Troubled Company Prospector

Large Companies Triggering Warnings of Financial Strain

July 16, 2018
Volume 26, Number 29
Prospector Profiles in this Issue

(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

In order to appear in Troubled Company Prospector a company must meet one of the conditions listed below. In many cases, when a profiled company meets another condition, it will appear in the Prospector again. However, once a company files for bankruptcy, it will not appear again even if a new condition applies at a later date.

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

18.1314

AmeriLife Group LLC NAICS 524113
2650 McCormick Drive
Clearwater, FL 33759
(727) 726-0726

Category: Low Rating

Event: Moody's Investors Service has affirmed the B3 corporate family rating and B3-PD probability of default rating of AmeriLife Group, LLC, reflecting the company's position as a leading independent marketing organization (IMO) in the distribution of health products to the US senior market. The rating agency also affirmed the company's first-lien term loan and revolver ratings at B2, and its second-lien term loan rating at Caa2. Moody's has changed the rating outlook for AmeriLife to positive from stable based on the company's declining financial leverage, good EBITDA margins and healthy cash flow.

AmeriLife's ratings reflect its good market position in delivering health, fixed annuity, life and supplemental products to the growing senior population. The company distributes its products through multiple sources including a network of independent and captive career agents, and, to a lesser extent, through worksite, affinity groups and direct-to-consumer channels. These strengths are offset by the company's high but declining, financial leverage and modest size relative to other rated insurance brokers and service companies. AmeriLife has a high business concentration in Medicare products, which are subject to political and regulatory pressures, and a geographic concentration in Florida, given its target market.

Description: AmeriLife Group LLC together with its subsidiaries, provides annuity, life, and health insurance marketing and agency services in the United States. It offers a health and financial protection kit consisting of health and dental insurance, Medicare supplements and advantage plans, and prescription drug plans; and life, final expense, and long term care insurance for senior Americans.

Officers: Gary Jenkins (Pres.); Scott R. Perry (CEO); James J. Quinn (CFO); Paul Carter (COO)

Securities: $30 million senior secured first-lien revolving credit facility maturing July 2020;
$177.5 million first-lien term loan maturing July 2022;
$72.5 million second-lien term loan maturing January 2022.

Notes: Update of Volume 25, Number 27 - TCP170703

Prospector Profile Categories and data qualification

Prospector Profile

18.1315

Ball Metal Food Container, LLC NAICS 311422
300 West Greger Street
Oakdale, CA 95361
(209) 848-6500

Category: Low Rating

Event: S&P Global Ratings assigned its 'B' corporate credit rating to PE Spray Holding LLC. The outlook is stable.

At the same time, S&P assigned its 'B' issue-level rating and '3' recovery rating to the company's proposed $375 million first-lien senior secured term loan. The '3' recovery rating indicates S&P's expectation for meaningful (50%-70%; rounded estimate: 60%) recovery for lenders in the event of a payment default.

S&P also assigned its 'CCC+' issue-level rating and '6' recovery rating to the company's proposed $165 million second-lien senior secured term loan. The '6' recovery rating indicates S&P's expectation for negligible (0%-10%; rounded estimate: 0%) recovery for lenders in the event of a payment default.

Description: Ball Metal Food Container, LLC, owns and operates a metal food container plant. PE Spray Holding LLC is the parent of Ball Metal Food Container LLC.

Securities: $375 million first-lien senior secured term loan;
$165 million second-lien senior secured term loan.

Prospector Profile Categories and data qualification

Prospector Profile

18.1316

BJ's Wholesale Club Inc.
5 Research Drive
Westborough, MA 01581
(774) 512-6186

NAICS	452311
Employees	24,800

Category: Low Rating

Event: Moody's Investors Service upgraded all ratings of BJS Wholesale Club Inc., including the corporate family rating, which was upgraded to B1 from B3, and assigned an SGL-1 speculative grade liquidity rating. The outlook is stable.

The rating on the Senior Secured 2nd Lien Term Loan, previously rated Caa2 (LGD5), was withdrawn.

The B1 rating recognizes BJS' formidable competitive position in its chosen markets, which has been aided by Walmart's shuttering of 63 Sam's Club warehouse stores, roughly 25 of which are in BJS' markets. The rating also considers the company's now-66% financial sponsor ownership, strong execution ability, sound strategy with a heavy-reliance on grocery items, and relatively benign online sales environment. The stable outlook reflects Moody's expectation that BJS financial policy will take on a more passive tone with the completion of this IPO, and as such credit metrics will be managed and maintained within a relatively tight band. Ratings could be upgraded if financial policy remains benign and operating performance continues its favorable trend, which would be reflected by debt/EBITDA sustained below 5 times with EBIT/interest sustained above 2 times. Ratings could be downgraded in the event that either via aggressive financial policy moves or weakened operating performance debt/EBITDA rose above 6 times or EBIT/interest dropped below 1.5 times.

Description: BJ's Wholesale Club Inc., operates warehouse clubs and gas stations in the eastern United States. The company’s warehouse clubs provide electronics, computers, office supplies, home and seasonal products, organic foods and meat, sports equipment, toys, baby products, health and beauty supplies, and jewelry. It also sells products online.

Officers: Christopher J. Baldwin (Chairman, Pres. & CEO); Robert W. Eddy (CFO & EVP); Scott Kessler (Chief Information Officer & EVP); Graham N. Luce (SVP, General Counsel & Sec.)

