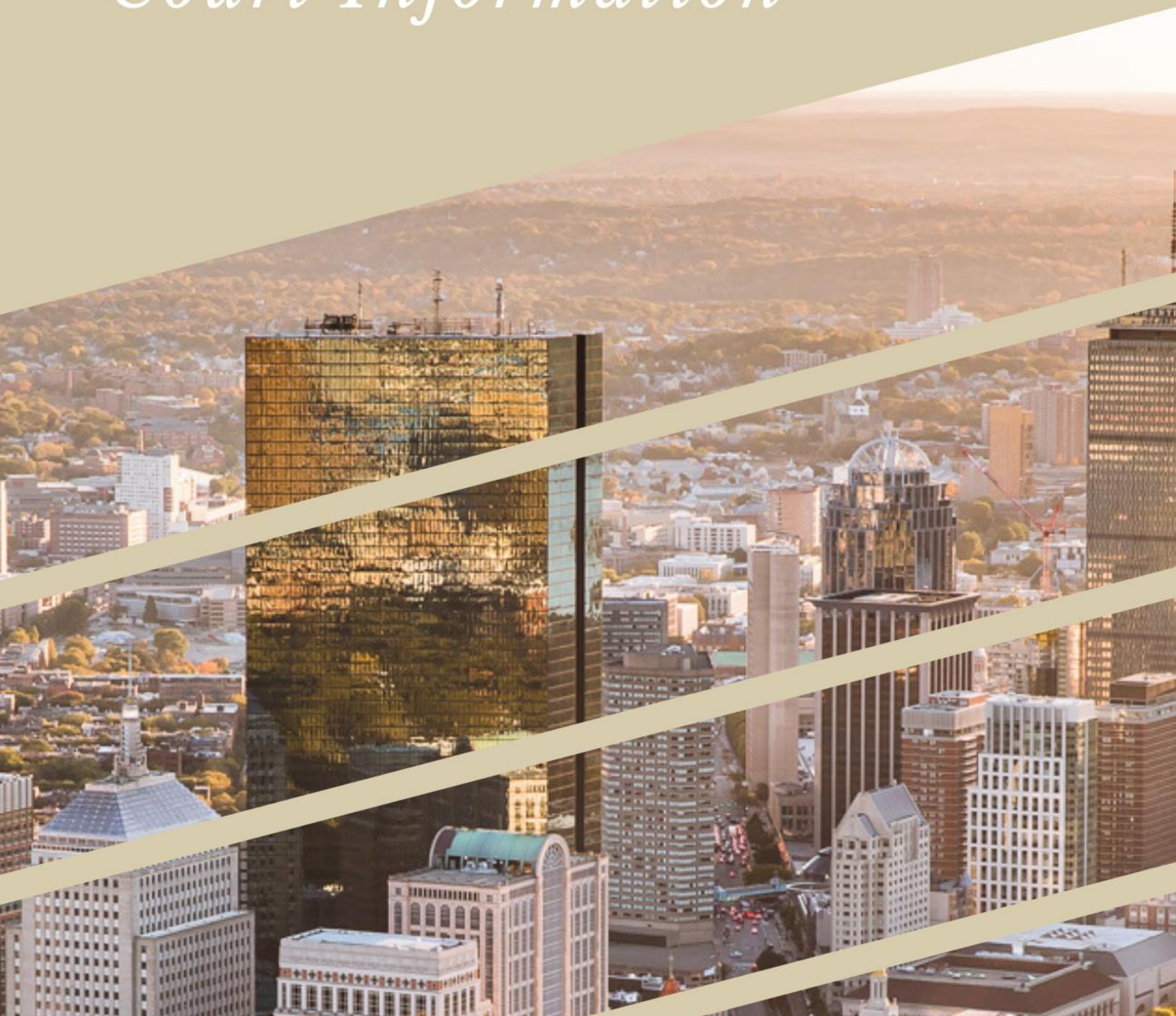


BANKRUPTCYDATA



2020REVIEW

*Corporate Statistics &
Court Information*



High Yield Bond Issuance as a Precursor to Bankruptcy Filings

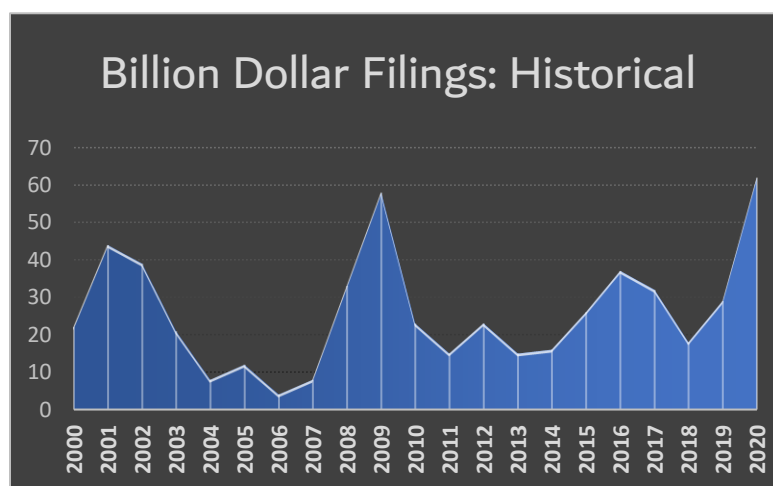
Ordinarily, the requisite 'end of year review' and 'coming year forecast' brings dread to your humble narrator. There is no dearth of similar reading, and we have little interest in comparing our predictions with those of others. While our backward-looking lens on Bankruptcy and Distress is well known for its clarity, we make no such claim about the optical fidelity of our crystal ball, except to say we think it no less cloudy than embody else's. Our only offset is we tend to come out with our forward look in February...a cheat of sorts, as some trends may already be playing out.

When we wrote in our January 2020 Bankruptcy Review and Outlook that the quantity of debt needing to be restructured over the next few years would likely increase, and lead to higher rates of corporate distress, we did not anticipate that a pandemic would drive bankruptcies to surge to decade-high levels.

But it did.

In 2020, the number of bankruptcies (publicly traded debt or equity) has risen 70% year on year, while the total assets of these companies are about 78% above the 2019 level. Without 2019's giant \$71 billion filing by the California utility company PG&E, the increase would have been even larger.

Not surprisingly, the pandemic-related downturn in economic activity and energy prices drove much of the jump in 2020 filings. The \$293 billion in total assets for public company filings in 2020 did not set any records, **but the share of billion-dollar public company filings was near an all-time high.** If you include private company filings into the billion-dollar tally, 2020 did set the record for all-time high with 62 (see chart).



