

Troubled Company Prospector

Large Companies Triggering Warnings of Financial Strain

March 30, 2020
Volume 28, Number 13
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Company Name	Reference Number	Profile Category
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(Click on Reference Number to go directly to Company Profile)

Troubled Company Prospector identifies and profiles United States and Canadian companies with assets of \$10 million or more showing early signs of strain or difficulty. Designed to support the niche marketing programs of professional firms, the Prospector features companies that meet strictly defined predetermined criteria. Information is compiled weekly and the Prospector is distributed by e-mail to arrive before 9:00 a.m. every Monday. For each business identified, the Prospector provides the trigger event and enough information to assess the prospect and pursue any opportunities. The **Troubled Company Prospector** is published by Beard Group, Inc. (<http://beardgroup.com>).

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Prospector Profile Categories

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- 1. Bankruptcy.** The company files a voluntary Chapter 11, Chapter 7 or Chapter 15 petition.
- 2. Involuntary Petition.** An involuntary bankruptcy petition is filed against the company.
- 3. Default.** A significant event of default is reported with respect to a company's obligations. Usually this will be a default in payment of principal or interest on debt.
- 4. Distressed Exchange Offer.** The company announces an exchange or tender offer for outstanding debt or preferred stock at a significant discount from face value.
- 5. Preferred Dividend Omission.** The company omits the dividend on its preferred stock.
- 6. Restructuring.** The company proposes a significant restructuring of its obligations.
- 7. Debt at Deep Discount.** The company's public debt trades with a current yield or yield-to-maturity in excess of the lower of 18% or eight points over the long-term treasury bond rate.
- 8. Low Rating.** The company's public debt is downgraded (or new rating is set) by a major rating agency to or below a level indicating a "current vulnerability to default," such as Standard & Poor's CCC rating.
- 9. Audit Concerns.** The company's auditor, (i) qualify their opinion on its financial statements in a manner that indicates doubt about its ability to continue as a going concern, (ii) resign or (iii) take other action that indicates possible concerns.
- 10. Covenant Problems.** The company violates or indicates that it is likely to violate covenants in its debt agreements.
- 11. Loss/Deficit.** The company reports a significant quarterly or year-end loss, equity deficit, or strained liquidity.
- 12. Miscellaneous.** Some other event occurs or is reported which, in the opinion of the editors, indicates that the company may be in or approaching financial distress or otherwise raises doubts about the future prospects of the company.

*Prospector
Profile*

20.0482

2808 Ocean Blvd., LLC
3857 Birch Street, Suite 530
Newport Beach, CA 92660

NAICS 531000

Category: Bankruptcy

Event: 2808 Ocean Blvd., LLC, filed for Chapter 11 protection on March 24, 2020, with the U.S. Bankruptcy Court for the Central District of California, case number 20-11023, before Judge Mark S. Wallace.

Description: 2808 Ocean Blvd., LLC, is a Single Asset Real Estate debtor (as defined in 11 U.S.C. Section 101(51B)).

Officers: Steve Perkins (Managing Member)

Attorneys: Jeffrey I. Golden, Esq., at Weiland Golden Goodrich LLP; Costa Mesa, CA; (714) 966-1000; jgolden@wglp.com

Estimated Assets: \$10 million to \$50 million

Estimated Liabilities: \$1 million to \$10 million

Notes: A copy of the petition is available for free at PacerMonitor.com at: <https://is.gd/MTemtW>

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0483

4L Holdings Corp.

2700 W Higgins Road Suite 100
Hoffman Estates, IL 60169
(866) 734-6548

NAICS 811213

Category: Low Rating

Event: S&P Global Ratings assigned its 'CCC+' issuer credit rating on 4L Holdings Corp. following its emergence from Chapter 11 bankruptcy as a new legal entity on Feb. 3, 2020. The company's Chapter 11 restructuring incorporated the sale of its Imaging business, the acquisition of Teleplan International, and the issuance of a new \$80 million term loan.

Meanwhile, S&P assigned its 'B-' rating and '2' recovery rating to the company's \$80 million senior secured first-lien term loan due in 2024. The '2' recovery indicates S&P's expectation of substantial (70%-90%; rounded estimate: 70%) recovery in the event of default.

The stable outlook on 4L reflects S&P's expectation that current cash balances will be adequate to fund negative free cash flow over the next 12 months as the firm works to reduce overhead expenses. The outlook also reflects the rating agency's view that the company will maintain interest coverage of 2x and that increased business and geographic diversity will support stable top line performance.

Description: 4L Holdings Corp. operates under the name Clover Technologies, collects and recycles electronic devices and provide aftermarket management services for mobile device carriers, manufacturers, retailers, insurance providers and enterprise businesses.

Officers: Dan Ruhl (Pres.); George Milton (CEO)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0484

Acer Therapeutics Inc.

One Gateway Center, Ste. 351, 300 Washington St.
Newton, MA 02458
(844) 902-6100

NAICS	325412
Employees	17
Revenue	(mil) \$ 0.00
Income	(mil) (\$ 29.42)
Assets	(mil) \$ 21.46
Liabilities	(mil) \$ 3.09
(for the year ended 12/31/19)	

Category: Audit Concerns

Event: ACER Therapeutics Inc. filed with the Securities and Exchange Commission its Annual Report on Form 10-K reporting a net loss of \$29.42 million for the year ended Dec. 31, 2019, compared to a net loss of \$21.28 million for the year ended Dec. 31, 2018.

As of Dec. 31, 2019, the Company had \$21.46 million in total assets, \$3.09 million in total liabilities, and \$18.37 million in total stockholders' equity.

The Company had an accumulated deficit of \$76.3 million and cash and cash equivalents of \$12.1 million as of Dec. 31, 2019. Net cash used in operating activities was \$29.5 million and \$16.6 million for the years ended Dec. 31, 2019 and 2018, respectively.

BDO USA, LLP, in Boston, Massachusetts, the Company's auditor since 2019, issued a "going concern" qualification in its report dated March 18, 2020, citing that the Company has recurring losses and negative cash flows from operations that raise substantial doubt about the Company's ability to continue as a going concern.

Description: Acer Therapeutics Inc., formerly Opexa Therapeutics, Inc., is a pharmaceutical company. The Company is engaged in acquires, develops and intends to commercialize therapies for patients with serious rare diseases with critical unmet medical need.

Officers: Christopher Schelling (Pres. & CEO); Harry S. Palmin (CFO & COO)

Auditor: BDO USA, LLP

Securities: Common stock symbol ACER; NASDAQ; 10,095,176 shares of common stock outstanding as of Mar. 1, 2020.

Notes: Update of Volume 26, Number 12 - TCP180319

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0485

Advantage Sales & Marketing Inc.

18100 Von Karman, Ste 1000
Irvine, CA 92612
(949) 797-2900

NAICS 425120
Employees 48,000

Category: Low Rating

Event: Moody's Investors Service downgraded its ratings for Advantage Sales & Marketing Inc., including the company's corporate family rating and probability of default rating to B3 and B3-PD, respectively, given the company's refinancing has been postponed. Concurrent with this action, the ratings assigned by Moody's on 20 February 2020 to the company's proposed new debt will be withdrawn. The company's ratings have also been placed on review for further downgrade, including the existing senior secured first lien credit facilities and senior secured second lien term loan, rated B2 and Caa2, respectively. The outlook was changed to under review from stable.

Given the weakening global macroeconomic conditions from the coronavirus outbreak and the potential direct impact on Advantage's business with the pressures of maintaining a large, mobile workforce, Moody's believe that any refinancing will need to be re-evaluated in the context of one to two quarters of disrupted operations. Therefore, Moody's is downgrading the company's CFR to B3 and withdrawing the ratings assigned in connection with the now postponed refinancing. The ongoing review explicitly acknowledges the uncertainty of Advantage's future performance and the limited timeframe the company has to address its July 2021 maturities.

Moody's review will focus on: the coronavirus' impact on Advantage's ability to retain customers, clients and operational performance; the details of any proposed refinancing, including the new capital structure and its impact on underlying financial risk; cash flow expectations; underlying operating trends, including growth prospects for the company's service offerings amid a weakening macroenvironment; potential for achievement of planned cost savings; and financial policy expectations.

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Description: Advantage Sales and Marketing Inc. is a business solutions provider to consumer products manufacturers and retailers. It provides outsourced sales, marketing and merchandising services primarily in the US and Canada and also in select markets abroad.

Officers: Tanya Domier (CEO); Brian G. Stevens (CFO & COO); Rekha Ramesh (Chief Information Officer); Melissa Oesterreich (Chief People Officer)

Securities: \$1.525 billion term loan due 2026;
\$300 million Euro-denominated term loan due 2026;
\$345 million senior secured notes due 2026;
\$800 million senior unsecured notes due 2027.

Notes: Update of Volume 28, Number 9 - TCP200302

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0486

Advaxis, Inc.
305 College Road East
Princeton, NJ 08540
(609) 452-9813

NAICS	325412
Employees	35
Revenue	(mil) \$ 20.88
Income	(mil) (\$ 16.61)
Assets	(mil) \$ 45.26
Liabilities	(mil) \$ 5.73
(for the year ended 10/31/19)	

Category: Loss/Deficit

Event: Advaxis, Inc. filed with the Securities and Exchange Commission its Quarterly Report on Form 10-Q reporting a net loss of \$7.86 million on \$3,000 of revenue for the three months ended Jan. 31, 2020, compared to net income of \$12.82 million on \$19.69 million of revenue for the three months ended Jan. 31, 2019.

As of Jan. 31, 2020, the Company had \$51.35 million in total assets, \$9.80 million in total liabilities, and \$41.55 million in total stockholders' equity.

The Company has sustained losses from operations in each fiscal year since its inception, and it expects losses to continue for the indefinite future. As of Jan. 31, 2020 and Oct. 31, 2019, the Company had an accumulated deficit of approximately \$392.1 million and \$384.3 million, respectively.

The Company has reduced its operating expenses to \$38.9 million for the fiscal year ended Oct. 31, 2019 as compared to \$76.4 million during the fiscal year ended Oct. 31, 2018. Furthermore, the Company expects operating expenses to be approximately \$29 million for fiscal year 2020, which includes approximately \$6 million in non-recurring costs related to programs that are winding down. Based on this and raising \$10.5 million in capital in January 2020, the Company expects to have sufficient capital to fund its obligations as they become due in the ordinary course of business until at least August 2021.

Description: Advaxis, Inc., is a late-stage biotechnology Company focused on the discovery, development and commercialization of proprietary *Listeria monocytogenes* (Lm) Technology antigen delivery products based on a platform technology that utilizes live attenuated Lm bioengineered to secrete antigen/adjuvant fusion proteins.

Officers: Kenneth Berlin (Pres. & CEO); Molly Henderson (EVP & CFO)

Auditor: Marcum LLP

Securities: Common stock symbol ADXS; NASDAQ; 60,244,843 shares of common stock outstanding as of Feb. 29, 2020.

Notes: Update of Volume 27, Number 52 - TCP191230

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0487

Advisor Group, Inc.

20 E. Thomas Rd. Suite 2000
Phoenix, AZ 85012
(866) 462-4432

NAICS 524113

Category: Low Rating

Event: Moody's Investors Service downgraded Advisor Group Holdings, Inc.'s Corporate Family Rating to B3 from B2. Moody's also downgraded to B2 from B1 Advisor Group's \$1,500 million senior secured term loan due 2026, its \$325 million senior secured revolving credit facility due 2024, and its \$500 million senior secured notes due 2028. Moody's also downgraded to Caa2 from Caa1 Advisor Group's \$413 million senior unsecured notes due 2027. Advisor Group's outlook is negative.

The rating action reflects the recent Federal Reserve Board cut to the fed funds rate to its new range of 0%-0.25%, that was actioned in response to the ongoing coronavirus pandemic, and the immediate effect the rate cut would have on Advisor Group's profitability.

The economic, operational and other consequences of the ongoing coronavirus pandemic are profound, and the magnitude and duration of these consequences remains fluid and uncertain. Similar to most of its peers, these matters present a fundamental credit challenge to Advisor Group.

Description: Advisor Group, Inc. (AGH), is among the largest networks of independent financial advisors in the U.S. with over 7,000 advisors. Its platform offers services including technology, sales, administrative, legal and compliance support.

Officers: Jamie Price (Pres. & CEO); Susan Theder (EVP & Chief Marketing Officer); Ed Obuchowski (Chief Technology Officer); Nina McKenna (Chief Legal Officer & General Counsel)

Securities: \$325 million senior secured revolving credit facility due 2024;
\$1.5 billion senior secured term loan due 2026;
\$500 million senior secured notes due 2028.

Notes: Update of Volume 28, Number 4 - TCP200127

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0488

Alaska Urological Institute, P.C.

188 W. Northern Lights Blvd. Suite 800
Anchorage, AK 99503
(907) 276-2803

NAICS 621111

Category: Bankruptcy

Event: Alaska Urological Institute, P.C., filed for Chapter 11 protection on March 25, 2020, with the U.S. Bankruptcy Court for the District of Alaska, case number 20-00086.

Description: Alaska Urological Institute, P.C., is a medical group specializing in urology, radiation oncology, registered dietitian or nutrition professional, nurse practitioner, family medicine, medical oncology, physician assistant, hematology/oncology, anesthesiology, plastic and reconstructive surgery and more.

Officers: William R. Clark (Pres. & Shareholder)

Attorneys: Cabot Christianson, Esq., at Law Offices of Cabot Christianson; Anchorage, AK; cabot@cclawyers.net

Estimated Assets: \$10 million to \$50 million

Estimated Liabilities: \$1 million to \$10 million

Notes: A copy of the petition is available for free at PacerMonitor.com at: <https://is.gd/DBQSXV>

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0489

Amazing Energy Oil and Gas, Co.

5700 W Plano Pkwy Suite 3600
Plano, TX
(972) 233-1244

NAICS	211120
Employees	5
Revenue	(mil) \$ 0.60
Income	(mil) (\$ 8.05)
Assets	(mil) \$ 10.81
Liabilities	(mil) \$ 9.71
(for the year ended 07/31/19)	

Category: Loss/Deficit

Event: Amazing Energy Oil and Gas, Co. filed with the Securities and Exchange Commission its Quarterly Report on Form 10-Q reporting a net loss of \$1.76 million on \$248,962 of total revenue for the three months ended Jan. 31, 2020, compared to a net loss of \$1.33 million on \$95,803 of total revenue for the three months ended Jan. 31, 2019.

For the six months ended Jan. 31, 2020, the Company reported a net loss of \$4.28 million on \$477,605 of total revenue compared to a net loss of \$2.72 million on \$225,828 of total revenue for the same period in 2019.

As of Jan. 31, 2020, the Company had \$14.63 million in total assets, \$15.73 million in total liabilities, and a total stockholders' deficit of \$1.10 million.

The Company has incurred operating losses since inception. As of Jan. 31, 2020, the Company has limited financial resources with which to achieve its objectives to obtain profitability and positive cash flows. At Jan. 31, 2020, the Company has an accumulated deficit of \$44,880,630 and a working capital deficit of \$7,047,377. Achievement of the Company's objectives will be dependent upon the Company's ability to obtain additional financing, to locate profitable oil and gas properties and to generate revenue from current and planned business operations, and control costs.

Description: Amazing Energy Oil and Gas, Co., engages in the exploration, development, and production of oil and gas in Texas, the United States. In addition, the company provides oilfield services to oil and gas well owners.

Officers: Willard McAndrew III (CEO); Benjamin Jacobson III (CFO); David Arndt (COO)

Auditor: DeCoria, Maichel & Teague, P.S.

Securities: Common stock symbol AMAZ; OTCQX; 98,101,232 shares of common stock outstanding as of Mar. 16, 2020.

Notes: Update of Volume 28, Number 1 - TCP200106

[Prospector Profile Categories and data qualification](#)

**Prospector
Profile**

20.0490

Armata Pharmaceuticals, Inc.

4503 Glencoe Avenue
Marina del Rey, CA 90292
(858) 829 0829

NAICS	325414
Employees	33
Revenue	(mil) \$ 0.00
Income	(mil) (\$ 19.48)
Assets	(mil) \$ 25.45
Liabilities	(mil) \$ 10.86
(for the year ended 12/31/19)	

Category: Audit Concerns

Event: Armata Pharmaceuticals, Inc. filed with the Securities and Exchange Commission its Annual Report on Form 10-K reporting a net loss of \$19.48 million on \$0 of revenue for the year ended Dec. 31, 2019, compared to a net loss of \$16.70 million on \$0 of revenue for the year ended Dec. 31, 2018.

As of Dec. 31, 2019, the Company had \$25.45 million in total assets, \$10.86 million in total liabilities, and \$14.59 million in total stockholders' equity.

As of Dec. 31, 2019, Armata held \$6.0 million of unrestricted cash and cash equivalents as compared to \$9.7 million as of Dec. 31, 2018. Subsequent to the end of the fourth quarter, the Company announced that it had entered into a \$25 million private placement securities agreement with Innoviva. The first tranche, in which Armata issued 993,139 common shares and warrants to purchase an additional 993,139 common shares in exchange for gross proceeds of approximately \$2.8 million, closed in February.

Ernst & Young LLP, in San Diego, California, the Company's auditor since 2019, issued a "going concern" qualification in its report dated March 19, 2020 citing that the Company has suffered recurring losses and negative cash flows from operations and has stated that substantial doubt exists about the Company's ability to continue as a going concern.

Description: Armata Pharmaceuticals, Inc., formerly known as AmpliPhi Biosciences Corporation, is a clinical-stage biotechnology company focused on the development of precisely targeted bacteriophage therapeutics for the treatment of antibiotic-resistant infections using its proprietary bacteriophage-based technology. Armata is developing and advancing a broad pipeline of natural and synthetic phage candidates, including clinical candidates for *Pseudomonas aeruginosa*, *Staphylococcus aureus*, and other pathogens.

Officers: Brian Varnum, Ph.D. (Pres. & Chief Development Officer); Todd R. Patrick (CEO); Steve R. Martin (CFO); Duane Morris (VP - Operations)

Auditor: Ernst & Young LLP

Securities: Common stock symbol ARMP; NYSEAMERICAN; 10,927,032 shares of common stock outstanding as of Mar. 3, 2020.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0491

Blue Ribbon Intermediate Holdings LLC

10635 Santa Monica Blvd. Suite 350
Los Angeles, CA 90025
(800) 947-2278

NAICS 312120

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Blue Ribbon Intermediate Holdings LLC and its issue-level rating on its first-lien credit facilities to 'CCC' from 'B-' with an unchanged recovery rating of '3' (60% rounded estimated recovery) on its first lien term loan and revolver.

The downgrade reflects constrained liquidity, risk of a covenant breach, and refinancing risk as a result of near-term debt maturities. Blue Ribbon's inability to renew its revolver for a longer-term (well beyond 12 months) demonstrates that the company depends on favorable business, financial, and economic conditions over the next six to 12 months to improve its liquidity position. Moreover, the heightened volatility in the debt capital markets would make it especially difficult for the company to refinance its debt in the near term, including its revolver maturing in September and its first-lien term loan that comes current in November 2020. Although the company can likely fund its operating needs without drawing on the cash portion of its revolver, it may not have the liquidity to fund its brewery agreement with Molson Coors without the support of the standby letter of credit that backstops Blue Ribbon's brewing payments to Molson Coors, its outsourced brewer. This could pose a risk to its relationship with Molson Coors and the supply of brewing volumes from the company. In addition, the company's revolver agreement requires it to maintain a maximum leverage covenant, which stepped down to 6.5x from 6.75x on Dec. 31, 2019. S&P believes the company could violate this covenant over the next few quarters to the extent sales volumes materially fall off and if the company is unable to offset the softness with cost savings, a more distinct possibility given the eroding economic outlook in response to the coronavirus' impact on the global economy. Given this significant degree of economic uncertainty and possibility of a covenant default, the company may not be able to obtain covenant relief and successfully refinance the debt coming due in its capital structure.

The negative outlook reflects the possibility of an additional downgrade if S&P believes a default is inevitable within six months.

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Description: Blue Ribbon Intermediate Holdings LLC was formed by Great American Brewing Company, an investment vehicle owned by beverage industry entrepreneur Eugene Kashper, and investment entities affiliated with TSG Consumer Partners LLC to facilitate their purchase of Pabst Brewing Company. Pabst owns no breweries, but instead, it contracts with MillerCoors to actually manufacture its beers, while Pabst retains the brand ownership of and does the marketing for its stable of blue-collar brands (including Pabst Blue Ribbon, Blatz, Pearl, Lone Star, Old Milwaukee, Old Style, Schlitz, and Colt 45).

