

## **Transaction Summary**

The U.S. Department of the Treasury agreed to make a loan of up to \$7.491 billion to United Airlines, Inc. (the Company), a wholly owned subsidiary of United Airlines Holdings, Inc. and one of the largest domestic airlines in the United States. Treasury originally agreed to make a loan of up to \$5.17 billion to the Company on September 28, 2020. The maximum loan amount was increased to \$7.5 billion on November 6, 2020, and decreased to \$7.491 billion on December 8, 2020. The Company had approximately 93,000 U.S. employees in March 2020 and carried more than 162 million passengers in 2019.

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 the Company's European, South American, Pacific, Oceanic, and Asian routes, certain aircraft, and flight simulators. The loan has an interest rate equal to LIBOR plus 3.0% and matures on September 26, 2025. The Company elected to draw \$520 million on September 28, 2020, and may draw the remaining loan funds in multiple draws through May 28, 2021. 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.