

Suppliers Q&A

1. Why did Erickson Incorporated and certain 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. What kind of bankruptcy has Erickson Incorporated filed?

We filed Chapter 11 bankruptcy petitions under the U.S. Bankruptcy Code. Chapter 11 is classified as a “reorganization.” While in Chapter 11, the Company will operate in the ordinary course of business through consummation of the restructuring in the United States Bankruptcy Court for the Northern District of Texas, Northern Division. More information about the filing can be obtained from our website: www.ericksoninc.com.

3. 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.

4. 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.

5. What happens once a Company files for Chapter 11?

A Chapter 11 filing triggers an “automatic stay” which immediately freezes debts and other legal claims incurred against the company before the filing (“pre-petition” claims) and stops creditors from exercising control over the company’s property. This freeze allows the Company some breathing room to reorganize its debts.

6. What does “pre-petition” mean? What does “post-petition” mean?

Pre-petition refers to the period prior to the Chapter 11 filing. Post-petition refers to the period after the Chapter 11 filing. Goods and services provided or delivered on or prior to November 8, 2016 are considered pre-petition. Goods and services provided or delivered after the filing date are considered post-petition.

7. Will I get paid for any of the goods or services I provided before the petition was filed (“pre-petition”)?

Until our plan of reorganization is approved by the Bankruptcy Court, the company is prohibited from paying pre-petition debts unless otherwise directed by the Court. Creditors will be sent a Proof of Claim form and instructions on how and when to file a claim for pre-petition, or pre-Chapter 11, goods and services. At this time we are unable to provide creditors with any information regarding when you should expect payment for your pre-petition invoices.

8. Will I get paid for any services or goods I provide after the Chapter 11 filing date (“post-petition”)?

Yes. A Chapter 11 debtor-in-possession customer is legally permitted to pay for post-petition (post-bankruptcy-filing) purchases of goods and services in the ordinary course of business. We have received a commitment from our noteholders for approximately \$60 million in new financing, which will provide sufficient liquidity while the reorganization runs its course.

9. How do I know if my claim is considered pre-petition or post-petition?

Goods and services provided or delivered on or prior to November 8, 2016 are considered pre-petition. Goods and services provided or delivered after the filing date are considered post-petition. We will be working with our legal team and advisors to ensure post-petition invoices are paid, which in some cases will mean making partial payments on invoices that straddle the pre- and post-petition period.

10. Will you pay invoices according to the same schedule used before the Chapter 11 filing?

Going forward, we plan to pay invoices for goods and services ordered and received post-filing date in accordance with the best terms in place during the 12-months leading up to our filing date.

11. Will you pay invoices for goods ordered before the Chapter 11 filing that are received after the Chapter 11 filing?

We have sought and expect to receive Court authority to pay pre-filing date invoices that relate solely to goods and services received after the Chapter 11 filing.

12. A check for payment of pre petition goods/services was returned to me as unpaid will the company reissue a new check?

Without special permission indicating otherwise, federal law prohibits us from reissuing pre-petition checks. You should file a Proof of Claim form for any pre-petition amounts owed to you.

13. I just delivered goods or services to you. Can I reclaim them?

No, the provisions of the U.S. Code preclude suppliers from exercising control over the Company's property.

14. What is debtor-in-possession (DIP) financing?

DIP financing is a specialized type of financing designed to fund the operating needs of companies that have filed for Chapter 11 protection.

15. 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.

16. 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 smaller business footprint in today's aviation 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.

17. 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.

18. Why should I continue to do business with the Company?

Our vendor relationships are extremely important to us, and we appreciate the support our vendors have shown us in the past. Within the constraints of Chapter 11, we want to look ahead, put any issues behind us, and set the stage for continued business going forward. With our new DIP financing package in place, we have greater financial flexibility and liquidity to meet our obligations to suppliers, and with the priority status given to post-petition supplier obligations, we can and must pay you in the ordinary course for post-petition goods and services.

19. Given the uncertainty of the situation, who can I speak with about renegotiating our payment terms with you?

Our ability to purchase from you on favorable terms and at competitive prices is critical. We cannot pay more for goods and/or services at this time. We expect in the months and years ahead to remain a good customer to you and hope you will continue to work with us. Moreover, with our new DIP financing package in place, we have greater financial flexibility and liquidity to meet our obligations to suppliers. So, with the priority status given to post-petition supplier obligations, we can and must pay you in the ordinary course for post-petition goods and services.

20. Will I have the same contact person?

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

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

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

22. Where did the Company file?

The voluntary petitions were filed in the U.S. Bankruptcy Court for the Northern District of Texas, Dallas Division.

23. Where can I get a copy of the petitions?

The petitions are available for inspection at the office of the clerk of the Bankruptcy Court in Dallas, Texas. The petitions are also accessible at www.kccllc.net/erickson.

24. What corporate entities are included in the filing?

Erickson Incorporated and many of its U.S. subsidiaries filed a voluntary petition for reorganization under Chapter 11. A list of the entities included in the filing is available on our website: www.kccllc.net/erickson.

25. How can I get updates and additional information?

If you have additional questions or concerns you may refer to our corporate website, www.ericksoninc.com, our dedicated restructuring website, www.kccllc.net/erickson, or call our restructuring information line at (877) 725-7539 or, if outside the U.S. and Canada, (424) 236-7247.