Officers: Eugene Kashper (Chairman & CEO - Pabst); Eric Tis (CFO - Pabst); Brian Smith (Chief Sales Officer - Pabst); Bill Williamson (Chief Supply Chain Officer - Pabst)

Securities: \$395 million first-lien term loan due 2021;
\$130 million second-lien facility due 2022.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0492

Boyd Gaming Corporation

3883 Howard Hughes Parkway, Ninth Floor
Las Vegas, NV 89169
(702) 792-7200

NAICS	713910
Employees	24,300
Revenue	(mil) \$ 3,326.12
Income	(mil) \$ 157.64
Assets	(mil) \$ 6,650.14
Liabilities	(mil) \$ 5,384.90
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Boyd Gaming Corporation's Corporate Family Rating to B2 from B1 and Probability of Default Rating to B2-PD from B1-PD. The company's senior secured revolver and term loans were downgraded to Ba3 from Ba2, and the company's senior unsecured notes were downgraded to Caa1 from B3. The company's Speculative Grade Liquidity rating was downgraded to SGL-3 from SGL-2. The outlook is negative.

The downgrade of Boyd's CFR is in response to the disruption in casino visitation resulting from efforts to contain the spread of the coronavirus including recommendations from federal, state and local governments to avoid gatherings and avoid non-essential travel. These efforts include mandates to close casinos on a temporary basis. The downgrade also reflects the negative effect on consumer income and wealth stemming from job losses and asset price declines, which will diminish discretionary resources to spend at casinos once this crisis subsides.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The gaming sector has been one of the sectors most significantly affected by the shock given its sensitivity to consumer demand and sentiment. More specifically, the weaknesses in Boyd's credit profile, including its exposure to travel disruptions and discretionary consumer spending have left it vulnerable to shifts in market sentiment in these unprecedented operating conditions and Boyd remains vulnerable to the outbreak continuing to spread.

Description: Boyd Gaming Corporation wholly owns and operates gaming and entertainment facilities located in Nevada, Mississippi, Illinois, Louisiana, and Indiana. The company is also 50% partner in a joint venture that owns and operates the Borgata Hotel Casino in Atlantic City, N.J.

Officers: William S. Boyd (Chairman); Keith E. Smith (Pres. & CEO); Marianne Boyd Johnson (Vice Chair & EVP); Josh Hirsberg (EVP, CFO & Treas.)

Auditor: Deloitte & Touche LLP

Securities: See addendum, next page.

Notes: Update of Volume 24, Number 20 - TCP160516

[Prospector Profile Categories and data qualification](#)

Common Stock Symbol BYD; NYSE; 111,607,470 shares of common stock outstanding as of Feb. 20, 2020.

\$1.30 billion 3.753 % bank credit facility;
\$750 million 6.375% senior notes due 2026;
\$700 million 6.000% senior notes due 2026;
\$1 billion 4.750% senior notes due 2027.

*Prospector
Profile*

20.0493

Callon Petroleum Company

2000 W. Sam Houston Parkway South Suite 2000
Houston, TX 77042
(281) 589-5200

NAICS	211120
Employees	475
Revenue	(mil) \$ 671.57
Income	(mil) \$ 67.93
Assets	(mil) \$ 7,194.84
Liabilities	(mil) \$ 3,971.53

(for the year ended 12/31/19)

Category: Low Rating

Event: Moody's Investors Service downgraded Callon Petroleum Company's Corporate Family Rating to B3 from B1, Probability of Default Rating to B3-PD from B1-PD and the ratings on its senior unsecured notes to Caa1 from B2. The Speculative Grade Liquidity rating was downgraded to SGL-3 from SGL-2. The outlook has been revised to negative from stable.

The downgrade of Callon Petroleum's ratings reflects the decline in commodity prices and the impact it will have on the company's cash flows and liquidity.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The E&P sector has been one of the sectors most significantly affected by the shock given its sensitivity to demand and oil prices. Moody's regard the coronavirus outbreak as a social risk under its ESG framework, given the substantial implications for public health and safety. The action reflects the impact on Callon's credit quality of the breadth and severity of the oil demand and supply shocks, and the broad deterioration in credit quality it has triggered.

Description: Callon Petroleum Company is an independent exploration and production company with operations in the Permian Basin and the Eagle Ford Shale in Texas.

Officers: Joseph C. Gatto, Jr. (Pres. & CEO); James P. Ulm II (SVP & CFO); Jeff Balmer, PHD (SVP & COO); Gregory F. Conaway (VP & Chief Accounting Officer)

Auditor: Grant Thornton LLP

Securities: Common stock symbol CPE; NYSE; 396,684,449 shares of common stock outstanding as of Feb. 21, 2020.

- \$650 million 6.25% senior notes due 2023;
- \$1.28 billion senior secured revolving credit facility due 2024;
- \$600 million 6.125% senior notes due 2024;
- \$250 million 8.25% senior notes due 2025;
- \$400 million 6.375% senior notes due 2026.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0494

CBAC Gaming, LLC
1525 Russell St.
Baltimore, MD 21230
(844) 777-7463

NAICS 721120

Category: Low Rating

Event: Moody's Investors Service downgraded CBAC Gaming, LLC's Corporate Family Rating to Caa2 from Caa1 and Probability of Default Rating to Caa2-PD from Caa1-PD. The company's senior secured revolver and term loan were downgraded to Caa2 from Caa1. The outlook is negative.

The downgrade of CBAC's CFR is in response to the disruption in casino visitation resulting from efforts to contain the spread of the coronavirus including recommendations from federal, state and local governments to avoid gatherings and avoid non-essential travel. These efforts include mandates to close casinos on a temporary basis. The downgrade also reflects the negative effect on consumer income and wealth stemming from job losses and asset price declines, which will diminish discretionary resources to spend at casinos once this crisis subsides.

CBAC's Caa2 CFR reflects the meaningful earnings decline over the next few months expected from efforts to contain the coronavirus and the potential for a slow recovery once properties reopen. The rating also reflects the company's small, single property, geographically concentrated gaming operations, high debt/EBITDA relative to its scale of operations and competition from the expansion of Live!, its closest competitor, and MGM's National Harbor casino. CBAC's gaming revenue was pressured due to competition in the market even before the coronavirus outbreak. As a casino operator, social risk is elevated, as evolving consumer preferences related to entertainment choices and population demographics may drive a change in demand away from traditional casino-style gaming. Positive credit consideration is given to the population density of the Washington D.C. to Baltimore area that should enable the market to eventually absorb the new supply and management by Caesars and access to its loyalty program.

"

Description: CBAC Gaming, LLC is a joint venture between Caesars Entertainment, Rock Gaming, CVPR Gaming Holdings, STRON-MD and PRT Two. CBAC developed and opened the Horseshoe Baltimore casino in Baltimore, Maryland, on August 26, 2014. Horseshoe Baltimore features more than 2,200 slot machines, including more than 150 video poker machines, a 25-table WSOP Poker Room and over 150 table games.

Notes: Update of 28, Number 8 - TCP200224

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0495

Centennial Resource Production, LLC

NAICS 211120

1001 17th Street Suite 1800
Denver, CO 80202
(720) 499-1400

Category: Low Rating

Event: Moody's Investors Service downgraded Centennial Resource Production, LLC's Corporate Family Rating to B3 from B1, Probability of Default Rating to B3-PD from B1-PD and ratings on its senior unsecured notes to Caa2 from B3. Speculative Grade Liquidity Rating was downgraded to SGL-4 from SGL-3. The rating outlook is changed to negative from stable.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The independent exploration and production sector has been one of the sectors most significantly affected by the shock given its sensitivity to consumer demand and sentiment. More specifically, the weaknesses in CRP's credit profile have left it vulnerable to shifts in market sentiment in these unprecedented operating conditions and CRP remains vulnerable to the outbreak continuing to spread. Moody's regards the coronavirus outbreak as a social risk under its ESG framework, given the substantial implications for public health and safety. The action reflects the impact on CRP of the breadth and severity of the shock, and the broad deterioration in credit quality it has triggered.

The Caa2 rating on CRP's senior unsecured notes stands two notches below the B3 CFR reflecting the relatively large size of the senior secured revolving bank facility and the effective subordination of the notes to CRP's obligations.

Description: Centennial Resource Production, LLC, is a medium-sized independent oil and gas producer in the Delaware Basin, West Texas, which is a 96%-owned and fully consolidated subsidiary of Centennial Resource Development, Inc.

Officers: Mark G. Papa (Chairman & CEO - Centennial Resource Development, Inc.)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0496

Cooper's Hawk Intermediate Holding, LLC

430 East Plainfield Road
 Countryside, IL 60525
 (708) 215-5674

NAICS 722511
 Employees 1,434

Category: Low Rating

Event: Moody's Investors Service downgraded Cooper's Hawk Intermediate Holding LLC's corporate family rating to Caa1 from B3, its probability of default rating to Caa2-PD from Caa1-PD, its first lien senior secured bank facilities rating to Caa1 from B3. The outlook was changed to negative from stable.

The downgrade considers the closure of in-store dining units across the restaurant industry due to community efforts to contain the spread of the coronavirus. While Cooper's will benefit from its active wine club sales that will help offset a portion of fixed costs, leverage prior to this event was high as a result of the 2019 recapitalization. Due to the anticipated decline in EBITDA, debt/EBITDA is expected to increase above 8.0x and EBIT/interest will deteriorate to around 1.0x. Cooper's cash balances plus the revolver draw approximate \$50 million which will enable the company to meet its obligations even if the closures last for several months. The negative outlook reflects uncertainty around the duration of unit closures and pace of rebound once the pandemic begins to subside.

Cooper's Hawk's rating is constrained by: 1) its small size relative to its rated restaurant peers, with annual revenue for 2019 that will approximate \$350 million; 2) high financial leverage which is expected to exceed 8.0 times Moody's-adjusted debt-to-EBITDA; 3) limited geographic diversification, with new restaurant openings involving execution risk and material capital outlays that will constrain free cash flow for the foreseeable future; 4) susceptibility to discretionary consumer spending patterns and regional economic factors; 5) the company's majority private equity ownership, which could lead to more aggressive financial policy over time; and 6) its adequate liquidity profile.

"

Description: Cooper's Hawk Intermediate Holding, LLC, is an experiential concept restaurant chain that also features the largest wine club in the US. The company currently operates 40 restaurants, which also serve as the primary pickup location for recurring monthly wine purchases by its wine club members.

Officers: Tim McEnery (Founder & CEO); Michael Coyne (CFO)

Notes: Update of Volume 27, Number 43 - TCP191028

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0497

Covenant Surgical Partners Inc.

401 Commerce St #600
Nashville, TN 37219
(615) 345-6900

NAICS 621493

Category: Low Rating

Event: Moody's Investors Service placed the ratings of Covenant Surgical Partners, Inc. under review for downgrade. These include the B3 Corporate Family Rating, B3-PD Probability of Default Rating, B2 Senior Secured 1st Lien Bank Credit Facility, and Caa2 Senior Secured 2nd Lien Bank Credit Facility.

Notwithstanding the review for downgrade, Covenant Physician Partners' credit profile is constrained by its modest size relative to larger competitors, as well as the company's high financial leverage. Covenant Surgical also faces risks associated with its significant concentration in colonoscopy and gastroenterology procedures, which together with related services, account for nearly 74% of revenues. This risk is amplified with the coronavirus pandemic which has called for a deferral of elective procedures including routine colonoscopies. The company also deploys an aggressive acquisition strategy, which is often debt funded. While there is risk associated with integrating multiple acquisitions, Covenant Surgical has recently made investments in its systems and infrastructure that should allow it to support a larger revenue base.

Moody's considers coronavirus to be a social risk given the risk to human health and safety. Aside from coronavirus, Covenant Physician Partners faces other social risks as well such as the rising concerns around the access and affordability of healthcare services. However, Moody's does not consider the ASCs to face the same level of social risk as hospitals as ASCs are viewed as an affordable alternative to hospitals for elective procedures. From a governance perspective, Moody's views Covenant Physician Partners' financial policies as aggressive given the company's aggressive debt funded acquisition strategy. The credit profile reflects the risks inherent in a rapid growth strategy, including the potential for operational disruptions, but Moody's acknowledges the company's track record of effectively adding ASCs.

"

Description: Covenant Surgical Partners Inc. owns and operates ambulatory surgery centers in the United States.

Officers: Lew Little (CEO); Rich Fogle (CFO & EVP); Jason Dean (SVP & Chief Accounting Officer); Yousif A-Rahim M.D. Ph.D. (Chief Medical Officer); Beth Wampler (SVP & Chief HR Officer)

Securities: \$35 million revolving credit facility expiring 2024;
\$250 million first-lien term loan due 2026;
\$100 million second-lien term loan due 2027.

Notes: Update of Volume 27, Number 26 - TCP190701

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0498

CPI Card Group Inc.
10026 West San Juan Way
Littleton, CO 80127
(720) 681-6304

NAICS	522210
Employees	1,100
Revenue	(mil) \$ 278.07
Income	(mil) (\$ 4.45)
Assets	(mil) \$ 213.49
Liabilities	(mil) \$ 365.92
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service affirmed CPI Card Group Inc.'s Caa1 Corporate Family Rating and Caa1-PD Probability of Default Rating. Additionally, Moody's affirmed the Caa1 rating on the senior secured first lien term loan of CPI Acquisition, Inc. (the debt-issuing subsidiary of CPI) and assigned a B1 rating to the new super senior term loan. Moody's upgraded the Speculative Grade Liquidity Rating to SGL-3 from SGL-4. The outlook remains negative.

CPI's Caa1 CFR reflects the company's high pro forma leverage of 9.2x debt-to-EBITDA (Moody's adjusted based on FYE December 31, 2019 and new debt facility), negative but improving free cash flow generation, and growing refinancing risk due to approaching maturities of the existing credit facilities that will become current in May and August of 2021. These risks are partially mitigated by improvement in the company's operating performance over the past two years due to increases in EMV card volumes, the beginning of conversion to dual interface cards with higher selling prices, and a simplified cost structure as a result of the company's cost reduction initiatives. Moody's expects EMV and dual-interface card production volumes to continue to increase in 2020, while prices will remain flat to slightly growing as small and medium size issuers begin conversion to dual interface cards. This should support at least a mid-single digit revenue growth and a further improvement in EBITDA margins, leading to a decline in debt-to-EBITDA to 7.5x over the next year.

The negative outlook reflects CPI's high financial leverage and the uncertainty related to the company's ability to refinance its existing credit facilities which mature in May 2022 and August 2022. While the continued improvement in operating performance will benefit credit metrics, there is an elevated risk that CPI will be challenged to refinance its existing capital structure at a manageable cost. A prolonged coronavirus outbreak could dampen the company's operating performance and delay the ability to de-leverage.

Description: CPI Card Group Inc., together with its subsidiaries, engages in the design, production, data personalization, packaging, and fulfillment of financial payment cards. It operates through three segments: U.S. Debit and Credit, U.S. Prepaid Debit, and U.K. Limited.

Officers: Scott Scheirman (Pres. & CEO); John Lowe (CFO); Kevin O'Brien (Chief Accounting Officer)

Auditor: KPMG LLP

Securities: Common stock symbol PMTS; NASDAQ; 11,224,191 shares of common stock outstanding as of Feb. 20, 2020.

\$312.50 million 6.71% first lien term loan matures August 17, 2022.

Notes: Update of Volume 28, Number 11 - TCP200316

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0499

Cvent, Inc.

1765 Greensboro Station PL 7th floor
McLean, VA 22102
(703) 226-3500

NAICS 518210
Employees 1,910

Category: Low Rating

Event: Moody's Investors Service downgraded Cvent, Inc.'s corporate family rating to Caa1 from B3, its probability of default rating to Caa1-PD from B3-PD and the senior secured first lien revolver and term loan to Caa1 from B3. The rating outlook was revised to Negative from Stable. The downgrade reflects anticipated deterioration in Cvent's financial performance and liquidity as broad-based coronavirus containment measures result in cancellations of in-person meetings and events for which Cvent provides technology.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The meeting and events industry have been one of the sectors most significantly affected by the shock given its sensitivity to coronavirus containment measures.

The company's liquidity position is considered weak. Liquidity is currently supported by over \$150 million of available cash which includes its fully-drawn \$40 million revolving credit facility. Moody's expects that projected EBITDA deterioration increases the risk of a covenant breach. However, the credit facility provides an equity cure feature. The corporate family rating incorporates Moody's expectation that the company will avail itself of the equity cure. Moody's expects Cvent's free cash flow to remain negative through 2020.

The Caa1 rating assigned to the senior secured first lien senior revolving credit facility due 2021 and term loan due 2024 reflects both the Caa1-PD PDR and a Loss Given Default (LGD) assessment of LGD3. The first lien facilities are secured on a first lien basis by substantially all property and assets of Cvent.

Description: Cvent, Inc., provides cloud-based enterprise event management software to event and meeting planners and venues, mostly in North America.

Officers: Rajeev K. Aggarwal (Chairman & CEO); Brian Ludwig (SVP - Sales); David Quattrone (Chief Technology Officer); Pradeep Mannakkara (SVP & Chief Information Officer)

Auditor: KPMG LLP

Notes: Update of Volume 24, Number 48 - TCP161128

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0500

Del Monte Foods Inc.
3003 Oak Road
Walnut Creek, CA 94598
(925) 949-2772

NAICS 311421
Employees 2,500

Category: Low Rating

Event: Moody's Investors Service downgraded ratings of Del Monte Foods, Inc., including its Corporate Family Rating to Caa2 from Caa1, Probability of Default Rating to Caa2-PD from Caa1-PD, first lien senior secured debt to Caa2 from Caa1, and Speculative Grade Liquidity to SGL-4 from SGL-3. Finally, Moody's revised the outlook to negative from positive.

The rating actions stem from the company's unexpected cancellation of a proposed \$575 million senior secured notes offering due to unfavorable market conditions caused by coronavirus (COVID-19) related disruptions. The previously assigned Caa2 instrument rating on the proposed senior secured notes have been withdrawn.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. Moody's regards the coronavirus outbreak as a social risk under its ESG framework, given the substantial credit implications of public health and safety.

The Caa2 Corporate Family Rating primarily reflects Del Monte's large near-term debt maturities, high financial leverage, and execution risk related to ongoing asset-lite restructuring activities. The company's ratings are supported by the strength of the Del Monte brand, which holds leading shares in core shelf stable fruits and vegetables. The ratings also reflect a history of liquidity support provided by parent company Del Monte Pacific Ltd. (not rated) that Moody's expects will continue.

"

Description: Del Monte Foods Inc. cultivates, grows, produces, and supplies vegetables, fruits, and tomatoes in the United States. The Company also produces and distributes private label food products. Del Monte Foods, Inc., operates as a subsidiary of Del Monte Pacific Limited.

Officers: Gregory N. Longstreet (Pres. & CEO); Gene Allen (CFO); Bibie Wu (Chief Marketing Officer); Eric Ingram (Chief HR Officer)

Securities: \$671 million outstanding first-lien senior secured term loan due February 2021;
\$260 million outstanding second-lien senior secured term loan due August 2021;
Proposed \$575 million senior secured notes due 2027.

Notes: Update of Volume 28, Number 12 - TCP200323

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0501

Echo Energy Partners I, LLC
 909 Fannin Street Suite 4000
 Houston, TX 77010
 (405) 753-4232

NAICS 211120

Category: Bankruptcy

Event: Echo Energy Partners I, LLC, filed for Chapter 11 protection on March 24, 2020, with the U.S. Bankruptcy Court for the Southern District of Texas, case number 20-31920, before Judge David R. Jones.

Description: Echo Energy Partners I, LLC, is an upstream oil and gas firm that partners with financial institutions, pension funds, family offices, and high net worth individuals. Echo currently manages assets in the SCOOP, STACK, Midland, and Delaware basins in Oklahoma, and Texas.

Officers: John T. Young, Jr. (Manager)

Attorneys: William A. (Trey) Wood III, Esq., and Jason G. Cohen, Esq., at Bracewell LLP; Houston, TX; (713) 221-2300; Trey.Wood@Bracewell.com

Estimated Assets: \$50 million to \$100 million

Estimated Liabilities: \$100 million to \$500 million

Notes: A copy of the petition is available for free at PacerMonitor.com at: <https://is.gd/WdfOga>

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0502

Edelman Financial Engines, LLC

4000 Legato Road 9th Floor
Fairfax, VA 22033
(888) 752-6742

NAICS 541611

Category: Low Rating

Event: Moody's Investors Service has downgraded Edelman Financial Engines, LLC's Corporate Family Rating to B3 from B2 and its Probability of Default Rating to B3-PD from B2-PD. Moody's has also downgraded Edelman's first lien senior secured credit facilities, which consist of a \$1,440 million term loan and a \$150 million revolving credit facility, to B2 from B1. Additionally, Moody's has downgraded Edelman's \$475 million second lien term loan to Caa2 from Caa1. The outlook is stable.

