Risk Factors Comparison 2024-03-06 to 2022-05-31 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

• a concentration of certain helicopter models in our fleet could materially adversely affect our business, financial condition and results of operations should any problems specific to these particular models occur; • ~~the market value of our helicopter fleet is dependent on a number of external factors; • the level of activity in the North Sea and the U. S. Gulf of Mexico; • failure to dispose of aircraft through sales into the aftermarket; • dependence on a small number of helicopter manufacturers and lessors; • a shortfall in availability of aircraft components and parts required for maintenance and repairs of our helicopter and fixed wing aircraft and supplier cost increases; • ability to grow in core markets and expand into new business lines and international markets; • our operations are subject to weather- related and seasonal fluctuations; • significant operations in the U. S. Gulf of Mexico may be adversely impacted by hurricanes and other adverse weather conditions; • failure to effectively and timely address the energy transition; and •~~ failure to attract, train and retain skilled personnel ~~. Risks Related to Our Customers and Contracts • a focus by our customers on cost- saving measures rather than quality of service~~ ; • **collective bargaining** ~~our~~ **or** ~~industry is highly competitive and cyclical, with intense price competition~~ **union agreements covering certain of our employees will be renegotiated in 2024** ; • we depend on a small number of...... workforce and technology, managing tax and foreign exchange ~~exposure, transaction- related litigation and unidentified issues not discovered in due diligence. Further, as we look to diversify into new markets, such as offshore wind and advanced air mobility, acquisitions of assets operating in such sectors could present~~ risks **and controls may affect** ~~related to operating new lines of business or~~ **our financial position and results of** ~~in new geographies. In addition, such transactions could distract management from current~~ operations . As a result of the risks...... or capital; • currency exchange controls ; • inflation ; and • currency exchange, rate...... and such markets have generally rebounded and may continue to rebound at a slower pace than the...... and results of operations. Inflation may adversely affect us by increasing costs beyond what we can recover through price increases and limit our ability to enter into future traditional debt financing ~~. Inflation has~~ **; • the market value of our helicopter fleet is dependent on a number of external factors; • inadequate or unfavorable sources of capital funding; • failure to effectively manage acquisitions, divestitures, investments, joint ventures and other portfolio actions could** adversely **impact our operating results and any future acquisitions may underperform;• the level of activity in the North Sea and the U.S.Gulf of Mexico;• failure to effectively and timely address the energy transition;• diversification efforts into other aviation services may prove unsuccessful;• ability to grow in core markets and expand into new business lines and international markets;• disruptions in the political,regulatory,economic,and social environments of the countries in which we operate could adversely affect our financial condition,results of operations and cash flows;• exposure to credit risk of our counterparties;• failure to dispose of aircraft through sales into the aftermarket;• our operations are subject to weather-related and seasonal fluctuations;• our operations,including significant operations in the U.S.Gulf of Mexico,may be adversely impacted by weather conditions;and • the impact of public health crises,such as pandemics (including COVID-19) and epidemics,and any related government policies.Risks Related to Our Customers and Contracts • a focus by our customers on cost- saving measures rather than quality of service;• our industry is highly competitive and cyclical,with intense price competition;•** we depend on a small number of customers for a significant portion of our revenues;• our contracts often can be terminated or downsized by our customers without penalty;• our **UK** ~~U.K.~~ SAR contract can be terminated and is subject to certain other rights of the DfT;• reductions in spending on aviation services by governmental agencies could lead to modifications of contract terms or delays in receiving payments;• our fixed operating expenses and long- term contracts with customers could adversely affect our business under certain circumstances;and • consolidation of and asset sales by,our customer base could **reduce** ~~materially adversely affect~~ demand for our services and ~~reduce~~ our revenues.Risks Related to the **Offshore Energy** ~~Oil and Gas~~ Industry • the demand for our services is substantially dependent on the level of offshore **energy** ~~oil and gas~~ exploration,development and production activity **;• the possibility of political instability,war or acts of terrorism in any of the countries where we operate** ;• unconventional crude oil and natural gas sources and improved economics of producing natural gas and oil from such sources have **previously** exerted and could ~~continue to~~ exert downward pricing pressures;and • any significant development impacting deepwater drilling in the **areas where we operate** ~~U.S.Gulf of Mexico~~ .Risks Related to Legal,Tax and Regulatory Matters **• cybersecurity breaches or business system disruptions may adversely affect our business;** • we operate in many international areas through entities that we do not control and are subject to government regulation that limits foreign ownership of aircraft companies in favor of domestic ownership;• increasing complexity and costs incurred to comply with new local content regulation;• environmental regulations and liabilities;• U.S.and foreign social,political,regulatory and economic conditions as well as changes in tariffs,trade agreements or other trade restrictions imposed by the U.S.government;• legal compliance risks,including anti- corruption statutes;• impact of increasing privacy and data obligations;• actions taken by governmental agencies ~~,such as the Department of Commerce,the Department of Transportation and the FAA,and similar agencies~~ in ~~the other~~ -- **the** jurisdictions in which we operate;and • changes in effective tax rates,taxation of our foreign subsidiaries or adverse outcomes resulting from examination of our tax returns.Risks Related to Our Common Stock and Corporate Structure • our stock price may fluctuate significantly;• securities analyst coverage or lack of coverage may have a negative impact on our stock price;• provisions in our amended and restated certificate of incorporation,amended and restated bylaws and Delaware law may discourage,delay or prevent a change of control of our business or changes in our management;• regulations limit foreign ownership of our business,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;and • our certificate of incorporation includes a forum selection clause,which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.General Risks • **service interruptions,data corruption,cyberattacks or network security breaches;•** failure to attract and retain qualified personnel;• adverse results of legal proceedings ~~;• service interruptions,data corruption,cyberattacks or network security breaches~~ ;• material weaknesses in or failure to maintain an effective system of internal controls;• failure to develop or implement new technologies;and • increasing attention to environmental,social and governance matters.Risks Related to Our Business ~~In order to support our business~~ **Our operations involve a degree of inherent risk** , **some of which** ~~we may require additional capital in the future that~~ may not be **covered by our insurance** ~~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 to,among other things,purchase new equipment and maintain currently owned equipment.Adequate sources of capital funding~~ may **increase** ~~not be available when needed,or~~ **our** ~~may not be available on favorable terms.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 additional assets as security or subject us to financial and / or~~ operating **costs** ~~covenants that affect our~~ - **or** ~~ability to conduct our business.The issuance of additional equity or equity-linked capital could have the effect of diluting current stockholders.If funding is insufficient at any time in the future,we may be unable to acquire additional aircraft,take advantage of business opportunities,fund operating losses or respond to competitive pressures,any of which could harm our business,financial condition and results of operations.See discussion of our capital commitments in " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Contractual Obligations and Capital Commitments." We may undertake one or more significant corporate transactions that may not achieve their intended results,may~~ adversely affect our ~~financial~~ **liquidity.The operation of helicopters and fixed wing aircraft inherently involves a substantial degree of risk.Hazards such as harsh weather and marine** ~~condition~~ **conditions ,mechanical failures,facility fires,spare parts damage,pandemic outbreaks,human error,crashes** and **collisions are inherent risks in** our **business and may** ~~results~~ - **result in personal injury,loss of life,damage to property and equipment,suspension or reduction** of operations ~~or result~~ **,reduced number of flight hours,the grounding of the aircraft involved** in **the incident** ~~unforeseeable risks to our~~ - **or an entire fleet** ~~business.We continuously evaluate the acquisition or disposition~~ of **the same aircraft type,or insufficient ground facilities or spare parts to support** ~~operating~~ **operations** ~~businesses and assets and may in the future undertake one~~ **.In addition to any loss of property or life,** ~~or~~ **our revenues,profitability and margins** ~~more of such transactions.Any such transaction~~ could be ~~material~~ **materially** ~~to our business and could take any number of forms,including mergers,joint ventures and the purchase of equity interests.The consideration for such acquisitive 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~~ affected by an accident or asset damage.We,or third parties operating our aircraft,may experience accidents or damage to our assets 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 incidents were to occur with equipment or other assets that we need to operate or 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 aircraft we operate or to assets supporting operations,we could be held liable for resulting damages.Certain models of aircraft that we operate,or have operated in the past, ~~such as the Eurocopter H225,~~ have also experienced accidents while operated by third parties.If other operators experience accidents with aircraft models that **we operate or lease,obligating** us **to take such aircraft out of service until the cause of the accident is rectified, we could lose revenues and customers. In addition, safety issues experienced** by ~~increasing costs~~ **a particular model** of ~~critical components,~~ aircraft **could result in customers refusing to use that particular aircraft model or a regulatory body grounding that particular aircraft model. The value of the aircraft model might also be permanently reduced in the market if the model were to be considered less desirable for future service** and ~~equipment~~ **the inventory for such aircraft may be impaired** , ~~labor,~~ **leading to impairment** and ~~and~~ similar changes.We attempt to protect ourselves against financial losses and damage by carrying insurance,including hull and liability,general liability,workers' compensation,employers' liability,auto liability and property and casualty insurance.Our insurance coverage is subject to deductibles and maximum coverage amounts,and we do not carry insurance against all types of losses,including business interruption.We cannot assure you that our existing coverage will be sufficient to protect against all losses,that we will be able to maintain our existing coverage in the future or that the premiums will not increase substantially.We also carry insurance for war risk,expropriation and confiscation of the aircraft we use in certain of our international operations.Future terrorist activity,risks of war,accidents,extreme weather events, **or** other **events** ~~services we may rely on, and continued inflationary pressures~~ could ~~prevent us~~ **increase our insurance premiums. The loss of any insurance coverage, inadequate coverage** from ~~operating at capacity, decreasing our revenues or~~ **our** ~~having an~~ **liability insurance, the payment of significant deductibles or substantial increases in future premiums could have a material** adverse effect on our **business, financial condition and results of operations. Failure to maintain standards of acceptable safety performance may have an adverse impact on our ability to attract and retain customers and could adversely impact our reputation, operations and financial performance. Our customers consider safety and** ~~profitability~~ - - **reliability as two of the primary attributes when selecting a provider of air transportation services. If we fail to maintain standards of safety and reliability that are satisfactory to our customers, our ability to retain current customers and attract new customers may be adversely affected. Accidents or disasters could impact customer or passenger confidence in a particular fleet type, we or the air transportation services industry as a whole and could lead to a reduction in customer contracts, particularly if such accidents or disasters were due to a safety fault in a type of aircraft used in our fleet** . In addition, **the loss of aircraft** ~~inflation is often accompanied by higher interest rates. Such higher interest rates may affect our ability to enter into future traditional debt financing,~~ as **a** ~~high inflation~~