Prospector Profile Categories and data qualification

Prospector Profile

18.1317

Brookfield WEC Holdings Inc. NAICS 334515

1000 Westinghouse Drive
Cranberry Township, PA 16066
(412) 374-2020

Category: Low Rating

Event: Moody's Investors Service assigned a B2 Corporate Family Rating (CFR) and a B2-PD Probability of Default Rating (PDR) to Brookfield WEC Holdings Inc. (Westinghouse Electric Company). At the same time, Moody's assigned a B2 rating to the proposed $2.6 billion first lien term loan and $200 million revolving credit facility, and a Caa1 rating to the $450 million second lien term loan. The proceeds from the term loans, along with an equity contribution from Brookfield Business Partners, will be used to fund the acquisition of Westinghouse Electric Company out of Chapter 11 bankruptcy. The ratings outlook is stable. This is the first time Moody's has rated Brookfield WEC Holdings Inc.

Brookfield WEC Holdings' B2 corporate family rating reflects its strong competitive position and technical expertise in a sector with high barriers to entry. However, it also incorporates its elevated financial leverage and limited growth opportunities due to reduced nuclear power plant development and the ongoing decommissioning of existing power plants.

WEC Holdings' B2 corporate family rating reflects its solid market position and geographic diversity as its services about two-thirds of the world's nuclear reactors and is the original equipment manufacturer or technology provider in about half the world's nuclear reactors. It also incorporates its strong technical capabilities and the high barriers to entry since it delivers mission critical products and services to mostly blue chip customers in the nuclear power sector under long term contracts with high renewal rates. These attributes along with its focus on cost cutting initiatives should enable the company to consistently generate positive free cash flow. However, the company's rating is constrained by its elevated financial leverage, lack of end market diversity and limited growth opportunities due to reduced nuclear power plant development and the ongoing decommissioning of existing nuclear reactors. The rating also reflects the lack of operating history under WEC's new corporate structure.

Description: Brookfield WEC Holdings Inc. (Westinghouse Electric Company), provides engineering, maintenance and repair services as well as highly-engineered parts and consumables to the global nuclear power sector. The company provides engineering support to nuclear plant operators, designs and manufactures fuel for nuclear reactors, provides maintenance services during required outages, manufactures specialized components and parts, and provides decontamination, decommissioning, remediation and waste management services for nuclear power plants.

Officers: José Emeterio Gutiérrez (Pres. & CEO); Dan Sumner (CFO); Mark Marano (COO); Jim Brennan (SVP - Quality, Safety and Performance Improvement)

Securities: $2.6 billion first lien term loan;
$200 million revolving credit facility;
$450 million second lien term loan.

Prospector Profile Categories and data qualification

Prospector Profile

18.1318

Brooklyn Buildings LLC NAICS 531312
781 Sherwood Street
Valley Stream, NY 11581

Category: Bankruptcy

Event: Brooklyn Buildings LLC filed for Chapter 11 protection on July 11, 2018, with the U.S. Bankruptcy Court for the Eastern District of New York (Brooklyn), case number 18-43971, before Judge Carla E. Craig.

Description: Brooklyn Buildings LLC is a privately held real estate company. Its principal place of business is located at 1600 Bergen Street Brooklyn, NY 11213.

Officers: Yehoshua Allswang (Managing Member)

Attorneys: Erica Feynman Aisner, Esq., and Jonathan S. Pasternak, Esq., at Delbello Donnellan Weingarten Wise & Wiederkehr, LLP; White Plains, NY; (914) 681-0200; efeynman@ddw-law.com

Estimated Assets: $10 million to $50 million

Estimated Liabilities: $1 million to $10 million

Notes: A full-text copy of the petition is available for free at:
https://www.scribd.com/document/383708196/nyeb18-43971

Prospector Profile Categories and data qualification

Prospector Profile

18.1319

Buckingham Senior Living Community, Inc. NAICS 623312
8580 Woodway
Houston, TX 77063
(713) 979-3090

Category: Low Rating

Event: Fitch Ratings has downgraded to 'CC' from 'B' the bonds issued by the Tarrant County Cultural Education Facilities Finance Corporation on behalf of Buckingham Senior Living Community, Inc. (The Buckingham). The bonds remain on Rating Watch Negative.

The downgrade reflects continued very weak operating performance that has resulted in rapidly reduced liquidity levels. After a rate covenant violation in 2016, mostly due to lower net entrance fee receipts, the Buckingham produced very poor debt service coverage and accelerating operating losses during fiscal 2017 and the first four months of fiscal 2018. In addition, the operating losses and working capital requirements for the delayed expansion project has resulted in unrestricted cash and investments dropping to about $10.9 million, or 103 days cash on hand (DCOH) as of April 30, 2018, from $15.1 million (199 DCOH) at the end of fiscal 2017 (Dec. 31 year end). Given the weakened operations and rate of cash burn, Fitch believes that default of some kind appears probable and is the main driver of the 'CC' rating.

Buckingham Senior Living Facility's failure to improve operating performance and stem liquidity declines will likely lead to a further rating downgrade.

Description: Buckingham Senior Living Community, Inc., is a nursing home in Houston, Texas.

Prospector Profile Categories and data qualification

Prospector Profile

18.1320

Falls Event Center LLC NAICS 531120
9067 South 1300 West, Suite 301
West Jordan, UT 84088
(801) 537-7700

Category: Bankruptcy

Event: The Falls Event Center LLC filed for Chapter 11 protection on July 11, 2018, with the U.S. Bankruptcy Court for the District of Utah (Salt Lake City), case number 18-25116, before Judge Kimball R. Mosier.

Description: The Falls Event Center LLC operates as an event center/venue for hosting conferences, company annual holiday parties, family reunions, high school proms, birthday parties, weddings and more.

