

CHC Group Ltd.
Form 4
December 01, 2014

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CD&R Investment Associates IX, Ltd.

(Last) (First) (Middle)

C/O MAPLES CORPORATE SERVICES LIMITED, P.O. BOX 309, UGLAND HOUSE

(Street)

GRAND CAYMAN, E9 KY1-1104

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CHC Group Ltd. [HELI]

3. Date of Earliest Transaction (Month/Day/Year)
11/26/2014

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number of Derivative | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|-----------------------------------------|----------------------------------------------|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-------------------------|-----------------------------------------|----------------------------------------------|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | | | | |
|---------------------------------------------|------------------------------------------|----------------------|-----------------|-----------------------------------------------------------------|------------------|------------------|------------------|-----------------|-----------------|----------------------------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Convertible Preferred Shares (right to buy) | (1) (2) | 11/26/2014 | J | (3) | 100,000 (3) | | (1)(2)(3) | (4) | Ordinary Shares | 13,321,2 (5) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| CD&R Investment Associates IX, Ltd. C/O MAPLES CORPORATE SERVICES LIMITED P.O. BOX 309, UGLAND HOUSE GRAND CAYMAN, E9 KY1-1104 | | X | | |
| CD&R CHC Holdings, L.P. C/O MAPLES CORPORATE SERVICES LIMITED P.O. BOX 309, UGLAND HOUSE GRAND CAYMAN, E9 KY1-1104 | | X | | |

Signatures

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------|
| CD&R Investment Associates IX, Ltd., By: Theresa A. Gore, VP, Treas. and Asst. Sec. | 12/01/2014 |
| **Signature of Reporting Person | Date |
| CD&R CHC Holdings, L.P., By: CD&R Investment Associates IX, Ltd., its general partner By: Theresa A. Gore, VP, Treas. and Asst. Sec. | 12/01/2014 |
| **Signature of Reporting Person | Date |

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Convertible Preferred Shares are convertible into Ordinary Shares, at the holder's option, any time at a conversion price initially set at \$7.50 per Ordinary Share (which conversion price will generally increase by 0.25% every quarter until the eighth anniversary of November 12, 2014, which was the second closing (the "second closing") contemplated by the Investment Agreement, dated August 21, 2014, among certain affiliates of CD&R CHC Holdings, L.P. ("CD&R Holdings") and the Issuer (the "Investment Agreement"), and which conversion price may also be adjusted from time to time for certain specified anti-dilution events). However, the aggregate Ordinary Shares issuable upon conversion of Convertible Preferred Shares held by CD&R Holdings and its affiliates may not exceed 49.9% of the total Ordinary Shares outstanding immediately after such conversion (the "49.9% cap"), and a non-voting Ordinary Share would be issued for any Ordinary Share not issued due to this 49.9% cap.

(2) The Issuer may, at its option, convert the Convertible Preferred Shares (x) following the eighth anniversary of the second closing based on a conversion price equal to the lesser of the then-effective conversion price and the average of the daily volume-weighted average sale price of an Ordinary Share ("VWAP") for the 10 preceding trading days or (y) following the fifteenth anniversary of the second closing

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based on a conversion price equal to the lesser of (A) the then-effective conversion price and (B) the greater of the average VWAP for the 10 preceding trading days and 50% of the then-effective conversion price.

Reflects 100,000 Convertible Preferred Shares that are anticipated to be issued to CD&R Holdings at the third closing contemplated by the Investment Agreement. On November 26, 2014, the Company notified CD&R Holdings that it had terminated the rights offering of

- (3) Convertible Preferred Shares to its existing shareholders and that, as a result, it will sell, subject to the satisfaction of the remaining closing conditions, 100,000 Convertible Preferred Shares to CD&R Holdings at the third closing, which is anticipated to occur on December 15, 2014.

Convertible Preferred Shares will be mandatorily converted into a number of Ordinary Shares equal to the quotient of the then effective liquidation value divided by the then effective conversion price when, among other things, (x) following the second anniversary of the second closing, the VWAP equals or exceeds 175% of the conversion price for 30 consecutive trading days, (y) following the eighth

- (4) anniversary of the second closing, the average VWAP for the 10 preceding trading days equals or exceeds the conversion price, or (z) the liquidation value of all issued and outstanding Convertible Preferred shares is less than \$50 million. In addition, upon a change of control, a holder of Convertible Preferred Shares may require the Issuer to redeem all or a portion of the holder's Convertible Preferred Shares at a price equal to the liquidation value then in effect.

- (5) Based on the initial conversion price of \$7.50 per Ordinary Share, as adjusted as of December 15, 2014.

Includes preferred dividends that have accrued and are anticipated to be accrued within 60 days of the date hereof on these Convertible Preferred Shares and on the 116,000 and 384,000 Convertible Preferred Shares that were issued to CD&R Holdings on October 30, 2014 and November 12, 2014, respectively, and is calculated using the adjusted conversion price that is anticipated to then be in effect. As a

- (6) holder of Convertible Preferred Shares, CD&R Holdings is entitled to cumulative dividends accruing daily on a quarterly compounding basis at a rate of 8.50% per annum (which, upon a default, will increase to 11.5% per annum). Preferred dividends accruing up to the second anniversary of the second closing will be paid by the issuance of Convertible Preferred Shares. This number excludes 332,558 non-voting Ordinary Shares that will be issuable in respect of these Convertible Preferred Shares as a result of the 49.9% cap.

CD&R Investment Associates IX, Ltd. ("CD&R Holdings GP"), as the general partner of CD&R Holdings, may be deemed to

- (7) beneficially own the Convertible Preferred Shares held by CD&R Holdings. CD&R Holdings GP expressly disclaims beneficial ownership of the shares held by CD&R Holdings, except to the extent of its pecuniary interest therein.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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