What did reach new heights was the number and total of high yield bond issues. If corporate America has not gone bust it's because the quest for yield is giving companies a debt lifeline, the prospect of a return of pent-up demand seemingly acting as risk off trigger.

Arguably, most of this year's top ten filings, and many others, had been struggling with overbearing debt for years, and so the pandemic merely pulled forward their collapse.

In terms of Industries, **Energy** sector bankruptcies led the rogue's gallery with a total of \$108 billion in assets (and 37 publicly traded companies filing.) Adding private companies with \$50mm or more in pre-petition assets to the tally, and the number of Energy filings rises to 44... and jumps to over 50 if you start at the \$10mm petition range.

The sharp decline in oil/gas and coal prices exerted clear pressure, although perhaps just as important was the minimal appetite from capital markets to refinance their debts. Investors remained frustrated with the weak profitability and low returns in the industry. (Remember when the price per barrel of oil turned negative?)

Retail bankruptcies totaled \$41 billion in assets (with 14 publicly traded companies filing), including iconic names like JCPenney, Neiman Marcus, Guitar Center and Ascena Retail Group (owner of the Ann Taylor and Lane Bryant brands). There were 30 retailers which filed with over \$10mm in pre-petition asset number: adding many notable private companies into this count.

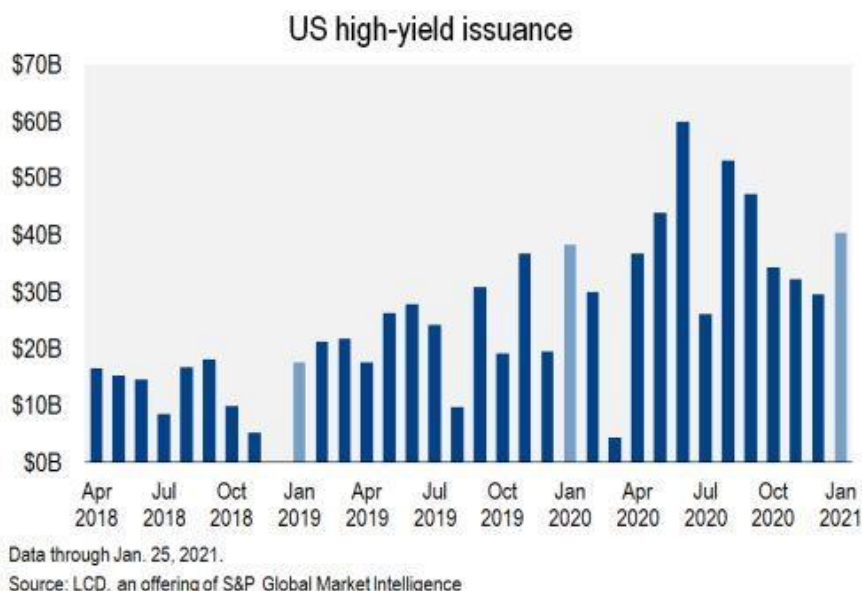
The **telecom** sector, always a rich seam of bankruptcies, provided filings with over \$30 billion in assets (6 companies) to the list.