Officers: Brooks Pickering (Manager)

Attorneys: Michael R. Johnson, Esq., at Ray Quinney & Nebeker P.C.; Salt Lake City, UT; (801) 532-1500; mjohnson@rqn.com

Estimated Assets: $50 million to $100 million

Estimated Liabilities: $100 million to $500 million

Notes: A full-text copy of the petition is available for free at: https://www.scribd.com/document/383708681/utb18-25116

Prospector Profile Categories and data qualification

Prospector Profile

18.1321

Foresight Energy L.P.
One Metropolitan Square 211 North Broadway, Suite 2600
St. Louis, MO 63102
(314) 932-6160

NAICS	212112	
Employees	809	
Revenue	(mil)	$ 724.14
Income	(mil)	($ 104.05)
Assets	(mil)	$ 2,606.64
Liabilities	(mil)	$ 1,930.81

(for the year ended 12/31/17)

Category: Low Rating

Event: Fitch Ratings has affirmed Foresight Energy LLC's Issuer Default Rating (IDR) at 'B-'. The Rating Outlook is Stable.

The ratings reflect the company's low cost position, modest size, reliance on the export market and high financial leverage. The Stable Outlook reflects prospects for fairly flat results and modest deleveraging.

Foresight Energy LLC's (Foresight IDR B-) EBITDA margins in the high 20% compare to Illinois Basin coal producer Alliance Resource Operating Partner LP's (IDR BBB-) and base metal peer First Quantum Minerals Limited's (IDR B) EBITDA margins in the low 30%. Foresight is smaller and less diversified than both Alliance and First Quantum with higher leverage than Alliance with less de-leveraging capacity than First Quantum.

These ratings were affirmed:

-- IDR at 'B-';
-- First-lien term loan at 'B+'/'RR2';
-- First-lien revolving credit facility at 'B+'/'RR2';
-- Second lien notes at 'CCC'/'RR6'.

Description: Foresight Energy L.P. is the 100% owner of Foresight Energy, LLC. The company engages in the development, mining, transportation, and sale of thermal coal primarily in the eastern United States and internationally.

Officers: Robert D. Moore (Pres. CEO); Jeremy J. Harrison (Chief Accounting Officer)

Auditor: Ernst & Young LLP

Securities: Common stock symbol FELP; NYSE; 79,826,538 shares of common unit outstanding and 64,954,691 subordinated units outstanding as of May 1, 2018.
$425 million 11.50% second lien notes due April 1, 2023;
$818.81 million new term loan due 2022;
$28.01 million 5.78% longwall financing arrangement due June 30, 2020;
$30.94 million 5.555% longwall financing arrangement due September 30, 2020.

Notes: Update of Volume 25, Number 49 - TCP171204

Prospector Profile Categories and data qualification

Prospector Profile

18.1322

Gateway Casinos & Entertainment Limited	NAICS	721120
4331 Dominion Street	Employees	3,000
Burnaby, BC, Canada V5G 1C7		
(604) 412-0166		

Category: Low Rating

Event: S&P Global Ratings said its ratings and outlook on Gateway Casinos & Entertainment Ltd. (B/Stable/--) are not affected by the company's debt-funded acquisition of Central Ontario gaming assets for about C$96 million (including cage cash). S&P expects the company to fund the transaction through an incremental term loan B issuance of US$80 million (C$103 million). As a result, S&P expect pro forma S&P Global Ratings-adjusted debt to EBITDA to be about 6.9x at year-end 2019, which is below its downgrade target of about 8.0x. In S&P's view, the proposed transaction is credit neutral, as leverage is moderately higher than its previous expectation of about 6.6x for fiscal 2019.

S&P does not expect the upsizing of the term loan B to affect the 'BB-' issue-level rating and '1' recovery rating on Gateway's first-lien debt. S&P is revising the recovery estimate on the debt to 90% from 95% due to the upsize. The recovery estimate on the first-lien debt remains 90%-100%, which corresponds to a '1' recovery rating. In addition, the 'CCC+' issue-level rating and '6' recovery rating on the company's second-lien secured debt are unaffected by the proposed transaction.

Description: Gateway Casinos & Entertainment Limited operates 18 gaming properties located in British Columbia and Alberta. With two new Ontario bundles and potential new builds, the company will operate 29 gaming properties. The company is majority owned by The Catalyst Capital Group Inc.

Officers: Gabriel de Alba (Executive Chairman); Anthony F. Santo (CEO); Jagtar Nijjar (VP - Operations)

Securities: C$125 million secured revolving credit facility due 2022;
US$440 million first lien term loan due 2023;
US$255 million second lien notes due 2024;
C$60 million revolving credit facility due 2018;
C$198 million first lien term loan A due 2018;
C$117 million first lien term loan B due 2019;
C$200 million second lien notes due 2020.

Notes: Update of Volume 26, Number 10 - TCP180305

Prospector Profile Categories and data qualification

Prospector Profile

18.1323

GCI Liberty, Inc.	NAICS	517911	
2550 Denali Street Suite 1000	Employees	2,208	
Anchorage, AK 99503			
(907) 868-5600	Revenue	(mil)	$ 919.20
	Income	(mil)	($ 24.72)
	Assets	(mil)	$ 209.50
	Liabilities	(mil)	$ 2,047.50
	(for the year ended 12/31/17)		

Category: Low Rating

Event: Egan-Jones Ratings Company, on June 27, 2018, assigned CCC+ foreign currency senior unsecured rating on debt issued by GCI Liberty, Incorporated. EJR also assigned a C foreign currency rating on commercial paper issued by the Company.

Description: GCI Liberty, Inc., is a telecommunications corporation operating in Alaska. Through its own facilities and agreements with other providers, GCI provides cable television service, Internet access, Wireline and cellular telephone service. The company was formerly known as General Communication, Inc., and changed its name to GCI Liberty, Inc., in February 2018.