~~may~~ result ~~in~~ **of accidents could cause significant adverse publicity** ~~an~~ **and the interruption** ~~increase in cost to borrow. Foreign exchange risks and controls may affect our financial position and results~~ of **air services to our customers, which could adversely impact our reputation,** operations ~~. Through our operations outside the U. S., we are exposed to foreign currency fluctuations~~ and ~~exchange rate risks. As a result, a strong U. S. dollar may increase the local cost of our services that are provided under U. S. dollar- denominated contracts, which may reduce the demand for our services in foreign countries. Because we maintain our financial statements in U. S. dollars, our~~ financial results are vulnerable to fluctuations in the exchange...... of our customers and grow our business . A shortfall in availability of aircraft components and parts required for maintenance and repairs of our helicopter and fixed wing aircraft and supplier cost increases, particularly as a result of supply chain and logistics disruptions that began during the COVID- 19 pandemic and the resulting inflationary environment, has adversely affected us and could continue to adversely affect us. In connection with the required maintenance and repairs performed on our aircraft in order for them to stay fully operational and available for use in our operations, there are a limited number of suppliers, vendors and OEMs we are able to ~~fly~~ **rely** on (such as Sikorsky Commercial Inc., **Leonardo Spa** ~~Milestone Aviation Group~~ , **Nova Systems International Ltd., and** General Electric Aviation Inc. ~~and Leonardo Spa~~) for the supply and overhaul of components fitted to our aircraft. These vendors have historically worked at or near full capacity supporting the aircraft production lines and the maintenance requirements of various government and civilian aircraft operators that may also operate at or near capacity in certain industries, including operators such as us who support the energy industry. Such conditions can result in backlogs in manufacturing schedules and some parts being in limited supply from time to time, which could have an adverse impact upon our ability to maintain and repair our aircraft. Additionally, such suppliers have been and may continue to be impacted by supply chain and logistics disruptions that began during the COVID- 19 pandemic, which disruptions have resulted in delays in parts delivery for our aircraft and increased costs for such parts **. Our inability to perform timely maintenance and repairs, or perform such maintenance and repairs economically, may result in our aircraft being underutilized, which could have an adverse impact on our operating results and financial condition. In particular, we have experienced significant delays in the delivery of parts for our S92 fleet, which comprises 31 % of our total fleet, resulting in the need (i) to purchase or otherwise acquire parts from other sources and (ii) to ground multiple S92 aircraft and forgo certain related business opportunities** . To the extent that these suppliers also supply parts for aircraft used by governments in military operations, parts delivery for our aircraft may be further delayed in favor of those deliveries. Because of the limited number of alternative suppliers, vendors and OEMs (and in certain cases, the lack thereof), any such supply chain disruptions could adversely impact our ability to perform timely maintenance and repairs or perform such maintenance and repairs economically. ~~Our inability to perform timely maintenance and repairs, or perform such maintenance and repairs economically, has resulted and may continue to result in our aircraft being underutilized, which could have an adverse impact on our operating results and financial condition.~~ 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 maintain and repair our aircraft. While every effort is made to mitigate such impact, we expect this to pose a risk to our operating results. Additionally, supplier cost increases for critical aircraft components and parts as a result of the current inflationary environment also pose a risk to our operating results. As certain of our contracts are long- term in nature, cost increases may not be able to be passed on to our customers until the contracts are up for renewal. Additionally, operation of a global fleet of aircraft requires us to carry spare parts inventory across our global operations to perform scheduled and unscheduled maintenance activity. Changes in the aircraft model types of our fleet or the timing of exits from model types can result in inventory levels in excess of those required to support the fleet over the remaining life of the fleet. Additionally, other parts may become obsolete or dormant given changes in use of parts on aircraft and maintenance needs. These fleet changes or other external factors can result in impairment of inventory balances where we expect that excess, dormant or obsolete inventory will not recover its carrying value through sales to third parties or disposal. Our ~~results of operations~~ .Our business requires employees with significant technical skills;therefore,we would be adversely affected if it were unable to employ sufficient numbers of qualified employees to maintain its operations.Our success depends on our ability to attract and retain skilled personnel,specifically our pilots and mechanics.The competition for pilots and mechanics is fiercely competitive,and we compete with major Part 121 air carriers and the emergency air medical industry to attract and retain such talent.Additionally,many of our customers require pilots with very high levels of flight experience.The market for these experienced and highly- trained personnel is competitive and may become more competitive.Accordingly,we cannot assure you that we will be successful in our efforts to attract and retain such personnel.Some of our pilots,mechanics and other personnel,as well as those of our competitors,are members of military reserves who have been,or could be,called to active duty.If significant numbers of such personnel are called to active duty,it could reduce the supply of such workers and likely increase our labor costs.Further,the addition of new aircraft types to our fleet or a sudden change in demand for a specific aircraft type,as happened with the Sikorsky **S-** ~~S92~~ - **92** aircraft type in response to the H225 grounding,may require us to retain additional pilots,mechanics and other flight- related **personnel** future growth depends on our ability to grow in core markets and expand into new business lines and **additional** international markets. Our future growth will depend on our ability to grow in our core markets and expand into new business lines, such as ~~offshore wind and~~ advanced air mobility, and ~~new~~ **additional** international markets. Expansion of our business depends on our ability to operate in these other ~~regions~~ **markets** . Expansion of our business may be adversely affected by: • local regulations restricting foreign ownership of helicopter operators; • requirements to award contracts to local operators; • the number and location of new drilling concessions granted by foreign governments; and • our ability to integrate new models of aircraft into our fleet and operate new lines of business to support our diversification initiatives. If we are unable to continue to operate, establish new lines of business, or retain contracts in international markets, our operations may not grow ~~,~~ and our future business, financial condition and results of operations may be adversely affected. ~~Labor problems~~ **Disruptions in the political** , **regulatory, economic, and social environments** ~~including our inability to negotiate acceptable collective bargaining or union agreements~~

~~with certain~~ of ~~our employees~~ **the countries in which we operate** could adversely affect ~~policies;• theft of,or lack of sufficient legal protection for,proprietary technology and other intellectual property;• deprivation of contract rights;• trade and economic sanctions or other restrictions imposed by the UK the U.S.or other regions or countries that could restrict or curtail our ability to operate in certain markets;• unexpected changes in legal and regulatory requirements,including changes in interpretation or enforcement of existing laws;• restrictions on the repatriation of income or capital;• currency exchange controls;• inflation~~ ;and • currency exchange,rate fluctuations and devaluations.For example,there has been continuing political and social unrest in Nigeria,where we derived ~~10~~ **6** % and ~~8~~ **9** % of our ~~operating~~ **gross** revenues during the ~~twelve months~~ **fiscal years** ended ~~December~~ **March** 31, ~~2023 and~~ 2022 **and 2021** ,respectively.Future unrest or legislation in Nigeria or our other operating regions could adversely affect our business,financial condition and results of operations in those regions.We cannot predict whether any of these events will continue to occur in Nigeria or occur elsewhere in the future.In addition,our operations in Nigeria **and Guyana** are subject to the Nigerian ~~Offshore Energy~~ **Oil and Gas** Industry Content Development Act,2010 (the " Nigerian Content Development Act ") **and the recently enacted Guyana Local Content Act 2021,respectively** . ~~The~~ **Both the** Nigerian Content Development Act **and the Guyana Local Content Act 2021 (together,the " Local Content Acts ")** ~~requires~~ - **require** that our customers select service providers having greater " local content " in the respective region.Further,the local authorities in ~~this~~ **both** ~~jurisdiction~~ **jurisdictions** monitor compliance with the Local Content Acts and can penalize companies that do not meet local content requirements. ~~We~~ **Finally,we** are **required under the Guyana Local Content Act 2021 to procure a certain percentage of our services from local Guyanese companies and submit compliance reports evidencing compliance with such procurement obligations.Additionally,due to the Covid- 19 pandemic,markets in regions of the world where we operate,such as Nigeria,contracted significantly and such markets have generally rebounded and** us. ~~Many~~ **We manage credit risk by entering into arrangements with established counterparties and through the establishment** of ~~our employees~~ **credit policies and limits, which** are **applied in the selection of counterparties. Credit risk arises from the potential for counterparties to default on their contractual obligations. We monitor our concentration risk with counterparties on an ongoing basis. The carrying amount of financial assets** ~~represented~~ **represents** ~~under collective bargaining~~ **the maximum credit exposure** ~~or~~ **for** ~~union agreements~~ **financial assets. Credit risk also arises on our trade receivables when a customer cannot meet its obligation to us. To mitigate trade credit risk** , **we** ~~some of which~~ have **developed credit policies that include the review** ~~expired or will expire in one year or less. During fiscal year ended 2023~~ , **approval and monitoring** ~~we expect to enter renegotiation discussions relating to a majority~~ of **new customers, annual credit evaluations and credit limits** ~~expiring collective bargaining or union agreements covering approximately 60 % of our employees~~ . There can be no assurance that ~~we~~ **our risk mitigation strategies** will be **effective and** ~~able to negotiate the terms of any expired or expiring agreement on terms~~ that **credit risk will not adversely affect our financial condition and results of operations. In addition, the