Airline bankruptcies totaled \$29 billion in assets (3 companies).

Bankruptcy filings this year almost certainly would have been much larger without the fiscal and monetary support provided by the federal government. With the support, capital markets boldly provided loans to airlines, cruise ship operators and other already-leveraged companies with deeply negative cash flows, whereas in prior cycles these companies would probably have been driven into bankruptcy.

BankruptcyData Outlook

Meanwhile, companies continue tapping debt markets. High yield bond issuance by June had exceeded 50 billion, a monthly record...and this continued to climb. The 2020 High Yield prints reached \$435 billion trumping the record set in 2012 of \$345 billion. Lower revenues and earnings have reduced these companies' ability to service their existing, much less new debt. The proceeds are not being used to fund profit-generating initiatives. There being used to keep the lights on.



America has gotten back to work in fits and starts but continues to play whack a mole with COVID-19 outbreaks. In places like New York, where the virus ran rampant and appears contained, victory may be temporary and has come at enormous cost. It is clear, at home and abroad, that economic activity and pandemic response are unfriendly bedfellows.

We see, in 2021, a let-up in the demand shock that has become a bankruptcy catalyst, but we fear it will take longer than expected. COVID habits and fears will die hard.

The first round of Coronavirus bankruptcies wiped out the economy's weakest companies. Many were doomed before the pandemic, some faced unprecedented challenges. Almost all were plagued by existing financial woes and high debt burdens.

The next wave of bankruptcies will be strikingly different. Companies viewed as untouchable industry titans in February 2020 are now fighting for their lives, some propped up only by generous government programs and bailouts. If the economic recovery does not come quickly, they too will be forced to restructure.

So where will this next wave of bankruptcies hit? Data compiled from our proprietary database shows the following:

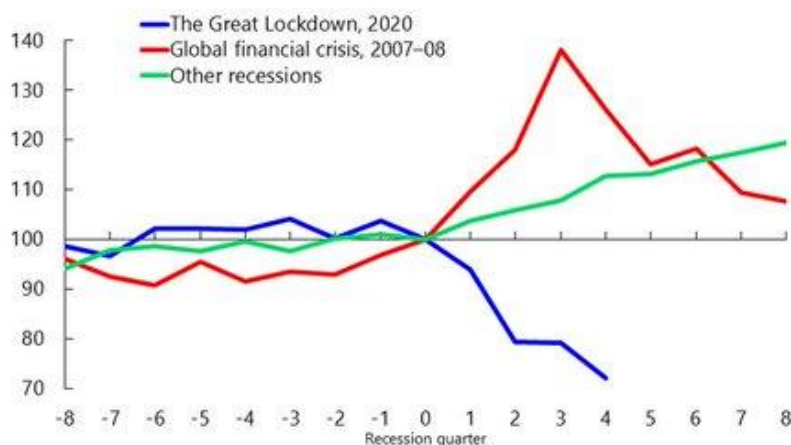
1. Retail/Commercial Real Estate will bear the brunt of the next wave of bankruptcies. Apparel retail, which was already struggling before the pandemic, will be particularly devastated. Some companies (note Neiman Marcus, Brooks Brothers, etc.) have seen the viability of their business models evaporate as the pandemic has changed consumer patterns (i.e., nobody is buying suits right now). Executives are unsure if demand for their products will ever return, especially if the pandemic is prolonged. Many stores are beginning to reopen, but the massive increase in e-commerce transactions may be permanent. This has a direct effect on commercial real estate that houses these retailers. CBL, Pennsylvania Real Estate Investment Trust, RGN-Group and Knotel (a '21 filing) have already found their way to the bankruptcy court.
2. Companies in the travel and transportation sectors will not fare well either. Most have been able to weather the pandemic so far, but a continued lack of demand will be troublesome for even the industry's largest companies. Airlines, which operate on thin profits and require high load factors, face significant headwinds as the timeline and extent of returning consumer confidence remains highly unclear. Hoteliers, especially those with large presences in urban areas, are also at great risk. While some Americans are beginning to travel again, business travel and related conferences may never return in the same way. And travel to remote or foreign destinations will not return in the foreseeable future.
3. We may see a second (or third, count as you wish) wave of Oil & Gas bankruptcies if per-barrel prices remain stagnant or decrease. The sector has few friends in the Biden administration. Fracking, which accounts for a majority of American oil production, is expensive; the break-even point for most wells is between fifty and seventy dollars a barrel (for reference, Aramco's estimated break-even point is around ten dollars a barrel). The industry may face a crisis without significant changes.