The downgrade reflects its expectation that the extreme market declines and increasing economic uncertainty unleashed by the coronavirus outbreak will have a significant impact on Edelman's revenues and earnings in 2020. Consequently, Moody's expects that Edelman's leverage (adjusted debt/EBITDA) could increase to the 7x-8x range in 2020 from 6.5x at year-end 2019. The downgrade also reflects the potential for asset outflows in 2020 driven by increased cancelations and lower sales, particularly on the 401(k) side, should unemployment rise. The current market stress is also occurring against a general industry backdrop of fee rate compression across the retail managed account space, stemming from intense technology-driven competition.

Prior to the current coronavirus-driven market correction, Edelman's leverage was elevated relative to its expectations for the rating level. In 2019, EBITDA was lower than expected due to lower fee revenue resulting from the market-to-market impact of Q4 2018 volatility on beginning period AUM, one-time fee rate reductions in retail, and fee rate compression in workplace. Prospectively, Moody's expects the operating environment will make it extremely difficult for the company to achieve significant deleveraging.

Description: Edelman Financial Engines, LLC, is a managed account and independent Registered Investment Advisor firm providing integrated financial planning and investment management services in the United States.

Officers: Lawrence Raffone (Pres. & CEO); Mario Ramos (EVP, CFO & Chief Risk Officer); Joe Nedder (EVP, COO & Chief HR Officer)

Securities: \$150 million revolving credit facility, due July 2023;
\$1.4 billion first Lien Term Loan, due July 2025;
\$475 million second Lien Term Loan, due July 2026.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0503

EyeCare Partners, LLC

15933 Clayton Road, Suite 210
Ballwin, MO 63011
(636) 227-2600

NAICS 621320

Category: Low Rating

Event: Moody's Investors Service placed the ratings of EyeCare Partners, LLC under review for downgrade. These include the B3 Corporate Family Rating, B3-PD Probability of Default Rating, B2 rating on the senior secured revolving credit facility and first lien term loans, and Caa2 rating on the second lien term loan.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented.

Notwithstanding the review for downgrade, ECP's B3 Corporate Family Rating reflects its high pro forma adjusted leverage of 7.6x, and the risks associated with the company's rapid expansion strategy as it grows, predominantly through acquisitions. Further, the company has recently made several large acquisitions, and as a result, the company's EBITDA is highly prospective. The company's track record as a scalable platform is somewhat limited although ECP acquires eyecare practices that often have long track records in operation. The B3 also reflects moderate geographic concentration, with around 42% of revenue generated in two states, Michigan and Missouri. In addition, while e-commerce penetration in the optical sector is likely to remain low, Moody's expects that, over time, traditional optical retailers will face margin and market share pressure from growing online competition. The credit profile is also constrained by the non-emergent nature of many of the procedures performed in its ambulatory surgery centers (ASCs), meaning that patients can delay/forego treatment as per guidelines during the coronavirus global pandemic or in times of economic weakness.

Description: EyeCare Partners, LLC, provides eye care services. The Company offers eye care practices, treatment, eye wears, lenses, and other related products and services.

Officers: Kelly McCrann (CEO); Kathy Shea (CFO); Lisa Shapleigh (Chief HR Officer); Doug Rutledge (Chief Information Officer); David Weiss (SVP - Strategy & General Counsel)

Securities: \$110 million senior secured revolver expiring 2025;
\$725 million senior secured first lien term loan due 2027;
\$175 million senior secured delayed draw first lien term loan due 2027;
\$175 million senior secured second lien term loan due 2028.

Notes: Update of Volume 28, Number 4 - TCP200127

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0504

Form Technologies LLC

11325 N Community House Rd Suite 300
Charlotte, NC 28277
(704) 927-2790

NAICS 332999
Employees 5,510

Category: Low Rating

Event: Moody's Investors Service downgraded its ratings for Form Technologies LLC, including the corporate family rating (CFR, to Caa2 from B3) and probability of default rating (to Caa2-PD from B3-PD). Concurrently, Moody's downgraded the ratings on the company's first-lien senior secured revolving credit facility and term loan (to Caa1 from B2), and its second-lien senior secured term loan (to Caa3 from Caa2). The ratings outlook is negative.

The downgrades reflect Moody's expectation of weakening market conditions in the company's automotive and energy end-markets, and more broadly a weakening macroeconomic environment which will be exacerbated by the current coronavirus crisis.

Form Technologies' Caa2 CFR broadly reflects its very high leverage and weak liquidity position. The company's revenue declines are largely being driven by end-market softness, more acutely in its automotive and energy segments. Key credit metrics, including financial leverage and interest coverage, are expected to weaken from current levels, with debt-to-EBITDA increasing from an already high 7.8x (including Moody's standard adjustments) approaching 9.0x by December 2020 and EBITA-to-interest falling below 1.0x from 1.1x at present. The Caa2 CFR also incorporates increasing refinancing risk related to the company's sizable debt maturities that come due in less than two years. Further deterioration in operating performance would erode liquidity and render more difficult the company's ability to make timely debt service payments while remaining in compliance with its maintenance-based financial covenants.

Form Technologies' weak liquidity profile is characterized by Moody's expectation of negative free cash flow generation in 2020 and increased reliance on revolver borrowings to fund operations, resulting in less certain compliance with maintenance financial covenants under the company's bank credit facility.

"

Description: Form Technologies LLC, formerly known as Dynacast International, is a global manufacturer of small precision, engineered metal components utilizing die cast and metal injection molding technologies as well as precision investment casting capabilities.

Officers: Mike Grunza (Pres. & CEO); Keith Weidman (CFO); Adrian Murphy (EVP & Chief Administrative Officer); Tom Kerscher (Chief Sales Officer)

Securities: \$50 million senior secured revolving credit facility due 2020;
\$530 million first lien term loan due 2022;
\$170 million second lien term loan due 2023.

Notes: Update of Volume 27, Number 38 - TCP190923

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0505

Gateway Casinos & Entertainment Limited

100-4400 Dominion Street
Burnaby, BC, Canada BC V5G 4G3
(604) 412-0166

NAICS 721120
Employees 8,200

Category: Low Rating

Event: Moody's Investors Service downgraded Gateway Casinos & Entertainment Limited's corporate family rating to Caa2 from B3, probability of default rating to Caa2-PD from B3-PD, senior secured first lien ratings to B2 from Ba3, and senior secured second lien notes rating to Caa3 from Caa1. The outlook was changed to negative from stable.

The rating action reflects Moody's view of an increased risk of default associated with uncertainty around the repayment or refinancing of its \$150 million PIK Holdco debt due April 2022 and a material reduction in cash flows due to the coronavirus outbreak.

This action follows government directives to suspend gaming operations in British Columbia and Ontario due to the coronavirus outbreak. Declining patronage and challenging economic conditions will pressure Gateway's cash flows through 2020 and lead to the postponement of key growth capital investments. Revenue loss in 2020 will drive a steep decline in EBITDA generation and a sharp increase in leverage towards 15x in 2020. Although Moody's expects leverage to decline back towards 8x in 2021, Gateway will face heightened refinancing risk associated with the \$150 million PIK Holdco term loan due April 2022. The current environment also introduces uncertainty around the closure of the previously announced deleveraging transaction for a reverse merger with Leisure Acquisition Corp.(Lesiure), a special acquisition purpose company (SPAC), which may not receive adequate support from Leisure shareholders. The transaction would provide funds earmarked to pay down the \$150 million term loan, and in the absence of the deal, default risk will increase substantially.

Description: Gateway Casinos & Entertainment Limited is a gaming and entertainment company that currently operates 27 gaming properties located in Ontario, British Columbia and Alberta. The company is majority owned by The Catalyst Capital Group Inc.

Officers: Anthony F. Santo (Pres. & CEO); Robert Ward (COO); Tolek Strukoff (Chief Legal & Administrative Officer); Jagtar Nijjar (EVP - Development & Construction)

Securities: C\$150 million senior secured first lien revolving credit facility due 2023;
US\$255 million senior secured second lien notes due 2024;
US\$440 million senior secured first lien term loan B due 2025.

Notes: Update of Volume 27, Number 45 - TCP191111

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0506

GK Holdings Inc.

9000 Regency Parkway, Suite 400
Cary, NC 27518
(800) 268-7737

NAICS 511210
Employees 1,314

Category: Low Rating

Event: Moody's Investors Service downgraded its ratings for GK Holdings, Inc., including the company's corporate family rating (CFR, to Ca from Caa2) and probability of default rating (to Ca-PD from Caa2-PD), along with its senior secured first lien bank credit facilities (to Caa3 from Caa1) and senior secured second lien term loan (to C from Caa3). The ratings outlook remains negative.

The downgrades reflect heightened refinancing risk given upcoming debt maturities, continued deterioration in operating results, a very levered balance sheet and weak liquidity. Growing macroeconomic weakness will further reduce demand volumes, which in turn will pressure earnings and result in a much more cash absorptive profile over the course of 2020, increasing the risk of default.

Global Knowledge's Ca CFR broadly reflects the company's weak liquidity and rising refinancing risk given its upcoming debt maturities, declining operating performance and very high leverage (8.4x at December 2019). Lower volumes continue to weaken earnings and prompt cash burn, further eroding liquidity and exacerbating already weak key credit metrics. The rating also reflects Global Knowledge's small scale relative to other rated business services companies, and the secular decline in its traditional in-classroom training services in North America, the company's largest operating region. Global Knowledge's governance risk is high as evidenced by its history of employing significant debt funding and an ensuing highly leveraged balance sheet. Nonetheless, Global Knowledge's rating is supported by the company's wide geographic footprint, a highly diversified customer base and ongoing cost reduction initiatives to enhance operating efficiencies, which should support profitability margins over time.

"

Description: GK Holdings Inc. (Global Knowledge) provides information technology and business skills training solutions for corporations and their employees. The company offers courses in multiple languages including vendor-specific training for Cisco, Microsoft, IBM, Avaya, Red Hat, VMware and Citrix technologies and certifications.

Officers: Todd Johnstone (CEO); Bill Garrett (CFO & EVP); Nurali Jamani (COO); Kerrie McCullough (VP - HR); Jim Gruskin (SVP - Strategy)

Securities: \$20 million senior secured revolving credit facility due December 2020;
\$175 million senior secured term loan due January 20, 2021;
\$50 million second lien term loan due January 20, 2022.

Notes: Update of Volume 27, Number 14 - TCP190408

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0507

GNC Holdings, Inc.
300 6th Avenue
Pittsburgh, PA 15222
(412) 288-4600

NAICS	446191
Employees	12,400
Revenue	(mil) \$ 2,068.19
Income	(mil) (\$ 35.11)
Assets	(mil) \$ 1,650.59
Liabilities	(mil) \$ 1,646.45
(for the year ended 12/31/19)	

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on U.S.-based GNC Holdings Inc. (GNC) to 'CC' from 'CCC+' and placing all ratings on CreditWatch with negative implications. The CreditWatch placement indicates that S&P could lower the rating to 'D' (default) or 'SD' (selective default) if the company fails to repay the debt installment or engages in a debt restructuring in the next 90 days.

The downgrade reflects the company's recent announcement that it does not expect to have sufficient cash flow from operation to repay its \$154.7 million convertible notes due in August 2020 and \$441.5 million of term loan B-2 due in March 2021, with a springing maturity date of May 2020.

The CreditWatch negative placement reflects S&P's expectation that a restructuring or default is inevitable barring unforeseen developments. S&P could lower the ratings to 'D' (default) or 'SD' (selective default) if the company fails to repay the debt installment or engages in a debt restructuring in the next 90 days.

Description: GNC Holdings, Inc. (General Nutrition Centers), is a specialty retailer of health, wellness and performance products, which include protein, performance supplements, weight management supplements, vitamins, herbs and greens, wellness supplements, health and beauty, food and drink and other general merchandise.

Officers: Kenneth A. Martindale (CEO); Tricia K. Tolivar (CFO); Cameron W. Lawrence (Chief Accounting Officer)

Auditor: PricewaterhouseCoopers LLP

Securities: Common stock symbol GNC; NYSE; 84,608,976 shares of class A common stock outstanding as of Mar. 20, 2020.

\$266.81 million 9.5% FILO term loan matures May 2020;

\$441.50 million 11.8% tranche B-2 term loan matures March 2021.

Notes: Update of Volume 28, Number 10 - TCP200309

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0508

GNC Holdings, Inc.
300 6th Avenue
Pittsburgh, PA 15222
(412) 288-4600

NAICS	446191
Employees	12,400
Revenue	(mil) \$ 2,068.19
Income	(mil) (\$ 35.11)
Assets	(mil) \$ 1,650.59
Liabilities	(mil) \$ 1,646.45
(for the year ended 12/31/19)	

Category: Loss/Deficit

Event: GNC Holdings, Inc., reported consolidated revenue of \$470.4 million in the fourth quarter of 2019, compared with consolidated revenue of \$547.9 million in the fourth quarter of 2018. The decrease in revenue was primarily a result of the transfer of the Nutra manufacturing and China businesses to joint ventures formed in the first quarter of 2019, the closure of company-owned stores under the Company's ongoing store portfolio optimization strategy and U.S. company-owned same store sales decrease of 2.4%. In connection with the transactions, the Company received proceeds of \$99.2 million for first installment of the manufacturing joint venture and proceeds of \$300.0 million for the issuance of convertible preferred stock.

For the fourth quarter of 2019, the Company reported net loss of \$33.5 million compared with net income of \$58.8 million in the prior year quarter. Diluted loss per share was \$0.46 in the current quarter compared with diluted earnings per share ("EPS") of \$0.62 in the prior year quarter. Adjusted net loss was \$0.4 million in the current quarter, compared with adjusted net loss of \$10.0 million in the prior year quarter. Adjusted diluted loss per share was \$0.07 in the current quarter compared with adjusted diluted loss per share of \$0.13 in the prior year quarter.

The closure of company-owned stores under the Company's store portfolio optimization strategy resulted in a \$17.6 million decrease in revenue, while the 2.4% decline in U.S. company-owned same store sales, which includes GNC.com, resulted in a \$7.7 million revenue decline. In domestic franchise locations, same store sales for the fourth quarter of 2019 decreased 3.2% over the prior year quarter.

Description: GNC Holdings, Inc. (General Nutrition Centers), is a specialty retailer of health, wellness and performance products, which include protein, performance supplements, weight management supplements, vitamins, herbs and greens, wellness supplements, health and beauty, food and drink and other general merchandise.

Officers: Kenneth A. Martindale (CEO); Tricia K. Tolivar (CFO); Cameron W. Lawrence (Chief Accounting Officer)

Auditor: PricewaterhouseCoopers LLP

Securities: Common stock symbol GNC; NYSE; 84,608,976 shares of class A common stock outstanding as of Mar. 20, 2020.

\$266.81 million 9.5% FILO term loan matures May 2020;

\$441.50 million 11.8% tranche B-2 term loan matures March 2021.

Notes: Update of Volume 28, Number 10 - TCP200309

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0509

Golden Nugget, Inc.
129 East Fremont Street
Las Vegas, NV 89101
(702) 385-7111

NAICS 721120

Category: Low Rating

Event: Moody's Investors Service downgraded Golden Nugget, LLC's Corporate Family Rating to B3 from B2 and Probability of Default Rating to B3-PD from B2-PD. Moody's also downgraded GN's senior secured bank credit facilities to B1 from Ba3, senior unsecured notes rating to Caa1 from B3 and senior subordinated note rating to Caa2 from Caa1. The outlook is negative.

The downgrade reflects Moody's expectation for a material deterioration in both earnings and credit metrics following the restrictions and closures across GN's restaurant base and casinos due to efforts to contain the spread of the coronavirus including recommendations from Federal, state and local governments. In response to these operating challenges and strengthen liquidity, GN is focusing on reducing all non-essential operating expenses and discretionary capex. While many restaurants are still able to continue to provide take-out, curbside pick-up and delivery, total restaurant sales will still be substantially below normal operating levels for the typical casual dining restaurant.

The negative outlook reflects the uncertainty with regards to the potential length and severity of closures and the ultimate impact these closures will have on GN's revenues, earnings and ultimate liquidity. The outlook also takes into account the negative impact on consumers ability and willingness to spend on eating out until the crisis materially subsides.

Description: Golden Nugget, Inc., owns and operates the Golden Nugget hotel, casino, and entertainment resorts in downtown Las Vegas and Laughlin, Nevada and the Lake Charles property in Louisiana. The company also owns and operates mostly casual dining restaurants under the trade names Landry's Seafood House, ChartHouse, Saltgrass Steak House, Rainforest Café, Bubba Gump, McCormick & Schmicks, Claim Jumper, Morton's Restaurants, Inc, and Mastro's.

Officers: Tilman J. Fertitta (Chairman, Pres. & CEO); Chris Latil (COO); Rikki Tanenbaum (SVP - Marketing)

Securities: \$745 million senior notes due 2024;
\$670 million senior subordinated notes due 2025.

Notes: Update of Volume 27, Number 41 - TCP191014

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0510

Hornblower Cruises & Events

NAICS 561599

Pier 3, Hornblower Landing
San Francisco, CA 94111
(800) 700-0735

Category: Low Rating

Event: S&P Global Ratings lowered the ratings on Hornblower HoldCo LLC, including its issuer credit rating and secured debt ratings, to 'CCC+' from 'B'.

The downgrade reflects an anticipated loss of revenue and cash flow that may be significant, at least in 2020, stemming from restrictions on travel and public gatherings, and the temporary suspension of most of Hornblower's operations in the face of the coronavirus pandemic. Expanding travel restrictions, quarantines, and a wave of public gathering closures and advisories make it increasingly difficult, if not impossible, and less desirable for consumers to travel and attend events, at least over the near term. Furthermore, S&P believes that the U.S. is entering recession--if it's not already in one--as a result of the COVID-19 pandemic that could pressure consumer discretionary spending on travel and events, as well as corporate spending on events. S&P's economists expect that the sudden stop in consumer spending will last at least through mid-May, maybe longer, and that people may be reluctant to enter public spaces even after official restrictions are lifted. S&P believes this would slow recovery once the virus is contained and operations resume, particularly in the overnight cruises segment (which accounts for around 24% of EBITDA) and the cruises and events segment (around 28% of EBITDA).

Description: Hornblower Cruises & Events is a charter yacht and public dining cruise operator headquartered in California. The Company operates over 70 vessels, including the three largest dining yachts on the West Coast and has ports in San Francisco, Berkeley, Sacramento, Long Beach, Newport Beach, Marina del Rey, San Diego and New York City. Hornblower HoldCo LLC, was formed by Crestview Advisors, L.P. to facilitate its acquisition of Hornblower Cruises & Events.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0511

Infogroup Inc.
1020 East 1st Street
Papillion, NE 68046
(402) 836-5290

NAICS 541519
Employees 2,100

Category: Low Rating

Event: Moody's Investors Service downgraded Infogroup Inc.'s Corporate Family Rating to Caa1 from B3 and Probability of Default Rating to Caa1-PD from B3- PD. Moody's also downgraded the rating for the company's first lien senior secured credit facilities to B3 from B2. The rating outlook remains negative.

The negative outlook reflects the challenges to turn around the operating declines with limited financial flexibility to invest for future growth to stay competitive, liquidity pressure that could build from weak projected free cash flow and the covenant step down at March 31, 2020, as well as the current uncertain economic environment due to the coronavirus. Liquidity would also weaken if the company is unable to proactively refinance the revolver that expires in March 2022.

Infogroup's Caa1 CFR broadly reflects its high leverage with debt-to-EBITDA of about 7.0x (year-end 2019 incorporating Moody's standard adjustments and after deducting capitalized software development cost) due to the continued earnings decline in 2019. The marketing services industry is competitive and evolving rapidly because of technology developments and the shift to digital marketing. Infogroup's continued weak operating performance since its LBO transaction in March 2017 despite a growing advertising market indicates challenges maintaining a competitive service offering. High financial leverage limits its ability and flexibility to invest to turn around the business. The rating is also constrained by the company's very modest scale, exposure to cyclical trends in marketing spending, and event and financial policy risk due to private equity ownership. However, the rating is supported by the recurring nature of its multi-year data contracts that accounts for about 60% of revenue, broad proprietary business and consumer database capabilities, as well as a diversified customers base.

Description: Infogroup Inc. is a provider of proprietary business and consumer data and multi-channel marketing solutions to enterprise and SMB customers. The company helps its clients to acquire new customers and retain existing customers through a wide range of traditional and digital marketing solutions including email, data processing, digital display, data and database services.

