

CHC Group Ltd.
Form 3
November 10, 2014

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF 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 * | | 2. Date of Event Requiring Statement | 3. Issuer Name and Ticker or Trading Symbol | |
| Â CD&R Investment Associates IX, Ltd. | | (Month/Day/Year) | CHC Group Ltd. [HELI] | |
| (Last) | (First) | (Middle) | | |
| C/O MAPLES CORPORATE SERVICES LIMITED, Â P.O. BOX 309, UGLAND HOUSE | | | 4. Relationship of Reporting Person(s) to Issuer | |
| (Street) | | | (Check all applicable) | |
| | | | <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below) (specify below) | |
| GRAND CAYMAN, Â E9 Â KY1-1104 | | | 5. If Amendment, Date Original Filed(Month/Day/Year) | |
| (City) | (State) | (Zip) | | |
| | | | 6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person | |

Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|------------------------------------|--|---|--|
|------------------------------------|--|---|--|

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

SEC 1473 (7-02)

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

| 1. Title of Derivative Security (Instr. 4) | 2. Date Exercisable and Expiration Date (Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) | 4. Conversion or Exercise Price of Derivative | 5. Ownership Form of Derivative Security: | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|---|--|---|---|--|
|---|---|--|---|---|--|

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| | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | Security | Direct (D) or Indirect (I) (Instr. 5) | |
|---|------------------|-----------------|-----------------|----------------------------|------------|---------------------------------------|------------------|
| Convertible Preferred Shares | Â (1)(4)(5) | Â (6) | Ordinary Shares | 15,466,666 (1) | \$ (4) (5) | I | By affiliate (7) |
| Convertible Preferred Shares (right to buy) | Â (2)(3)(4)(5) | Â (6) | Ordinary Shares | 51,919,378 (2) (3) | \$ (4) (5) | I | By affiliate (7) |

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, KY1-1104 | Â | Â X | Â | Â |
| CD&R CHC Holdings, L.P. C/O MAPLES CORPORATE SERVICES LIMITED P.O. BOX 309, UGLAND HOUSE GRAND CAYMAN, KY1-1104 | Â | Â X | Â | Â |

Signatures

| | |
|---|------------|
| CD&R Investment Associates IX, Ltd., By: Theresa A. Gore, VP, Treas. and Asst. Sec. | 11/10/2014 |
| **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. | 11/10/2014 |
| **Signature of Reporting Person | Date |

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 5(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) Reflects 116,000 Convertible Preferred Shares issued to CD&R CHC Holdings, L.P. ("CD&R Holdings") on October 30, 2014.
Reflects 384,000 Convertible Preferred Shares that are anticipated to be issued to CD&R Holdings at the second closing (the "second closing") contemplated by the Investment Agreement, dated August 21, 2014, among the Issuer and certain affiliates of CD&R Holdings,
 - (2) subject to the satisfaction or waiver of certain conditions, and taking into account preferred dividends that have accrued and are anticipated to be accrued within 60 days on these Convertible Preferred Shares and on the 116,000 Convertible Preferred Shares that were issued to CD&R Holdings on October 30, 2014. The second closing is expected to occur on November 12, 2014.
As a 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 and preferred dividends accruing after such anniversary will be paid either in cash or by the issuance of Convertible Preferred Shares, at the Issuer's option, and, in each case, will be paid quarterly in arrears.
 - (3)
 - (4) 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 the second closing, 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

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not exceed 49.9% of the total Ordinary Shares outstanding immediately after such conversion, and a non-voting Ordinary Share would be issued for any Ordinary Share not issued due to this limitation.

- 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 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.
- (5)

- 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 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 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.
- (6)

- CD&R Investment Associates IX, Ltd. ("CD&R Holdings GP"), as the general partner of CD&R Holdings, may be deemed to 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.
- (7)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.