

Transaction Summary

Treasury agreed to make loans totaling \$700 million to YRC Worldwide Inc. (YRC). YRC is a leading provider of Department of Defense supply transportation and other delivery services for the U.S. Government.

The loans will be made in two tranches, both of which will be secured. Tranche A provides \$300 million to meet certain of YRC's near-term contractual obligations and non-vehicle capital expenditures, with an interest rate equal to LIBOR plus 3.5%, consisting of 1.5% cash and 2.0% payment in kind. Tranche B provides \$400 million for capital investments made pursuant to capital plans subject to approval by Treasury, with an interest rate equal to LIBOR plus 3.5% in cash. Both tranches mature on September 30, 2024. The agreements include covenants by YRC 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 shares equal to 29.6% of YRC's common stock on a fully diluted basis, to be held in a voting trust, as appropriate taxpayer compensation.