What is clear about 2021 is America faces a continuing economic reckoning. Industries and sectors once vital to the American economy face insolvency and do not have a clear place in a post-COVID-19 economy (whatever that may look like). Not everybody makes their living tapping on a keyboard. Aggressive and continued stimulus, which arguably worked to at least some degree in 2020, will be repeated and will likely attenuate damage at least in the short term. But it's hard not to see a big K in the economy's future.

Starting in March of 2020, we were often asked where all the bankruptcies were, (they lagged by a good month or so, but a spike did ensue) and then asking how bad we thought it would get. And we rose to the catastrophizing occasion, going on record with some dystopian scenarios, positing a deluge of bankruptcy unseen since the great depression.

We were surprised however, as the year wore on, that the bankruptcy numbers were not worse. Yes, the numbers in almost all categories were up sharply over the past years. But by year end we did not approach the peaks of 2009/2010 and 2001. And much has been made of the dramatic drop in personal bankruptcies. Indeed, as the IMF's World Economic

Unlike in previous crises, bankruptcies declined relative to pre-COVID levels.
(index; last pre-recession quarter = 100)



Sources: IMF, World Economic Outlook; CEIC; national authorities; and IMF staff calculations.
Note: Data are from 13 countries with varying coverage during 1990:Q1-2020:Q3. Lines are averages across recession types, with quarter 0 the last prerecession quarter. For the Great Lockdown, quarter 0 is 2019:Q4 for all countries. For the global financial crisis, quarter 0 is the country-specific date of peak real GDP during 2007-08. Other recessions are country-specific and identified by two consecutive quarters of negative growth during 1990-2006 and 2009-19.

Outlook points out, this is a global phenomenon. The possibility for pent-up bankruptcy activity remains very real.

But we digress. The following graphs and tables may help you see the story. Find more on the BankruptcyData dashboard, or sign up for our annual Bankruptcy Yearbook, Almanac & Directory.

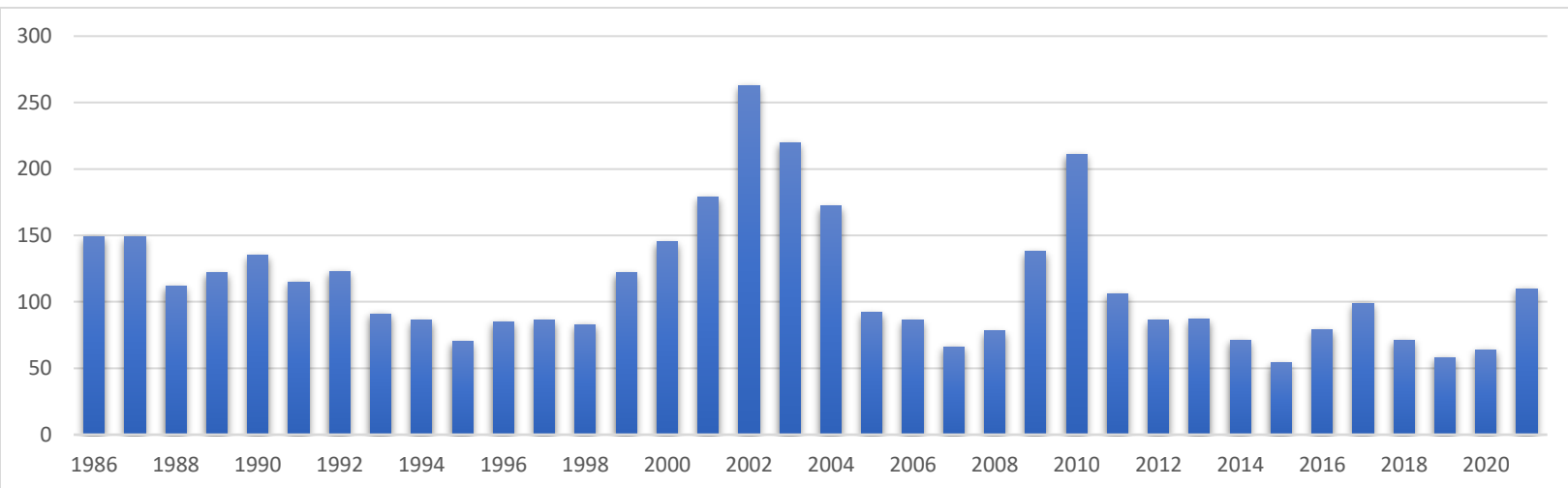
Public Companies & Assets Filing for Bankruptcy