Officers: Ronald Duncan (Co - Founder & CEO); Peter Pounds (SVP, CFO & Sec.); Gregory F. Chapados (Pres. & COO)

Auditor: Grant Thornton LLP

Securities: Common stock symbol GLIBA; NASDAQ; 104,555,074 shares of class A common stock and 4,449,208 shares of class B common stock outstanding as of Apr. 30, 2018.
$242.58 million floating rate senior credit facility - term loan B maturing February 2, 2022;
$215 million floating rate senior credit facility - term loan A maturing November 17, 2021;
$100 million floating rate senior credit facility - revolver maturing November 17, 2021;
$450 million 6.875% 2025 notes maturing April 15, 2025;
$325 million 6.75% 2021 notes maturing June 1, 2021.

Prospector Profile Categories and data qualification

Prospector Profile

18.1324

Hovnanian Enterprises, Inc.
90 Matawan Road, 5th Floor
Matawan, NJ 07747
(732) 747-7800

NAICS	236115	
Employees	1,905	
Revenue	(mil)	$ 2,451.66
Income	(mil)	($ 332.19)
Assets	(mil)	$ 1,900.90
Liabilities	(mil)	$ 2,361.27

(for the year ended 10/31/17)

Category: Low Rating

Event: S&P Global Ratings raised its corporate credit rating on Red Bank, N.J.-based Hovnanian Enterprises Inc. to 'CCC+' from 'CC'. The rating outlook is negative.

S&P raised its issue-level rating on subsidiary K. Hovnanian Enterprises Inc.'s $440 million senior secured notes due in 2022 and $400 million senior secured notes due in 2024 to 'CCC' from 'CC' and revised the recovery rating to '5' from '4', indicating S&P's expectation for modest (10%-30%; rounded estimate: 25%) recovery in the event of payment default.

At the same time, S&P raised the issue-level rating on the remaining balance of K. Hovnanian's 8% senior notes due in 2019 from 'D' to 'CCC-' as the company paid the overdue interest on the notes that was originally due on May 1, 2018. As a result of the payment, the default as defined under the indenture governing the 8% notes was cured. The '6' recovery rating on the 8% senior notes is unchanged, indicating S&P's expectation for negligible (0%-10%; rounded estimate: 0%) recovery in the event of payment default.

Description: Hovnanian Enterprises, Inc., is one of the nation's largest homebuilders with operations across the U.S. The Company's homes are marketed and sold under the trade names K. Hovnanian(R) Homes(R), Matzel & Mumford, Brighton Homes, Parkwood Builders, Town & Country Homes, Oster Homes, First Home Builders of Florida and CraftBuilt Homes.

Officers: Ara K. Hovnanian (Chairman, Pres. & CEO); J. Larry Sorsby (EVP, CFO & Dir.); Lucian Theon Smith III (COO)

Auditor: Deloitte & Touche LLP

Securities: Common Stock Symbol HOV; NYSE; 132,643,015 shares of Class A Common Stock and 15,470,482 shares of Class B Common Stock outstanding as of June 1, 2018.
$74.35 million 9.5% Senior Secured Notes due November 15, 2020;
$53.06 million 2.0% Senior Secured Notes due November 1, 2021;
$133.73 million 5.0% Senior Secured Notes due November 1, 2021;
$434.54 million 10.0% Senior Secured Notes due July 15, 2022;
$394.95 million 10.5% Senior Secured Notes due July 15, 2024;
$131.96 million 7.0% Senior Notes due January 15, 2019;
$234.29 million 8.0% Senior Notes due November 1, 2019.

Notes: Update of Volume 26, Number 25 - TCP180618

Prospector Profile Categories and data qualification

Prospector Profile

18.1325

Navistar International Corporation
2701 Navistar Drive
Lisle, IL 60532
(331) 332-5000

NAICS	336214	
Employees	11,400	
Revenue	(mil)	$ 8,570.00
Income	(mil)	$ 55.00
Assets	(mil)	$ 6,135.00
Liabilities	(mil)	$ 10,709.00

(for the year ended 10/31/17)

Category: Low Rating

Event: Fitch Ratings has affirmed the Issuer Default Ratings (IDRs) for Navistar International Corporation (NAV), Navistar, Inc., and Navistar Financial Corporation (NFC) at 'B-'. The Rating Outlook has been revised to Positive from Stable. In addition, Fitch has upgraded the rating for NFC's senior secured bank credit facility to 'B+'/'RR2' from 'B'/'RR3'.

The revision of the Rating Outlook to Positive reflects Fitch's expectation that NAV will generate permanently higher margins through the business cycle compared to the past few years and that FCF will become slightly positive in 2018. The company's refreshed product line could contribute to an increase in market share although Fitch believes any gains may be slow. NAV's share of combined class 8 truck sales in the U.S. and Canada was 12% in fiscal 2017 and 13% in the second quarter of fiscal 2018, below historical levels and well behind NAV's largest competitors.

The ratings for NAV incorporate the company's high leverage, limited liquidity, history of negative FCF, and slow recovery of the company's market share for heavy duty trucks. Cash spending for warranty liabilities and pension contributions continue to be material but warranty expense has declined in recent years reflecting changes to NAV's engine strategy.

Fitch has affirmed the following ratings:

-- Long-Term IDR at 'B-';
-- Senior unsecured notes at 'B-'/'RR4';
-- Senior subordinated notes at 'CCC'/'RR6'.

Description: Navistar International Corporation is a holding company, whose principal operating subsidiaries are Navistar, Inc., and Navistar Financial Corporation (NFC). The Company is a manufacturer of International brand commercial and military trucks, IC Bus (IC) brand buses, MaxxForce brand diesel engines, Workhorse Custom Chassis (WCC) brand chassis for motor homes and step vans, and Monaco RV (Monaco) recreational vehicles (RV), as well as a provider of service parts for all makes of trucks and trailers.