Officers: Michael L. Iaccarino (Chairman & CEO); Austin Owens (CFO); David McRae (COO); Jonathan Quint (Chief Technology Officer)

Notes: Update of Volume 23, Number 34 - TCP150824

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0512

International Wire Group Holdings, Inc.

12 Masonic Avenue
Camden, NY 13316
(315) 245-3800

NAICS 331420
Employees 1,600

Category: Low Rating

Event: S&P Global Ratings lowered its long-term issuer credit rating on U.S.-based wire producer International Wire Group Holdings Inc. (IWG) and issue ratings on its \$260 million senior secured notes to 'CCC' from 'B-'. The '3' recovery rating is unchanged.

The time to maturity on IWG's debt is 12 to 18 months and the senior secured notes are trading at a discount.

The downgrade reflects S&P's view that IWG is at a heightened risk of refinancing its debt or effecting a distressed exchange leading up to its 2021 maturities. Over the coming 12 to 18 months, the company's \$125 million revolving credit facility and the outstanding \$78 million of senior secured notes will be coming due. The notes are trading at about a 15% discount to par. S&P believe that given the currently difficult credit market conditions, which could limit IWG's access to financing, the company could pursue a de facto restructuring of its debt in the next 12 months.

The negative outlook indicates S&P could lower the rating on IWG in the coming six to 12 months if it does not refinance its RCF (due April 2021) and its senior secured notes (due August 2021). S&P could also lower the rating if the company's liquidity position deteriorates or if the company undertakes any action the rating agency considers to be a default, such as a debt restructuring or bond buyback below par.

Description: International Wire Group Holdings, Inc., through its subsidiaries, manufactures and markets wire products for other wire suppliers, distributors, and original equipment manufacturers in the United States, France, Italy, and Poland.

Officers: Gregory J. Smith (Pres. & CEO); Donald F. Dekay (SVP, CFO & Sec.)

Securities: \$260 million senior secured notes.

Notes: Update of Volume 27, Number 16 - TCP190422

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0513

Jo-Ann Stores, LLC

5555 Darrow Road
Hudson, OH 44236
(330) 735-6576

NAICS 451120
Employees 21,135

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Hudson, Ohio-based fabric and crafts retailer Jo-Ann Stores Holdings Inc. (Jo-Ann) to 'CCC' from 'B-'.

At the same time, S&P lowered its issue-level rating on the company's first-lien secured credit facility to 'CCC' from 'B-'. The '3' recovery rating is unchanged. S&P also lowered its issue-level rating on the company's second-lien term loan to 'CC' from 'CCC'. The '6' recovery rating is unchanged.

Recent developments surrounding the coronavirus outbreak are troubling, and S&P anticipates significant impact to Jo-Ann's business. While it is difficult to assess the full impact of the coronavirus outbreak, S&P expect revenues to be pressured for at least a full quarter. Jo-Ann has been forced by U.S. governing bodies to temporarily shut over 45 stores, and more closures are likely. At stores that remain open, S&P expects steep traffic declines in the double-digit percent area in the coming weeks as consumers practice social distancing. The business is already strained by tariff-related cost pressures, as well as competitive forces. A small 10%-12% online presence is not enough to withstand this pressure, in S&P's view. Following a resolution to the pandemic, S&P expects a protracted return to normalcy, which could jeopardize the company's ability to meet its financial commitments.

The negative outlook on Jo-Ann reflects S&P's view that the company could pursue a restructuring in the next 12 months. The outlook considers the rating agency's expectation for sharp revenue declines as a result of the coronavirus outbreak.

Description: Jo-Ann Stores, LLC, is a specialty retailer of fabrics and crafts. The Company's retail stores (operating as Jo-Ann Fabric and Craft stores and Jo-Ann stores) and Website (www.Joann.com) feature a range of merchandise used in sewing, crafting and home decorating projects, including fabrics, notions, crafts, frames, paper crafting material, artificial floral, home accents, finished seasonal and home decor merchandise. Jo-Ann Stores, LLC operates as a subsidiary of Jo-Ann Stores Holdings Inc.

Officers: Wade D. Miquelon (Pres. & CEO); Matt Susz (CFO); Varadheesh Chennakrishnan (Chief Information Officer)

Securities: \$225 million second-lien term loan due 2024.

Notes: Update of Volume 27, Number 39 - TCP190930

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0514

Jostens, Inc.
3601 Minnesota Drive Suite 400
Minneapolis, MN 55435
(952) 830-3300

NAICS 339910
Employees 4,757

Category: Low Rating

Event: Moody's Investors Service affirmed Champ Acquisition Corporation's Corporate Family Rating at B2 and Probability of Default Rating at B2-PD. Champ is the parent company of Jostens, Inc. Moody's also affirmed the rating on the senior secured first lien revolving credit facility and the senior secured first lien term loan at B1 (LGD3). The rating for the senior secured second lien term loan was affirmed at Caa1 (LGD5). The rating outlook was changed to negative from stable.

The change in rating outlook to negative reflects that Champ's operating performance will be negatively affected by school closings across the United States as a result of the coronavirus outbreak as well as job losses that leads to cutbacks in discretionary consumer spending. Almost all states have canceled on-premise school instruction and Moody's expects that some graduation ceremonies will also be canceled. Moody's estimates that approximately 25% of Champ's sales are directly related to products used at commencement ceremonies such as cap and gowns, diplomas, regalia, announcements, and related apparel. Sales in the larger yearbook segment will not be materially impacted in the 2019-2020 school year as these products have mostly been contracted earlier in the school year, but there is risk to 2020-2021 school year sales from declines in consumer income and spending. Moody's expects that Champ's overall sales will decline about 10% to 20% over the next 12 months as a result of commencement ceremony cancellations and more cautious spending by consumers. Although Champ's current debt/EBITDA of 4.7x is comfortably within its rating downgrade trigger of 5.5x, Moody's expects financial leverage (debt/EBITDA) will increase over the next 6 to 12 months to 5.5x to 6.0x as a result of weaker operating performance. Additionally, Moody's expects liquidity to weaken as Champ's free cash flows will not be sufficient to support scheduled term loan amortization over the next year and the company will need to rely on its revolver to repay the debt amortization that steps up over the next year.

Description: Jostens, Inc., provides products, programs, and services for high schools and universities. The company's products include jewelry, school yearbooks and memory books, scholastic products, and products for athletic champions and their fans. Champ Acquisition Corp. is the parent company of Jostens, Inc.

Officers: Charles W. Mooty (Chairman); Micheal Burgess (CEO); Jim Simpson (CFO)

Securities: \$150 million guaranteed senior secured super priority revolving credit facility expiring 2023;
\$775 million guaranteed senior secured first lien term loan due 2025;
\$150 million guaranteed senior secured second lien term loan due 2026.

Notes: Update of Volume 26, Number 52 - TCP181224

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0515

Kosmos Energy Ltd.
 8176 Park Lane, Suite 500
 Dallas, TX 75231
 (214) 445-9600

NAICS	211130
Employees	360
Revenue	(mil) \$ 1,509.91
Income	(mil) (\$ 55.78)
Assets	(mil) \$ 4,317.23
Liabilities	(mil) \$ 3,475.53

(for the year ended 12/31/19)

Category: Low Rating

Event: Moody's Investors Service downgraded Kosmos Energy Ltd.'s Corporate Family Rating to B2 from B1, Probability of Default Rating to B2-PD from B1-PD, and senior unsecured notes to Caa1 from B2. The Speculative Grade Liquidity Rating was downgraded to SGL-3 from SGL-2.

Sharply lower commodity prices will challenge Kosmos Energy's profitability and financial flexibility keeping leverage high and delaying its growth initiatives. The negative actions reflect Moody's expectation of low and volatile crude oil prices, weaker cash flow generation and the risks of further degradation in credit metrics due to weak industry and capital market conditions.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The E&P sector has been one of the sectors most significantly affected by the shock given its sensitivity to demand and oil prices. More specifically, the weaknesses in Kosmos Energy's credit profile have left it vulnerable to shifts in market sentiment in these unprecedented operating conditions and the company remains vulnerable to the outbreak continuing to spread and oil prices remaining weak.

The \$650 million 2026 notes are rated Caa1, two notches below the B2 CFR, given their unsecured claim to the company's assets as well as their subordinated position to the \$1.6 billion reserve-based lending revolving credit facility with regards to a substantial portion of the company's producing assets in West Africa.

Description: Kosmos Energy Ltd. is an independent oil and gas exploration and production company. The Company is focused on the emerging areas along the Atlantic Margins. Its assets include existing production and development projects offshore Ghana, discoveries and further exploration potential offshore Mauritania and Senegal, as well as exploration licenses with hydrocarbon potential offshore Sao Tome and Principe, Suriname, Morocco and Western Sahara.

Officers: Andrew G. Inglis (Chairman & CEO); Thomas P. Chambers (CFO & SVP); Christopher Ball (SVP & Chief Commercial Officer); Jason E. Doughty (SVP & General Counsel)

Auditor: Ernst & Young LLP

Securities: See addendum, next page.

Notes: Update of Volume 25, Number 15 - TCP170410

[Prospector Profile Categories and data qualification](#)

Common stock symbol KOS; NYSE; 405,098,215 shares of common stock outstanding as of Feb. 14, 2020.

\$1.4 billion floating rate facility due March 31, 2025;

\$650 million 7.125% senior notes due April 4, 2026.

Prospector Profile

20.0516

Lakeland Tours, LLC

218 Water Street West, Suite 400
 Charlottesville, VA 22902
 (800) 468-5899

NAICS 561510
 Employees 359

Category: Low Rating

Event: Moody's Investors Service downgraded its ratings for Lakeland Tours, LLC, including the company's corporate family rating (CFR, to Caa3 from B2) and probability of default rating (to Caa3-PD from B2-PD), and the ratings for its senior secured first lien bank credit facilities (to Caa2 from B1). The ratings outlook remains negative.

The downgrades reflect significant disruption caused by the COVID-19 coronavirus crisis, which will impose meaningful liquidity stress on the company's business.

Moody's expects a significant increase in trip cancellations to prompt a big cash drain as deposits already received are refunded. Liquidity will quickly weaken and WorldStrides' very high leverage in excess of 9.0x increases the risk of default, whether pre-emptively via a distressed exchange of debt or otherwise. Moody's acknowledged that not all deposits received are eligible for refund, and that the company's insurance policy could partially support its cash flow needs during the current disruptive period.

Lakeland Tours' Caa3 CFR broadly reflects the company's levered balance sheet and eroding liquidity given its weak earnings and cash flow profile following the COVID-19 outbreak and in consideration of a weakening macroeconomic outlook. Moody's expects key credit metrics and liquidity to weaken near term, increasing the risk of a pre-emptive default. The rating also reflects the mature demand for the company's core K-12 domestic business, and continued weakness in the individual higher education services business. WorldStrides' governance risk is high characterized by its history of high leverage and debt-financed acquisitions.

"

Description: Lakeland Tours, LLC, doing business as WorldStrides, provides educational student travel programs. The Company offers history, science, discoveries, onstage, sports, and career-focused travel opportunities.

Officers: Bob Gogel (Pres. & CEO); Adam Hall (CFO & Chief Administrative Officer); Vincent Cirel (Chief Information Officer); Lauren Fryefield (Chief Marketing Officer)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0517

Libbey Inc.
300 Madison Avenue
Toledo, OH 43604
(419) 325-2100

NAICS	327212
Employees	5,872
Revenue	(mil) \$ 782.44
Income	(mil) (\$ 69.02)
Assets	(mil) \$ 706.69
Liabilities	(mil) \$ 732.47

(for the year ended 12/31/19)

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on U.S.-based Libbey Inc. to 'CCC' from 'B-' to reflect its constrained liquidity and the reduced likelihood that it will refinance its term loan in the near term due to market uncertainty.

At the same time, S&P lowered its issue-level rating on the company's senior secured term loan to 'CCC' from 'B-'. The rating agency revised its recovery rating on the loan to '4' from '3'. The '4' recovery rating indicates S&P's expectation for average (30%-50%; rounded estimate: 45%) recovery in the event of a payment default

The company's liquidity will be constrained as its maturities become current and its risk of default increases. The downgrade reflects Libbey's constrained liquidity position and heightened refinancing risk. S&P no longer expects the company to be able to address its upcoming term loan B maturity before it becomes current on April 9, 2020, due to market volatility stemming from the spread of the coronavirus. Therefore, S&P believes the company's liquidity position has become constrained. This leads S&P to anticipate that Libbey may default over the next 12 months. S&P expects the company's sources of liquidity to be less than 1.0x its uses over the next 12 months due to the upcoming maturity of its term loan. While Libbey had \$48.9 million of cash on its balance sheet as of Dec. 31, 2019, a portion of that cash was located in China, which would require the company to gain regulatory approval if it chooses to repatriate the cash to pay its capital expenses. Additionally, the asset-based lending (ABL) revolver has a springing covenant that could accelerate its maturity to Jan. 9, 2021, if the company does not successfully refinance the term loan by that date, which would further compromise its liquidity position. S&P also believes the risk of an unfavorable refinancing has increased given the elevated market volatility, declining macroeconomic conditions, and unfavorable industry dynamics.

The negative outlook reflects the risk that S&P will lower its rating on Libbey if it expects an imminent default.

Description: Libbey Inc. designs, manufactures, and markets glass tableware, which is used by foodservice, industrial, premium, and retail customers around the world. The Company also provides ceramic dinnerware and metal flatware to foodservice users in the United States. In addition, Libbey is the exclusive distributor of Vitrocrisa glass tableware products in the United States and Canada.

Officers: Michael P. Bauer (CEO); Juan Amezcuita (SVP, CFO & Treas.); Jim Burmeister (SVP & COO); Jennifer Jaffee (SVP, General Counsel & Sec.)

Auditor: Deloitte & Touche LLP

Securities: See addendum, next page.

[Prospector Profile Categories and data qualification](#)

Common stock symbol LBY; NYSE American; 22,361,002 shares of common stock outstanding as of Feb. 20, 2020.

\$37.93 million floating rate term loan B due April 9, 2021;

\$17.39 million floating rate ABL Facility due December 7, 2022.

*Prospector
Profile*

20.0518

Lonestar Resources US Inc.

111 Boland Street, Suite 300
Fort Worth, TX 76107
(817) 921-1889

NAICS	211120
Employees	74
Revenue	(mil) \$ 201.17
Income	(mil) \$ 19.35
Assets	(mil) \$ 744.11
Liabilities	(mil) \$ 521.56
(for the year ended 12/31/18)	

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Lonestar Resources U.S. Inc. to 'CCC+' from 'B-'. S&P lowered the rating on the unsecured notes to 'CCC+' from 'B' and revised its recovery rating on the notes to '3' from '2'.

There is the potential for Lonestar's liquidity to weaken despite being well hedged in 2020 and 2021. The company recently announced an increase in its hedged position in 2021 and now has crude oil hedges covering 93% of consensus forecast oil volumes and 88% of consensus forecast gas volumes hedged through 2021 which will provide for some cash flow certainty. However, S&P think, given current market conditions, there is a chance that the company's borrowing base on its revolving credit facility, which is about 85% drawn, could be cut in the spring which will further constrain liquidity and drilling and completion activity.

The negative outlook reflects S&P's expectation for weakening liquidity resulting from lower hydrocarbon prices despite the company being well hedged through 2021. Due to lower bank price decks, the company's borrowing base has the potential to be reduced at its spring redetermination therefore further reducing liquidity. Additionally, S&P thinks there is increased risk of the company executing a transaction that it could view as distressed given current capital market conditions.

Description: Lonestar Resources US Inc. operates as an oil and gas exploration company. The Company focuses on the acquisition, development, and production of unconventional oil, NGLs, and natural gas properties in the Eagle Ford Shale in Texas.

Officers: Frank D. Bracken, III (CEO); Barry D. Schneider (COO); Jana Payne (VP - Giosciences); Tom H. Olle (VP - Reservoir Engineering)

Auditor: BDO USA, LLP

Securities: Common stock symbol LONE; NASDAQ; 24,944,891 shares of class A voting common stock outstanding as of Nov. 11, 2019.

\$183 million floating rate senior secured credit facility matures November 15, 2023;

\$250 million 11.25% senior notes due January 1, 2023.

Notes: Update of Volume 25, Number 52 - TCP171225

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0519

Lonestar Resources US Inc.

111 Boland Street, Suite 300
Fort Worth, TX 76107
(817) 921-1889

NAICS	211120
Employees	74
Revenue	(mil) \$ 201.17
Income	(mil) \$ 19.35
Assets	(mil) \$ 744.11
Liabilities	(mil) \$ 521.56
(for the year ended 12/31/18)	

Category: Low Rating

Event: Fitch Ratings has downgraded Lonestar Resources US, Inc. (LONE) and Lonestar Resources America, Inc. to 'CCC+' from 'B-'. The senior secured revolver issued by Lonestar Resources America, Inc. was downgraded to 'B+/'RR1' from 'BB-/'RR1' and the senior unsecured debt issued by Lonestar Resources America, Inc. was downgraded to 'B/'RR2' from 'B+/'RR2'.

The downgrade reflects Lonestar's narrowing financial flexibility in the current low commodity price environment, increasing negative redetermination risk on their more than 80% drawn revolver. While LONE has largely mitigated their price risk through high hedge coverage, which will protect their development capital and production profile through 2021, Fitch expects the company's resource development will continue to be borrowing base-supportive; however, free cash flow is forecasted to be relatively neutral, limiting capacity for reduction of the revolver balance.

The 'CCC+' rating reflects LONE's small, liquids-focused production profile, strong hedge position that supports development and competitive cash netbacks, limited financial flexibility, and no debt maturities until 2023. Fitch believes there is heightened event risk that the company may look to address its liquidity position or capital structure to alleviate these constraints. Fitch's assumption is guided by historical market activity by stressed E&P peers that have used market price dislocations or covenant packages to opportunistically create liquidity or capital structure relief.

Description: Lonestar Resources US Inc. operates as an oil and gas exploration company. The Company focuses on the acquisition, development, and production of unconventional oil, NGLs, and natural gas properties in the Eagle Ford Shale in Texas.

Officers: Frank D. Bracken, III (CEO); Barry D. Schneider (COO); Jana Payne (VP - Giosciences); Tom H. Olle (VP - Reservoir Engineering)

Auditor: BDO USA, LLP

Securities: Common stock symbol LONE; NASDAQ; 24,944,891 shares of class A voting common stock outstanding as of Nov. 11, 2019.

\$183 million floating rate senior secured credit facility matures November 15, 2023;

\$250 million 11.25% senior notes due January 1, 2023.

Notes: Update of Volume 25, Number 52 - TCP171225

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0520

Main Event Entertainment Inc.

3941 Central Expressway
Plano, TX 75023
(972) 881-8181

NAICS 713120
Employees 1,000

Category: Low Rating

Event: S&P Global Ratings downgrades Main Event Entertainment Inc. to 'CCC+' from 'B-' to reflect its view that the anticipated sharp decline in revenues could result in an unsustainable capital structure. The outlook is negative.

At the same time, S&P lowered its issue-level rating on Main Event's \$225 million credit facility, consisting of a first-lien term loan, delayed-draw term loan, and revolver, to 'CCC+' from 'B-'. S&P's '3' recovery rating on this debt is unchanged.

The downgrade reflects S&P's view that Main Event's profitability will steeply decline over the next 12 months. Ardent Leisure (ALG), the parent company of Main Event, has withdrawn its guidance for Main Event's fiscal 2020 performance, citing reduction in attendance and revenue as a consequence of the COVID-19 outbreak. S&P believe the virus will lead to a sharp decline in revenue for the second half of fiscal 2020 as the company shuts down its centers for at least two weeks.

The negative outlook considers uncertainty around the magnitude and duration of the COVID-19 outbreak, including the duration of store closures at Main Event.

Description: Main Event Entertainment Inc. owns and operates leisure family entertainment centers in the United States and is a wholly owned subsidiary of Ardent Leisure US Holding, Inc. whose ultimate Parent is Ardent, a publicly traded leisure and entertainment company based in Australia.

Officers: Chris Morris (CEO); Darin E. Harper (CFO); Steve Klohn (Chief Information Officer)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0521

Martin Midstream Partners L.P.

4200 Stone Road
Kilgore, TX 75662
(903) 983-6200

NAICS	424710
Employees	1,292
Revenue	(mil) \$ 847.12
Income	(mil) (\$ 174.95)
Assets	(mil) \$ 667.16
Liabilities	(mil) \$ 703.35
(for the year ended 12/31/19)	

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Martin Midstream Partners L.P. to 'CCC-' from 'B-' as the company faces large upcoming debt maturities of about \$575 million in the next 12 months.