1986 - 2020 (*Assets in \$millions)

| <u>Year</u> | <u># of Filings</u> | <u>Assets*</u> | <u>Avg. Assets*</u> |
|-------------|---------------------|----------------|---------------------|
| 1986 | 149 | 13,033 | 87 |
| 1987 | 112 | 41,503 | 371 |
| 1988 | 122 | 43,488 | 356 |
| 1989 | 135 | 71,371 | 529 |
| 1990 | 115 | 82,781 | 720 |
| 1991 | 123 | 93,624 | 761 |
| 1992 | 91 | 64,226 | 706 |
| 1993 | 86 | 18,745 | 218 |
| 1994 | 70 | 8,337 | 119 |
| 1995 | 85 | 23,107 | 272 |
| 1996 | 86 | 14,201 | 165 |
| 1997 | 83 | 17,247 | 208 |
| 1998 | 122 | 29,195 | 239 |
| 1999 | 145 | 58,760 | 405 |
| 2000 | 179 | 98,763 | 552 |
| 2001 | 263 | 256,294 | 975 |
| 2002 | 220 | 394,300 | 1,792 |
| 2003 | 172 | 98,262 | 571 |
| 2004 | 92 | 47,676 | 518 |
| 2005 | 86 | 133,843 | 1,556 |
| 2006 | 66 | 22,104 | 335 |
| 2007 | 78 | 70,525 | 904 |
| 2008 | 138 | 1,159,351 | 8,401 |
| 2009 | 211 | 593,733 | 2,813 |
| 2010 | 106 | 89,109 | 840 |
| 2011 | 86 | 103,991 | 1,209 |
| 2012 | 87 | 70,843 | 814 |
| 2013 | 71 | 42,641 | 600 |
| 2014 | 54 | 71,918 | 1,332 |
| 2015 | 79 | 76,903 | 973 |
| 2016 | 99 | 104,665 | 1,057 |
| 2017 | 71 | 106,931 | 1,506 |
| 2018 | 58 | 52,056 | 897 |
| 2019 | 64 | 150,569 | 2,352 |
| 2020 | 110 | 292,681 | 2,660 |

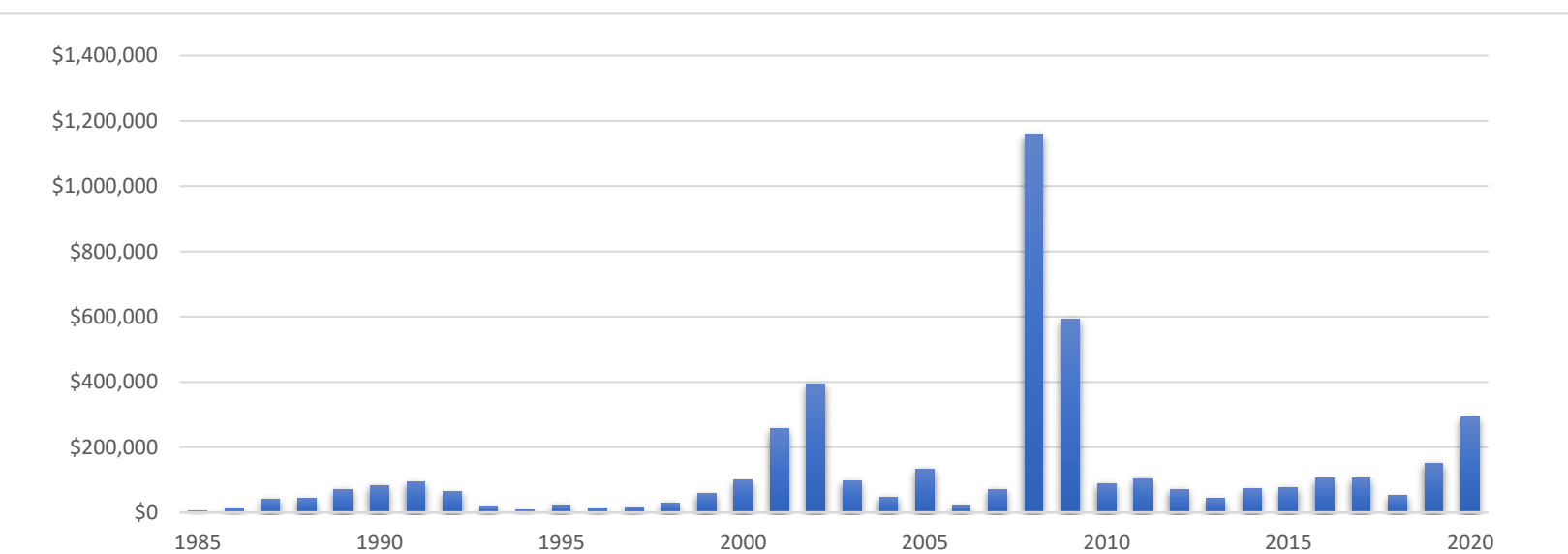
Public Company Bankruptcy Filings

1985 - 2020 (*Assets in \$millions)



Assets of Public Company Bankruptcy Filings

1985 - 2020 (*Assets in \$millions)



High Yield Bond Issuance as a Precursor to Bankruptcy Filings

A potential precursor to corporate bankruptcy filings is high yield debt issuance. Below is data on high yield bond issues and their principal amounts. High yield is defined as public, non-investment grade, non-convertible debt issues. It includes both "public" and "144a" registrations.