Officers: Troy A. Clarke (Chairman, Pres. & CEO); Walter G. Borst (EVP & CFO); Persio V. Lisboa (COO & EVP); Curt A. Kramer (SVP & General Counsel); Samara A. Strycker (SVP & Corporate Controller)

Auditor: KPMG LLP

Securities: See addendum, next page.

Notes: Update of Volume 26, Number 22 - TCP180528

Prospector Profile Categories and data qualification

Common stock symbol NAV; NYSE; 98,774,412 shares of common stock outstanding as of May 31, 2018.
$130 million financed lease obligations;
$1 billion senior secured term loan credit facility, as amended due 2020;
$1.42 billion 8.25% senior notes due 2022;
$194 million 4.50% senior subordinated convertible notes due 2018;
$394 million 4.75% senior subordinated convertible notes due 2019;
$220 million loan agreement related to 6.5% Tax Exempt Bonds due 2040.

Prospector Profile

18.1326

Navistar International Corporation
2701 Navistar Drive
Lisle, IL 60532
(331) 332-5000

NAICS	336214	
Employees	11,400	
Revenue	(mil)	$ 8,570.00
Income	(mil)	$ 55.00
Assets	(mil)	$ 6,135.00
Liabilities	(mil)	$ 10,709.00

(for the year ended 10/31/17)

Category: Low Rating

Event: S&P Global Ratings affirmed its 'B-' corporate credit ratings on both Navistar International Corp. (Navistar) and Navistar Financial Corp. (Navistar Financial). The outlook on Navistar is positive.

At the same time, S&P assigned its 'B-' issue-level rating to the proposed $400 million term loan B due 2025, to be issued by Navistar Financial.

Additionally, S&P affirmed its 'B+' issue-level rating and '1' recovery rating on Navistar's senior secured term loan, issued by Navistar Inc. The '1' recovery rating indicates S&P's expectation for very high (90%-100%; rounded estimate: 95%) recovery of principal in the event of a payment default. S&P also affirmed its 'B+' issue-level ratings on Navistar's $135 million recovery zone facility revenue bonds due 2040 (issued by the Illinois Finance Authority) and $90 million recovery zone facility revenue bonds due 2040 (issued by the Cook County, Illinois). The '1' recovery rating indicates S&P's expectation for very high (90%-100%; rounded estimate: 95%) recovery of principal in the event of a payment default. S&P also affirmed the 'CCC+' issue-level ratings on Navistar's senior unsecured debt. The recovery rating remains '5', indicating S&P's expectations for modest recovery (10%-30%; rounded estimate: 10%), in the event of a payment default. Lastly, S&P affirmed the 'CCC' issue-level rating on Navistar's subordinated debt. The recovery rating remains '6', indicating S&P's expectations for negligible recovery (0%-10%; rounded estimate: 0%), in the event of a payment default.

Description: Navistar International Corporation is a holding company, whose principal operating subsidiaries are Navistar, Inc., and Navistar Financial Corporation (NFC). The Company is a manufacturer of International brand commercial and military trucks, IC Bus (IC) brand buses, MaxxForce brand diesel engines, Workhorse Custom Chassis (WCC) brand chassis for motor homes and step vans, and Monaco RV (Monaco) recreational vehicles (RV), as well as a provider of service parts for all makes of trucks and trailers.

Officers: Troy A. Clarke (Chairman, Pres. & CEO); Walter G. Borst (EVP & CFO); Persio V. Lisboa (COO & EVP); Curt A. Kramer (SVP & General Counsel); Samara A. Strycker (SVP & Corporate Controller)

Auditor: KPMG LLP

Securities: See addendum, next page.

Notes: Update of Volume 26, Number 22 - TCP180528

Prospector Profile Categories and data qualification

Common stock symbol NAV; NYSE; 98,774,412 shares of common stock outstanding as of May 31, 2018.
$130 million financed lease obligations;
$1 billion senior secured term loan credit facility, as amended due 2020;
$1.42 billion 8.25% senior notes due 2022;
$194 million 4.50% senior subordinated convertible notes due 2018;
$394 million 4.75% senior subordinated convertible notes due 2019;
$220 million loan agreement related to 6.5% Tax Exempt Bonds due 2040.

Prospector Profile

18.1327

Nowell Tree Farm, LLC NAICS 113110
4966 E Camelback Rd
Phoenix, AZ 85018
(602) 243-5914

Category: Bankruptcy

Event: Nowell Tree Farm, LLC, filed for Chapter 11 protection on July 9, 2018, with the U.S. Bankruptcy Court for the District of Arizona (Phoenix), case number 18-08022, before Judge Madeleine C. Wanslee.

Description: Nowell Tree Farm, LLC, owns an outdoor garden center in Phoenix, Arizona. The Farm specializes in a varied assortment of flora and cultivates rare native seedlings.

Officers: William Nowell (Member)

Attorneys: Alan A. Meda, Esq., at Burch & Cracchiolo, P.A.; Phoenix, AZ; (602) 234-8797; ameda@bcattorneys.com

Estimated Assets: $10 million to $50 million

Estimated Liabilities: $1 million to $10 million

Notes: A full-text copy of the petition is available for free at: https://www.scribd.com/document/383581210/azb18-08022

Prospector Profile Categories and data qualification

Prospector Profile

18.1328

Rowan Companies, Inc. NAICS 213111
2800 Post Oak Boulevard Suite 5450
Houston, TX 77056
(713) 621-7800

Category: Low Rating

Event: Moody's Investors Service downgraded Rowan Companies, Inc.'s Corporate Family Rating (CFR) to B3 from B2, Probability of Default Rating (PDR) to B3-PD from B2-PD, and senior unsecured notes to Caa1 from B2. The Speculative Grade Liquidity Rating was affirmed at SGL-1. The rating outlook remains negative.