Upcoming maturities include a \$201 million outstanding revolving credit facility (RCF) balance due in August 2023. However, the maturity of the credit facility will accelerate to August 2020 if Martin is unable to refinance the \$374 million senior unsecured notes due February 2021 before Aug. 19, 2020.

Meanwhile, S&P lowered its issue-level rating on Martin's \$374 million senior unsecured notes due February 2021 to 'CCC-' from 'B-'. The '3' recovery rating is unchanged, indicating S&P's expectation for meaningful (50%-70%; rounded estimate: 50%) recovery.

The downgrade reflects S&P's expectation that Martin Midstream Partners will not be able to refinance its 2021 senior unsecured notes prior to Aug. 19, 2020, which will accelerate the RCF maturity date to Aug. 20, 2020 from Aug. 31, 2023. In S&P's view, Martin will not have sufficient liquidity to repay the \$201 million outstanding RCF balance in 2020.

Description: Martin Midstream Partners L.P. collects, transports, stores, and markets petroleum products and by-products in the United States Gulf Coast region. The company's Terminalling and Storage segment owns or operates 19 marine shore-based terminal facilities and 14 specialty terminal facilities that provide storage, refining, blending, packaging, and handling services for producers and suppliers of petroleum products and by-products.

Officers: Ruben S. Martin III (Pres. & CEO); Robert D. Bondurant (EVP & CFO); Randall L. Tauscher (EVP & COO); Chris Booth (EVP, Chief Legal Officer, General Counsel & Sec.); Doug Towns (VP - Commercial Development)

Auditor: KPMG LLP

Securities: Common stock symbol MMLP; NASDAQ; 38,944,389 shares of common stock outstanding as of Feb. 14, 2020.

\$373.37 million 7.25% senior notes due February 2021;

\$196.41 million floating rate revolving credit facility due August 2023.

Notes: Update of Volume 27, Number 19 - TCP190513

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0522

Martin Midstream Partners L.P.

4200 Stone Road
Kilgore, TX 75662
(903) 983-6200

NAICS	424710
Employees	1,292
Revenue	(mil) \$ 847.12
Income	(mil) (\$ 174.95)
Assets	(mil) \$ 667.16
Liabilities	(mil) \$ 703.35
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Martin Midstream Partners L.P.'s Corporate Family Rating to Caa3 from B3, Probability of Default Rating to Caa3-PD from B3-PD and senior unsecured notes rating to Ca from Caa2. MMLP's Speculative Grade Liquidity rating of SGL-4 remains unchanged. The outlook was changed to negative from stable.

MMLP's rating downgrade reflect increased debt refinancing risks and elevated risk of default, including from a distressed exchange.

MMLP's Caa3 CFR reflects rising default risk, including a distressed exchange which could be deemed a default by Moody's. MMLP is trying to address near-term debt maturities, announcing evaluation of senior secured second lien notes to refinance its existing notes. Also, it took steps to improve its balance sheet including debt reduction using asset sales while limiting lost EBITDA as well as significantly reducing its equity distributions. However, MMLP faces highly challenging access to capital markets in current market conditions and poor commodity prices, and these steps may not be enough to execute a refinancing transaction particularly without a distressed exchange.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The energy sector has been affected by the shock given its sensitivity to consumer demand and sentiment.

Description: Martin Midstream Partners L.P. collects, transports, stores, and markets petroleum products and by-products in the United States Gulf Coast region. The company's Terminalling and Storage segment owns or operates 19 marine shore-based terminal facilities and 14 specialty terminal facilities that provide storage, refining, blending, packaging, and handling services for producers and suppliers of petroleum products and by-products.

Officers: Ruben S. Martin III (Pres. & CEO); Robert D. Bondurant (EVP & CFO); Randall L. Tauscher (EVP & COO); Chris Booth (EVP, Chief Legal Officer, General Counsel & Sec.); Doug Towns (VP - Commercial Development)

Auditor: KPMG LLP

Securities: See addendum, next page.

Notes: Update of Volume 27, Number 19 - TCP190513

[Prospector Profile Categories and data qualification](#)

Common stock symbol MMLP; NASDAQ; 38,944,389 shares of common stock outstanding as of Feb. 14, 2020.
\$373.37 million 7.25% senior notes due February 2021;
\$196.41 million floating rate revolving credit facility due August 2023.

*Prospector
Profile*

20.0523

Matador Resources Company

5400 LBJ Freeway, Suite 1500
Dallas, TX 75240
(972) 371-5200

NAICS	211120
Employees	304
Revenue	(mil) \$ 983.67
Income	(mil) \$ 122.98
Assets	(mil) \$ 4,069.68
Liabilities	(mil) \$ 2,100.22
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Matador Resources Company's Corporate Family Rating to B3 from B1, Probability of Default Rating to B3-PD from B1-PD, and senior unsecured notes to Caa1 from B2. The Speculative Grade Liquidity Rating was downgraded to SGL-3 from SGL-2. The rating outlook was revised to negative.

The downgrade reflects Matador's high debt leverage at a time when very low commodity prices are likely to lead to dramatically reduced cash flow. The downgrade also encompasses concerns about the company's ability to cut spending and realize cost savings quickly enough to preserve liquidity and prevent breaching its leverage covenant under its revolving credit facility, should oil prices remain at or below \$30 per bbl.

The Caa1 rating of Matador's \$1,050 million of senior unsecured notes due 2026, one notch below the B3 CFR, reflects the notes subordination to the company's senior secured revolving credit facility expiring in October, 2023. The credit facility has a maximum commitment size of \$1,500 million, but the February 2020 redetermination affirmed the borrowing base at \$900 million. Matador elected to set the commitment size of the credit facility at \$700 million. A sizeable increase in the elected commitment size of the revolver could pressure the ratings on the unsecured notes.

Description: Matador Resources Company operates as an independent energy company engaged in the exploration, development, production, and acquisition of oil and natural gas resources. The Company offers its services primarily in the Eagle Ford Shale in south Texas and the Haynesville Shale as well as Cotton Valley in northwest Louisiana and east Texas.

Officers: Joseph Wm. Foran (Founder, Chairman, CEO & Sec.); Matthew V. Hairford (Pres.); David E. Lancaster (EVP & CFO); Robert T. Macalik (SVP & Chief Accounting Officer)

Auditor: KPMG LLP

Securities: Common stock symbol MTDR; NYSE; 116,569,389 shares of common stock outstanding as of Feb. 28, 2020.

\$255 million credit agreement matures October 31, 2023;

\$288 million floating rate San Mateo credit facility matures December 19, 2023;

\$1.04 billion 6.875% senior unsecured notes due 2023.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0524

Mavis Tire Express Services Corp.
358 Saw Mill River Road
Millwood, NY 10546
(800) 487-2284

NAICS 423130

Category: Low Rating

Event: Moody's Investors Service, Inc. downgraded the ratings of Mavis Tire Express Services Corp., including the corporate family rating, which was downgraded to B3 from B2. The outlook is stable.

These ratings were downgraded:

- Probability of Default Rating, Downgraded to B3-PD from B2-PD
- Corporate Family Rating, Downgraded to B3 from B2
- Senior Secured 1st Lien Bank Credit Facility, Downgraded to B2 (LGD3) from B1 (LGD3)
- Senior Secured 2nd Lien Bank Credit Facility, Downgraded to Caa2 (LGD5) from Caa1 (LGD5)

Mavis' B3 corporate family rating considers its weak quantitative profile, particularly its leverage, which remains in excess of the initial 8.5 times (giving credit for the pro-forma run-rate earnings from recent acquisitions and greenfield locations), its favorable market position in a highly fragmented segment of retail, with penetration and brand recognition evident in its chosen markets. Mavis' liquidity profile, which Moody's characterizes as good, is another key factor, with the expectation that the company will maintain meaningful levels of balance sheet cash over the next 12-18 months. Ratings also consider the potential for shareholder-friendly financial policies associated with the company's financial sponsor ownership, including an aggressive pace of debt-funded acquisitions which has resulted in elevated leverage levels. While the company's scale will benefit from growth in revenue and EBITDA driven by new acquisitions, greenfields, and the continued ramp of recently-acquired locations, the company runs the risk of limited financial flexibility in the event that earnings deteriorate from current levels. Until Mavis' leverage profile improves materially and becomes more predictable, there is no tolerance for equity extractions at the current rating level. Social considerations are moderate for Mavis due to the risks related to workplace safety; however, the company has had no issues of note in this regard. Additionally, social risk related to demographic and societal trends, including changing consumer preferences remain a factor for retail issuers, although it is viewed as immaterial given the relatively nondiscretionary nature of Mavis's business offering.

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Description: Mavis Tire Express Services Corp. is a multi-brand tire dealer. Mavis Tire Express Services Corp. is the parent company of Mavis Discount Tire, Inc., and Express Oil Change & Tire Engineers, and is owned by affiliates of Golden Gate Capital.

Officers: David Sorbaro (CEO - Mavis Discount Tire, Inc.)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0525

Midas Intermediate Holdco II, LLC

2375 N. Glenville Dr. Building A, Suite 500
Richardson, TX 75082
(972) 960-7595

NAICS 811121
Employees 5,058

Category: Low Rating

Event: Moody's Investors Service downgraded Midas Intermediate Holdco II, LLC's Corporate Family Rating and Probability of Default Rating to Caa1 and Caa1-PD, respectively. At the same time, Moody's downgraded the rating on the company's senior secured bank credit facility to B2 from B1 and affirmed the Caa2 rating on the senior unsecured notes. The outlook remains negative.

The downgrade and negative outlook reflect the increased refinancing risk related to the August 2021 maturity of the company's term loan as the company's leverage remains very high. The action also reflects the heightened risk that the company will incur much higher cash interest costs as part of a refinancing transaction such that it meaningfully constrains its future investment capacity and free cash flow generation long-term. Moody's continues with its favorable view of the fundamentals for the collision repair sector and believes that management has a strategy that can, if well-executed, reverse weak operating trends.

Service King's Caa1 rating reflects its weak credit metrics, with pro forma debt/ EBITDA at FY 2019 of around 8 times and EBIT/interest well below 1 time (including 50% credit for cost savings from front-office re-structuring initiatives executed in early 2020), as well as the looming 2021 debt maturities. Supporting the rating is Service King's solid market position in the highly fragmented collision repair sub-sector, its mutually-beneficial relationships with national and major insurance carriers which represents the vast majority of revenue, and strong industry fundamentals which should support continuing stable demand for its services. However, while demand fundamentals are stable, recent pricing pressure with certain carriers along with higher costs has resulted in an erosion in margins, EBITDA and free cash flow. Leverage and interest coverage are expected to improve such that they approach the mid-7.0 times range and approximately 1.0 times respectively over the next 12-18 months should the company's successfully execute its operating efficiency initiatives. Additionally, the contribution from recent and future store additions should offset labor pressures and support earnings growth. Service King's liquidity profile is adequate, supported by its \$176 million cash balance following a \$92 million draw on its revolving credit facility which expires in May 2021, and \$26 million of short-term investments as of FY 2019, with roughly \$85 million restricted as to use.

Description: Midas Intermediate Holdco II, LLC, is a provider of vehicle body repair services. The company operates under the Service King brand name and had 346 locations in 24 states as of fiscal year 2019.

Officers: Jeff McFadden (Pres.); Mark Hutchens (CEO); Stacy Peterson (Chief Information Officer)

Securities: \$555 million senior secured term loan B due 2021;
\$25 million senior secured delayed draw term loan due 2021;
\$40 million senior secured delayed draw term loan B due 2021;
\$300 million senior unsecured notes due 2022;
\$75 million senior unsecured notes due 2022.

Notes: Update of Volume 28, Number 6 - TCP200210

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0526

Mountain States Rosen LLC
 920 7th Ave.
 Greeley, CO 80634
 (800) 555-2551

NAICS 311611
 Employees 150

Category: Bankruptcy

Event: Mountain States Rosen LLC filed for Chapter 11 protection on March 19, 2020, with the U.S. Bankruptcy Court for the District of Wyoming, case number 20-20111, before Judge Cathleen D. Parker.

Description: Mountain States Rosen LLC is a privately held company in the animal slaughtering and processing business.

Officers: Brad Graham (Pres.)

Attorneys: Brad Hunsicker, Esq., at Markus Williams Young & Hunsicker LLC; Cheyenne, WY; (307) 778-8178; bhunsicker@markuswilliams.com

Estimated Assets: \$10 million to \$50 million

Estimated Liabilities: \$10 million to \$50 million

Notes: A copy of the petition is available for free at PacerMonitor.com at: <https://is.gd/cnbTTp>

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0527

Nabors Industries Ltd.

515 West Greens Road Suite 1200
Houston, TX 77067
(281) 874-0035

NAICS	213112
Employees	14,000
Revenue	(mil) \$ 3,053.60
Income	(mil) (\$ 680.51)
Assets	(mil) \$ 6,760.66
Liabilities	(mil) \$ 4,285.10
(for the year ended 12/31/19)	

Category: Low Rating

Event: Fitch Ratings is downgrading the Issuer Default Rating for Nabors Industries, Ltd. and Nabors Industries, Inc. (collectively, Nabors) to 'B-' from 'BB-'. In addition, Fitch is downgrading the senior unsecured priority guaranteed revolving credit facility due 2023 to 'BB-/RR1' from 'BB/RR2', the senior unsecured guaranteed notes to 'B-/RR4' from 'BB-/RR4' and the senior unsecured notes to 'CCC/RR6' from 'B+/RR5'. The ratings have been placed on Rating Watch Negative.

The downgrade reflects the risk that Nabors stock may be delisted within the next six months, which would cause a fundamental change under the senior exchangeable notes indenture that would allow noteholders to put the \$575 million issue to the company at par. Nabors has filed a proxy for a reverse stock split to mitigate this issue, but under current market conditions, it is uncertain whether the stock would remain above \$1 over this time period. The company is generating FCF and has availability to refinance the notes on the revolver. However, this would materially weaken liquidity at the same time that business conditions are worsening.

Nabors has favorable asset quality characteristics, a global footprint that provides for exposure to the international market with longer-term contracts, and a commitment to use FCF for debt reduction. This is offset by worsening conditions in the U.S. and international drilling rig markets, reduced funding commitments, the need to address a looming maturity wall and credit metrics that are weak for the current rating level. Fitch recognizes that Nabors has taken positive steps to improve its credit profile and enhance liquidity, including extending its revolver, repurchasing debt, reducing capex spending and significantly cutting its dividend. However, current industry conditions are not expected to materially improve and capital market support is uncertain.

The Negative Rating Watch reflects the risk of addressing the senior convertible note issue along with concerns regarding challenging capital market access and the uncertainty of the length and the depth of commodity price downturns. Fitch expects exploration and production (E&P) customers will reduce drilling significantly over 2020 and push hard for lower pricing.

"

Description: Nabors Industries Ltd. is a land drilling contractor, and also performs well servicing and workovers. The Company conducts oil, gas, and geothermal land drilling operations. Nabors well-site services include oilfield management, well logging, and other support services.

Officers: Anthony G. Petrello (Chairman & CEO); William Restrepo (CFO); Jade Strong (SVP & Chief Human Capital Officer); Michael Rasmuson (SVP, General Counsel & Chief Compliance Officer)

Auditor: PricewaterhouseCoopers LLP

Securities: See addendum, next page.

[Prospector Profile Categories and data qualification](#)

Common stock symbol NBR; NYSE; 367,128,412 shares of common stock outstanding as of Feb. 19, 2020.

\$282.05 million 5.00% senior notes due September 2020;

\$634.59 million 4.625% senior notes due September 2021;

\$501.00 million 5.50% senior notes due January 2023;

\$336.81 million 5.10% senior notes due September 2023;

\$472.60 million 0.75% senior exchangeable notes due January 2024;

\$781.50 million 5.75% senior notes due February 2025;

\$355.00 million 2012 revolving credit facility.

*Prospector
Profile*

20.0528

Neiman Marcus Group LTD LLC

1618 Main Street
Dallas, TX 75201
(214) 743-7600

NAICS	452111
Employees	13,500
Revenue	(mil) \$ 4,900.44
Income	(mil) \$ 251.13
Assets	(mil) \$ 7,545.90
Liabilities	(mil) \$ 6,786.72

(for the year ended 07/28/18)

Category: Miscellaneous

Event: Luxury retailer Neiman Marcus Group Inc. is negotiating with lenders on a Chapter 11 bankruptcy filing as it struggles to address its \$4.3 billion debt load, Bloomberg reported, citing people familiar with the matter.

Neiman Marcus has been saddled with heavy debt, due primarily to its 2013 leveraged buyout by Ares and Canadian Pension Plan Investment Board from other private equity firms.

Bloomberg reported Neiman Marcus has held initial talks with lenders about a potential bankruptcy loan that would help keep the company running while it works out a recovery plan.

The Company did not deny that bankruptcy is on the table when reached by The New York Post. A company spokesperson noted that most businesses "are facing some degree of disruption" from the coronavirus crisis.

The news on a potential bankruptcy filing comes as the retailer grapples with its brick and mortar stores closed due to the coronavirus. The Company said March 17 it will temporarily close all Neiman Marcus, Bergdorf Goodman, and Last Call stores, effective immediately, as the COVID-19 pandemic continues to accelerate throughout the U.S. The stores will remain closed through March 31, with the potential to be extended pending future evaluation of the situation. The Company will provide pay and benefits to store associates affected by store closures for the two-week period.

Description: Neiman Marcus Group LTD LLC through its subsidiary, the Neiman Marcus Group, Inc., operates as a luxury retailer in the United States. The company operates through two segments, Specialty Retail Stores and Online.

Officers: Tracy M. Preston (SVP, Chief Compliance Officer & General Counsel); Joseph Weber (SVP & Chief HR Officer); Thomas J. Limd (SVP - Program Management)

Auditor: Ernst & Young LLP

Securities: \$2.81 billion floating rate senior secured term loan facility due October 25, 2020;
\$159 million floating rate asset-based revolving credit facility due July 25, 2021;
\$122.89 million 7.125% debentures due June 1, 2028;
\$960 million 8.00% cash pay notes matures October 15, 2021;
\$658.35 million 8.75%/9.50% PIK toggle notes due October 15, 2021.

Notes: Update of Volume 28, Number 1 - TCP200106

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0529

Nine Energy Service, Inc.
2001 Kirby Drive, Suite 200
Houston, TX 77019
(281) 730-5100

NAICS	213112
Employees	1,469
Revenue	(mil) \$ 832.94
Income	(mil) (\$ 217.75)
Assets	(mil) \$ 850.89
Liabilities	(mil) \$ 461.02
(for the year ended 12/31/19)	

Category: Low Rating

Event: S&P Global Ratings lowered the issuer credit rating on Nine Energy Service Inc. to 'CCC+' from 'B-'. S&P also lowered the issue rating on the unsecured notes due 2023 to 'CCC+' from 'B-'. The recovery rating remains '4', reflecting its expectation of average (30%-50%, rounded estimate: 40%) recovery in the event of a payment default.

The downgrade reflects S&P's view that Nine and its oilfield services peers will be exceptionally challenged this year as many producers cut drilling and completion expenditures by 30% or more. Accordingly, S&P expects much lower revenues and margin due to reduced activity and intense competitive pressure, even for differentiated service lines. S&P believe these factors could meaningfully diminish free cash flow while elevating Nine's gross leverage above 5x and reducing funds from operations (FFO) to debt to around 10%-15%, which appear unsustainable even though the company's \$400 million 8.75% senior notes do not mature until 2023. However, S&P recognize Nine's near-term liquidity sources, which include a \$93 million year-end cash balance and almost \$100 million of available revolving credit.

Description: Nine Energy Service, Inc., provides oil-field services. The Company offers on-shore completion and production services. Nine Energy Service also focuses on well solutions including cementing, stimulating, isolating, and drilling. Nine Energy Service serves oil and gas exploration and production sector in North America.

Officers: Ann G. Fox (Pres. & CEO); Clinton Roeder (SVP & CFO); David Crombie (EVP & COO); S. Brett Luz (Chief Accounting Officer)

Auditor: PricewaterhouseCoopers LLP

Securities: Common stock symbol NINE; NYSE; 30,537,732 shares of common stock outstanding as of Mar. 5, 2020.
\$400 million 8.750% senior notes due 2023.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0530

Oak Street Redevelopment Corporation

2100 Q Street
Sacramento, CA 95816
(916) 321-1844

NAICS 511120

Category: Bankruptcy

Event: Oak Street Redevelopment Corporation filed for Chapter 11 protection on March 24, 2020, with the U.S. Bankruptcy Court for the Southern District of New York, case number 20-10888.