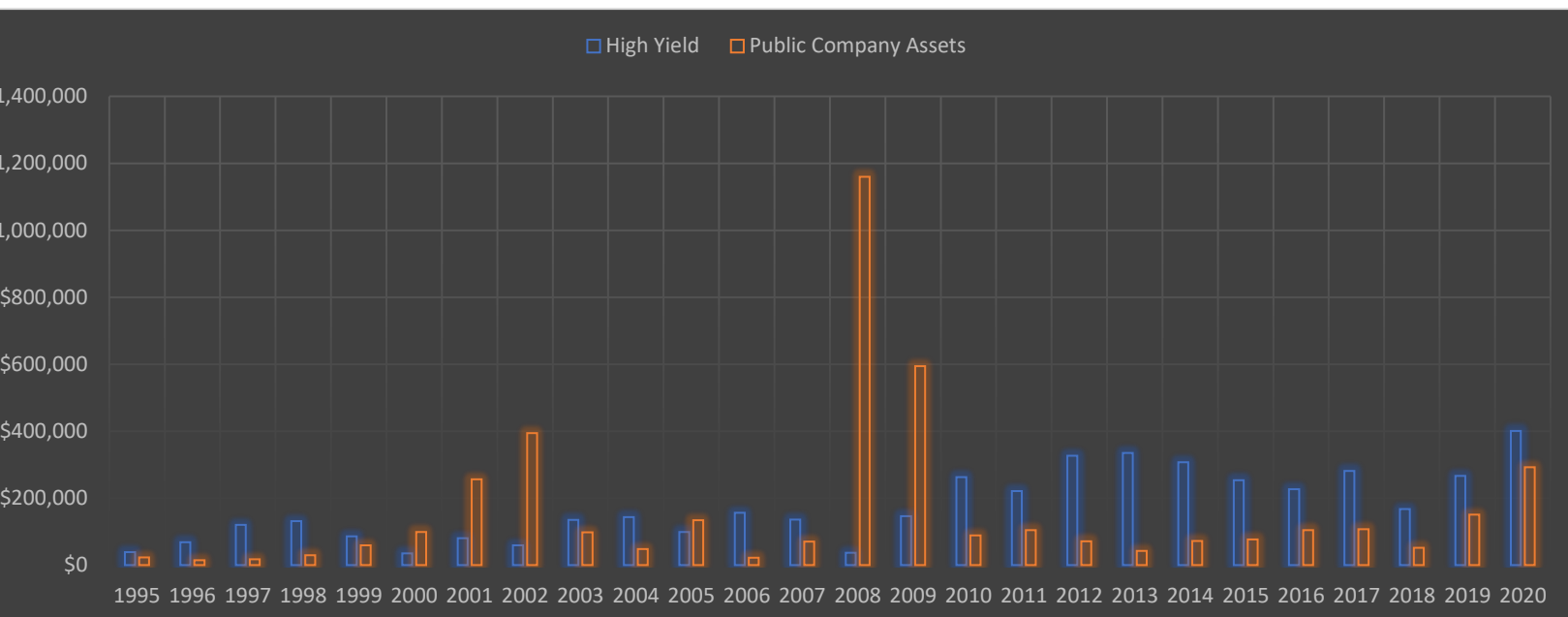
High Yield Bond Issues: 1995 - 2020

| <u>Year</u> | <u># of Issues</u> | <u>Principal (\$mil)</u> |
|-------------|--------------------|--------------------------|
| 1995 | 209 | \$38,530 |
| 1996 | 408 | 67,907 |
| 1997 | 676 | 120,522 |
| 1998 | 659 | 131,370 |
| 1999 | 343 | 86,092 |
| 2000 | 132 | 35,077 |
| 2001 | 316 | 80,174 |
| 2002 | 266 | 59,218 |
| 2003 | 507 | 135,398 |
| 2004 | 553 | 142,996 |
| 2005 | 377 | 99,033 |
| 2006 | 312 | 155,784 |
| 2007 | 244 | 135,566 |
| 2008 | 93 | 37,187 |
| 2009 | 332 | 146,496 |
| 2010 | 541 | 263,079 |
| 2011 | 441 | 221,374 |
| 2012 | 613 | 326,200 |
| 2013 | 618 | 335,200 |
| 2014 | 516 | 307,370 |
| 2015 | 362 | 252,983 |
| 2016 | 330 | 226,230 |
| 2017 | 481 | 281,429 |
| 2018 | 292 | 167,676 |
| 2019 | 391 | 266,573 |
| 2020 | 555 | 400,457 |