majority of our customers** are ~~acceptable to us~~ **engaged in offshore energy production, exploration and development** . ~~Although~~ **During the twelve months ended December 31, 2023,** we ~~consider~~ **generated approximately 64 % of** our ~~relations with~~ **consolidated operating revenues from offshore energy services. This concentration could impact** our ~~employees~~ **overall exposure** to ~~be~~ **credit risk because changes in economic, regulatory and industry conditions that adversely affect the offshore energy industry could affect the credit worthiness of many of our customers. We** generally ~~satisfactory, we may experience strikes, work stoppages~~ **do not require and do not have the leverage to obtain letters of credit** or other **collateral** ~~slowdowns by the affected workers. Furthermore, our employees who are not covered under a collective bargaining agreement may become subject~~ to **support** ~~labor organizing efforts. If our unionized workers engage in an extended strike, work stoppage or~~ **our trade receivables. Accordingly, a downturn in** ~~other~~ -- **the economic** ~~slowdown, other employees elect to become unionized, existing labor agreements are renegotiated or future labor agreements contain~~ - **condition of the offshore energy industry** ~~terms that are unfavorable to us, we~~ could **adversely impact** ~~experience a significant disruption of~~ our **ability to collect our receivables and thus impact our business, financial condition and results of** operations ~~or higher ongoing labor costs, which~~ **. Our failure to dispose of aircraft through sales into the aftermarket** could adversely affect **us.The** management of our global aircraft fleet involves a careful evaluation of the expected demand for our services across global markets,including the type of aircraft needed to meet this demand.As offshore **energy** ~~oil and gas~~ drilling and production globally moves to deeper water, ~~more~~ **additional** medium and heavy aircraft and newer technology aircraft may be required.As older aircraft models come off of current contracts and are replaced by new aircraft,our management evaluates our future needs for these aircraft models and ultimately the ability to recover our remaining investments in these aircraft through sales into the aftermarket.We depreciate our aircraft over their expected useful life to the expected salvage value to be received for the aircraft at the end of that life.However,depending on the market for an aircraft type when we seek to sell an aircraft or anticipate disposing of an aircraft,we may record gains or losses on aircraft sales or impairment.In certain instances where a cash return can be made on newer aircraft in excess of the expected return available through the provision of our services,we may sell newer aircraft.The number of aircraft sales and the amount of gains and losses recorded on these sales depends on a wide variety of factors and is inherently unpredictable.A significant return of aircraft to leasing companies by us or our competitors into an already oversupplied market could undermine our ability to dispose of our aircraft and could have a material adverse effect on ~~our~~ our business, financial condition and results of operations . Our business requires employees with significant...... mechanics and other flight- related personnel . Our operations are subject to weather- related and seasonal fluctuations. In particular, our operations in the Gulf of Mexico have experienced an increase in frequency and severity of hurricanes, which may continue to adversely affect our costs, the well- being of our employees and ability to operate. Certain of our operations are subject to harsh weather conditions and seasonal factors. Poor visibility, high wind, heavy precipitation, sandstorms, hurricanes and volcanic ash can affect the operation of helicopters and fixed wing aircraft and result in a reduced number of flight hours. A significant portion of our operating revenues and profits related to **offshore energy** ~~oil and gas~~ exploration, development and production activity is dependent on actual flight hours, and a substantial portion of our operating expenses is fixed. Thus, prolonged periods of harsh weather can have a material adverse effect on our business, financial condition and results of operations. In addition, **there is increasing concern over the risks of climate change, and related** severe weather patterns, ~~including those resulting from~~ **which presents short- term and increasing long- term risks to us. The physical risks of** climate change **include rising average global temperatures, rising sea levels and an increase in the frequency and severity of extreme weather events and natural disasters, including floods, wildfires, hurricanes and tornadoes. Climate change and natural disasters have the potential to disrupt our and our clients' businesses** , could affect the operation of helicopters and fixed wing aircraft and result in a reduced number of flight hours, which may have a material adverse effect on our business, financial condition and results of operations. The fall and winter months in the Northern hemisphere have fewer hours of daylight, particularly in the North Sea, and flight hours are generally lower at these times, typically resulting in a reduction in operating revenues during those months. Although some of our helicopters are equipped to fly at night, we generally do not do so except in SAR operations. In addition, drilling activity in the North Sea is less active during the winter months than the rest of the year. Anticipation of harsh weather during this period causes many **offshore energy** ~~oil and gas~~ companies to limit activity during the winter months. Accordingly, our reduced ability to operate in harsh weather conditions and darkness may have a material adverse effect on our business, financial condition and results of operations. The Harmattan, a dry and dusty West African trade wind, blows in Nigeria between the end of December and the middle of February. The heavy amount of dust in the air can severely limit visibility and block the sun for several days, similar to a heavy fog. We are unable to operate aircraft during these harsh conditions. In the U. S. Gulf of Mexico, the months of December through March typically have more days of harsh weather conditions than the other months of the year. Heavy fog during those months often limits visibility and flight activity. In addition, in the U. S. Gulf of Mexico, operations may continue to be impacted by hurricanes and tropical storms from June through November. The U. S. Gulf of Mexico experienced several significant hurricanes in **2022,** 2021, **and** 2020 ~~and 2019~~ , which some weather analysts believe is consistent with a period of greater hurricane activity. During a tropical storm, hurricane or cyclone, we are unable to operate in the area of the storm. However, flight activity may increase immediately before and after a storm due to the evacuation and return of offshore workers. In addition, as a significant portion of our facilities are located along the coast of these regions, extreme weather may continue to cause substantial damage to our property in these locations, including possibly aircraft. For example, in August 2021, we experienced a prolonged displacement of operations and incurred costs related to the temporary relocation of our operations in Louisiana following damage to our aircraft and facilities as a result of Hurricane Ida. Additionally, we incur costs in evacuating our aircraft, personnel and equipment prior to tropical storms, hurricanes and cyclones. Consequently, flight hours may be lower during these periods, resulting in reduced operating revenues, which may have a material adverse effect on our business, financial condition and results of **operations.We face risks related to actual or threatened health epidemics,including COVID- 19,or** ~~the~~ **other major health crises,which** ~~future.A decline in helicopter values~~ could **significantly disrupt** ~~result in asset impairment charges,breaches of loan covenants or~~ **our** ~~lower proceeds upon helicopter sales~~ **business.Our business could be impacted adversely by the effects of public health epidemics,pandemics (such as COVID- 19) or other major health crises (which are referred to collectively for purposes of this paragraph as public health crises).Actual or threatened public health crises may have a number of adverse impacts,including volatility in the global economy,impacts to our customers' business operations,or significant disruptions in the markets we serve,caused by a variety of factors such as quarantines,closures,or other government- imposed restrictions** ,any of which could ~~have a material adverse~~ **adversely impact** ~~effect on~~ our business **,operations** ,financial condition and **operating** results ~~of operations~~ . **For example** ~~The COVID- 19 pandemic and related economic repercussions may in the future result in a decrease in the price of and demand for oil~~ , ~~which may cause a decrease in~~ the ~~demand for our services.The~~ COVID- 19 pandemic caused a significant and swift reduction in global economic activity during 2020,which significantly weakened demand for **offshore energy** ~~oil and gas~~ ,and in turn,the demand for our services.Other effects of the pandemic included,and may continue to include,significant volatility and disruption of the global financial markets;supply chain disruptions and inflationary pressure;employee impacts from illness;community response measures;and temporary closures of the facilities of our customers and suppliers.While the prices of and demand for crude oil have recovered from the lows seen in the initial stages of the pandemic,the ~~pandemic is continuously evolving,and the~~ extent to which our operating and financial results will continue to be affected will depend on various factors beyond our control,such as the ~~ultimate duration,severity and sustained geographic resurgence of the virus;the~~ emergence of new variants and strains of the virus ~~;~~ and the success of actions to contain **such** ~~the virus and its~~ variants,or treat its impact,such as the availability and acceptance of vaccines ~~.COVID- 19,and the volatile regional and global economic conditions stemming from the pandemic,could also aggravate our other risk factors described in this Form 10- K~~ .Although we have not experienced any significant disruptions as a result of any new COVID- 19 variants,the COVID- 19 pandemic may materially adversely affect our operating and financial results in a manner that is not currently known to us or that we do not currently consider to present significant risks to our ~~operations.We face risks related to actual or threatened health~~ operations. A focus by our customers on cost- saving measures rather than quality of service, which is how we differentiate ourselves from competition, could reduce the demand for our services. Historically, we had the ability to secure profitable contracts by providing superior quality as compared to our competitors. However, offshore energy companies are continually seeking to implement measures aimed at greater cost savings, including efforts to accept lesser quality services, **to** otherwise improve cost efficiencies with respect to air transportation services, or to provide other alternatives for transportation, such as boats. For example, these companies may reduce staffing levels on both old and new installations by using new technology to permit unmanned installations, may reduce the frequency of transportation of employees by increasing the length of shifts offshore, may change other aspects of how our services are scheduled and may consider other alternatives to our services to achieve cost savings. In addition, these companies could initiate their own helicopter, airplane or other transportation alternatives. The continued implementation of these kinds of measures could reduce the demand or pricing for our services and have a material adverse effect on our business, financial condition and results of operations. Our industry is highly competitive and cyclical, with intense price competition. The helicopter and fixed wing businesses are highly competitive throughout the world. Chartering of such aircraft is often done on the basis of competitive bidding among those providers having the necessary equipment, operational experience and resources. Factors that affect competition in our industry include price, quality of service, operational experience, record of safety, quality and type of equipment, aircraft availability, customer relationship and professional reputation. Additionally, certain of our competitors have undercut us by reducing rates to levels not acceptable to us. Our industry has historically been cyclical and is affected by the volatility of **offshore energy** ~~oil and gas~~ price levels. There have been periods of high demand for our services, followed by periods of low demand for our services. 