled lease, the duration of the cancelled lease, and the amount of capital you have provided to Aeroleo to enable it to continue operating while it seeks new customers for the idle helicopters.*

Response to Comment 12

The Information Statement has been revised in response to the Staff's comment to indicate the amount of revenue the Company deferred as a result of the operating difficulties faced by Aeróleo and the amount of debt capital the Company and its partner provided to Aeróleo. In addition, the Information Statement was revised to note that the operating difficulties resulted from the refusal by the customer to enter into contracts awarded to Aeróleo for four AW 139 helicopters and not as a result of cancelled leases. Please see pages 31 and 32 of the Information Statement.

Compensation of Executive Officers, page 87

Compensation Discussion and Analysis, page 87

13. *We note your reference to Equilar on page 88. Please tell us whether you have an executed contract with Equilar. If you do not have such an agreement, please revise to remove the reference to Equilar.*

Response to Comment 13

The Information Statement has been revised in response to the Staff's comment to remove the references to Equilar.

Elements of Compensation/Components of Our Executive Compensation Program, page 90

Bonus Compensation, page 91

14. *We note your disclosure on pages 91 and 92 that, "[p]rior to the separation, [you] expect to grant options to purchase [your] common stock" and your disclosure that "[i]n connection with the separation, [you] expect to grant options to purchase shares of [your restricted stock]." If you determine such amounts prior to the effectiveness of your registration statement, please revise to disclose such amounts.*

Response to Comment 14

The Company acknowledges the Staff's comment and confirms that to the extent it determines the number of options to purchase its common stock it will grant in connection with the spin-off prior to the time the Information Statement is declared effective, it will disclose such amounts in the Information Statement.

Non-Qualified Deferred Compensation, page 100

15. *Please revise to provide a footnote quantifying the extent to which amounts reported in the aggregate balance at the last fiscal year end were also reported as compensation in Mr. Washecka's row in the summary compensation table for previous years pursuant to Item 402(i) of Regulation S-K.*

Response to Comment 15

The Information Statement has been revised in response to the Staff's comment. Please see pages 130 of the Information Statement.

16. *Please revise to include a brief narrative that describes the material factors of the Deferred Compensation Plan. Refer to Instruction (3) of Item 402(i)(2) of Regulation S-K.*

Response to Comment 16

The Information Statement has been revised in response to the Staff's comment. Please see pages 130 of the Information Statement.

Financial Statements

17. *Please note the age of the financial statements in the filing to include an unaudited interim balance sheet (and associated unaudited comparative interim period statements of income and cash flows) as of a date less than 135 days prior to the effective date of the filing. For example, it appears the unaudited interim period financial statements presently in the filing are appropriate through November 11, 2012.*

Response to Comment 17

The Company acknowledges the Staff's comment and has updated the financial statements included in the Information Statement to comply with Regulation S-X.

* * *

Conclusion

We thank the Staff for its attention to the Company's submission and we look forward to hearing from you regarding the Registration Statement and the related Information Statement. If I can be of any assistance during the staff's review of the enclosed draft Registration Statement, please contact me, collect, by telephone at (212) 530-5022 or by facsimile at (212) 822-5022. I can also be reached by e-mail at rmiller@milbank.com.

Very truly yours,

/s/ Rod Miller, Esq.

Era Group Inc.
818 Town & Country Blvd.,
Suite 200
Houston, Texas 77024
Tel: (281) 606-4900

December 17, 2012

Via EDGAR
Securities and Exchange Commission
Division of Corporation Finance
100 F Street, NE
Washington, D.C. 20549

Attention: Loan Lauren P. Nguyen

Re: Era Group Inc. (the "Company")
Registration Statement on Form 10-12B (No. 001-35701) (the "Registration Statement")

Ladies and Gentlemen:

The Company hereby acknowledges the following:

- The Company is responsible for the adequacy and accuracy of the disclosure in the filing;
- Staff comments or changes to disclosure do not foreclose the Commission from taking any action with respect to the filing; and
- The Company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Very truly yours,

Era Group Inc.

By: /s/ Christopher S. Bradshaw

Name: Christopher S. Bradshaw
Title: Chief Financial Officer