

## **Erickson General and Investor Q&A**

---

### **1. Why did Erickson Incorporated (“Erickson”) and subsidiaries, file for relief under Chapter 11?**

A number of factors have contributed to the need to facilitate a comprehensive restructuring through commencement of these Chapter 11 cases. We have substantial debt obligations, and the Chapter 11 process will allow us to address those issues. Additionally, the Company needs to streamline its aircraft fleet. This restructuring will allow us to focus on our plan to lower costs, stabilize our businesses, grow revenue and diversify our product lines.

### **2. Are Erickson Incorporated and its subsidiaries going out of business?**

No. The Company is reorganizing under the protection of Chapter 11 just as a number of successful and competitive companies have done before us. We have the protection of the U.S. Bankruptcy Code as we take steps to restructure the Company both financially and operationally. We intend to continue to operate our business as before – serving our customers, meeting our payroll requirements, and paying vendors and suppliers for goods and services provided after the filing date.

### **3. What is Chapter 11?**

Chapter 11 is the portion of the U.S. Bankruptcy Code that governs Court-supervised corporate reorganizations. It permits our Company to get relief from creditors (the companies we owe money to) and debt obligations while we restructure our businesses and improve our financial stability and future viability.

The Chapter 11 filing triggers an “automatic stay,” which essentially freezes all of the Company’s debts and obligations to our creditors and any attempts to collect on those obligations. The “automatic stay” covers debt payments, lease obligations and payments to vendors for goods and services received prior to the filing date. However, the Company will continue paying its bills for the goods and services utilized after the filing date in the ordinary course of business.

### **4. Will there be workforce reductions?**

We do not anticipate additional reductions in our workforce; however, as part of the reorganization, we will continue to evaluate our cost structure.

As always, we are committed to treating those who are affected with the respect and dignity they deserve. Our pledge is to provide more information as soon as we are able and to support our impacted people as best we can during their transition.

### **5. How does the filing affect operations?**

We will operate safely and in a compliant manner. Our Chapter 11 filing should in no way compromise or disrupt our ability to serve our domestic or international customers. We will purchase supplies and provide services to customers just as we always have. Employees will continue to receive their paychecks in the same manner as before and suppliers and service providers will be paid for post-filing goods and services utilized in the normal course.

## **6. What does the Company hope to accomplish through this Chapter 11 restructuring?**

We believe that by filing for Chapter 11, we will be able to de-leverage our balance sheet (reduce our debt) to levels that are appropriate for our business footprint in today's environment. While in Chapter 11, we also will be able to implement operational changes consistent with our refocused business plan, which includes lowering costs, stabilizing our businesses, growing revenue and diversifying our product lines.

We are making progress executing on this plan and intend to use the restructuring process to help us move forward.

## **7. Does the Company have enough cash to operate its business? Has it received additional financing?**

Our first lien lenders and second lien noteholders have entered into a credit support agreement which is expected to result in approximately \$60 million in new financing from a group of our noteholders. The proceeds from this new financing together with cash generated from daily operations and cash on hand will be used to fund future operating expenses, including supplier obligations and employee wages, salaries and benefits.

## **8. What is debtor-in-possession (DIP) financing?**

DIP financing is a specialized type of financing designed to fund the operating needs of companies that are operating in Chapter 11.

## **9. How long will the Company be in Chapter 11?**

It is difficult to say with any certainty how long the Chapter 11 process will take as that will depend on many variables. We will be working as hard as we can to complete the process quickly and efficiently.

## **10. Will customers experience negative service issues as a result of the filing?**

We remain committed to safety, compliance and reliable customer service. Our customers are incredibly valuable to us and we have served some communities and contracts for 45 years. We ask for understanding and patience during this restructuring. Our operation integrity and commitment to safety remains our number one priority.

## **11. Why should I continue to do business with the Company?**

At Erickson, we feel an enormous sense of commitment to the communities and clients we serve. Our mission includes the scope of safely transporting people and cargo around the world and we are deeply committed to our vision statement that states: We will be the global industry leader in providing safe, efficient, high quality and integrated utility aircraft services to build infrastructure and protect people and property. Ours is a big calling and we truly believe that our work contributes to making the world a better place. We are a 45-year old company that plans to be around for many more years and we remain committed to safety, compliance and reliable customer service.

## **12. Will I have the same contact person?**

Yes, we are continuing to operate our business, and our business relationships should not change.

**13. How will the Chapter 11 filing affect your relationship with trade vendors?**

We do not expect that relations with our suppliers and service providers will be adversely affected in any significant way.

**14. What does the Chapter 11 mean for Erickson's bondholders?**

The plan of reorganization that is approved by the Court will ultimately determine what recovery will be available for creditors, including the bondholders. At this early stage in the process, we do not know what the outcome might be. Information will be communicated to bondholders as the process continues.

**15. Will bondholders receive interest payments going forward?**

Like principal payments, interest payments currently due or that accrue and become due during Chapter 11 are frozen and will be addressed in our plan of reorganization.

**16. Will the stock continue to have value after the filing? What can shareholders expect to ultimately happen to their investment now that the Company filed for Chapter 11?**

There is no assurance as to what values, if any, will be granted in the Chapter 11 cases to existing common stock and/or any other equity securities. Additional information will be provided to shareholders as the process continues.

**17. Will the stock continue to trade?**

Please contact your broker or financial advisor for more details.

**18. Should I sell my shares?**

We are not able to provide investment advice to you. Please contact your broker or financial advisor for investment advice.

**19. Will the Chapter 11 filing entities be administered separately or jointly?**

Chapter 11 petitions have been filed by Erickson and many of its subsidiaries. We have requested that the Court administer these Chapter 11 cases jointly, for procedural purposes; although, the assets and liabilities of each entity will be kept separate to the extent required by law.

**20. Where did the Company file?**

The voluntary petitions were filed in the United States Bankruptcy Court in Dallas, Texas.

**21. What corporate entities are included in the filing?**

Erickson and many of its U.S. subsidiaries filed voluntary petitions for reorganization under Chapter 11. A list of the entities and the petitions included in the filing are available on our claims agent website at [www.kccllc.net/erickson](http://www.kccllc.net/erickson).

## **22. How do I get additional information?**

The Company has established a toll-free Restructuring Information Hotline for interested parties, at 877-725-7539 or if calling outside the U.S. and Canada at 424-236-7247. If you have additional questions or concerns you may refer to our website, [www.ericksoninc.com](http://www.ericksoninc.com), or the claims agent website at [www.kccllc.net/erickson](http://www.kccllc.net/erickson).