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 lower utilization rates for our aircraft, including potentially being idle for long periods of time. We have several significant competitors in the North Sea, Nigeria, the U. S. Gulf of Mexico and Brazil, and a number of smaller local competitors in other markets. Certain of our customers have the capability to perform their own air transportation operations or give business to our competitors should they elect to do so, which has a limiting effect on our rates. As a result of significant competition, we must continue to provide safe, reliable and efficient service and we must continue to evolve our technology or we will lose market share, which could have a material adverse effect on our business, financial condition and results of operations due to the loss of a significant number of our customers or termination of a significant number of our contracts. We depend on a small number of customers for a significant portion of our revenues. We derive a significant amount of our revenues from our **UK** ~~U. K.~~ SAR ~~contract~~ **Contract** , as well as from a small number of offshore energy companies. Our loss of one of these significant customers, if not offset by sales to new or other existing customers, could have a material adverse effect on our business, financial condition and results of operations. See discussion of our customers and contractual arrangements in the " Business " section of this Annual Report **on Form 10- K** . Our contracts often can be terminated or downsized by our customers without penalty. Many of our fixed- term contracts contain provisions permitting early termination by the customer at their convenience, generally without penalty, and with limited notice requirements. In addition, many of our contracts permit our customers to decrease the number of aircraft under contract with a corresponding decrease in the fixed monthly payments without penalty. As a result, you should not place undue reliance on the strength of our customer contracts or the terms of those contracts. Our **UK** ~~U. K.~~ SAR contract can be terminated **at will** and is subject to certain other rights of the DfT. Our **UK** ~~U. K.~~ SAR contract, which accounted for approximately ~~21~~ **19** % of our revenues for the ~~fiscal year~~ **twelve months** ended ~~March~~ **December** 31, ~~2022~~ **2023** , allows the DfT to cancel the contract for any reason upon notice and payment of a specified cancellation fee based on the number of bases reduced as a result of the exercise and the timing of the exercise. Prior to any cancellation or termination of the contract, the DfT may also invite tenders to award a contract for the SAR services we provide to a replacement contractor. ~~The DfT has invited tenders due in the summer of 2021 for these services following the expiration of our current U. K. SAR contract in 2026.~~ Additionally, the **UK** ~~U. K.~~ SAR contract grants the DfT the option to require us to transfer to the DfT, at termination or expiration, either the lease or the ownership of some or all of the helicopters and ground facilities that service the **UK** ~~U. K.~~ SAR contract. The DfT may alternatively require that we or the owner, as the case may be, transfer the lease or ownership of the helicopters and ground facilities to any replacement service provider. If the DfT wishes to transfer ownership, it must pay a specified option exercise fee based on the value of the helicopters. If the DfT wishes to transfer the lease, it does not have to pay an option exercise fee. We currently lease a significant number of the aircraft ~~that~~ **to** service the **UK** ~~U. K.~~ SAR contract. Although we are entitled to some compensation for termination or early expiration if we are not at fault **for a breach of the agreement** , termination or early expiration of the **UK** ~~U. K.~~ SAR contract would result in a significant loss of expected revenues. Additionally, we do not have the right to cause the transfer of the ground facilities supporting the **UK** ~~U. K.~~ SAR contract to the replacement service provider. If alternative long- term uses were not identified for these facilities, we could incur recurring fixed expenses for these non- revenues producing assets if we were unable to sell them to a replacement contractor or other party in the event the **UK** ~~U. K.~~ SAR contract is terminated. Our customers may shift risk to us. We give to and receive from our customers indemnities relating to damages caused or sustained by us in connection with our operations. Our customers often seek to capitalize on their market leverage ~~to~~ **by** ~~shift~~ **shifting** responsibility for risk. In difficult markets, we may be obliged to accept greater risk to win new business, retain renewing business or could result in us losing business if we are not prepared to take such risks. To the extent that we accept such additional risk, and seek to insure against it, if possible, our insurance premiums could rise. If we cannot insure against such risks or otherwise choose not to do so, we could be exposed to catastrophic losses in the event such risks are realized. Reductions in spending on aviation services by governmental agencies could lead to modifications of contract terms or delays in receiving payments, which could adversely impact our business, financial condition and results of operations. Our **government services** ~~U. K. SAR contract~~ **contracts** ~~and U. S. governmental agencies, consisting primarily of the BSEE contract~~ , accounted for approximately ~~24~~ **27** % of our revenues for the ~~fiscal year~~ **twelve months** ended ~~March~~ **December** 31, ~~2022~~ **2023** . Governmental 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. In recent years, 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 and lawmakers have discussed the need to cut or impose caps on discretionary spending, which could result in budget cuts to federal agencies to which we provide services. If any agencies experience reductions in their budgets or if ~~the~~ a government changes its spending or service priorities, it may substantially reduce or cease using our services, which could have a material adverse effect on our business, financial condition and results of operations. In addition, a prolonged shutdown of the federal government would, in turn, cause a shutdown of these agencies which could have an adverse effect on our business and results of operations. Further, any reductions in the budgets of governmental agencies for spending on aviation services, implementation of cost saving measures by governmental agencies, ~~including the DfT and the BSEE,~~ imposed modifications of contract terms or delays in collecting receivables owed to us by our governmental agency customers could have an adverse effect on our business, financial condition and results of operations. In addition, there are inherent risks in contracting with governmental agencies. Applicable laws and regulations in the countries in which we operate may enable our governmental agency customers to (i) terminate contracts for convenience, (ii) reduce, modify or cancel contracts or subcontracts if requirements or budgetary constraints change ~~,~~ or (iii) require contractors to assume more risk under the terms of the contracts. Any of these events could have an adverse effect on our business, financial condition and results of operations. Our fixed operating expenses and long- term contracts with customers could adversely affect our business under certain circumstances. Our profitability is directly related to demand for our services. Because of the significant expenses related to aircraft financing and leasing, crew wages and benefits and insurance and maintenance programs, a substantial portion of our operating expenses are fixed and must be paid even when aircraft are not actively servicing customers and thereby generating revenues. A decrease in our revenues could therefore result in a disproportionate decrease in our earnings, as a substantial portion of our operating expense would remain unchanged. Similarly, the discontinuation of any rebates, discounts or preferential financing terms offered to us by manufacturers, lenders or lessors could have the effect of increasing our related expenses, and without a corresponding increase in our revenues, could negatively impact our results of operations. Certain of our long- term aircraft services contracts contain price escalation terms and conditions. Although supplier costs, fuel costs, insurance costs and other cost increases are typically passed through to our customers through rate increases where possible, these escalations may not be sufficient to enable us to recoup increased costs in full and we may not be able to realize the full benefit of contract price escalations during a market downturn. There can be no assurance that we will be able to estimate costs accurately or recover increased costs by passing these costs on to our customers. We may not be successful in identifying or securing cost escalations for other costs that may escalate during the applicable customer contract term. In the event that we are unable to fully recover material costs that escalate during the terms of our customer contracts, the profitability of our customer contracts and our business, financial condition and results of operations could be materially and negatively affected. ~~High fuel prices or significant~~ **Significant** disruptions in the supply of aircraft fuel could have an adverse impact on our operating results and financial condition. Aircraft fuel is critical to our operations ~~and is one of our largest operating expenses. During the year ended March 31, 2022, our fuel expense was $ 74. 2 million~~ . The timely and adequate supply of fuel to meet operational demand depends on the continued availability of reliable fuel supply sources as well as related service and delivery infrastructure. Although we have some ability to cover short- term fuel supply and infrastructure disruptions at some major demand locations, it depends significantly on the continued performance of our vendors and service providers to maintain supply integrity. Consequently, we can neither predict nor guarantee the continued timely availability of aircraft fuel throughout our operations. ~~We generally source~~ **To the extent our vendors and service providers are not able to maintain** fuel ~~at prevailing~~ **supply integrity, such disruption to our aircraft fuel supply could have an adverse impact on our operating results and financial condition. Additionally, the** market ~~prices~~ - **price** ~~, which have~~ **of fuel has** historically fluctuated substantially ~~in short periods of time~~ and ~~continue~~ **continues** to be ~~highly~~ volatile due to a multitude of unpredictable factors ~~beyond our control~~ , including ~~changes in~~ global crude oil prices, ~~the balance between~~ fuel supply and demand, natural disasters, ~~prevailing inventory levels~~ and fuel production and transportation infrastructure. **Fuel** ~~Prices~~ **prices** ~~of fuel~~ are also impacted by indirect factors, such as geopolitical events, economic growth indicators, fiscal / monetary policies, fuel tax policies, changes in regulations, environmental concerns and financial investments in energy markets. ~~Both actual changes~~ **Changes** in these factors ~~, as well as changes in related market expectations,~~ can potentially drive rapid changes in fuel prices in short periods of time. Given the highly competitive nature of our industry, we may not be able to in the future, increase our rates sufficiently to offset the full impact of increases in fuel prices, especially if these increases are significant, rapid and sustained. Further, any such rate increase may not be sustainable, may reduce the general demand for our services and may also eventually impact our operations, strategic growth and investment plans for the future. We may not be able to renew or replace expiring contracts or obtain new contracts on terms that are as favorable to us. Our ability to renew or replace expiring contracts or obtain new contracts, and the terms of any such contracts will depend on various factors, including market conditions and the specific needs of our customers. Given the highly competitive and historically cyclical nature of our industry, we may not be able to renew or replace the contracts or may be required to renew or replace expiring contracts or obtain new contracts at rates that are below, and potentially substantially below, existing rates, or that have terms that are less favorable to us than our existing contracts. Further, newer, more technologically advanced aircraft may be more desirable, and the presence of those aircraft in our fleet and those of our competitors may decrease the demand for