



HAWTHORNE CORPORATION

Aviation Experience & Capabilities



Leadership in the Aviation Industry Since 1932

Unparalleled Operational & Financial Management Experience

- One of the oldest continually operating aviation companies in the U.S. with over 77 years of direct management and operating experience
- Unique perspective of working with financial sponsors such as banks, private equity firms and court appointed receivers
- Hawthorne Corporation leverages its industry experience and global network to provide unmatched resources in aviation management
- Proven management track record of execution since 1932
- One of only a few U.S. companies with airport management experience



HAWTHORNE CORPORATION

History & Qualifications

Hawthorne Corporation was founded in 1932 as a general aviation services company with its first Fixed Base Operation (FBO). From one location, the company expanded into multiple lines of businesses and locations. Aircraft sales was the first additional line of business into which the company entered in the late 1930s. Hawthorne quickly became a leader in flight training in the 1940s and that focus continued into the second half of the twentieth century in the training of both civilian and military pilots. In one contract alone, Hawthorne performed over one million hours of flight training in a ten year period at Spence AFB, in addition to managing all of the facilities on the airport.

Hawthorne began to provide airline handling and fueling services in the 1950s and formed its airport operations subsidiary, Hawthorne Airport Services, in 1985. In the 1980s the company began to expand its operations by establishing additional FBOs in neighboring states. In the early 1990s Hawthorne added the management of airports, airport facilities, and non-owned FBOs to its aviation activities. Hawthorne worked with airport sponsors to plan, develop and operate greenfield as well as existing aviation facilities. In addition, the company worked closely with financial sponsors such as banks and private equity firms to develop business and workout plans for operating companies in the general aviation industry segment.

The Creation of Piedmont Hawthorne

In 1998 The Carlyle Group acted as financial sponsor for the merger of Hawthorne Aviation, the FBO operating company of Hawthorne, with Piedmont Aviation.

Piedmont was originally formed in 1940 when Thomas H. Davis purchased the operations of Camel City Flying Services, Inc. in Winston-Salem, NC. Piedmont's primary and advanced flight training schools were certified by the Civil Aeronautics Administration in 1940 and its repair and overhaul facilities received certification in 1941. Piedmont was appointed a dealer/distributor for Raytheon/Beechcraft in 1955, and began its maintenance and overhaul business in the early 1980s. USAir acquired Piedmont Aviation, Inc. in 1987, which at that time included Piedmont Airlines and the general aviation division. Management and a private equity firm purchased the general aviation business from USAir in 1992 and renamed the entity Piedmont Aviation Services, Inc.

This resulted in an initial platform of 23 operating locations from which the company would synergistically develop into the second largest general aviation services company in North America, with management correctly scaling the company's growth by adding the appropriate overhead resources as necessary.

Landmark Aviation and the New Hawthorne

Over the following two years Piedmont Hawthorne acquired and/or started 13 airport related companies in classic rollup fashion across the U.S. and in Canada. The acquisition activity included the acquisition of Associated Air Center, the premier worldwide leader in completion services for air transport category aircraft. The current company, Landmark Aviation, is the operating entity of Piedmont Hawthorne Holdings, Inc. which consolidated Hawthorne Aviation, Associated Air Center and Garrett Aviation Services, which was acquired from General Electric in 2004. In 2005 the company was re-branded as Landmark Aviation, and was subsequently sold to Dubai Aerospace in July 2007.

After the 2007 transaction, the former Piedmont Hawthorne leadership team and corporate development/mergers & acquisitions department returned to the former holding company of aviation operating companies, Hawthorne Corporation. Since its reconstitution, Hawthorne has worked on behalf of financial sponsors and airport owners in all aspects of the general aviation industry in North America, Europe, India and the Middle East.

Tombstones of select transactions and engagements are presented later in this presentation.

Unparalleled Experience

Over 77 Years of Direct Operational Experience

- Creation of 2nd largest FBO operator in North America
- One of the largest providers of MRO services with numerous service center designations and an unlimited Class IV Part 145 Repair Station
- The largest provider of Part 135 charter and aircraft management services in the southeast with over 50 aircraft



- The premier world wide completion center for Air Transport Category Aircraft
- One of the nation's top aircraft sales distributorships; consistently Raytheon Aircraft's top world wide dealer
- Development of a Part 121 certificated airline with 18 air transport category aircraft
- Leader in U.S. GA airport management

HAWTHORNE CORPORATION

Global Aviation and Airport Advisory Services

- Management programs
- Workout/Turnaround plans
- Feasibility studies
- Business plans
- Mergers and acquisitions
- Corporate restructurings
- Debt and equity placement
- Business valuations
- Due diligence investigations
- Financial analysis
- Rent studies
- RFP and proposal development