Source: Thompson Financial Data

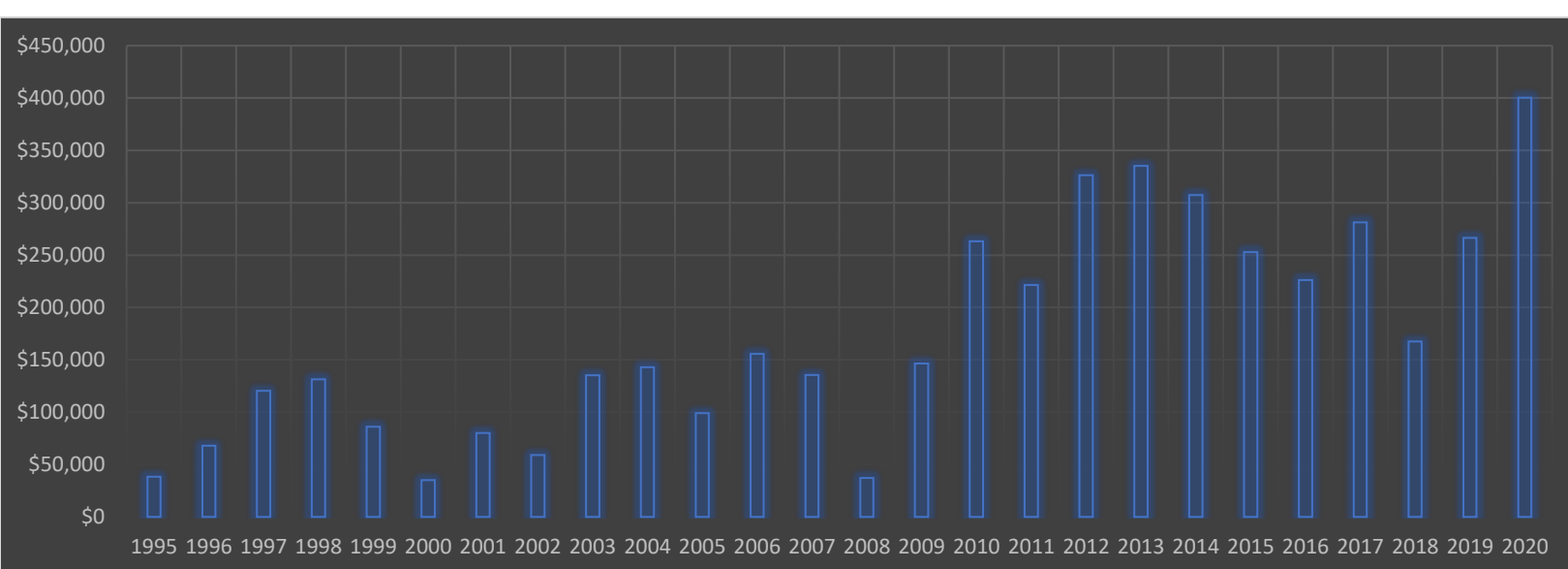
Principal of High Yield Bond Issues

1995 - 2020 (*Principal & Assets in \$millions)



Principal of High Yield Bond Issues and Bankruptcy Assets

1995 - 2020 (*Principal & Assets in \$millions)