The downgrade reflects Rowan's deteriorating credit metrics through 2019, resulting from low utilization rates and continued pressure on dayrates, while the notes downgrade additionally reflects its contractual subordination to Rowan's new revolving credit facility, which has guarantees from material Rowan subsidiaries and thereby has a priority claim to Rowan's assets. The negative outlook reflects the uncertain timing and magnitude of a recovery in the challenged offshore drilling market, especially for drillships, and Rowan's increasing financial leverage despite pro-active maturity management and liquidity enhancing efforts.

Description: Rowan Companies, Inc., provides offshore oil and gas contract drilling services. The company's products includes four ultra-deepwater drillships and 22 jack-up rigs.

Officers: Dr. Thomas P. Burke (Pres. & CEO); Stephen M. Butz (EVP & CFO); Alan Quintero (SVP - Business Development

Securities: $955 million revolving credit facility maturing May 2023.

Prospector Profile Categories and data qualification

Prospector Profile

18.1329

SIRVA, Inc.		NAICS	484210
One Parkview Plaza		Employees	2,700
Oakbrook Terrace, IL 60181			
(630) 570-3050			

Category: Low Rating

Event: Moody's Investors Service assigned new ratings for Pearl Merger Sub, Inc., including a B3 Corporate Family Rating (CFR) and B3-PD Probability of Default Rating (PDR). Concurrently, Moody's assigned B1 ratings to each of the proposed $60 million senior secured first lien revolving credit facility and $410 million first lien term loan, in addition to a Caa1 rating to the proposed $135 million senior secured second lien term loan. The ratings outlook is stable.

The new loans are being issued as part of a transaction whereby affiliates of Madison Dearborn Partners, LLC (MDP) are acquiring SIRVA, Inc. As part of the broader transaction, SIRVA, Inc. will acquire another provider of relocation services, which is based in Europe, for about $97 million (83 million Euros). At the close of the transaction, Pearl Merger Sub, Inc. will merge with SIRVA, Inc., the latter of which will be the surviving entity. Immediately thereafter, SIRVA Worldwide, Inc. (a subsidiary of SIRVA, Inc.) will assume the new debt. For purposes of the credit discussion, Moody's will refer to Pearl Merger Sub, Inc., SIRVA, Inc., and SIRVA Worldwide, Inc. collectively as "SIRVA." The transaction is expected to close in late July 2018.

Description: SIRVA, Inc., formerly Allied Worldwide provides outsourced relocation and moving services to the corporate, consumer, and government sectors.

Officers: Thomas Oberdorf (CEO); John Kirk (EVP, Chief Information & Technology Officer); Margaret E. Pais (EVP - HR); Linda Smith (Chief Commercial Officer)

Securities: $60 million senior secured first lien revolver due 2023;
$410 million first lien term loan due 2025;
$135 million senior secured second lien term loan due 2026.

Prospector Profile Categories and data qualification

Prospector Profile

18.1330

SSH Group Holdings, Inc. NAICS 611110
12930 Saratoga Avenue Suite A2
Saratoga, CA 95070

Category: Low Rating

Event: Moody's Investors Service, assigned a B3 Corporate Family Rating (CFR) and a B3-PD Probability of Default Rating to SSH Group Holdings, Inc. (dba Spring Education Group, or "Spring"). Concurrently, Moody's assigned B2 ratings to the proposed senior secured first lien bank credit facilities and a Caa2 rating to the proposed senior secured second lien term loan. The rating outlook is stable.

Spring is raising the proposed debt facilities, along with new cash equity from its financial sponsor, Primavera Capital, to acquire Nobel Learning Communities, Inc. ("Nobel") and the California schools of LePort Montessori ("LePort").

Moody's assigned the following ratings:

-- Corporate Family Rating, Assigned B3
-- Probability of Default Rating, Assigned B3-PD
-- $40 million Senior Secured First Lien Revolving Credit Facility, Assigned B2 (LGD3)
-- $535 million Senior Secured First Lien Term Loan, Assigned B2 (LGD3)
-- $225 million Senior Secured Second Lien Term Loan, Assigned Caa2 (LGD5)

Spring's B3 CFR is reflective of the entity's very high financial risk including the aggressive approach to the simultaneous Nobel and LePort acquisitions. Pro forma for the acquisition of Nobel and LePort, Spring's adjusted debt-to-EBITDA will be approximately 7.9x -- a level that is high for the rating category and leaves little cushion for the company to withstand any economic downturn or operational disruptions. The B3 CFR reflects Moody's expectation that Spring will place an emphasis on reducing debt-to-EBITDA such that debt-to-EBITDA will fall below 7.0x by June 30, 2019. Spring's credit profile is also constrained by its lack of track record in operating as a combined company with 227 schools, relative to the 22 schools currently operated by Stratford, and the high purchase price multiple paid for Nobel.

Description: SSH Group Holdings, Inc. (dba Spring Education Group, or "Spring") is a for-profit provider of Pre-K through 12th grade education headquartered in Silicon Valley. The company was formed through the combination of Stratford Schools, Inc. ("Stratford", 22 schools in FY 2018), Nobel Learning Communities, Inc. ("Nobel", 194 schools), and the southern California based schools of LePort Montessori ("LePort", 11 schools). The company will operate 227 schools in total under 28 brands and across 18 states and the District of Columbia.

Securities: $40 million million revolving credit facility due 2023;
$535 million term loan due 2025;
$225 million senior secured second-lien credit facility.

