

Treasury to Provide Loan to YRC Worldwide

July 1, 2020

WASHINGTON – Today the U.S. Department of the Treasury announced that it intends to make a \$700 million loan to YRC Worldwide Inc., and that it had reached an agreement with YRC on June 30, 2020, to receive a 29.6% equity stake in the company in connection with the loan under Division A, Title IV, Subtitle A of the Coronavirus Aid, Relief, and Economic Security Act. Treasury’s determination was based on a certification by the Secretary of Defense that YRC is critical to maintaining national security.

YRC is a leading provider of critical military transportation and other hauling services to the U.S. government and provides 68% of less-than-truckload services to the Department of Defense. This loan will enable YRC to maintain approximately 30,000 trucking jobs and continue to support essential military supply chain operations and the transport of industrial, commercial, and retail goods to more than 200,000 corporate customers across North America.

“We are pleased for Treasury to make this loan pursuant to the CARES Act,” said Secretary Steven T. Mnuchin. “This loan will enable a critical vendor to the Department of Defense to maintain significant employment while providing appropriate compensation to taxpayers.”

Subject to definitive documentation with the company and its existing lenders, Treasury intends to provide YRC with loans totaling \$700 million, maturing on September 30, 2024.

To provide proper taxpayer compensation, Treasury will receive shares totaling 29.6% of YRC’s common stock on a fully diluted basis, to be held in a voting trust. The agreement will also include certain provisions to maintain employment levels and limit executive compensation, dividends and share repurchases.

Full transaction details will be posted on www.Treasury.gov/CARES within 72 hours after the transaction is completed.

####