

Report Under Section 4026(b)(1)(C) of the CARES Act on Loans to Air Carriers, Eligible Businesses, and National Security Businesses

March 1, 2025

Program Description

Section 4003 of Division A of the Coronavirus Aid, Relief and Economic Security Act (CARES Act) authorized the Treasury Department to make loans, loan guarantees, and other investments to provide liquidity to eligible businesses related to losses incurred as a result of the coronavirus pandemic.

The CARES Act provided:

- (1) up to \$25 billion for loans and loan guarantees for passenger air carriers; eligible businesses that are certified under 14 CFR part 145 and approved to perform inspection, repair, replace, or overhaul services; and ticket agents (as defined in 49 U.S.C. § 40102);
- (2) up to \$4 billion for loans and loan guarantees for cargo air carriers; and
- (3) up to \$17 billion for loans and loan guarantees for businesses critical to maintaining national security.

A loan or loan guarantee under section 4003 was authorized to be made in such form and on such terms and conditions and contain such covenants, representations, warranties, and requirements as the Treasury Secretary determined appropriate. However, the CARES Act specified a number of requirements applicable to these loans or loan guarantees. Among other requirements under the statute, borrowers were required to maintain employment levels as of March 24, 2020, to the extent practicable, and in any case not reduce their employment levels by more than 10 percent from the levels on such date, until September 30, 2020. Borrowers were also required to agree to certain restrictions on employee compensation; agree not to repurchase stock, except to the extent required under a contractual obligation in effect as of March 27, 2020; and agree not to pay dividends or make other capital distributions with respect to the borrower's common stock until 12 months after the loan has been repaid.

In addition, the CARES Act required that Treasury receive a warrant or equity instrument in the borrower if the borrower was a public company (unless Treasury determined that the issuance of warrants or equity was infeasible, in which case the company was required to provide a senior debt instrument), or a warrant, equity instrument, or senior debt instrument if the borrower was a private company, to compensate taxpayers.

Reporting Requirements

The CARES Act requires Treasury to make a number of disclosures regarding its loans and loan guarantees under section 4003 of the CARES Act:

- (1) under section 4026(a) of the CARES Act, not later than 72 hours after any transaction under section 4003(b)(1), (2), or (3) of the CARES Act, Treasury must publish on its website a description of the transaction, certain transaction terms, and transaction documentation;
- (2) under section 4026(b)(1)(A) of the CARES Act, not later than seven days after any loan or loan guarantee under section 4003(b)(1), (2), or (3), Treasury must submit to Congress a report summarizing the actions taken under those provisions and certain related financial information;
- (3) under section 4026(b)(1)(B) of the CARES Act, not later than seven days after delivering the report to Congress described above, Treasury must publish the report on its website; and
- (4) under section 4026(b)(1)(C) of the CARES Act, every 30 days while a loan or loan guarantee under section 4003(b)(1), (2), or (3) is outstanding, Treasury must publish on its website a report summarizing its reports to Congress described above.

Treasury has published the information and reports described above on its website at <https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/loans-to-air-carriers-eligible-businesses-and-national-security-businesses>.

Current Report

This report summarizes information about transactions under sections 4003(b)(1), (2), and (3) of the CARES Act. This report reflects 19 outstanding loans and 16 loans that have been repaid in full as of March 1, 2025.

(See next page)

