

## Transaction Summary

The U.S. Department of the Treasury agreed to make a loan totaling \$195 million to Mesa Airlines, Inc. (the Company). Treasury originally agreed to make a loan of up to \$200 million to the Company, and the Company elected to draw a total of \$195 million. The Company is a wholly owned subsidiary of Mesa Air Group, Inc., with approximately 3,540 U.S. employees in March 2020.

Treasury made the loan pursuant to section 4003(b)(1) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The loan is secured by aircraft, engines, accounts receivable, tooling inventory, simulators, and ground service equipment. The loan has an interest rate equal to LIBOR plus 3.5% and matures on October 30, 2025. The Company elected to draw \$43 million at close and \$152 million on November 13, 2020. The loan proceeds will be used to provide liquidity to continue the Company's operations. The transaction agreement includes covenants by the Company to comply with certain restrictions on employee compensation, stock repurchases, dividends, and reductions in employment levels, as required by the CARES Act. Treasury will receive warrants to purchase common stock equal to 10% of the total loan amount drawn.