other aircraft in our fleet and decrease the resale value of those other aircraft. This could ~~have~~ adversely affect our financial condition, results of operations and cash flows. Consolidation of and asset sales by our customer base could materially adversely affect demand for our services and reduce our revenues. Many of our customers are international, independent and major integrated **offshore energy** ~~oil and gas~~ exploration, development and production companies and offshore energy companies. In recent years, these companies have undergone substantial consolidation and engaged in sales of specific assets. Additional consolidation and asset sales are possible. Consolidation shrinks our customer base. In the event one of our customers combines with, or sells assets to, a company that is using the services of one of our competitors, the combined or successor 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 or cancel projects deemed too small in context of a larger business or use cost savings to reduce debts. Consumer preferences for alternative fuels, as part of the global energy transition, may lead to reduced demand for our services. The increasing penetration of renewable energy into the energy supply mix, the increased production of electric- powered vehicles and improvements in energy storage, as well as changes in consumer preferences, including increased consumer demand for alternative fuels, energy sources and electric- powered vehicles **,** may affect the demand for oil and natural gas and drilling services. This evolving transition of the global energy system from fossil- based systems of energy production and consumption to more renewable energy sources, commonly referred to as the energy transition, could have a material adverse impact on our results of operations, financial position and cash flows. As a result of changes in consumer preferences and uncertainty regarding the pace of the energy transition and expected impacts on oil and natural gas demand, **there have been** changes in the budgets of **offshore energy** ~~oil and gas~~ companies in connection with the move away from oil and natural gas exploration and production, which could result in reduced capital spending by our customers and in turn reduced demand for our services. The demand for our services is substantially dependent on the level of offshore **energy** ~~oil and gas~~ exploration, development and production activity. We provide helicopter and fixed wing services to companies engaged in offshore **energy** ~~oil and gas~~ exploration, development and production activities. As a result, demand for our services, as well as our revenues and our profitability, are substantially dependent on the worldwide levels of activity in offshore **energy** ~~oil and gas~~ exploration, development and production. These activity levels are principally affected by trends in, and expectations regarding, oil and natural gas prices, as well as the capital expenditure budgets of offshore energy companies and shifts in technology for energy exploration, development and production. We cannot predict future exploration, development and production activity or **offshore energy** ~~oil and gas~~ price movements. Historically, the prices for oil and gas and activity levels have been volatile and are subject to factors beyond our control, such as: • the supply of and demand for **offshore energy** ~~oil and gas~~ and market expectations for such supply and demand; • actions of OPEC to control prices or change production levels; • increased supply of **offshore energy** ~~oil and gas~~ resulting from onshore hydraulic fracturing activity and shale development; • general economic conditions, both worldwide and in particular regions; • governmental regulation; • the price and availability of alternative fuels; • weather conditions, including the impact of hurricanes and other weather- related phenomena; • advances in exploration, development and production technology, including in connection with the extraction of unconventional oil and natural gas resources; • technology developments impacting energy consumption; • the changing environmental and social landscape, including in respect of the energy transition; • the policies of various governments regarding exploration and development of their **offshore energy** ~~oil and gas~~ reserves; and • the worldwide political environment, including the armed conflict in Ukraine and associated economic sanctions on Russia, Nigeria or other geographic areas, or further acts of terrorism in the **UK,** U. ~~K., U.~~ S. or elsewhere. ~~So far~~ **Even though offshore energy prices recovered** in 2022 ~~, although oil~~ and **2023 to date** ~~gas prices have recovered~~ , **developments or changes relating to** ~~there~~ -- **the** ~~remains uncertainty regarding~~ **factors above could adversely affect** the long- term outlook for **offshore energy exploration** ~~the U. S. Gulf of Mexico~~ , **development** ~~even though lease sales commenced again with respect to new oil and gas leasing on U. S. federal lands~~ -- **and production activities** . The continued threat of terrorism and the impact of military and other action, including escalating tensions between Russia and Ukraine and the potential destabilizing effect such conflict may pose for the European continent or the global oil and natural gas markets could materially adversely affect us. The occurrence or threat of terrorist attacks in the countries in which we operate, anti- terrorist efforts and other armed conflicts involving the ~~United States~~ **U. S.** or other countries in which we operate **could adversely affect our financial condition, results of operations and cash flows** . For example, on February 24, 2022, Russia launched a large- scale invasion of Ukraine that has led to significant armed hostilities **, and sustained conflict and disruption in the region is anticipated** . As a result, the ~~United States~~ **U. S.** , the **UK** ~~United Kingdom~~ , the member states of the European Union and other public and private actors have levied severe sanctions on Russia. The geopolitical and macroeconomic consequences of this invasion and associated sanctions cannot be predicted, and such events, ~~or~~ **and** any further hostilities in Ukraine or elsewhere, could severely impact the world economy **on top** ~~. If any~~ of ~~these~~ -- **the** ~~events occur~~ **already significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, as well as trade disputes or trade barriers. As the situation continues to evolve** , the resulting political instability and societal disruption could reduce overall demand for oil and natural gas, potentially putting downward pressure on demand for our services and causing a reduction in our revenues. Oil and natural gas - related facilities could be direct targets of terrorist attacks, and our operations could be adversely impacted if infrastructure integral to our customers' operations is destroyed or damaged. Costs for insurance and other security may increase as a result of these threats, and some insurance coverage may become more difficult to obtain, if available at all. Any significant development impacting deepwater drilling in the U. S. Gulf of Mexico could materially adversely affect us. We are highly dependent on offshore **energy** ~~oil and gas~~ activities in the U. S. Gulf of Mexico, which is subject to stringent regulation, particularly in the aftermath of the sinking of the Deepwater Horizon, including with respect to financial assurance requirements, inspection programs, environmental protection and workplace health safety by BSEE, the U. S. Bureau of Ocean Energy Management, ~~and~~ **the** U. S. Occupational Safety and Health Administration and other regulatory agencies. These agencies may revise existing, or impose new, safety and environmental guidelines and regulations for drilling in the U. S. Gulf of Mexico and other geographic regions, the result of which may increase the costs and regulatory burden of exploration, development and production, reduce the area of operations for offshore **energy** ~~oil and gas~~ activities and result in permitting delays. It is difficult to predict the likelihood, nature or extent, or ultimate impact of any new or revised guidelines, regulations or legislation that may be implemented, including in response to the Biden administration' s executive orders and policies. A prolonged suspension of drilling activity or permitting delays in the U. S. Gulf of Mexico and other geographic locations in which we operate, new regulations and / or increased liability for companies operating in the offshore **energy** ~~oil and gas~~ sector, whether or not caused by a new incident in any region, could result in reduced demand for our services and could have their systems or networks.Despite our efforts to continually refine our procedures,educate our employees,and implement tools and security measures to protect against such cybersecurity risks,there can be no assurance that these measures will prevent unauthorized access or detect every type of attempt or attack.Our potential future upgrades,refinements,tools and measures may not be completely effective or result in the anticipated improvements,if at all,and may cause disruptions in our business operations. ~~Furthermore~~ **In addition** ,a cyberattack or security breach could go undetected for an extended period of time,and the ensuing investigation of the incident would take time to complete.During that period,we would not necessarily know the impact to our systems or networks,costs and actions required to fully remediate ~~the effects of any such cyberattack or security breach~~ and our initial remediation efforts may not be successful,and the errors or actions could be repeated before they are fully contained and remediated.A breach or failure of our systems or **networks,critical third- party systems on** a material adverse effect on our business, financial condition and results of operations. We operate in many international areas through entities that we do not control and are subject to government regulation that limits foreign ownership of aircraft companies in favor of domestic ownership. We conduct many of our international operations through entities in which we have a noncontrolling ~~investment~~ **interest** or through strategic alliances with foreign partners. For example, we have acquired interests in, or in some cases have lease and service agreements with, entities that operate aircraft in Canada and Egypt. We provide engineering and administrative support to certain of these entities. We derive lease revenues, service revenues, equity earnings and dividend income from these entities. For the ~~fiscal years~~ **twelve months** ended ~~March~~ **December** 31, ~~2022~~ **2023** ~~and 2021~~, we received approximately $ ~~30~~ **31** . 9 million ~~and $ 42. 4 million, respectively,~~ of revenues from the provision of aircraft and other services to unconsolidated affiliates. As a result of not owning a majority interest or maintaining voting control of our unconsolidated affiliates, we do not have the ability to control their policies, management or affairs. The interests of persons who control these entities or partners may differ from ours and may cause such entities to take actions that are not in our best interest. Certain of our co- owners of these entities have the right to require us to purchase their interest **,** in which case we would need to find a qualifying person to hold the interest. See " Item 1. Business – Government Regulation " for additional information. If we are unable to maintain our relationships with our partners in these entities, we could lose our ability to operate in these areas, potentially resulting in a material adverse effect on our business, financial condition and results of operations. Additionally, an operational incident involving one of the entities over which we do not have operational control may nevertheless cause us reputational harm. We are subject to governmental regulation that limits foreign ownership of aircraft companies in favor of domestic ownership. Based on regulations in various markets in which we operate, the use of our local ~~Air Operator' s Certificates ("~~ AOCs ~~")~~ may be halted and we may lose our ability to operate within these countries if certain levels of local ownership are not maintained. The inability to utilize our local AOCs for any reason, including foreign ownership in excess of permitted levels, could have a material adverse effect on our ability to conduct operations within these markets **and our overall financial condition** . We cannot assure you that there will be no changes in aviation laws, regulations or administrative requirements or the interpretations or applications thereof that could restrict or prohibit our ability to operate in certain regions or that would cause the cost of operating in the region uneconomical. Any such restriction or prohibition on our ability to operate in non- ~~US~~ **U. S.