DETAILED FINANCIAL STATEMENT REFLECTING OUTSTANDING LOANS REPAYED IN FULL

| Borrower Name | Borrower Type ¹ | City ² | State ² | Date of Loan Agreement | Maturity Date | Total Authorized Loan Amount | Disbursements ³ | Total Outstanding Loan Amount ⁴ | Total Repaid Loan Principal | Cash Interest Receipts |
|----------------------------------|----------------------------|-------------------|--------------------|--|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Alaska Airlines, Inc. | Passenger Air Carrier | Seattle | WA | 9/28/2020 (amended 10/3/2020 and 1/15/2021) | 9/26/2025 | \$1,928,000,000 | \$135,000,000 | \$0 | \$135,000,000 | \$2,538,900 |
| American Airlines, Inc. | Passenger Air Carrier | Fort Worth | TX | 9/25/2020 (amended 10/21/2020 and 1/15/2021) | 6/30/2025 | \$7,500,000,000 | \$550,000,000 | \$0 | \$550,000,000 | \$10,257,500 |
| Core Avionics & Industrial, Inc. | National Security | Tampa | FL | 11/5/2020 | 11/5/2025 | \$6,000,000 | \$6,000,000 | \$0 | \$6,489,033 | \$213,998 |
| Frontier Airlines, Inc. | Passenger Air Carrier | Denver | CO | 9/28/2020 (amended 1/15/2021) | 9/26/2025 | \$574,000,000 | \$150,000,000 | \$0 | \$150,000,000 | \$5,548,667 |
| Hawaiian Airlines, Inc. | Passenger Air Carrier | Honolulu | HI | 9/25/2020 (amended 10/23/2020 and 1/15/2021) | 6/28/2024 | \$622,000,000 | \$45,000,000 | \$0 | \$45,000,000 | \$450,450 |
| Island Wings, Inc. | Cargo Air Carrier | Ft. Lauderdale | FL | 11/5/2020 | 11/5/2025 | \$294,350 | \$294,350 | \$0 | \$361,576 | \$57,913 |
| JetBlue Airways Corporation | Passenger Air Carrier | Long Island City | NY | 9/29/2020 (amended 11/3/2020 and 1/15/2021) | 9/29/2025 | \$1,948,000,000 | \$115,000,000 | \$0 | \$115,000,000 | \$3,330,113 |

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|-------------------------------|----------------------------|-------------------|--------------------|---|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Ovation Travel Group, Inc. | Ticket Agent | New York | NY | 10/15/2020 | 10/15/2025 | \$20,000,000 | \$20,000,000 | \$0 | \$20,294,156 | \$181,881 |
| Republic Airways, Inc. | Passenger Air Carrier | Indianapolis | IN | 11/6/2020 | 11/6/2025 | \$58,000,000 | \$58,000,000 | \$0 | \$58,000,000 | \$1,622,308 |
| Semahtronix, LLC | National Security | Flippin | AR | 11/13/2020 | 11/13/2025 | \$1,999,100 | \$1,999,100 | \$0 | \$2,112,957 | \$777 |
| SkyWest Airlines, Inc. | Passenger Air Carrier | St George | UT | 9/29/2020 (amended 10/28/2020 and 1/15/2021) | 9/29/2025 | \$725,000,000 | \$60,000,000 | \$0 | \$60,000,000 | \$1,196,767 |
| Southern Airways Express, LLC | Passenger Air Carrier | Pompano Beach | FL | 10/28/2020 | 10/28/2025 | \$1,838,501 | \$1,838,501 | \$0 | \$1,838,501 | \$188,254 |
| Sun Country, Inc. | Passenger Air Carrier | Minneapolis | MN | 10/26/2020 | 10/24/2025 | \$45,000,000 | \$45,000,000 | \$0 | \$46,182,421 | \$77,125 |
| Thomas Global Systems, LLC | Repair Station Operator | Irvine | CA | 11/9/2020 | 11/7/2025 | \$1,400,000 | \$1,400,000 | \$0 | \$1,530,278 | \$22,745 |
| United Airlines, Inc. | Passenger Air Carrier | Chicago | IL | 9/28/2020 (amended 11/6/2020, 12/8/2020, and 1/15/2021) | 9/26/2025 | \$7,491,000,000 | \$520,000,000 | \$0 | \$520,000,000 | \$9,517,733 |