Prospector Profile Categories and data qualification

Prospector Profile

18.1331

SSH Group Holdings, Inc. NAICS 611110
12930 Saratoga Avenue Suite A2
Saratoga, CA 95070

Category: Low Rating

Event: S&P Global Ratings assigned its 'B-' corporate credit rating to California-Headquartered private schools operator SSH Group Holdings Inc., the borrower under the first and second-lien credit facilities and the parent company of Stratford Schools Inc., Nobel operating subsidiaries, and LePort. The rating outlook is stable.

At the same time, S&P assigned its 'B-' issue-level rating and '3' recovery rating to the company's proposed $575 million senior secured first-lien credit facility, which consists of a $40 million revolving credit facility due 2023 and a $535 million term loan due 2025. The '3' recovery rating indicates S&P's expectation for meaningful recovery (50%- 70%; rounded estimate: 65%) of principal in a payment default.

S&P also assigned its 'CCC' issue-level rating and '6' recovery rating to the company's proposed $225 million senior secured second-lien credit facility. The '6' recovery rating indicates S&P's expectation for negligible recovery (0%-10%; rounded estimate: 0%) of principal in a payment default.

The corporate credit rating reflects SSH Group Holdings, Inc. high debt leverage, minimal cash flow, the significant share of total revenues derived from pre-K operations, and the risk that it may take longer than the company expects to increase enrollment and raise prices at the acquired schools. These risks, however, are partially offset by the company's record of consistent growth, strong brand recognition in its markets, and good academic outcomes at its schools.

Description: SSH Group Holdings, Inc. (dba Spring Education Group, or "Spring") is a for-profit provider of Pre-K through 12th grade education headquartered in Silicon Valley. The company was formed through the combination of Stratford Schools, Inc. ("Stratford", 22 schools in FY 2018), Nobel Learning Communities, Inc. ("Nobel", 194 schools), and the southern California based schools of LePort Montessori ("LePort", 11 schools). The company will operate 227 schools in total under 28 brands and across 18 states and the District of Columbia.

Securities: $40 million million revolving credit facility due 2023;
$535 million term loan due 2025;
$225 million senior secured second-lien credit facility.

Prospector Profile Categories and data qualification

Prospector Profile

18.1332

StoneMor Partners L.P.
3600 Horizon Boulevard
Trevose, PA 19053
(215) 826-2800

NAICS	812210	
Employees	88	
Revenue	(mil)	$ 326.23
Income	(mil)	($ 30.48)
Assets	(mil)	$ 1,787.01
Liabilities	(mil)	$ 1,596.66

(for the year ended 12/31/16)

Category: Low Rating

Event: Moody's Investors Service downgraded Stonemor Partners L.P.'s Corporate Family rating to Caa1 from B3, Probability of Default rating to Caa1-PD from B3-PD, senior unsecured rating to Caa2 from Caa1 and Speculative Grade Liquidity rating to SGL-4 from SGL-3. The rating outlook remains negative.

The Caa1 CFR reflects Moody's expectation for breakeven to modestly negative free cash flow (before distributions), ongoing delays in filing financial statements and Stonemor's significant reliance on its revolving credit facility for liquidity in 2018. Accrual EBITDA (pro forma for acquisitions, reflecting Moody's standard adjustments and adding deferred revenues less deferred expenses) is expected to be down in 2018, driven by pressured pre-need and atneed cemetery contract sales. The ongoing delay in the delivery of audited 2017 financial statements, following delays for 2016, increases uncertainty and could make sales turnaround efforts more difficult to achieve. Moody's anticipates debt to EBITDA well over 10 times on a GAAP basis. Credit support is provided by a national portfolio of cemetery properties and a solid backlog of pre-need cemetery sales.

All financial metrics cited reflect Moody's standard adjustments.

The Caa2 rating on the senior unsecured notes reflects the Caa1-PD PDR and an LGD assessment of LGD5, reflecting its junior position in Moody's priority of claims at default relative to the $175 million senior secured revolving credit facility.

Description: StoneMor Partners L.P. owns and operates cemeteries in the United States.

Officers: Leo J. Pound (Interim Pres. & CEO); Mark Miller (CFO); James Ford (COO & SVP); Austin So (Chief Legal Officer, General Counsel & Sec.)

Auditor: Deloitte & Touche LLP

Securities: Common stock symbol STON; NYSE; 37,957,936 shares of common stock outstanding as of Jan. 19, 2018.
$137.12 million revolving credit facility matures December 19, 2019;
$172.62 million 7.875% senior notes due June 2021.

Notes: Update of Volume 26, Number 15 - TCP180409

Prospector Profile Categories and data qualification

Prospector Profile

18.1333

Tintri, Inc.
303 Ravendale Drive
Mountain View, CA 94043
(650) 810-8200

NAICS	519190		
Employees	445		
Revenue	(mil)	$	125.90
Income	(mil)	($	157.66)
Assets	(mil)	$	76.25
Liabilities	(mil)	$	167.96

(for the year ended 01/31/18)

Category: Bankruptcy

Event: Tintri, Inc., filed for Chapter 11 protection on July 10, 2018, with the U.S. Bankruptcy Court for the District of Delaware (Delaware), case number 18-11625, before Judge Kevin J. Carey.

Description: Tintri, Inc., develops and markets an enterprise cloud platform combining cloud management software technology and a range of all-flash and hybrid storage systems, for virtualized and cloud environments.

