

HEIRLOOM INITIATIVE:

- Heirloom’s Helicopter Leasing Pool is financing different packages of Helicopters, which are in turn leased out on long-term leases to users such as hospitals (air ambulance) and police forces, and occasionally infrastructure companies and oil rig operators.
- Leasing flexible and in-demand helicopters presents an attractive uncorrelated investment opportunity, with hard assets (helicopters) that have reliable residual. In addition, the leases to quasi-governmental/institutional counterparties offer long-term reliability in our opinion.

WHY WE FIND THIS SPECIFIC INVESTMENT ATTRACTIVE:

- Strong Net Return expectation in a lower-risk asset class, and with income distributions.
- Strong asset backing, an active secondary market, common law jurisdiction and long-term leases with quasi-governmental institutions provide strong capital protection.
- Low correlation to other major asset classes; and fast drawdown to reduce cash drag.
- High degree of visibility of transactions that will comprise investment.

WHY WE LIKE HELICOPTER LEASING AS AN INVESTMENT THEME:

- Helicopter leasing is a particularly attractive niche investment as helicopters have longer useful-lives, less technological and business cyclicity risk than regular fixed-wing aircraft. In addition, helicopters are typically highly mobile, easily trackable, have a ready secondary market offering fairly reliable residual values.

<p>UNCORRELATED INVESTMENT</p>	<ul style="list-style-type: none"> • Specialty helicopter leasing is an uncorrelated investment, with less market connection than traditional asset classes 	<p>STABLE AND STRONG RETURNS</p>	<ul style="list-style-type: none"> • Despite volatility in the aviation market, helicopter leasing has shown very stable returns, outperforming other asset classes²
<p>TRADITIONALLY OVERLOOKED SECTOR PROVIDES OPPORTUNITY</p>	<ul style="list-style-type: none"> • Versus passenger jets, helicopter leasing was traditionally overlooked by financial institutions because of its market infancy 	<p>SOLID AND RELIABLE CONTRACTS</p>	<ul style="list-style-type: none"> • Lessees are relatively price inelastic because the helicopters are either a small cost of operations or mission-critical assets
<p>STRONG GROWTH POTENTIAL OF SECTOR</p>	<ul style="list-style-type: none"> • Helicopter leasing is expected to follow the same growth trajectory as fixed-wing aircraft leasing, which was 11% CAGR over 30 years¹ 	<p>LIQUID SECONDARY MARKET</p>	<ul style="list-style-type: none"> • Helicopters have a reliably liquid secondary market, providing protection in the event that the lessor defaults

LEARNING MORE:

- This initiative requires specialized expertise to understand and to invest in. Heirloom has spent approximately 2-2.5 years researching it. If you would like to discuss or learn more about this strategy, please contact Beth at info@heirloominvesting.com.