Description: Oak Street Redevelopment Corporation is an affiliate of The McClatchy Company, which, together with 53 of its wholly owned subsidiaries, sought bankruptcy protection on Feb. 13, 2020. McClatchy and its direct and indirect debtor subsidiaries are a diversified digital and print media business, focused on providing local journalism to 30 communities across 14 states, as well as national news coverage through The McClatchy Company's Washington D.C. based bureau.

Officers: Elaine R. Lintecum (VP, Asst. Sec. & Treas.)

Attorneys: Shana A. Elberg, Esq., and Bram A. Strohlic, Esq., at Skadden, Arps, Slate, Meagher & Flom LLP; New York, NY; (212) 735-3000; shana.elberg@skadden.com

Albert Togut, Esq., and Kyle J. Ortiz, Esq., at Togut, Segal & Segal LLP; New York, NY; (212) 594-5000; altogut@TeamTogut.com

Estimated Assets: \$500 million to \$1 billion

Estimated Liabilities: \$1 billion to \$10 billion

Notes: A copy of the petition is available for free at PacerMonitor.com at: <https://is.gd/0Tdoqm>

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0531

OneWeb Global Limited

West Works Building 195 Wood Lane
London, W12 7FQ, United Kingdom

NAICS 517410

Category: Bankruptcy

Event: OneWeb Global Limited and its debtor-affiliates (see addendum, next page) filed for Chapter 11 protection on March 27, 2020, with the U.S. Bankruptcy Court for the Southern District of New York, case number 20-22437, before Judge Robert D. Drain.

Description: OneWeb Global Limited is a global communications company developing a low-Earth orbit satellite constellation system and associated ground infrastructure, including terrestrial gateways ("Satellite Network Portals", or "SNPs") and end-user terminals, capable of delivering communication services for use by consumers, businesses, governmental entities, and institutions, including schools, hospitals, and other end-users whether on the ground, in the air, or at sea. OneWeb's business consists of the development of the OneWeb System, which has included the development of small-next generation satellites that have been mass-produced through a joint venture and the development of specialized connections between the satellite system and the internet and other communications networks through the SNPs.

Officers: Adrian Steckel (CEO); Thomas Whyne (CFO); Larry Alder (COO); Heidi Dillard (Chief HR Officer)

Attorneys: Dennis F. Dunne, Esq., and Andrew M. Leblanc, Esq., at Milbank LLP; New York, NY; (212) 530-5000; ddunne@milbank.com

Estimated Assets: \$1 billion to \$10 billion

Estimated Liabilities: \$1 billion to \$10 billion

Notes: A copy of OneWeb Global's petition is available for free at PacerMonitor.com at: <https://is.gd/1N5iRv>

[Prospector Profile Categories and data qualification](#)

Debtor-affiliates filing separate Chapter 11 petitions:

<u>Entity</u>	<u>Case No.</u>
1021823 BC Ltd.	20-22441
Network Access Associates Ltd	20-22442
OneWeb Chile SpA	20-22443
OneWeb Communications Ltd	20-22438
OneWeb GK	20-22449
OneWeb Holdings LLC	20-22434
OneWeb Ltd	20-22450
OneWeb Network Access Holdings Ltd	20-22448
OneWeb Norway AS	20-22446
WorldVu Australia Pty Ltd	20-22444
WorldVu Development LLC	20-22436
WorldVu JV Holdings LLC	20-22435
WorldVu Mexico S. De R.L. de CV	20-22451
WorldVu Satellites Ltd	20-22439
WorldVu South Africa (Pty) Ltd	20-22452
WorldVu Unipessoal Lda	20-22445
OneWeb ApS	20-22447
OneWeb Limited	20-22440

*Prospector
Profile*

20.0532

Optimas OE Solutions, LLC

2651 Compass Road
Glenview, IL 60026
(224) 999-1000

NAICS 335999

Category: Low Rating

Event: S&P Global Ratings raised its issuer credit rating on Optimas OE Solutions Holding LLC to 'CCC' from 'SD' (selective default) reflecting the possibility of additional debt restructurings or other transactions that S&P views as tantamount to default over the next 12 months, as well as refinancing risk for the senior secured notes due in June 2021.

S&P is raising the issue-level ratings on the senior notes involved in the distressed restructuring to 'CCC-' from 'D'. The recovery rating remains '5', indicating its expectation for modest (10%-30%; rounded estimate: 25%) recovery in a payment default.

S&P's 'CCC' issuer credit rating on Optimas reflects a default in the next 12 months stemming from its inability to refinance its upcoming debt maturities maturing in about a year, the possibility of another transaction which S&P view as tantamount to a default, or the potential for constrained liquidity causing a missed interest payment or breach of a covenant.

Description: Optimas OE Solutions, LLC, provides highly engineered fasteners and c-class components to customers around the world in the rail, commercial vehicle, luxury automotive, agricultural equipment, power generation equipment, construction and industrial markets.

Officers: TJ Rosengarth (Pres. & CEO); Jim Japczyk (CFO); Ray Tofolo (Chief Information and Digital Officer); Rebecca Goldman (SVP & General Counsel)

Securities: \$225 million senior secured notes due June 1, 2021;
\$180 million ABL facility due July 3, 2023.

Notes: Update of Volume 28, Number 12 - TCP200323

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0533

Optimas OE Solutions, LLC

2651 Compass Road
Glenview, IL 60026
(224) 999-1000

NAICS 335999

Category: Low Rating

Event: Moody's Investors Service downgraded Optimas OE Solutions Holding, LLC 's Corporate Family Rating to Caa1, Probability of Default Rating to Caa1-PD and senior secured rating to Caa2. The outlook is changed to negative.

Optimas' Caa1 CFR reflects high exposure to the automotive and trucking manufacturing industry, elevated debt leverage, declining EBITA margins and significant debt maturities due in June 2021. At year-end 2020, Moody's projects total debt-to-EBITDA to be at 8.5x and EBITA-to-Interest expense at 1.0x.

At the same time, the rating reflects Moody's consideration of the company's large revenue base, long standing customer relationships and its integrated distribution platform within the automotive and trucking industries. In a typical year, Optimas distributes approximately nine billion components sourced from over 3,300 suppliers to its customers.

The negative outlook reflects Moody's view that Optimas will face some uncertainty restoring its profitability, generating free cash flow, and improving its credit metrics. Moody's also believes that Optimas' high leverage will negatively impact the company's ability to address near term maturities and refinance its debt prompting the need for additional distressed exchanges or restructuring.

Description: Optimas OE Solutions, LLC, provides highly engineered fasteners and c-class components to customers around the world in the rail, commercial vehicle, luxury automotive, agricultural equipment, power generation equipment, construction and industrial markets.

Officers: TJ Rosengarth (Pres. & CEO); Jim Japczyk (CFO); Ray Tofolo (Chief Information and Digital Officer); Rebecca Goldman (SVP & General Counsel)

Securities: \$225 million senior secured notes due June 1, 2021; \$180 million ABL facility due July 3, 2023.

Notes: Update of Volume 28, Number 12 - TCP200323

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0534

Party City Holdings Inc.

80 Grasslands Road
Elmsford, NY 10523
(914) 345-2020

NAICS	453220
Employees	10,400
Revenue	(mil) \$ 2,348.79
Income	(mil) (\$ 532.86)
Assets	(mil) \$ 3,595.32
Liabilities	(mil) \$ 3,062.25
(for the year ended 12/31/19)	

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Elmsford, N.Y.-based party goods retailer and wholesaler Party City Holdings Inc. to 'CCC+' from 'B', which reflects its view of the company's substantially weakened earnings prospects and sizable upcoming term loan maturity in 2022.

At the same time, S&P lowered its issue-level rating on the company's term loan to 'B-' from 'B+' and its issue-level rating on the company's senior notes to 'CCC-' from 'CCC+'. S&P's '2' recovery rating on the term loan and '6' recovery rating on the senior notes remain unchanged.

The downgrade reflects S&P's view that Party City's operating prospects this year are substantially worsened by the coronavirus pandemic, following a weak fourth quarter which highlights ongoing operational challenges faced by the company. Therefore, S&P believe it is increasingly likely that Party City will face difficulty in refinancing its debt at par.

The negative outlook reflects the substantial risks to Party City's operating performance given its weak results in the second half of 2019, the continued challenges and execution risk it is facing as management works to execute their strategic initiatives, and the anticipated substantial decline in its demand due to the coronavirus outbreak.

Description: Party City Holdings Inc., through its subsidiaries, designs, manufactures, contracts for manufacture, and distributes party goods worldwide. The company operates in two segments, Wholesale and Retail.

Officers: James M. Harrison (CEO); Todd Vogensen (CFO); Michael A. Correale (Chief Accounting Officer)

Auditor: Ernst & Young LLP

Securities: Common stock symbol PRTY; NYSE; 94,491,352 shares of common stock outstanding as of Feb. 28, 2020.

\$724.88 million term loan credit agreement;
\$347.01 million 6.125% senior notes due 2023;
\$494.91 million 6.625% senior notes due 2026.

Notes: Update of Volume 27, Number 48 - TCP191202

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0535

Portillo's Holdings LLC

2001 Spring Rd.
Oak Brook, IL 60523
(630) 954-3773

NAICS 722511

Category: Low Rating

Event: Moody's Investors Service downgraded Portillo's Holdings, LLC's corporate family rating to Caa1 from B3, its probability of default rating to Caa1-PD from B3-PD, its first lien senior secured term loan and bank facility rating to B3 from B2, and its second lien term loan to Caa3 from Caa2. The outlook was changed to negative from stable.

The downgrade considers to the closure of in-store dining units across the restaurant industry due to efforts to contain the spread of the coronavirus. While Portillo's will benefit from its active delivery and drive-thru business that will help offset a portion of fixed costs, leverage prior to this event was high due the 2019 LBO. Given the anticipated decline in earnings, debt/EBITDA is expected to increase near 9.0x from approximately 7.5x as of the last twelve months and EBIT/interest will deteriorate below 1.0x. Portillo's cash balances which include recent revolver draws approximate \$50 million which will enable the company to meet its obligations even if the closures last for several months.

Portillo's Holdings, LLC. is constrained by the company's high leverage, very small scale and a geographically concentrated restaurant base consisting of 61 units, primarily within the Chicagoland market. The ratings also consider risks associated with its private equity ownership and an aggressive financial policy, most recently evidenced by the primarily debt financed dividend taken in late 2016. The rating is supported by the company's loyal customer following in its core market and strong profit margins, all of which have helped drive revenue growth, healthy unit economics and cash flow generation. In addition, Portillo's is reducing costs and capital spending to manage through this period of disruption. Portillo's liquidity is adequate. Portillo's cash balances which include recent revolver draws approximate \$50 million which will enable the company to meet its obligations even if the closures last for several months. The company's revolver expires in 2024, the first lien term loan matures in 2026 and second lien term loan in 2024. The company is subject to net first lien financial covenant with limited headroom to absorb lower earnings.

"

Description: Portillo's Holdings, LLC, operates 60 locations primarily in the Chicagoland area under the Portillo's Hot Dogs and Barnelli's Pasta Bowls banners.

Officers: Dick Portillo (Founder & Pres.)

Securities: \$382 million first lien term loan due 2024;
\$105 million second lien term loan due 2024;
\$50 million first lien revolving credit facility.

Notes: Update of Volume 27, Number 47 - TCP181125

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0536

Prime Global Capital Group Incorporated

2780 S Jones Blvd, 3408
Las Vegas, NV 89146
(323) 683-3001

NAICS	511210
Employees	9
Revenue	(mil) \$ 1.92
Income	(mil) (\$ 0.27)
Assets	(mil) \$ 44.47
Liabilities	(mil) \$ 17.63
(for the year ended 10/31/19)	

Category: Loss/Deficit

Event: Prime Global Capital Group Incorporated filed with the Securities and Exchange Commission its Quarterly Report on Form 10-Q reporting a net loss attributable to the company of \$31,240 on \$474,576 of net total revenues for the three months ended Jan. 31, 2020 compared to a net loss attributable to the company of \$65,792 on \$445,488 of net total revenues for the three months ended Jan. 31, 2019.

As of Jan. 31, 2020 the Company had \$45.27 million in total assets, \$17.90 million in total liabilities, and \$27.36 million in total equity.

As of Jan. 31, 2020, the Company had cash and cash equivalents of \$192,712, as compared to \$155,845 as of the same period last year. The Company's cash and cash equivalents increased as a result of receiving new bank loans.

The Company expects to incur significantly greater expenses in the near future, including the contractual obligations that have assumed when development activities begin. The Company also expects the general and administrative expenses to increase as it expand its finance and administrative staff, and add infrastructure.

Description: Prime Global Capital Group Incorporated (PGCG), formerly Home Touch Holding Company, incorporated on January 26, 2009, through its subsidiary and variable interest entity (VIE) is principally engaged in the operation of palm oil plantations, provision of information technology (IT) consulting and programming services and distributing consumer products in Malaysia. PGCG operates three business segments in Malaysia: software business, which includes sale of software products and Website development; trading business, which is trading of luxury consumer products, and plantation business, which includes the operation of palm oil plantation.

Officers: Kung Wong Weng (CEO, Interim CFO & Interim Sec.)

Auditor: ShineWing Australia

Securities: Common stock symbol PGCG; OTCMKTS; 512,682,393 shares of common stock outstanding as of Mar. 16, 2020.

Notes: Update of Volume 28, Number 6 - TCP200210

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0537

Rayonier Advanced Materials Inc.

1301 Riverplace Blvd. Suite 2300
 Jacksonville, FL 32207
 (904) 357-4600

NAICS	325220
Employees	4,000
Revenue	(mil) \$ 1,775.39
Income	(mil) (\$ 5.98)
Assets	(mil) \$ 2,480.15
Liabilities	(mil) \$ 1,797.35
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Rayonier A.M. Products Inc.'s corporate family rating to B3 from B1, probability of default rating to B3-PD from B1-PD, senior unsecured bond rating to Caa2 from B3. The speculative grade liquidity rating was upgraded to SGL-3 from SGL-4. The rating outlook remains negative.

The downgrade reflects weaker than anticipated operating and financial performance and expectations that the company's high leverage (14x in 2019) will improve, but remain elevated (about 8x) over the next 12 to 18 month as commodity markets remain challenged for longer than previously expected.

The negative outlook reflects Moody's view that RYAM's elevated financial leverage will remain high given the challenging commodity markets and the company's limited ability to reduce debt through free cash flow generation and asset sales. Moody's expects that the company will be able to improve operating earnings through stronger lumber prices, improved operational performance and lower lumber and Chinese tariffs. This will be partially offset by lower average pulp prices, weaker newsprint prices and the negative demand impacts of the coronavirus.

As a manufacturing company, RYAM is moderately exposed to environmental risks, such as air and water emissions, and social risks, such as labor relations, health and safety issues, and changing consumer trends (which include smoking less cigarettes, which lessens the demand for acetate-based SC and fewer people reading paper newspapers). The company has established expertise in complying with these on-going risks, and has incorporated procedures to address them in their operational planning and business models. Governance risks are moderate, as RYAM is a public company with transparent reporting. The company is expected to direct most of its free cash flow, if and when generated, towards debt reduction, as its leverage is currently significantly above its long-term net leverage target of 2.5x.

Description: Rayonier Advanced Materials Inc. is an American chemical company specializing in cellulose-based products. The Company produces more than 25 grades of high-purity performance fibers for products ranging from food, cosmetics, and pharmaceuticals to paints, filters, impact-resistant plastics, and digital display screens.

"

Officers: Paul Boynton (Chairman, Pres. & CEO); Marcus Moeltner (CFO & SVP); James L. Posze (SVP - HR); Michael Herman (SVP & General Counsel)

Auditor: Grant Thornton LLP

Securities: See addendum, next page.

Notes: Update of Volume 28, Number 10 - TCP200309

[Prospector Profile Categories and data qualification](#)

Common stock symbol RYAM; NYSE; 63,171,700 shares of common stock outstanding as of Feb. 25, 2020.

US\$133.28 million floating rate term A-1 loan facility matures November 2022;

US\$365.59 million floating rate term A-2 loan facility matures November 2024;

US\$495.65 million 5.50% senior notes due 2024;

C\$83.12 million 5.50%-6.86% term loan matures from March 2020 through April 2028.

*Prospector
Profile*

20.0538

Red Lobster Intermediate Holdings LLC

NAICS 722513

3552 E. Colonial Drive
Orlando, FL 32803
(407) 896-3657

Category: Low Rating

Event: S&P Global Ratings lowered all ratings on Red Lobster Intermediate Holdings LLC, including the issuer-level rating on Red Lobster to 'CCC+' from 'B-'. At the same time, S&P placed all ratings on CreditWatch with negative implications.

The downgrade reflects S&P's view that the company's capital structure is unsustainable based on rapidly weakening operating performance in the company's largely dine-in operations that makes it vulnerable to meet its financial commitments. Specifically, company remains predominantly a dine-in establishment with more than 90% of revenue coming from in restaurant experiences. S&P expects dine-in casual dining to be negatively affected by the COVID-19 pandemic including government-mandated closure of dine-in establishments, social distancing, and S&P's expectation for a significant weakening of the economy.

Description: Red Lobster Intermediate Holdings LLC operates as a holding company for Red Lobster Seafood Co. Red Lobster Seafood Co. is an American casual dining restaurant chain headquartered in Orlando, Florida.

Officers: Salli Setta (Pres.); Kim Lopdrup (CEO)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0539

Sable Permian Resources, LLC

NAICS 211120

700 Milam Street Suite 3100
Houston, TX 77002
(713) 579-8000

Category: Low Rating

Event: Fitch Ratings has placed Sable Permian Resources Finance LLC's (Sable) 'CCC+' Long-Term Issuer Default Rating (IDR) on Rating Watch Negative. In addition, Sable's senior secured bonds were placed on Negative Watch. Fitch has also affirmed Sable Land Company, LLC's (LandCo) Long-Term IDR at 'B-'. The Rating Outlook was revised to Negative from Stable. LandCo's senior secured revolver was affirmed at 'BB-'/RR1'.

LandCo's Negative Outlook reflects the lower oil and natural gas price environment, which may elevate leverage metrics and negatively impact the company's operational and financial flexibility. Fitch anticipates the company will scale back its drilling program to manage FCF and preserve liquidity. Another consideration is the company's limited tier-1 Permian inventory, which may be targeted during the downcycle to manage near-term cash flows but reduces longer-term corporate asset value.

Sable's Negative Watch reflects the potential pressure on LandCo's restricted payment covenants, which will restrict Sable's ability to meet interest payments. Under the RBL, LandCo is able to make payments to Sable if there is no event of default, revolver availability is at least 15% and the pro forma LTM leverage ratio is below 3.25x (or up to \$100 million in aggregate if leverage ratio is above 3.25x). In the current weak pricing environment, Fitch notes that LandCo's financial flexibility is materially weaker and the company may not be able to make restricted payments.

Description: Sable Permian Resources, LLC, formerly American Energy–Permian Basin, LLC, is an independent oil and natural gas company focused on the acquisition, development and production of unconventional oil and natural gas reserves in the Wolfcamp Shale play in the Southern Midland Basin within the Permian Basin of West Texas.

Officers: James C. Flores (Chairman, Pres. & CEO); Gregory D. Patrinely (EVP & CFO); Doss R. Bourgeois (EVP & COO); John F. Wombwell (EVP, General Counsel & Sec.)

Securities: \$295 million senior secured second lien notes due 2020;
\$650 million senior unsecured notes due 2020;
\$600 million senior unsecured notes due 2021.

Notes: Update of Volume 27, Number 31 - TCP190805

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0540

Serta Simmons Bedding LLC

2451 Industry Avenue
Doraville, GA 30360
(404) 534-5000

NAICS 337910
Employees 5,000

Category: Low Rating

Event: Moody's Investors Service downgraded Serta Simmons Bedding, LLC's Corporate Family Rating to Caa3 from Caa1. Moody's also downgraded the company's Probability of Default Rating to Caa3-PD from Caa1-PD, the rating on its first lien term loan to Caa3 from Caa1 and the second lien term loan rating to Ca from Caa3. These actions reflect Serta Simmons' continuing weak operating performance and Moody's view that the very highly leveraged capital structure is unsustainable. Moody's also expects the impact of the coronavirus to place additional pressure on the company's operating performance as consumers adhere to government recommendations to limit activity outside their homes, which will reduce visitation at retail stores where the company's products are sold. The rating outlook is negative.