** jurisdictions or any significant increase in cost operating in such jurisdictions as a result of changes in law and regulation or otherwise may have a material adverse effect on our business, financial condition and results of operations. Environmental regulations and liabilities may increase our costs and adversely affect our business. Our operations are subject to U. S. federal, state and local and foreign environmental laws and regulations governing the protection of the environment and health and safety 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 our business requires that we use, store and dispose of materials that are subject to environmental regulation. The longer **-** term trend of more expansive and stringent environmental legislation and regulations is expected to continue, which makes it challenging to predict the cost or impact on our future operations. Liabilities associated with environmental matters could have a material adverse effect on our business, financial condition and results of operations. Under certain environmental laws, we could be exposed to strict, joint and several liability for cleanup costs and other damages relating to releases of hazardous materials or contamination, regardless of whether we were responsible for the release or contamination, and even if our operations were lawful at the time or in accordance with industry standards. Additionally, any failure by us to comply with applicable environmental laws and regulations may result in governmental authorities taking action against us that could adversely impact our operations and financial condition, including the: • issuance of administrative, civil and criminal penalties; • denial or revocation of permits or other authorizations; • imposition of limitations on our operations; and • performance of site investigatory, remedial or other corrective actions. In certain instances, citizen groups also have the ability to bring legal proceedings against us regarding our compliance with certain environmental laws, or to challenge our ability to receive permits that we need to operate. In ~~January~~ **February** 2021, the Biden administration ~~issued an executive order directing all federal agencies to review and take action to address any federal regulations, orders, guidance documents, policies and any similar agency actions promulgated during the prior administration that may be inconsistent with the current administration' s policies, as well as an executive order focused on addressing climate change Among other things, the climate executive order called for the elimination of certain subsidies provided to the fossil fuel industry, increased emphasis on climate- related risk across governmental agencies and economic sectors and directed the Secretary of the Interior to pause new oil and natural gas leases on public lands or in offshore waters pending completion of a comprehensive review and reconsideration of federal oil and gas permitting and leasing practices. The Biden administration also~~ rejoined the Paris Agreement. In addition, in September 2021, President Biden publicly announced the Global Methane Pledge, a pact that aims to reduce global methane emissions at least 30 % below 2020 levels by 2030. Since its formal launch at the United Nations Climate Change Conference (COP26), over 100 countries have joined the pledge. ~~While Congress has~~ **Most recently, at the 27th conference of parties, President Biden announced the Environmental Protection Agency' s (" EPA ") proposed standards to reduce methane emissions** from ~~time~~ **existing offshore energy sources, and agreed, in conjunction with the European Union and a number of other partner countries,** to ~~time considered legislation to reduce~~ **develop standards for monitoring and reporting methane** emissions **to help create a market** ~~of greenhouse gases, there has not been significant activity in the form~~ - **for low methane- intensity natural** ~~of federal legislation in recent years. However, the United States House of Representatives passed H. R. 5376, known as~~ **gas . Additionally, in August 2022, President Biden signed into law** the **Inflation Reduction** ~~Build Back Better~~ Act **of** ~~on November 3, 2021~~ **2022 (the " IRA ")** . **Among** ~~The House version of the~~ **other** ~~bill targets~~ **things, the IRA includes a** methane **emissions reduction program** ~~from oil and gas sources by~~

~~proposing to implement fees for excess methane leaking from wells, storage sites and pipelines as well as fees for new producing and non- producing oil and gases leases and off- shore pipelines~~ . **Additionally,** ~~It is unclear whether the Build Back Better Act would be passed in its current form by the United States Senate. While~~ **while** the pause on new oil and natural gas leases on public lands and offshore waters has been lifted subject to certain limitations, the impacts of these and other future orders or legislation or regulation remain unclear at this time and could have ~~a material adverse~~ **an impact on our customers, and in turn have negative** effect on our business, financial conditions, results of operations, and cash flows. Additional changes in environmental laws or regulations, including laws relating to the emission of carbon dioxide and other greenhouse gases or other climate change concerns, could require us to devote capital or other resources to comply with those laws and regulations. These changes could also subject us to additional costs and restrictions, including increased fuel costs. In addition, such changes in laws or regulations could increase costs of compliance and doing business for our customers and thereby decrease the demand for our services. Because our business depends on the level of activity in the offshore **energy** ~~oil and gas~~ industry, existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, could have a negative impact on our business if such laws, regulations, treaties or international agreements reduce the worldwide demand for **offshore energy** ~~oil and gas~~ or limit drilling opportunities. Our results could be impacted by U. S. and foreign social, political, regulatory and economic conditions as well as by changes in tariffs, trade agreements or other trade restrictions imposed by the U. S. government. Changes in U. S. political, regulatory and economic conditions or ~~in~~ laws and policies governing foreign trade (including the U. S. trade agreements and U. S. tariff policies), travel to and from the U. S., immigration, manufacturing, development and investment in the territories and countries in which we operate, and any negative sentiments or retaliatory actions towards the U. S. as a result of such changes, could adversely affect the industry **as a whole** , which could adversely affect our business, financial position, results of operations, cash flows and growth prospects. The ~~presidential~~ **Trump** administration ~~under former President Trump~~ , along with Congress, created significant uncertainty about the future relationship between the U. S. and other countries with respect to the trade policies, treaties, taxes, government regulations and tariffs that would be applicable. It is unclear what changes, if any, might be considered or implemented and what response to any such changes may be by the governments of other countries. These changes have created significant uncertainty about the future relationship between the U. S. and China, as well as other countries, including with respect to the trade policies, treaties, government regulations and tariffs that could apply to trade between the U. S. and other nations. Changes in these policies may have a material adverse effect on our business, financial position, results of operations, cash flows and growth prospects. We are subject to legal compliance risks, including anti- corruption statutes, the violation of which may materially adversely affect our business, financial condition and results of operations. As a global business, we are subject to complex laws and regulations in the U. S. and other countries in which we operate. These laws and regulations relate to a number of aspects of our business, including import and export controls, the payment of taxes, employment and labor relations, fair competition, data privacy protections, securities regulation, anti- money laundering, anti- corruption, economic sanctions and other regulatory requirements affecting trade and investment. Compliance with these laws and regulations may involve significant costs or require changes in our business practices that result in reduced revenues and profitability. A failure to comply could also result in significant fines, damages and other criminal sanctions against us, our officers, employees, joint venture partners or strategic partners, prohibitions or additional requirements on the conduct of our business and damage to our reputation. Further, we could be charged with wrongdoing for any violation of such laws and regulations by our agents, local partners or joint ventures, even though such parties may not be subject to the applicable statutes or may not operate under our control. Failure by us or one of our agents, 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. Certain violations of law could also result in suspension **of** or debarment from government contracts. We incur additional legal compliance costs associated with our global regulations and the 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, including how they affect a business or how we are required to comply with the laws, may also affect how we conduct our operations and structure our investments and could limit our ability to enforce our rights. In many foreign countries, particularly those with developing economies, it may be customary for others to engage in business practices that are prohibited by laws such as the FCPA, the **UK** ~~U. K.~~ Bribery Act ~~and~~ **,** the **Brazilian Clean Companies Act ("** BCCA **")** in Brazil, an anti-bribery law that is similar to the FCPA and the **UK** ~~U. K.~~ Bribery Act **, or other similar laws** . Although we have implemented policies and procedures designed to ensure compliance with these laws, there can be no assurance that all of our employees, contractors, agents and business partners will not take action in violation of our internal policies ~~and~~ **or** applicable law and any such violation could have a material adverse effect on our business, financial condition and results of operations **. Our business is subject to complex and evolving U. S. and foreign laws and regulations regarding privacy and data protection. The regulatory environment surrounding data privacy and protection is constantly evolving and can be subject to significant change. Laws and regulations governing data privacy and the unauthorized disclosure of confidential information, including the European Union General Data Protection Regulation (the " GDPR "), pose increasingly complex compliance challenges and potentially elevate our costs. The UK may enact data privacy laws similar to the GDPR following Brexit, in order to maintain harmony with GDPR requirements, but this is not yet settled. Any failure, or perceived failure, by us to comply with applicable data protection laws could result in proceedings or actions against us by governmental entities or others, subject us to significant fines, penalties, judgments and negative publicity, require us to change our business practices and increase the costs and complexity of compliance, which could adversely affect our business** . Actions taken by governmental agencies, such as the Department of Commerce, the Department of Transportation and the FAA, and similar agencies in the other jurisdictions in which we operate, could increase our costs and prohibit or reduce our ability to operate successfully. Our industry is regulated by various laws and regulations in the jurisdictions in which we operate. The scope of such regulation includes infrastructure and operational issues relating to helicopters, maintenance, spare parts and route flying rights as well as safety and security requirements. We cannot fully anticipate all changes that might be made to the laws and regulations to which we are subject or the possible impact of such changes. These changes could subject us to additional costs and restrictions. U. S. 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 DOT 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; • permitted areas of operation; • aircraft equipment and modification requirements; • personnel training standards; and • maintenance of personnel and aircraft records. The DOT 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 (" ITAR "), 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. Other Countries and Regulations. Our operations in other jurisdictions, including the **UK** ~~U. K.