Officers: Kieran Harty (Co - Founder & Chief Technology Officer); Tom Barton (CEO & Interim CFO); Doug Khan (EVP - Operations)

Attorneys: Henry G. Kevane, Esq., and John D. Fiero, Esq., at Pachulski Stang Ziehl & Jones LLP; Wilmington, DE; (302) 652-4100; hkevane@pszjlaw.com

Auditor: KPMG LLP

Securities: Common stock symbol WLT; NYSE; 33,589,244 shares of common stock outstanding as of Apr. 6, 2018

Total Assets: $76,250,000

Total Liabilities: $168,000,000

Notes: A full-text copy of the petition is available for free at:
https://www.scribd.com/document/383640846/deb18-11625

Prospector Profile Categories and data qualification

Prospector Profile

18.1334

VetCor Professional Practices LLC NAICS 541940
350 Lincoln Place
Hingham, MA 02043
(781) 749-8151

Category: Low Rating

Event: Moody's Investors Service assigned new ratings for Excelsior Merger Sub, LLC, including a B3 Corporate Family Rating and B3-PD Probability of Default Rating. Moody's also assigned B2 ratings to the company's proposed senior secured first-lien credit facilities, consisting of a $50 million revolving credit facility expiring 2023, a $450 million term loan due 2025 and a $95 million delayed draw term loan due 2025. In addition, Moody's assigned Caa2 ratings to the company's proposed senior secured second-lien debt issuance, including a $195 million term loan due 2026 and a $40 million delayed draw term loan due 2026. Proceeds from the new term loans, along with common equity from private equity firm Oak Hill Capital Partners, will be used to finance the acquisition of VetCor by Oak Hill Capital Partners in a leveraged buyout transaction. The ratings outlook is stable.

At the close of the transaction, Excelsior Merger Sub, LLC will be merged with and into VetCor Professional Practices LLC, with VetCor Professional Practices LLC being the surviving entity.

VetCor's B3 Corporate Family Rating broadly reflects its high financial risk profile -- with Moody's-adjusted debt-to-EBITDA of 7.4 times on a pro forma basis -- which the rating agency expects will persist as the company continues to use debt (including the rated delayed draw term loans) to fund acquisitions. The rating is also constrained by the company's modest scale, both relative to other rated companies and larger players in the veterinary industry, as well as event and financial policy risks related to an aggressive acquisition strategy and its private equity ownership. However, the rating benefits from the company's solid market presence as a leading consolidator of independent veterinary practices, along with favorable long term trends in the pet care sector that underpin healthy same-store sales growth in the low- to mid-single digit percent range. The rating is also supported by strong recurring revenue and a proven ability to successfully integrate acquisitions.

Description: VetCor Professional Practices LLC is a national veterinary hospital operator offering a full range of medical products and services, with about 270 locally-branded animal hospitals in 28 states. The company also offers ancillary services including boarding and grooming, and the sale of pet food and other retail pet care products.

Officers: Dan Adams (CEO); Mike Lynch (CFO); Steve Prelack (COO); Peter DeFeo (Chief Development Officer & General Counsel)

Securities: $50 million senior secured first-lien revolving credit facility due 2023;
$450 million senior secured first-lien term loan due 2025;
$95 million delayed draw senior secured first-lien term loan due 2025;
$195 million senior secured second-lien term loan due 2026;
$40 million delayed draw senior secured second-lien term loan due 2026.

Prospector Profile Categories and data qualification

Prospector Profile

18.1335

VetCor Professional Practices LLC NAICS 541940
350 Lincoln Place
Hingham, MA 02043
(781) 749-8151

Category: Low Rating

Event: S&P Global Ratings assigned its 'B' corporate credit rating to Hingham, Mass.-based VetCor Acquisition LLC. The outlook is stable.

At the same time, S&P assigned 'B' issue-level and '3' recovery ratings to the proposed first-lien facility consisting of $50 million revolver ($10 million drawn at close), $450 million first-lien term loan, and $95 million first-lien delayed-draw term loan (undrawn at close). The '3' recovery rating reflects S&P's expectation for meaningful recovery (50%-70%; rounded estimate: 55%) in the event of a payment default.

In addition, S&P assigned 'CCC+' issue-level and '6' recovery ratings to the proposed second-lien facility, consisting of a $195 million second-lien term loan and $40 million second-lien delayed-draw term loan (unfunded at close). The '6' recovery rating reflects S&P's expectation for negligible recovery (0%-10%; rounded estimate: 0%) in the event of a payment default.

Description: VetCor Professional Practices LLC is a national veterinary hospital operator offering a full range of medical products and services, with about 270 locally-branded animal hospitals in 28 states. The company also offers ancillary services including boarding and grooming, and the sale of pet food and other retail pet care products.

Officers: Dan Adams (CEO); Mike Lynch (CFO); Steve Prelack (COO); Peter DeFeo (Chief Development Officer & General Counsel)

Securities: $50 million senior secured first-lien revolving credit facility due 2023;
$450 million senior secured first-lien term loan due 2025;
$95 million delayed draw senior secured first-lien term loan due 2025;
$195 million senior secured second-lien term loan due 2026;
$40 million delayed draw senior secured second-lien term loan due 2026.

Prospector Profile Categories and data qualification

Prospector Profile

18.1336

Von Directional Services, LLC NAICS 532412
12074 FM 3083
Conroe, TX 77301
(936) 756-2400

Category: Bankruptcy

Event: Von Directional Services, LLC, filed for Chapter 11 protection on July 9, 2018, with the U.S. Bankruptcy Court for the Southern District of Texas (Houston), case number 18-33794, before Judge David R. Jones.

Description: Von Directional Services, LLC, is a privately owned company in the commercial and industrial machinery and equipment rental and leasing industry. The Company provides both equipment and personnel to oil and gas exploration companies.

Officers: Jim Elzner (Manager - Von Energy Services, LLC)

Attorneys: Melissa Anne Haselden, Esq., at Hoover Slovacek LLP; Houston, TX; (713) 977-8686; Haselden@hooverslovacek.com

Estimated Assets: $10 million to $50 million

Estimated Liabilities: $10 million to $50 million

Notes: A full-text copy of the petition is available for free at:
https://www.scribd.com/document/383609089/txsb18-33794 10

Prospector Profile Categories and data qualification