Serta Simmons has struggled to adapt to a steadily-evolving competitive marketplace within the bedding segment including the growth of online sales and lower-priced options. This has resulted in senior management turnover and weak earnings. It has also resulted in very high financial leverage of about 10.3x debt-to-EBITDA, with little visibility as to how the company can materially strengthen its capital structure over the next few years. As these conditions persist, the probability increases that the company will pursue a debt restructuring or other transaction that Moody's would consider a distressed exchange, and hence a default. Serta Simmons' adequate liquidity provides it with some cushion to execute its turn-around strategy. This includes about \$100 million in cash, and no material debt maturities until 2023.

Serta Simmons' Caa3 CFR reflects its high financial leverage at over 10.0x debt to EBITDA, aggressive financial policies and Moody's concern over the sustainability of the company's capital structure. The ratings are also constrained by the volatility in profitability and cash flows experienced during economic downturns. The rating benefits from the company's good cash flow, solid scale with revenue of about \$2.3 billion, and leading market share. Serta Simmons' well-known brand names and product development capabilities are also a benefit.

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Description: Serta Simmons Bedding LLC is the parent company of Serta International Holdco, Simmons Bedding Company, and SSB Manufacturing Company. Through these subsidiaries, SSB manufactures, distributes and sells mattresses, foundations, and other related and specialty bedding products. The company's brand names include, Serta, iComfort, iSeries, Beautyrest, and Beautyrest Black.

Officers: Barry Canipe (EVP & CFO); Melanie Huet (Chief HR Officer); Kristen McGuffey (EVP, General Counsel & Sec.); Derek Miller (Chief Sales Officer)

Securities: \$1.3 billion senior secured term loan B (\$1.115 billion outstanding) due October 2019;
\$650 million senior unsecured notes due October 2020;
\$1.95 billion first lien secured term loan due 2023;
\$450 million second lien secured term loan due 2024.

Notes: Update of Volume 27, Number 50 - TCP191216

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0541

Sheridan Holding Company I, LLC

1360 Post Oak Blvd., Suite 2500
Houston, TX 77056
(713) 548-1000

NAICS 211130

Category: Bankruptcy

Event: Sheridan Holding Company I, LLC, and its debtor-affiliates (see addendum, next page) filed for Chapter 11 protection on March 23, 2020, with the U.S. Bankruptcy Court for the Southern District of Texas, case number 20-31884, before Judge David R. Jones.

Description: Sheridan Holding Company I, LLC, and its Debtor affiliates are an independent oil and natural gas investment fund with production and development activities in the Oklahoma, Texas, and Wyoming. The Debtors comprise the first of three series of private placement oil and gas investment funds in the Sheridan group, all under the common management of non-debtor Sheridan Production Partners Manager, LLC.

Officers: Lisa A. Stewart (Executive Chairman, Pres., CEO & chief investment officer)

Attorneys: Joshua A. Sussberg, P.C., and Steven N. Serajeddini, Esq., at Kirkland & Ellis LLP; New York, NY; (212) 446-4800; joshua.sussberg@kirkland.com

Matthew D. Cavanaugh, Esq., at Jackson Walker L.L.P.; Houston, TX; (713) 752-4200; mcavanaugh@jw.com

Estimated Assets: \$100 million to \$500 million

Estimated Liabilities: \$500 million to \$1 billion

Notes: A copy of Sheridan Holding's petition is available for free at PacerMonitor.com at: <https://is.gd/eF3ke7>

[Prospector Profile Categories and data qualification](#)

Debtor-affiliates filing separate Chapter 11 petitions:

<u>Entity</u>	<u>Case No.</u>
SPP I-B GP, LLC	20-31889
Sheridan Investment Partners I, LLC	20-31891
Sheridan Production Partners I, LLC	20-31890
Sheridan Production Partners I-A, L.P.	20-31886
Sheridan Production Partners I-B, L.P.	20-31888
Sheridan Production Partners I-M, L.P.	20-31887

**Prospector
Profile**

20.0542

Stem Holdings, Inc.

2201 NW Corporate Blvd., Suite 205
Boca Raton, FL 33431
(561) 948-5410

NAICS	531390
Employees	50
Revenue	(mil) \$ 2.45
Income	(mil) (\$ 28.98)
Assets	(mil) \$ 31.10
Liabilities	(mil) \$ 7.50
(for the year ended 09/30/19)	

Category: Loss/Deficit

Event: Stem Holdings, Inc., filed with the Securities and Exchange Commission its Quarterly Report on Form 10-Q reporting a net loss of \$3.31 million on \$1.32 million of revenues for the three months ended Dec. 31, 2019, compared to a net loss of \$4.17 million on \$338,000 of revenues for the three months ended Dec. 31, 2018.

As of Dec. 31, 2019, the Company had \$29.12 million in total assets, \$7.94 million in total liabilities, and \$21.18 million in total shareholders' equity.

The Company had cash of approximately \$671,000 as of Dec. 31, 2019. The Company's primary uses of cash have been for salaries, fees paid to third parties for professional services, insurance, general and administrative expenses, investment in entities engaged in the cultivation, production and sale of cannabis and related rental properties for those entities and the acquisitions and development of rental properties and their improvement. All funds received have been expended in the furtherance of growing the business. The Company has received funds from financing activities such as from equity offerings and debt financing as well as the proceeds from the acquisition of entities with significant cash holdings.

Description: Stem Holdings, Inc., operates as a real estate holding company. It purchases, improves, and leases properties for use in the cannabis production, distribution, and sales industry in the state of Oregon, the United States.

Officers: Adam Berk (CEO); Steven Hubbard (CFO)

Auditor: LJ Solding Associates, LLC

Securities: Common stock symbol STMH; OTCQX; 63,388,977 shares of common stock outstanding as of Mar. 18, 2020.

Notes: Update of Volume 28, Number 10 - TCP200309

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0543

Surgery Center Holdings, Inc.
 310 Seven Springs Way, Suite 500
 Brentwood, TN 37027
 (615) 234-5900

NAICS	621498
Employees	9,600
Revenue	(mil) \$ 1,831.40
Income	(mil) \$ 45.10
Assets	(mil) \$ 5,018.90
Liabilities	(mil) \$ 4,035.50
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded ratings of Surgery Center Holdings, Inc. ("doing business as Surgery Partners") and placed the ratings under review for further downgrade. Moody's downgraded the Corporate Family Rating to Caa1 (from B3), the Probability of Default Rating to Caa1-PD (from B3-PD), and the first lien senior secured debt rating to B2 (from B1). Moody's placed these ratings on review for further downgrade. The unsecured notes, rated Caa2, were also placed on review for downgrade. Additionally, Moody's downgraded the Speculative Grade Liquidity Rating to SGL-3 (adequate) from SGL-2 (good).

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented.

On March 18, the Centers for Medicare & Medicaid Services (CMS) advised that all elective surgeries, non-essential medical, surgical, and dental procedures be delayed in order to increase capacity and resources to fight the coronavirus outbreak. The Centers for Disease Control and Prevention (CDC), several governors and others are advising the same. Based on the guidance to limit non-essential medical and surgical procedures, Moody's believes that ambulatory surgery centers, like those owned by Surgery Partners, will experience a significant drop in volumes over the coming weeks, and the timing for recovery is uncertain.

The downgrade of the CFR to Caa1 is related to Surgery Partners' already high leverage and the expected weakening of liquidity given reduced elective procedures due to the coronavirus pandemic. The company's high leverage and high cash interest expense relative to its earnings increase the risk that the company could pursue a transaction that Moody's deems to be a distressed exchange, and hence a default under Moody's definition.

Description: Surgery Center Holdings, Inc., also known as Surgery Partners is an operator of short stay surgical facilities and physician practices in 29 states. The surgical facilities, which include ASCs and surgical hospitals, primarily provide non-emergency surgical procedures across many specialties, including, among others, cardiology, gastroenterology, ophthalmology, orthopedics and pain management.

Officers: Wayne S. DeVeydt (Chairman); Eric Evans (CEO); Tom Cowhey (CFO & EVP); Jennifer Baldock (EVP, Chief Administrative & Development Officer); Tony Taparo (Chief Growth Officer)

Auditor: Deloitte & Touche LLP

Securities: See addendum, next page.

Notes: Update of Volume 27, Number 13 - TCP190401

[Prospector Profile Categories and data qualification](#)

Common stock symbol SGRY; NASDAQ; 49,289,926 shares of common stock outstanding as of Mar. 4, 2020.

\$932 million floating rate 2014 first lien credit agreement matures November 3, 2020;

\$400 million 8.875% senior unsecured notes due April 15, 2021.

Prospector Profile

20.0544

Tailored Brands, Inc.

6380 Rogerdale Road
Houston, TX 77072
(281) 776-7000

NAICS	448110
Employees	20,600
Revenue	(mil) \$ 3,239.90
Income	(mil) \$ 83.24
Assets	(mil) \$ 1,820.49
Liabilities	(mil) \$ 1,816.86

(for the year ended 02/02/19)

Category: Low Rating

Event: S&P Global Ratings lowered all ratings on Calif.-based specialty apparel retailer Tailored Brands Inc., including its issuer credit rating to 'CCC+' from 'B', reflecting its view of the company's capital structure as unsustainable in light of substantially weakened earnings prospects.

The downgrade reflects S&P's view of Tailored's capital structure as potentially unsustainable, based on S&P's view that the company's earnings prospects have substantially weakened. S&P believe the anticipated performance pressures at Tailored, combined with the adverse effects of the coronavirus pandemic, will increase refinancing risk as the company's debt comes due. S&P expects performance will remain pressured over the next several quarters amid decelerating economic growth and discretionary consumer spending in the U.S. because of the pandemic. In addition, S&P expect demand for formalwear to significantly drop with corporations' remote working arrangements and a decline in corporate and social events as people practice social distancing.

If Tailored cannot refinance its unsecured senior notes (with about \$174 million outstanding) due in July 2022 by April 2022, its sizable term loan B (with about \$880 million outstanding) due in April 2025 will mature early in April 2022. Also, the company's \$550 million asset-based lending (ABL) revolver (with about \$360 million outstanding) is due in October 2022. With these sizable upcoming debt maturities, the company has very limited time to turn performance around and regain lender confidence to complete a refinancing transaction at par. Considering the current term loan pricing in the \$60s, S&P believes Tailored has an economic incentive to repurchase its debt below par, which S&P may consider tantamount to a default.

The negative outlook reflects substantial risks to Tailored's operating performance given its weak earnings in fiscal 2019, continued challenges and execution risk as management works to execute strategic initiatives, and anticipated substantial decline in demand because of the coronavirus pandemic.

Description: Tailored Brands, Inc., is a U.S.-based, retail holding company for various men's apparel stores, including the Men's Wearhouse and Joseph A. Bank brands.

Officers: Dinesh S. Lathi (Pres. & CEO); Jack P. Calandra (EVP, CFO & Treas.); Brian T. Vaclavik (SVP & Chief Accounting Officer)

Auditor: Deloitte & Touche LLP

Securities: See addendum, next page.

Notes: Update of Volume 27, Number 40 - TCP191007

[Prospector Profile Categories and data qualification](#)

Common stock symbol TLRD; NYSE; 48,422,534 shares of common stock outstanding as of Nov. 2, 2019.

\$891 million term loan;

\$228.61 million senior notes;

\$48.50 million ABL facility.

*Prospector
Profile*

20.0545

Taseko Mines Ltd.

15th Floor - 1040 West Georgia St
Vancouver, BC, Canada V6E 4H1
(778) 373-4533

NAICS	212230		
Employees	713		
Revenue	(C\$ mil)	\$	343.87
Income	(C\$ mil)	(\$	35.77)
Assets	(C\$ mil)	\$	972.72
Liabilities	(C\$ mil)	\$	625.65

(for the year ended 12/31/18)

Category: Low Rating

Event: Moody's Investors Service downgraded Taseko Mines Limited's Corporate Family rating to Caa1 from B3, Probability of Default Rating to Caa1-PD from B3-PD, senior secured note ratings to Caa1 from B3 and Speculative Grade Liquidity Rating to SGL-4 from SGL-3. The ratings outlook was changed to negative from stable.

The downgrade of Taseko's rating is driven by the company's high leverage and Moody's expectation of continued weakness in copper prices.

Taseko's (Caa1 negative) credit is constrained by the company's concentration of cash flows from one metal (copper) at a single mine (Gibraltar), variability in grade and costs due to mine sequencing, and high leverage (7.2x at Q4/19). The company benefits from its mine location in a favorable mining jurisdiction (Canada) and long reserve life (19 year mine life). Using Moody's copper price sensitivity of US\$2.25/lb in 2020 leverage will be over 5x. Moody's expects there to be a high degree of volatility in Taseko's metrics, as changes in ore grade, copper prices, and the Canadian/US exchange rate can substantively change leverage. Also, with all the company's production from one mine, and its exposure to volatile copper prices, Taseko could see potential material reductions in cash flows should there be operational problems or a continued fall in copper prices.

Description: Taseko Mines Ltd. is a Canada-based mining company. The Company is engaged in acquiring, developing, and operating large tonnage mineral deposits.

Officers: Stuart McDonald (Pres.); Russell Hallbauer (CEO); Bryce Hamming (CFO); John W. McManus (COO); Brian Battison (VP - Corporate Affairs); Scott Jones (VP - Engineering)

Auditor: KPMG LLP

Securities: Common stock symbol TGB; NYSE American; 246,194,219 shares of common stock outstanding as of Feb. 19, 2020.
US\$331.68 million 8.750% senior secured notes due June 15, 2022.

Notes: Update of Volume 25, Number 11 - TCP170313

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0546

Town Sports International Holdings, Inc.

1001 US North Highway 1, Suite 201
Jupiter, FL 33477
(212) 246-6700

NAICS	713940
Employees	9,200
Revenue	(mil) \$ 466.76
Income	(mil) (\$ 18.56)
Assets	(mil) \$ 794.28
Liabilities	(mil) \$ 882.62
(for the year ended 12/31/19)	

Category: Audit Concerns

Event: Town Sports International Holdings, Inc., filed with the Securities and Exchange Commission its Annual Report on Form 10-K reporting a net loss attributable to the company and subsidiaries of \$18.56 million on \$466.76 million of revenues for the year ended Dec. 31, 2019, compared to net income attributable to the company and subsidiaries of \$77,000 on \$443.09 million of revenues for the year ended Dec. 31, 2018.

As of Dec. 31, 2019, the Company had \$794.28 million in total assets, \$882.62 million in total liabilities, and \$88.34 million in total stockholders' deficit.

PricewaterhouseCoopers LLP, in New York, New York, the Company's auditor since 1996, issued a "going concern" qualification in its report dated March 20, 2020 citing that the Company has a term loan facility maturing in November 2020 and management has determined that it does not have sufficient sources of cash to satisfy this obligation. In addition, the COVID-19 pandemic has had a material adverse effect on the Company's results of operations, cash flows and liquidity. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

Description: Town Sports International Holdings, Inc., through its wholly-owned operating subsidiary Town Sports International, LLC, is one of the leading owners and operators of fitness clubs in the Northeast and Mid-Atlantic regions of the United States.

Officers: Patrick Walsh (Chairman & CEO); Helen Van Ness (Interim CFO)

Auditor: PricewaterhouseCoopers LLP

Securities: Common Stock Symbol CLUB; Nasdaq; 29,564,762 shares of common stock outstanding as of March 16, 2020.

\$177.76 million 2013 term loan facility maturing November 15, 2020.

Notes: Update of Volume 27, Number 47 - TCP191125

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0547

Trans-Lux Corporation

135 East 57th Street, 14th Floor
New York, NY 10022
(800) 243-5544

NAICS	334413
Employees	50
Revenue	(mil) \$ 17.03
Income	(mil) (\$ 1.40)
Assets	(mil) \$ 12.25
Liabilities	(mil) \$ 14.00
(for the year ended 12/31/19)	

Category: Loss/Deficit

Event: Trans-Lux Corporation filed with the Securities and Exchange Commission its Annual Report on Form 10-K reporting a net loss of \$1.40 million on \$17.03 million of total revenues for the year ended Dec. 31, 2019, compared to a net loss of \$4.69 million on \$14.40 million of total revenues for the year ended Dec. 31, 2018.

As of Dec. 31, 2019, the Company had \$12.25 million in total assets, \$13.99 million in total liabilities, and a total stockholders' deficit of \$1.74 million.

The Company has incurred recurring losses and has a working capital deficiency. The Company had a working capital deficiency of \$3.1 million as of Dec. 31, 2019.

The Company is dependent on future operating performance in order to generate sufficient cash flows in order to continue to run its businesses. Future operating performance is dependent on general economic conditions, as well as financial, competitive and other factors beyond our control. In order to more effectively manage its cash resources, the Company had, from time to time, increased the timetable of its payment of some of its payables, which delayed certain product deliveries from our vendors, which in turn delayed certain deliveries to our customers.

Description: Trans-Lux Corporation is a full-service provider of integrated multimedia systems. The essential elements of these systems are the real-time, programmable electronic information displays the Company manufactures, distributes and services.

Officers: Alberto Shaio (Pres. & CEO); John Hammock (Chief Sales & Marketing Officer); Todd Dupee (VP - Finance & Controller); Jane Bauer (VP - HR)

Auditor: Marcum LLP

Securities: Commons stock symbol TNLX; OTCMKTS; 13,446,276 shares of common stock outstanding as of March 19, 2020.

Notes: Update of Volume 26, Number 15 - TCP180409

[Prospector Profile Categories and data qualification](#)

**Prospector
Profile**

20.0548

Transocean Ltd.
4 Greenway Plaza
Houston, TX 77046
(713) 232-7500

NAICS	213111
Employees	6,600
Revenue	(mil) \$ 3,088.00
Income	(mil) (\$ 1,257.00)
Assets	(mil) \$ 24,105.00
Liabilities	(mil) \$ 12,238.00
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Transocean Inc.'s Corporate Family Rating to Caa1 from B3, Probability of Default Rating to Caa1-PD from B3-PD, and senior unsecured notes rating to Caa3 from Caa2. Concurrently, Moody's also downgraded Transocean's senior secured revolving credit facility to B1 from Ba3, senior secured notes issued by various Transocean's subsidiaries to B2 from B1 and priority guaranteed senior unsecured notes to Caa2 from Caa1. Transocean's Speculative Grade Liquidity rating was downgraded to SGL-2 from SGL-1. The rating outlook remains negative.

Transocean's downgrade to Caa1 CFR reflects the potential for the company's high financial leverage to become untenable as the recovery in offshore activity continues to be slower than expected. The prevailing weak commodity price environment further dampens the prospect of improvement in Transocean's cash flow outlook.

The rapid and widening spread of the coronavirus outbreak, deteriorating global economic outlook, falling oil prices, and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The OFS sector has been one of the sectors most significantly affected by the shock given its sensitivity to demand and oil prices. More specifically, the weaknesses in Transocean's credit profile have left it vulnerable to shifts in market sentiment in these unprecedented operating conditions and Transocean remains vulnerable to the outbreak continuing to spread and oil prices remaining weak. Moody's regard the coronavirus outbreak as a social risk under its ESG framework, given the substantial implications for public health and safety. The action reflects the impact on Transocean of the breadth and severity of the oil demand and supply shocks, and the broad deterioration in credit quality it has triggered.

Description: Transocean Ltd. is an international offshore drilling contractor operating in every major offshore producing basin around the world.

Officers: Jeremy D. Thigpen (Pres. & CEO); Mark Mey (EVP & CFO); Keelan Adamson (EVP & COO); Brady Long (EVP & General Counsel)

Auditor: Ernst & Young LLP

Securities: See addendum, next page.

Notes: Update of Volume 28, Number 8 - TCP200224

[Prospector Profile Categories and data qualification](#)

Common stock symbol RIG; NYSE; 612,573,158 shares of common stock outstanding as of Feb. 12, 2020.

\$206 million 6.50% Senior Notes due November 2020;
 \$221 million 6.375% Senior Notes due December 2021;
 \$198 million 5.52% Senior Secured Notes due May 2022;
 \$189 million 3.80% Senior Notes due October 2022;
 \$862 million 0.50% Exchangeable Bonds due January 2023;
 \$518 million 5.375% senior secured notes due May 2023;
 \$701 million 9.00% Senior Notes due July 2023;
 \$656 million 5.875% Senior Secured Notes due January 2024;
 \$412 million 7.75% Senior Secured Notes due October 2024;
 \$430 million 6.25% Senior Secured Notes due December 2024;
 \$525 million 6.125% Senior Secured Notes due August 2025;
 \$737 million 7.25% Senior Notes due November 2025;
 \$743 million 7.50% Senior Notes due January 2026;
 \$541 million 6.875% Senior Secured Notes due February 2027;
 \$86 million 7.45% Notes due April 2027;
 \$57 million 8.00% Debentures due April 2027;
 \$306 million 7.00% Notes due June 2028;
 \$585 million 7.50% Notes due April 2031;
 \$991 million 6.80% Senior Notes due March 2038;
 \$297 million 7.35% Senior Notes due December 2041.