~~, Nigeria and Brazil, are regulated to various degrees by the governments of such jurisdictions and must be conducted in compliance with those regulations and, where applicable, in accordance with our air service licenses and AOCs. Such regulations may require us to obtain a license to operate in that country, favor local companies or require operating permits that can only be obtained by locally registered companies and often impose other nationality requirements. In such cases, we partner with local persons, but there is no assurance regarding which foreign governmental regulations may be applicable ~~in the future~~ to our helicopter operations **in the future** and whether we would be able to comply with them. The revocation of any of the licenses discussed above or the termination of any of our relationships with local parties could have a material adverse effect on our business, financial condition and results of operations. Changes in effective tax rates, taxation of our foreign subsidiaries or adverse outcomes resulting from examination of our tax returns could adversely affect our business, financial condition and results of operations. Our future effective tax rates could be adversely affected by changes in tax laws, both domestically and internationally, or the interpretation or application thereof. From time to time, the U. S. Congress and foreign, state and local governments consider legislation that could increase our effective tax rate or the effective tax rates of our consolidated affiliates. President Biden **has** previously provided informal guidance on certain tax law changes that he would support ~~. Among other things~~ , **including raising** ~~his proposals would raise~~ the rate on both domestic and foreign income ~~and~~ **. In addition, he recently signed into law the IRA, which, among other things,** ~~impose~~ **imposes** a new **15 % corporate** alternative minimum tax on book income **, which could adversely affect our profitability if it were to apply to us** . We cannot determine whether, or in what form, **other future tax** legislation will ultimately be enacted or what ~~the~~ impact ~~of~~ any such legislation could have on our profitability. ~~If these or other changes to~~ **The IRA also imposes a 1 % excise** tax ~~laws are enacted~~ **on net repurchases of shares after December 31** , **2023. The imposition of the excise tax on repurchases of common stock may increase our cost of making repurchases and may cause our management and /** ~~our~~ - **or** ~~profitability could be negatively~~ **board of directors to reduce the number of shares repurchased pursuant to our share repurchase program. We continue to evaluate the** ~~impacted~~ -- **impact of this legislation** . Our future effective tax rates could also be adversely affected by changes in the valuation of our deferred tax assets and liabilities, changes in the mix of earnings in countries with differing statutory tax rates, the ultimate repatriation of earnings from foreign subsidiaries to the U. S., or by changes in tax treaties, regulations, accounting principles or interpretations thereof in one or more countries in which we operate. In addition, we are subject to the potential examination of our income tax returns by the Internal Revenue Service (the " IRS ") and other tax authorities where we file tax returns. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. There can be no assurance that such examinations will not have a material adverse effect on our business, financial condition and results of operations. **In 2021** ~~Our business is subject to complex and evolving U. S. and foreign laws and regulations regarding privacy and data protection. The regulatory environment surrounding data privacy and protection is constantly evolving and can be subject to significant change. Laws and regulations governing data privacy and the unauthorized disclosure of confidential information~~ , ~~including~~ the ~~European Union General Data Protection Regulation~~ **Organization for Economic Co- operation and Development** (the **" OECD") announced the OECD / G20 Inclusive Framework on Base Erosion and Profit Shifting which proposed a two- pillar solution with a global minimum tax of 15 % of reported profits (** " ~~GDPR~~ **Pillar 2** ") **to address tax** ~~, pose increasingly complex compliance~~ challenges ~~and potentially elevate our costs~~ **arising from digitalization of the economy** . ~~The~~ **Currently, Pillar 2 has been agreed upon, in principle, by over 140 countries and while it is uncertain whether the** U. ~~K~~ **S** . ~~may~~ **will** enact **legislation** ~~data privacy laws similar~~ to **adopt** ~~the GDPR following Brexit, in order to maintain harmony with GDPR requirements, but this is not yet settled. Any failure, or perceived failure, by us to comply with applicable data protection laws could result in proceedings or actions against us by governmental entities or others, subject us to significant fines, penalties, judgments and negative publicity, require us to change our business practices, increase the costs and complexity of compliance and adversely affect our business. We have experienced cybersecurity incidents in the past, and cybersecurity breaches or business system disruptions may adversely affect our business in the future. We rely on our information technology infrastructure and management information systems to operate and record almost every aspect of our business. This may include confidential or personal information belonging to us, our employees, customers, suppliers, or others. Similar to other~~ -- **the** ~~companies~~ **minimum tax directive** , our systems and networks, and those...... third- party service providers to process certain **countries** ~~data or information on our behalf. Due to~~

~~applicable laws and regulations, we may be held responsible for cybersecurity incidents attributed to our service providers to the extent it relates to information we share with them. Although we seek to require that these service providers implement and maintain reasonable security measures, we cannot control third parties and cannot guarantee that a security breach will not occur~~ in their systems or networks. Despite our......, critical third- party systems on which we ~~rely, or those~~ **operate have adopted some form** of **legislation** ~~our customers or vendors~~ , ~~could result in an~~ **and other countries** ~~interruption in our operations, disruption to certain systems that~~ are **in** ~~used to operate our aircraft or other~~ -- **the process** ~~assets, unplanned capital expenditures, unauthorized publication~~ of **introducing legislation to implement** ~~our confidential business or proprietary information, unauthorized release of customer, employee or third party data, theft~~ -- **the** ~~or misappropriation of funds, violation of privacy or~~ **minimum tax directive. We are evaluating and monitoring** ~~other~~ -- **the impacts** ~~laws, and exposure to litigation or indemnity claims including resulting~~ from **Pillar 2 although we currently do not expect it** ~~customer- imposed cybersecurity controls or other related contractual obligations. There could also be increased costs~~ to ~~detect, prevent, respond, or recover from cybersecurity incidents. Any such breach, or our delay or failure to make adequate or timely disclosures to the public, regulatory or law enforcement agencies or affected individuals following such an event, could~~ have a material **impact** ~~adverse effect~~ on our ~~business, reputation~~ **effective tax rate or our consolidated results of operation** , financial position ~~, results of operations~~ and cash flows ~~, and cause reputational damage~~ . **Risks Related to Our Common Stock and Corporate Structure** Our stock price may fluctuate significantly. 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; • commodity prices, including **offshore energy** ~~oil and gas~~ prices and the perceived level of offshore **energy** ~~oil and gas~~ activities; • actual or anticipated fluctuations in our and our competitors' quarterly financial condition and results of operations; • introduction of new equipment or services by us or our competitors; • grounding of all or a portion of our fleet; • issuance of new or changed securities analysts' reports or recommendations or a lack of coverage by securities analysts; • policies of investors, including pension funds, to divest investments in the **offshore energy** ~~oil and gas~~ sector based on their environmental and social considerations; • sales, or anticipated sales, of large blocks of our common stock; • business or asset acquisitions or dispositions; • additions or departures of key personnel; • regulatory or political developments, including those related to budget appropriations; • litigation ~~and~~ **or** governmental investigations; • a negative shift in sentiment toward the **offshore energy** ~~oil and gas~~ industry; • technical factors in the public trading market for our stock that may produce price movements that may or may not comport with macro, industry or company- specific fundamentals, including, without limitation, the sentiment of retail investors (including as may be expressed on financial trading and other social media sites), the amount and status of short interest in our securities, access to margin debt, trading in options and other derivatives on our common stock and any related hedging and other technical trading factors; and • changing economic conditions. The market for our common stock has historically experienced and may continue to experience significant price and volume fluctuations similar to those experienced by the broader stock market in recent years. Generally, the fluctuations experienced by the broader stock market have affected the market prices of securities issued by many companies for reasons unrelated to their operating performance and may adversely affect the price of our common stock. In addition, our announcements of our quarterly operating results, changes in general conditions in the economy or the financial markets and other developments affecting us, our affiliates or our competitors could cause the market price of our common stock to fluctuate substantially. Securities analyst coverage or lack of coverage may have a negative impact on our stock price. If securities analysts or industry analysts downgrade our common stock, publish negative research or reports or fail to publish reports about our business, the price and trading volume of our common stock 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, our business and our market. If one or more analysts adversely change their recommendation regarding our common stock or our competitors' stock, our share price would likely decline. If one or more analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets which in turn could cause our share price or trading volume to decline. Moreover, if one or more ~~of the~~ analysts ~~who cover~~ **covering** our business ~~downgrades~~ - **downgrade** our common stock **or drop coverage** , or if our operating results do not meet their expectations, our stock price could decline. Provisions in our amended and restated certificate of incorporation, amended and restated bylaws and Delaware law may discourage, delay or prevent a change of control of our business or changes in our management. Our amended and restated certificate of incorporation (" certificate of incorporation ") and amended and restated bylaws (" bylaws ") include certain provisions that could have the effect of discouraging, delaying or preventing a change of control of our business or changes in our management. Such provisions include, among other things: • restrictions on the ability of our stockholders to fill a vacancy on the Board; • 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 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 certificate of incorporation and bylaws may discourage, delay or prevent a transaction involving a change in control of our business that is in the best interest of our stockholders. Even in the absence of a takeover attempt, the existence of these provisions may materially adversely affect the prevailing market price of our common stock if they are viewed as discouraging future takeover attempts. Regulations limit foreign ownership of our business, 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. Our certificate of incorporation provides that persons or entities that are not " citizens of the U. S. " (as defined in the Federal Aviation Act of 1958, as amended (the " Federal Aviation Act ")) shall not collectively own or control more than 25 % 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 **U. S.** citizens ~~of the U. S.