

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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FRIENDS OF THE EAST HAMPTON AIRPORT, INC.,
ANALAR CORPORATION, ASSOCIATED AIRCRAFT
GROUP, INC., ELEVENTH STREET AVIATION LLC,
HELICOPTER ASSOCIATION INTERNATIONAL, INC.,
HELIFLITE SHARES LLC, LIBERTY HELICOPTERS,
INC., SOUND AIRCRAFT SERVICES, INC., and
NATIONAL BUSINESS AVIATION ASSOCIATION, INC.,

No. 15 Civ. 2246 (JS) (ARL)

Plaintiffs,

-against-

THE TOWN OF EAST HAMPTON,

Defendant.

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SUPPLEMENTAL DECLARATION OF SCOTT E. ASHTON

I, Scott E. Ashton, make the following declaration pursuant to 28 U.S.C. § 1746:

1. I am the President of Associated Aircraft Group, Inc. (“AAG”), one of the Plaintiffs in this action. I make this supplemental declaration, based upon personal knowledge, to respond to certain inaccurate assertions in the Town of East Hampton’s opposition memorandum and declarations opposing Plaintiffs’ motion for a temporary restraining order.

AAG Cannot Switch Its Fleet

2. AAG is a commercial air carrier service wholly owned by Sikorsky Aircraft Company. AAG’s reason for existence is to fly Sikorsky helicopters and to promote the Sikorsky brand. All of AAG’s published marketing materials and website (www.flyaag.com) content promote our operation of Sikorsky helicopters – in particular, the S-76[®]. AAG also operates a Sikorsky-authorized Part 145 maintenance center, because we are specially trained to service Sikorsky helicopters.

3. AAG cannot avoid irreparable harm by changing the composition of our helicopter fleet, and it is wrong for the Town to suggest otherwise. *All* of Sikorsky's helicopters are deemed "Noisy Aircraft" by the Restrictions, with the lone exception of the Sikorsky S-61, a *1950s vintage aircraft* no longer in production. The S-61 is wholly unacceptable for use in AAG's charter operations. The aircraft was developed by the Navy in the late 1950s as an anti-submarine aircraft. It is far larger than the currently-used S-76 and in some configurations can seat up to 30 passengers. AAG's charter license, however, only allows it to transport 9 passengers at a time by regulation. The S-61 is also more than 5,000 pounds heavier than the S-76 that AAG currently operates, it is much louder, it has a larger footprint, it uses more fuel, and it is more expensive to operate.

4. Significantly, the only reason the S-61 is not deemed a "Noisy Aircraft" is because it does not have a published EPNdB AP level – highlighting the absurdity of the Restrictions' "Noisy Aircraft" classification system. The S-61 is far louder than the S-76, yet the S-76 is deemed a "Noisy Aircraft" by the Restrictions and the S-61 is not.

5. Finding suitable used S-61 helicopters on the market would be virtually impossible. Finding an entire fleet of used S-61's would be impossible. And even if a suitable S-61 could be located, it would require extensive re-working and upgrading to put it into service as a charter aircraft. AAG would also have to seek new FAA certifications, the approval of which would take many months – if the FAA would even approve the aircraft for commercial passenger operations. Because of the age of the S-61 aircraft, finding pilots who are current in the aircraft and have the extensive flying experience that AAG's client require will also be nearly impossible. Moreover, because of its much larger size, the S-61 aircraft would not fit in any of AAG's existing hangar facilities, rendering those investments useless. It is also not clear if the

S-61 would fit on any of the New York City helipads, making the helicopter useless to AAG for our service.

6. I do not foresee Sikorsky continuing to own AAG if the only way AAG could survive would be by purchasing non-Sikorsky helicopters manufactured by Sikorsky's market competitors.

7. Replacing AAG's fleet of S-76 Sikorsky aircraft would not be feasible for the additional reason that AAG does not own most of the aircraft in its fleet, but simply manages them. As a management company, AAG only owns and has direct control over one of the S-76 helicopters in its fleet. The rest are managed either for individual or corporate owners, or managed under our Sikorsky Shares fractional program. Therefore, switching to smaller, single-engine helicopters that are not subject to the Restrictions would require extensive coordination with many clients, some of whom have indicated that they would not switch and would strongly consider selling their helicopters entirely.

AAG Is Already Being Harmed by the Restrictions

8. AAG is already being damaged by the Restrictions even though they are not yet being enforced. We are starting to see clients make alternative arrangements for summer travel and defer purchasing decisions for future travel with us. One client has deferred purchasing \$144,000 of prepaid charter time, and another has deferred \$128,000 of prepaid charter time, both *directly citing* the uncertainty of having access to East Hampton Airport ("HTO") this summer. Pending the outcome of the Courts decision on Wednesday, we have also deferred hiring three additional pilots for the summer season.

9. If the Court does not stop the Restrictions from taking effect this Wednesday, the harm to AAG will continue and immediately will become severe. Based on extensive

examination of AAG's records by myself and others, we predict that the One-Trip Limit alone will prohibit the majority of AAG's operations, resulting in an estimated 90% decrease in AAG's operations to and from East Hampton Airport. Based on last year's figures, of all of AAG's flights between May 12 and June 8, 31% of those flights were to or from HTO. Thus, if the TRO does not issue, nearly one-third of AAG's flights within the first month of implementation will be impacted. This will have an immediate and substantial negative impact on AAG's revenue and market share. Flights to and from HTO generate a higher percentage of revenue because they are longer legs than AAG normally conducts. Because flights to and from HTO comprise a significant portion of AAG's revenues, if the Restrictions are enforced, Sikorsky will could consider whether AAG will continue to be a going concern.

10. Finally, AAG conducts third-party audits of its operations to ensure that we meet the highest industry standards, including audits from Wyvern Ltd.; Aviation Research Group, US; International Standards for Business Aviation Operations; and Air Charter Safety Foundation. Many of our clients conduct business with us because we maintain those standards, and we invest hundreds of thousands of dollars a year in our safety programs. AAG has long maintained and advertised that it only flies Instrument Flight Rules (IFR)-capable, twin-engine helicopters equipped with the most advanced safety equipment, flown by two highly trained pilots. Downgrading to aircraft that meet an arbitrary "less noisy" standard, but are only single engine, Visual Flight Rules (VFR)-only helicopters flown by one pilot is an unacceptable alternative for AAG and for our clients.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed: May 12, 2015
Wappingers Falls, New York



Scott E. Ashton