Prospector Profile

20.0549

Travel Leaders Group, LLC
 3033 Campus Drive Suite W320
 Plymouth, MN 55441
 (763) 744-3700

NAICS 561510
 Employees 975

Category: Low Rating

Event: Moody's Investors Service downgraded Travel Leaders Groups, LLC's Corporate Family Rating to Caa1 from B2, Probability of Default Rating to Caa1-PD from B2-PD and its senior secured first lien credit facility (revolver and term loan B) to Caa1 from B2. The ratings have also been placed under review for further downgrade.

The downgrade to Caa1 CFR and review reflects severe disruptions within the global corporate and high-end leisure travel sectors from the coronavirus (COVID-19) pandemic. The action also incorporates Moody's expectation that Travel Leaders' operating results and liquidity will deteriorate materially in the near-term, and considers uncertainty surrounding the longer-term economic outlook.

The rapid and widening spread of the coronavirus outbreak, the deteriorating global economic outlook, falling oil prices and asset price declines are creating a severe and extensive credit shock across many sectors, regions and markets. The combined credit effects of these developments are unprecedented. The global travel sector has been one of the sectors most significantly affected by the shock given its exposure to travel restrictions and sensitivity to consumer demand and sentiment. More specifically, Travel Leaders is left vulnerable to shifts in market sentiment in these unprecedented operating conditions, and the company remains vulnerable to the outbreak continuing to spread. Moody's regards the coronavirus outbreak as a social risk under its ESG framework, given the substantial implications for public health and safety. The actions reflect the impact on Travel Leaders of the breadth and severity of the shock, and the broad deterioration in credit quality it has triggered.

Description: Travel Leaders Group, LLC, manages corporate, leisure, franchise, and consortia travel operations under its network of diversified divisions and brands. Brands include Tzell Travel Group, Protravel International, Nexion, Vacation.com, Travel Leaders, Cruise Holidays, Cruise Specialists, and Altour.

Officers: Michael Batt (Founder & Chairman); J.D. O'Hara (CEO); Steve Bishop (CFO); Sara Altschul (SVP & General Counsel)

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0550

True Leaf Brands Inc.

32 - 100 Kalamalka Lake Rd
Vernon, BC, Canada V1T 9G1
(855) 787-1902

NAICS 325199

Revenue	(mil)	\$	2.31
Income	(mil)	(\$	5.51)
Assets	(mil)	\$	17.35
Liabilities	(mil)	\$	5.47

(for the year ended 03/31/19)

Category: Default

Event: True Leaf Brands Inc. (MJ) (otcqx:TRLFF) (TLA) on March 23, 2020, disclosed that Lind Asset Management XV, LLC (the "Lender") managed by alternative asset management firm The Lind Partners, LLC, under the Company's convertible security funding agreement dated February 12, 2019, and under the waiver, amendment and funding supplement agreement dated October 7, 2019 (together the "Credit Agreement"), provided the Company with a "Notice Event of Default, Investigation of Event of Default and Reservation of Rights" letter (the "Demand Notice").

The Lender has provided the Company with two business days from March 23, 2020 ("Notice Date") to remedy all breaches under the Credit Agreement, the main breach being the immediate payment of \$250,000 which was due on March 21, 2020. The Lender has also requested the Company provide certain financial information within five business days from the Notice Date.

The Lender, without waiving any of its legal rights under the Credit Agreement, has notified the Company it does not intend to take any further action until after March 27, 2020. After that date, the Lender may enforce all rights available to it under the Credit Agreement.

The Company is reviewing and considering the Demand Notice and its options. At present, there can be no assurance as to what, if any, alternatives might be pursued by the Company. There can also be no assurance that the Company will reach any solution with the Lender, or as to the terms of any such solution, if achieved.

Description: True Leaf Brands Inc. produces and distributes pharmaceutical products. The Company offers hemp, calming oils, sticks, ear drops, and dental sprays. True Leaf Brands markets its products in Canada and the United States.

Officers: Kevin Cole (Pres.); Darcy Bomford (CEO); Tenzin Khangzar (EVP)

Auditor: Deloitte LLP

Securities: Common stock symbol TRLFF; OTCQX; 101,412,099 shares of common stock outstanding as of Feb. 27, 2020.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0551

Tupperware Brands Corporation

14901 South Orange Blossom Trail
Orlando, FL 32837
(407) 826-5050

NAICS	326199
Employees	11,300
Revenue	(mil) \$ 1,797.90
Income	(mil) \$ 12.40
Assets	(mil) \$ 1,262.40
Liabilities	(mil) \$ 1,539.40
(for the year ended 12/28/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Tupperware Brands Corporation's Corporate Family Rating to B3 from Ba3, the company's Probability of Default Rating to B3-PD from Ba3-PD and its senior unsecured rating to Caa2 from B1. The company's speculative grade liquidity rating remains unchanged at SGL-4. The outlook is negative. The rating action concludes the review for downgrade initiated on November 26, 2019 and maintained in Moody's rating action on February 27, 2020.

The downgrade reflects Moody's expectation that continued significant revenue and operating cash flow erosion will make it challenging for Tupperware to economically refinance the \$600 million of notes maturing in June 2021. Tupperware's revenue and earnings were already declining meaningfully heading into 2020, and efforts to contain the coronavirus are weakening economic growth globally and add further operating pressure on Tupperware. The company's independent sales force is a significant revenue driver across the company's direct selling business model, and the ongoing declines in active representatives continues to negatively affect business performance. Social elements including changes to consumer shopping patterns and the attractiveness of individuals serving as Tupperware sales representatives are also negatively affecting the company's direct selling business model. Recent senior management appointments bring important direct selling and consumer product experience, but the magnitude of the operating challenges and difficult economic environment present considerable headwinds to materially improving earnings and cash flow in a short time period even with good execution and cost reductions. Market volatility is also raising borrowing costs and further increasing refinancing risk.

The negative outlook reflects uncertainty regarding the company's ability to quickly stabilize declines in its sales force, operating earnings and cash flow, and to refinance the bonds. Moody's also recognizes the challenges that Tupperware will face given growing governmental mandates for social distancing that directly contrasts with the company's inherent direct selling business model.

"

Description: Tupperware Brands Corporation is a global manufacturer and direct seller of consumer products across multiple categories including food storage, preparation and serving items, and beauty and personal care products. Products are sold through a worldwide sales force that includes approximately 3 million independent dealers.

Officers: Christopher D. O'Leary (Interim CEO); Cassandra Harris (EVP & CFO); Madeline Otero (VP & Controller)

Auditor: PricewaterhouseCoopers LLP

Securities: See addendum, next page.

[Prospector Profile Categories and data qualification](#)

Common stock symbol TUP; NYSE; 48,931,022 shares of common stock outstanding as of Mar. 9, 2020.

\$599.8 million 4.75% senior notes due June 1, 2021;

\$272 million revolving credit agreement matures March 29, 2024.

*Prospector
Profile*

20.0552

TurboCombustor Technology, Inc.

967 Parker St.
Manchester, CT 06042
(860) 649-2888

NAICS 336412
Employees 708

Category: Low Rating

Event: Moody's Investors Service downgraded its ratings for TurboCombustor Technology, Inc., including the company's corporate family rating (CFR, to Caa1 from B3) and probability of default rating (to Caa1-PD from B3-PD), and the ratings for its senior secured credit facilities (to Caa1 from B3). The ratings remain under review for downgrade.

The downgrades primarily reflect risk concerning TurboCombustor's short-dated capital structure, including the looming principal obligations that mature in December 2020. The downgrades also reflect the company's large-sized exposure to the Boeing 737 MAX (24% of sales) and ongoing uncertainty related to the prospective timing of that program's ungrounding by various regulators globally. In addition, Moody's considers elevated uncertainty stemming from the COVID-19 virus and the risk of the company's OEM customers reducing production volumes which would in turn pressure TurboCombustor's earnings and cash flow.

The Caa1 corporate family rating reflects TurboCombustor's modest scale, pronounced customer concentration (top 3 customers account for about 75% of sales), elevated near-term operational and financial risk, and weak track record of cash generation. Moody's expects production rates on the LEAP-1B (the engine for the 737 MAX) to be significantly lower in 2020 relative to the prior year, which will weigh on and sales and earnings, although continued growth on other platforms such as the Joint Striker Fighter will help mitigate some of these headwinds.

Description: TurboCombustor Technology, Inc., doing business as Paradigm Precision, is involved with the fabrication and assembly of gas turbine engine parts for use in commercial, military and industrial applications. The company is majority-owned by entities affiliated with The Carlyle Group.

Officers: Steve Croke (Pres. & CEO); Rita Lei (CFO); Alec Searle (COO); Ray Grochowski (VP & General Counsel); Kristine Moore (VP - HR)

Securities: \$70 million senior secured first-lien revolving credit facility due 2020;
\$260 million senior secured first-lien term loan due 2020.

Notes: Update of Volume 25, Number 29 - TCP170717

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0553

Universal Fiber Systems, LLC

640 State Street
Bristol, TN 37620
(276) 669-1161

NAICS 313110

Category: Low Rating

Event: Moody's Investors Service has downgraded Universal Fiber Systems, LLC's Corporate Family Rating to Caa1 from B3, first lien senior secured rating to B3 from B2, and second lien senior secured rating to Caa3 from Caa2. The outlook remains negative.

The rating downgrade reflects the heightened risk of the company breaching its financial covenant, maximum allowable Total Leverage Ratio of 5.75x. Universal Fiber's Total Leverage Ratio was at 5.63x for the quarter ending September 30, 2019. Moody's expects the declining demand on nylon fibers from the commercial carpet industry in North America and the COVID-19 pandemic will negatively affect its earnings and its ability to comply with the financial covenant in 2020.

The company's Caa1 CFR also reflects the company's small business scale, supplier, and customer concentration, limited operational diversity and high leverage. The commercial carpet is the largest end market for Universal and has experienced a decline in demand in North America where customers have switched to using luxury vinyl tile in the last several years. Universal Fibers' sales volume and EBITDA declined in the first 9 months of 2019 versus the prior-year period. Its debt/EBITDA, including Moody's adjustments, crept up to about 7.0x at the end of September 2019, versus 6.2x at the end of 2018. At the same time, the rating is supported by its ability to offer customized fiber products to meet high performance standards in applications such as commercial and automotive carpets, apparels, industrial and military goods. Solid niche market positions, long-term customer relations and efficient small lot production has supported EBITDA margin.

"

Description: Universal Fiber Systems, LLC, manufactures solution-dyed and natural synthetic fibers used primarily in commercial carpet, automotive, specialty apparel, military and industrial end markets. The company has facilities in the United States, China, Thailand, and the United Kingdom.

Officers: Marc Ammen (CEO); Don Campbell (VP - Business & Technical Development); Bill Goodman (VP - Sales & Marketing)

Notes: Update of Volume 27, Number 50 - TCP191216

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0554

Washington Prime Group Inc.

180 East Broad Street
Columbus, OH 43215
(614) 621-9000

NAICS	531210
Employees	851
Revenue	(mil) \$ 661.48
Income	(mil) \$ 2.76
Assets	(mil) \$ 4,250.98
Liabilities	(mil) \$ 3,341.14
(for the year ended 12/31/19)	

Category: Low Rating

Event: S&P Global Ratings lowered its issuer credit rating on Washington Prime Group Inc. to 'CCC+' from 'BB-'. The outlook is negative.

S&P also lowered its issue-level ratings on the company's unsecured debt to 'B-' from 'BB' and the preferred stock rating to 'CC' from 'B-'. The '2' recovery rating on the unsecured debt is unchanged.

The downgrade reflects S&P's view that Washington Prime is at risk for a covenant breach in the second quarter of 2020. While S&P acknowledge there is still much uncertainty surrounding the duration of coronavirus' impact on the U.S., S&P believe that its effect on WPG's challenged 'B' malls--which were already undergoing a continued secular decline--will prove highly unfavorable. Moreover, S&P expects small shop tenants within the company's open air portfolio to struggle and request rent deferrals and concessions. The result will be significant EBITDA declines for an uncertain length of time. As such, S&P expects continued deterioration in headroom for Washington Prime's tightest covenant--the total indebtedness to total assets ratio--so much so that the company could be at risk of breaching this covenant should retail stores remain closed for an extended period, causing EBITDA to decline substantially and impairing asset values. As of Dec. 31, 2019, the company had just 5.1% headroom on this covenant. S&P note, however, that WPG has adequate headroom under its other remaining covenants, with sufficient fixed-charge coverage.

Description: Washington Prime Group Inc. operates as a real estate investment trust. The Company owns, acquires, and develops shopping centers.

Officers: Louis Conforti (CEO); Mark E. Yale (EVP & CFO); Robert P. Demchak (EVP, General Counsel & Sec.); Lisa A. Indest (EVP - Finance & Chief Accounting Officer)

Auditor: Ernst & Young LLP

Securities: Common stock symbol WPG; NYSE; 186,884,276 shares of common stock outstanding as of Feb. 26, 2020.

\$204.14 million floating rate revolving credit facility due December 30, 2021;

\$686.64 million floating rate unsecured term loan due December 30, 2022;

\$957.57 million 5.950% senior notes due August 15, 2024.

[Prospector Profile Categories and data qualification](#)

*Prospector
Profile*

20.0555

Whiting Petroleum Corp.
1700 Lincoln Street, Suite 4700
Denver, CO 80203
(303) 837 1661

NAICS	211130
Employees	505
Revenue	(mil) \$ 1,572.24
Income	(mil) (\$ 241.17)
Assets	(mil) \$ 7,636.72
Liabilities	(mil) \$ 3,611.75
(for the year ended 12/31/19)	

Category: Low Rating

Event: Moody's Investors Service downgraded Whiting Petroleum Corporation's Corporate Family Rating to Caa1 from B1, its B1-PD Probability of Default Rating to Caa1-PD and its B2 senior unsecured notes rating to Caa2. Whiting's Speculative Grade Liquidity Rating has been downgraded to SGL-4 from SGL-3. The outlook is changed to negative from stable.

Whiting is confronting debt maturities in 2020 and 2021, which could prompt a springing forward of the maturity of its \$1.75 revolving credit facility to December 2020 if the 2021 maturity is not addressed. Whiting's revolving credit facility has the capacity at present to accommodate the refinancing of these two maturities. However, should this low commodity-priced environment lead to a downward redetermination of the revolver's \$2.05 billion borrowing base, Whiting could face a liquidity squeeze. These risks resulted in the downgrade of the company's rating to Caa1 CFR with a negative outlook.

Whiting's Caa1 CFR reflects the challenges the company faces in its efforts to refinance upcoming unsecured senior note maturities in 2020 and 2021, whose outstanding principal amounts aggregate \$1,036 million as of December 31, 2019. Moreover, despite substantial debt reduction since 2014's peak, Whiting continues to carry high absolute debt levels, with financial leverage at \$23,000 debt on production and \$8.00 debt on proved developed reserves at year-end 2019. Whiting's Caa1 CFR is supported by the scale of the company's 485 million Boe reserve base (55% oil; 74% proved developed) and production (65% crude oil), and a deep drilling inventory in the core of the Bakken Shale. In addition to its Williston Basin production, Whiting produced 10.4 thousand Boe per day in Colorado's DJ Basin (the "Redtail" area) in 2019's fourth quarter. Considered non-core, Redtail is being operated to maximize cash flow, with minimal capital spending allocated for well completions.

Description: Whiting Petroleum Corp. is an independent oil and gas company. The Company is engaged in exploration, development, acquisition and production of crude oil, NGLs and natural gas in the Rocky Mountains and Permian Basin regions of the United States.

Officers: Bradley J. Holly (Chairman, Pres. & CEO); Correne S. Loeffler (CFO); Charles Rimer (COO); Sirikka R. Lohofener (VP & Controller); Bruce R. DeBoer (Chief Administrative Officer, General Counsel & Sec.)

Auditor: Deloitte & Touche LLP

Securities: See addendum, next page.

Notes: Update of Volume 28, Number 11 - TCP200316

[Prospector Profile Categories and data qualification](#)

Common stock symbol WLL; NYSE; 91,813,908 shares of common stock outstanding as of Feb. 20, 2020.

\$375 million floating rate credit agreement due April 12, 2023;

\$262.07 million 1.25% convertible senior notes due 2020;

\$773.61 million 5.75% senior notes due 2021;

\$408.30 million 6.25% senior notes due 2023;

\$1 billion 6.625% senior notes due 2026.

*Prospector
Profile*

20.0556

Wok Holdings Inc.
8377 E. Hartford
Scottsdale, AZ 85255
(480) 888-3000

NAICS 722511
Employees 26,000

Category: Low Rating

Event: S&P Global Ratings lowered its issuer-level rating on U.S.-based Asian-themed restaurant operator Wok Holdings Inc. (parent of P.F. Chang's China Bistro Inc.) to 'CCC+' from 'B'. At the same time, S&P lowered its issue-level rating on the term loan facility to 'CCC+' from 'B'. The '3' recovery rating is unchanged.

The downgrade reflects S&P's view that Wok Holdings' capital structure is potentially unsustainable. It's based on the expectation that rapidly weakening operating performance in the company's largely dine-in operations makes it vulnerable to favorable business and financial conditions to meet its commitments in the long term.

The negative outlook primarily reflects the difficult operating environment and execution challenges Wok faces.

Description: Wok Holdings Inc. operates restaurants under the brand name P.F. Chang's China Bistro in the casual dining segment of the restaurant industry.

Officers: Michael Osanloo (CEO); R. Michael Welborn (Pres. - Global Brand Development & EVP)

Securities: \$430 million senior secured term loan B;
\$55 million senior secured revolving credit facility.

Notes: Update of Volume 27, Number 51 - TCP191223

[Prospector Profile Categories and data qualification](#)

Prospector Profile

20.0557

Yuma Energy, Inc.

1177 West Loop South, Suite 1825
Houston, TX 77027
(713) 968-7068

NAICS	211120
Employees	23
Revenue	(mil) \$ 21.47
Income	(mil) (\$ 15.55)
Assets	(mil) \$ 77.36
Liabilities	(mil) \$ 55.59
(for the year ended 12/31/18)	

Category: Covenant Problems

Event: Yuma Energy, Inc. (NYSE American: YUMA) on March 20, 2020, provided an update on the Company's financial status and ability to restructure its liabilities and capital structure.

As previously disclosed, in September 2019, YE Investment, LLC, an affiliate of Red Mountain Capital Partners, LLC, purchased all of the Company's outstanding senior secured bank indebtedness and related liabilities under the Company's senior credit facility. The Credit Facility was then modified to reduce the outstanding principal balance from approximately \$32.8 million, plus accrued and unpaid interest and expenses, to approximately \$1.4 million. In September 2019, Yuma entered into a Restructuring and Exchange Agreement with Red Mountain and affiliates, which was to result in the i) exchange of the Modified Note for a new convertible note that would be convertible into Yuma common stock, and ii) conversion of the Company's Series D Preferred Stock into Yuma Common stock. Finally, in December 2019, the parties entered into an amendment to the Restructuring Agreement and Credit Facility under which Red Mountain provided an additional two-year senior secured delayed-draw term loan for up to \$2 million, maturing on September 30, 2022, from which the Company has drawn \$850,000 to date. The transactions contemplated by the Restructuring Agreement were subject to stockholder approval pursuant to NYSE American rules and requirements and the Restructuring Agreement included a termination right in the event such stockholder approval was not received by December 31, 2019.

At present, Yuma is not in compliance with the various terms of the Restructuring Agreement and related credit arrangements. As a result, no further funds are currently available to Yuma under the facility. The parties have been and continue to negotiate to modify the various agreements and arrive at a mutually agreeable path forward; however, there is no assurance that any transaction or alternate restructuring plan will materialize.

Description: Yuma Energy, Inc., is an independent Houston-based exploration and production company focused on acquiring, developing and exploring for conventional and unconventional oil and natural gas resources. The Company has operated positions in Kern County, California, and non-operated positions in the East Texas Woodbine and the Bakken Shale in North Dakota.

Officers: Anthony C. Schnur (Interim CEO, Interim CFO & Chief Restructuring Officer)

Auditor: Moss Adams LLP

Securities: Common stock symbol YUMA; NYSEAMERICAN; 1,551,989 shares of common stock outstanding as of Nov. 14, 2019.

Notes: Update of Volume 27, Number 35 - TCP190902

[Prospector Profile Categories and data qualification](#)