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| Borrower Name | Borrower Type ¹ | City ² | State ² | Date of Loan Agreement | Maturity Date | Total Authorized Loan Amount | Disbursements ³ | Total Outstanding Loan Amount ⁴ | Total Repaid Loan Principal | Cash Interest Receipts |
|---------------------------------|----------------------------|-------------------|--------------------|------------------------|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Yellow Corporation ⁵ | National Security | Overland Park | KS | 7/7/2020 | 9/30/2024 | \$700,000,000 | \$700,000,000 | \$0 | \$737,042,757 | \$113,967,869 |
| TOTAL | | | | | | \$21,622,531,951 | \$2,409,531,951 | \$0 | \$2,448,851,678 | \$149,173,000 |

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|---|----------------------------|-------------------|--------------------|----------------------------------|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Aero Hydraulics, Inc. ⁶ | Repair Station Operator | Fayetteville | GA | 10/26/2020 | 10/24/2025 | \$450,000 | \$450,000 | \$663,864 | \$0 | \$25,668 |
| Allflight Corporation | Repair Station Operator | Kent | WA | 11/5/2020 | 11/5/2025 | \$4,721,260 | \$4,721,260 | \$2,499,901 | \$2,221,359 | \$1,632,576 |
| American Jet International Corporation | Passenger Air Carrier | Houston | TX | 11/5/2020 | 11/5/2025 | \$1,162,124 | \$1,162,124 | \$1,218,124 | \$0 | \$411,145 |
| Aviation Management & Repairs, Inc. | Repair Station Operator | Fort Pierce | FL | 11/5/2020 | 11/5/2025 | \$4,026,705 | \$4,026,705 | \$4,865,883 | \$100,000 | \$845,831 |
| Bristin Travel, LLC | Ticket Agent | Fayetteville | AR | 10/26/2020 | 10/24/2025 | \$549,651 | \$549,651 | \$389,708 | \$226,503 | \$116,540 |
| Caribbean Sun Airlines, Inc. ⁷ | Passenger Air Carrier | Virginia Gardens | FL | 11/5/2020 (amended 12/7/2020) | 11/5/2025 | \$6,768,749 | \$6,768,749 | \$9,321,277 | \$0 | \$660,000 |
| Channel Logistics, LLC ⁸ | National Security | Camden | NJ | 11/12/2020 | 11/12/2025 | \$2,500,000 | \$2,500,000 | \$3,252,798 | \$0 | \$416,114 |
| Eastern Airlines, LLC | Passenger Air Carrier | Wayne | PA | 10/28/2020 | 10/28/2025 | \$15,000,000 | \$15,000,000 | \$18,641,277 | \$0 | \$3,238,871 |

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|---|----------------------------|-------------------|--------------------|----------------------------------|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Elite Airways, LLC ⁹ | Passenger Air Carrier | Portland | ME | 11/9/2020 (amended 12/1/2020) | 11/7/2025 | \$2,630,274 | \$2,630,274 | \$3,822,485 | \$0 | \$0 |
| Legacy Airways, LLC ¹⁰ | Cargo Air Carrier | Conroe | TX | 10/20/2020 | 10/20/2025 | \$1,817,306 | \$1,817,306 | \$2,812,986 | \$0 | \$0 |
| Map Large, Inc. | National Security | Atlanta | GA | 11/2/2020 | 10/31/2025 | \$10,000,000 | \$10,000,000 | \$12,949,513 | \$0 | \$2,695,433 |
| Meridian Rapid Defense Group, LLC ¹¹ | National Security | Pasadena | CA | 10/30/2020 | 10/30/2025 | \$7,100,000 | \$7,100,000 | \$10,912,639 | \$0 | \$233,799 |
| Mesa Airlines, Inc. | Passenger Air Carrier | Phoenix | AZ | 10/30/2020 | 10/30/2025 | \$195,000,000 | \$195,000,000 | \$103,459,312 | \$101,487,704 | \$33,080,892 |
| oVio Technologies, Inc. ¹² | National Security | Newport Beach | CA | 11/2/2020 | 10/31/2025 | \$1,186,900 | \$1,186,900 | \$1,745,578 | \$0 | \$75,845 |
| Semantic AI, Inc. | National Security | San Diego | CA | 11/13/2020 | 11/13/2025 | \$506,300 | \$506,300 | \$627,343 | \$0 | \$127,666 |
| SpinLaunch, Inc. | National Security | Long Beach | CA | 11/13/2020 | 11/13/2025 | \$2,519,200 | \$2,519,200 | \$2,557,341 | \$0 | \$1,043,161 |