Hawthorne Management

- **Steven Levesque, *President***
 - joined Hawthorne in 1995, leading development and mergers & acquisition for Hawthorne Aviation, Piedmont Hawthorne and Landmark Aviation
 - as CFO of Piedmont Hawthorne was responsible for corporate development of Piedmont Hawthorne (including the acquisition of Associated Air Center) and led the transformational merger with Garrett Aviation Services
 - named President in 2008
 - graduated from the University of North Carolina – Chapel Hill with a B.S.B.A. concentrating in finance and received an M.B.A. from the Citadel.
- **William E. Harton, *Vice President***
 - formerly employed by the aviation division of Marsh USA, Inc. in New York, specializing in aerospace products
 - between 2003 and 2006 worked with private equity/M&A due diligence teams for Fortune 200 aerospace manufacturers and aircraft leasing companies
 - joined Hawthorne as Vice President in 2006
 - earned a B.A. in History from Duke University
- **Scott Zimmerman, *Senior Financial Analyst***
 - joined Landmark Aviation in 2004 as a financial analyst
 - was involved in several fixed base operation acquisitions as well as the renegotiation of multiple service contracts.
 - graduated from The Georgia Institute of Technology with a B.S. in Management with certificates in Finance, Economics, and Psychology. He also received his M.B.A. in Finance from Georgia State University

Hawthorne Management (continued)

- **Tom Zollars**
 - Former VP & Regional Manager, Piedmont Hawthorne and Landmark Aviation
 - 35+ years direct aviation experience
 - Served as an advisor to Purdue University's Aviation Technology Department, and active in trade and professional organizations related to corporate, military, and airline aviation such as the National Air Transportation Association (NATA), National Business Aviation Association (NBAA), and the American Association of Airport Executives (AAAE)
 - Served in the United States Air Force as a pilot during the Vietnam era
- **Marge Becker**
 - Special Projects Officer, Eastern Aviation Fuels (Shell distributor)
 - Former VP & Controller, Piedmont Hawthorne and Landmark Aviation
 - CPA, previously an auditor for Ernst & Young
 - 8+ years direct aviation experience, 20+ years financial management
 - Graduated with a BS in accounting from Long Island University and received an MBA from Wake Forest University
- **David Brinson**
 - Former VP & Regional Manager, Piedmont Hawthorne
 - Original project manager for Hawthorne Dulles greenfield development
 - 35+ years direct aviation experience
 - Served on several airports' committees; has been a member of the NATA and NBAA. and has been an invited speaker at several industry events on airport issues.

Aviation Industry

Investment, advisory and management services on a global scale.

Direct investment

- Airport service companies including fixed base operations
- Aviation-related manufacturers and distributors
- Airport properties

Advisory

- Optional advisory services
- Fixed base operations and airport related operational consulting on an international basis

Management

- Long term management of airport or third-party owned airport and aviation service companies
- Interim management and workout/turnaround management for financial sponsors

Airport & Facility Management

Operational management of on-going businesses.

- Owned or third-party
- Interim management
- Turn-around projects



Capabilities (continued)

Investment

Financial services including transaction facilitation and investment as a primary or co-investor in these target areas:

- Origination and facilitation of all size transactions
- Private equity co-investment
- Direct ownership and co-ownership of small to mid-size operating companies
 - Companies with knowledgeable management
 - Startups with potential for substantial growth
- Real Estate ownership and development
 - Investment properties



Other Advisory

Consulting and transactional advisory services rendered as an unrelated third party.

- Buy and sell side transactional advisory services for private equity firms, strategics, independent investors and private equity target companies
- Follow-on advisory for originated/facilitated transactions
- Operational advisory services
 - Work-out plans for banks, private equity firms and other third-party lenders and investors

Airport Technical Capabilities

- **Airport Management Services**

- Hawthorne has earned an unequalled reputation for the management of general aviation airports. The genesis of the company's airport management capability dates back to Department of Defense airport management contracts in the 1950s and 1960s. Those initial agreements led to airport management opportunities at general aviation facilities. In the early 1990s the airport management division of the company was formalized.
- Hawthorne is one of only a few private U. S. companies with significant airport management experience, and the only one that is specifically orientated to the general aviation, corporate, and special purpose (including military, space, and cargo) communities.
- Hawthorne has advanced knowledge of terminal, runway and associated facilities, maintenance, repair, construction and practical application of equipment and materials associated with airport operations, as well as a demonstrated understanding in aging behavior of terminal, runway and associated facilities to assess and determine the necessity for remedial maintenance action.
- In addition we have familiarity with FAA operator certification standards and procedures, airport operations, construction and maintenance standards as well as experience with facilitating airport growth via development and marketing.

Professional Organizations

Hawthorne Corporation is a proud member of the following professional organizations:



Contact Us

To find out more about Hawthorne, please go to our website located at

www.hawthornecorp.com

or contact us at the following:

3955 Faber Place Drive
Suite 301
N. Charleston, SC 29405

Telephone: (843)553-2203

Fax: (843)576-0109

Email: info@hawthornecorp.com

HAWTHORNE CORPORATION