~~ may lose their associated voting rights and be redeemed as a result of these provisions. Accordingly, in the event of any vote by our stockholders, the voting rights of shares held by non- U. S. citizens would be reduced pursuant to our organizational documents if such ownership remains above 25 % of our total outstanding common stock at the time of such vote. These restrictions may also have a material adverse impact on the liquidity or market value of our common stock because stockholders may be unable to transfer our common stock to persons who are not citizens of the U. S. and because persons who are not **U. S.** citizens ~~of the U. S.~~ may be unable or unwilling to hold shares of our common stock the voting rights of which have been reduced. Our certificate of incorporation includes a forum selection clause, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. Our certificate of incorporation requires that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of our business, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employee of ours to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or (iv) any action asserting a claim governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the foregoing provisions. This forum selection provision in our certificate of incorporation may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us, which may discourage such lawsuits against us. It is also possible that, notwithstanding the forum selection clause included in our certificate of incorporation, a court could rule that such a provision is inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, in which case we may incur additional costs associated with resolving such matters in other jurisdictions. Covenants in our debt agreements may restrict the manner in which we can operate our business. The indenture governing the 6. 875 % Senior Notes limits, among other things, our ability and the ability of our restricted subsidiaries to: • borrow money or issue guarantees; • pay dividends, redeem capital stock or make certain other restricted payments; • incur liens to secure indebtedness; • make certain investments; • sell certain assets; • enter into transactions with our affiliates; or • merge with another entity or sell substantially all of our assets. If we fail to comply with these and other covenants, we would be in default under the ~~Lombard Debt~~ **National Westminster Facilities** and the ABL Facility (together, our " Credit Facilities ") and the indenture governing the 6. 875 % Senior Notes, and the principal and accrued interest on our outstanding indebtedness may become due and payable. In addition, our Credit Facilities and other debt agreements contain, and our future debt agreements may contain, similar and additional affirmative and negative covenants. Our Credit Facilities and the 6. 875 % Senior Notes are secured by many of our assets (including most of our helicopters), and such assets may not be available to secure additional financings. As a result, our ability to respond to changes in business and economic conditions and to obtain additional financing, if needed, may be significantly restricted, and we may be prevented from engaging in transactions that might otherwise be considered beneficial to us. Our debt agreements, including our Credit Facilities and the indentures governing the 6. 875 % Senior Notes, also require us or certain of our subsidiaries, and our future credit facilities may require us or certain of our subsidiaries, to observe certain covenants. Our ability to observe certain of those covenants can be affected by events beyond our control, and we cannot assure you that we will be able to observe these covenants in the future. The breach of any of these covenants could result in a default under our other debt agreements. Upon the occurrence of an event of default under our Credit Facilities, any future credit facilities or the indenture governing the 6. 875 % Senior Notes, our creditors could elect to declare some or all amounts outstanding thereunder, including accrued interest or other obligations, to be immediately due and payable. There can be no assurance that our assets would be sufficient to repay all of our indebtedness in full. The agreements governing certain of our indebtedness, including our Credit Facilities and the indenture governing the 6. 875 % Senior Notes contain cross- default provisions. Under these provisions, a default under one agreement governing our indebtedness may constitute a default under our other debt agreements. Our failure to attract and retain qualified personnel could have an adverse effect on us. Loss of the services of key management personnel at our corporate and regional headquarters without being able to attract personnel of equal ability could have a material adverse effect upon us. Further, Title 49 — Transportation of the United States Code of Federal Regulations and other statutes require our President ~~and~~ **,** two- thirds of the Board and other managing officers be U. S. citizens. Our failure to attract and retain qualified executive personnel or for such executive personnel to work well together or as effective leaders in their respective areas of responsibility could have a material adverse effect on our current business and future growth. Adverse results of legal proceedings could materially and adversely affect our business, financial condition and results of operations. We are currently subject to and may in the future be subject to 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 merit, litigation may be both lengthy and disruptive to our operations and could cause significant expenditure and diversion of management attention. We may face significant monetary damages or injunctive relief against us that could materially adversely affect a portion of our business operations or materially and adversely affect our business, financial condition and results of operations should we not prevail in certain matters ~~. We are increasingly dependent on information technology, and if we are unable to protect against service interruptions, data corruption, cyberattacks or network security breaches, our operations could be disrupted and our business could be negatively impacted. Our business is increasingly dependent upon information technology networks and systems to process, transmit and store electronic and financial information, to capture knowledge of our business, and to communicate within our business and with customers, suppliers, partners and other stakeholders. These information technology systems, some of which are managed by third parties, may be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software,~~

~~databases or components thereof, power outages, hardware failures, computer viruses, cyberattacks, telecommunication failures, user errors or catastrophic events. Our information technology systems are becoming increasingly integrated on a global basis, so damage, disruption or shutdown to the system could result in a more widespread impact. If our information technology systems suffer severe damage, disruption or shutdown, and our business continuity plans do not effectively resolve the issues in a timely manner, we could experience business disruptions and transaction errors causing a material adverse effect on our business, financial condition and results of operations. In addition, a breach or failure of our information technology systems could lead to potential unauthorized access and disclosure of confidential information, including the personally identifiable information of our customers and employees, or violations of privacy or other laws. Any such breach could also lead to data loss, data corruption, communication interruption or other operational disruptions within our business. There is no assurance that we will not experience cyberattacks or security breaches and suffer losses in the future. As the methods of cyberattacks or security breaches continue to evolve and become more sophisticated, we may be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any such event. Furthermore, the continuing and evolving threat of cyberattacks and security breaches has resulted in increased regulatory focus on prevention. To the extent we are subject to increased regulatory requirements, we may be required to expend additional resources to meet such requirements~~ . If we identify material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect our business. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock. Failure to develop or implement new technologies could affect our results of operations. Many of the aircraft that we operate are characterized by changing technology, introductions and enhancements of models of aircraft and services and shifting customer demands, including technology preferences. Our future growth and financial performance will depend in part upon our ability to develop, market and integrate new services and to accommodate the latest technological advances and customer preferences. In addition, the introduction of new technologies or services that compete with our services could result in our revenues decreasing over time. If we are unable to upgrade our operations or fleet with the latest technological advances in a timely manner, or at all, our business, financial condition and results of operations could suffer. Increasing attention to **sustainability** ~~environmental, social and governance~~ matters may impact our business, financial results or stock price. In recent years, increasing attention has been given to corporate activities related to **sustainability** ~~environmental, social and governance (" ESG ")~~ matters in public discourse and the investment community. A number of advocacy groups, both domestically and internationally, have campaigned for governmental and private action to promote change at public companies related to ~~ESG~~ **sustainability** matters, including through the investment and voting practices of investment advisers, proxy advisory firms, public pension funds, universities and other members of the investing community. These activities include increasing attention and demands for action related to climate change, promoting the use of substitutes to fossil fuel products and encouraging the divestment of companies in the **offshore energy** ~~oil and gas~~ industry. These activities are especially relevant to us in light of our participation in the energy industry and therefore could reduce demand for our services, reduce our profits, increase the potential for investigations and litigation **and thereby increase our costs** , impair our brand and have negative impacts on the price of our common stock and access to capital markets **. The adoption and expansion of sustainability- related legislation and regulation may also result in increased capital expenditures and compliance, operational and other costs to us** . In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings systems for evaluating companies on their approach to ~~ESG~~ **sustainability** matters. These ratings are used by some investors to inform their investment and voting decisions. Unfavorable ~~ESG~~ **sustainability** ratings may lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital. **Our public disclosures on sustainability and other sustainability initiatives include our goals or expectations with respect to those matters. There can be no assurance that we will be able to accomplish our announced goals related to our sustainability program, as statements regarding our sustainability goals reflect our current plans and aspirations and are not guarantees that we will be able to achieve them within the timelines we announce or at all. Further, our initiatives and goals may not be favored by certain stakeholders and could impact the attraction and retention of investors, customers and employees. Efforts to achieve our initiatives and goals, including collecting, measuring and reporting sustainability information and metrics, involve numerous operational, reputational, financial, legal and other risks and may result in additional costs or delays, and as a result may have a negative impact on us, including our brand, reputation and stock price.** Negative publicity **relating to our business or the industry as a whole** may adversely impact us. Media coverage and public statements that insinuate improper actions by us, our unconsolidated affiliates or other companies in our industry, regardless of their factual accuracy or truthfulness, may result in negative publicity, litigation or governmental investigations by regulators. Specifically, accidents involving any aircraft operated by us or a third-party operator could cause substantial adverse publicity affecting us specifically or our industry generally and could lead to the perception that our aircraft are not safe or reliable. 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, the morale of our employees and the willingness of passengers to fly on our aircraft and those of our competitors, which could adversely affect our business, financial condition and results of operations. ITEM 1B. UNRESOLVED STAFF COMMENTS