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|---|----------------------------|-------------------|--------------------|------------------------|---------------|------------------------------|----------------------------|--|-----------------------------|------------------------|
| Timco Engine Center, Inc. ¹³ | Repair Station Operator | Oscoda | MI | 11/5/2020 | 11/5/2025 | \$8,390,240 | \$8,390,240 | \$12,360,626 | \$0 | \$0 |
| Visual Semantics, Inc. ¹⁴ | National Security | Austin | TX | 10/30/2020 | 10/30/2025 | \$1,053,200 | \$1,053,200 | \$1,252,616 | \$17,601 | \$11,722 |
| Wiser Imagery Services, LLC | National Security | Murfreesboro | TN | 10/30/2020 | 10/30/2025 | \$3,069,700 | \$3,069,700 | \$3,977,967 | \$0 | \$729,155 |
| TOTAL | | | | | | \$268,451,609 | \$268,451,609 | \$197,331,238 | \$104,053,167 | \$45,344,418 |

Note: Data are as of the date of this report.

Footnotes:

- Only certain categories of entities were eligible to receive loans under sections 4003(b)(1), (2), and (3) of the CARES Act. Under those provisions, a borrower must be a passenger air carrier; a business that is certified under 14 CFR part 145 and approved to perform inspection, repair, replace, or overhaul services; a ticket agent (as defined in 49 U.S.C. 40102); a cargo air carrier; or a business critical to maintaining national security.
- The locations provided are the addresses included by the borrowers in their applications and may not indicate all locations in which a borrower operates.
- "Disbursements" includes all loan disbursements.
- "Total Outstanding Loan Amount" includes all loan disbursements and increases of loan principal amount arising from payment-in-kind (PIK) interest and accrued unpaid interest, less any repayments of principal.
- Yellow Corporation, formerly known as YRC Worldwide, Inc., received a loan that consisted of two tranches in the original principal amounts of \$300 million and \$400 million. Yellow Corporation repaid \$230 in principal on June 13, 2021. On August 6, 2023, Yellow Corporation and certain of its direct and indirect subsidiaries filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code, which resulted in an event of default under and immediate acceleration of its loan. The bankruptcy estate of Yellow Corporation made principal repayments totaling \$139,718,532 on December 21, 2023, and additional principal repayments totaling \$550,630,876 between January 5 and 25, 2024. On February 5, 2024, the bankruptcy estate of Yellow Corporation paid the remaining balance of the loan in full.
- Aero Hydraulics, Inc. is in default on its loan due to failure to make certain payments required under its loan agreement.
- Caribbean Sun Airlines, Inc. is in default on its loan due to failure to make certain payments required under its loan agreement.
- Channel Logistics, LLC is in default on its loan due to failure to make certain payments required under its loan agreement.
- Elite Airways, LLC is in default on its loan due to failure to make certain payments required under its loan agreement.
- Legacy Airways, LLC is in default on its loan due to failure to make certain payments required under its loan agreement.
- Meridian Rapid Defense Group, LLC is in default on its loan due to failure to make certain payments required under its loan agreement.
- oVio Technologies, Inc. is in default on its loan due to failure to make certain payments required under its loan agreement.
- Timco Engine Center, Inc. is in default on its loan due to failure to make certain payments required under its loan agreement.
- Visual Semantics, Inc. filed for bankruptcy on March 2, 2023. Interest on its loan stopped accruing as of that date. The trustee for the bankruptcy estate of Visual Semantics, Inc. made a payment in the amount of \$17,601.13 on November 28, 2023, which was applied to the principal. The bankruptcy case concluded on January 8, 2024.