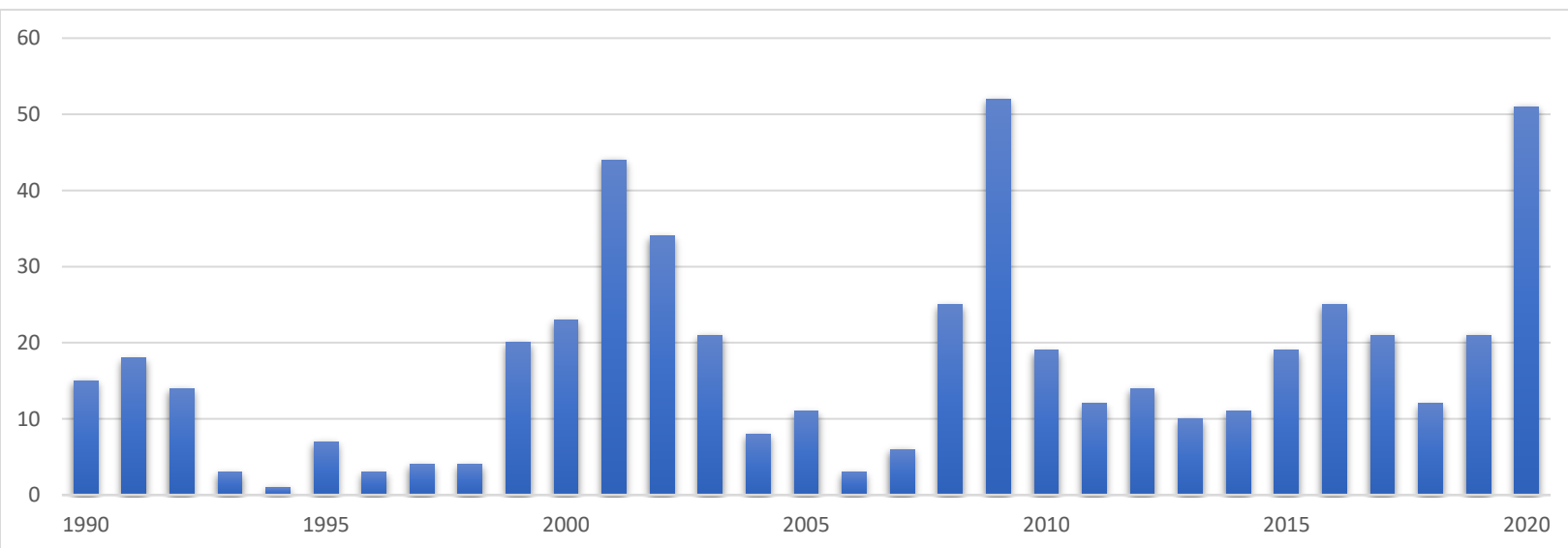
Billion Dollar Public Company Bankruptcy Filings

1990 - 2020 (*Assets in \$millions)

| Year | Number of Public Company Bankruptcies | | Assets* | | Billion \$ Bankruptcies as a % of the Total | |
|------|---------------------------------------|-----|-----------|-----------|---|--------|
| | Billion | All | Billion | All | Number | Assets |
| 1990 | 15 | 115 | \$73,401 | \$82,781 | 13.0% | 88.7% |
| 1991 | 18 | 123 | 64,310 | 93,624 | 14.6% | 68.7% |
| 1992 | 14 | 91 | 44,011 | 64,226 | 15.4% | 68.5% |
| 1993 | 3 | 86 | 5,026 | 18,745 | 3.5% | 26.8% |
| 1994 | 1 | 70 | 1,139 | 8,337 | 1.4% | 13.7% |
| 1995 | 7 | 85 | 14,592 | 23,107 | 8.2% | 63.1% |
| 1996 | 3 | 86 | 4,012 | 14,201 | 3.5% | 28.3% |
| 1997 | 4 | 83 | 9,003 | 17,247 | 4.8% | 52.2% |
| 1998 | 4 | 122 | 12,532 | 29,195 | 3.3% | 42.9% |
| 1999 | 20 | 145 | 40,018 | 58,760 | 13.8% | 68.1% |
| 2000 | 23 | 179 | 66,824 | 98,763 | 12.8% | 67.7% |
| 2001 | 44 | 263 | 225,086 | 256,294 | 16.7% | 87.8% |
| 2002 | 34 | 220 | 348,679 | 394,300 | 15.5% | 88.4% |
| 2003 | 21 | 172 | 74,391 | 98,262 | 12.2% | 75.7% |
| 2004 | 8 | 92 | 32,334 | 47,664 | 8.7% | 67.8% |
| 2005 | 11 | 86 | 124,824 | 133,843 | 12.8% | 93.3% |
| 2006 | 3 | 66 | 13,858 | 22,104 | 4.5% | 62.7% |
| 2007 | 6 | 78 | 64,544 | 70,525 | 7.7% | 91.5% |
| 2008 | 25 | 138 | 1,143,929 | 1,159,351 | 18.1% | 98.6% |
| 2009 | 52 | 211 | 559,777 | 593,733 | 26.6% | 94.3% |
| 2010 | 19 | 106 | 73,029 | 89,109 | 17.9% | 81.9% |
| 2011 | 12 | 86 | 95,239 | 103,991 | 13.9% | 91.6% |
| 2012 | 14 | 87 | 59,990 | 70,843 | 16.0% | 84.7% |
| 2013 | 10 | 71 | 30,039 | 42,641 | 14.0% | 70.5% |
| 2014 | 11 | 54 | 65,732 | 71,918 | 20.4% | 91.4% |
| 2015 | 19 | 79 | 67,950 | 76,903 | 24.1% | 88.4% |
| 2016 | 25 | 99 | 88,272 | 104,665 | 25.2% | 84.4% |
| 2017 | 21 | 71 | 98,988 | 106,931 | 29.5% | 92.6% |
| 2018 | 12 | 58 | 42,615 | 52,056 | 20.6% | 81.8% |
| 2019 | 21 | 64 | 139,984 | 150,569 | 32.80% | 92.97% |
| 2020 | 51 | 110 | 276,898 | 292,681 | 46.36% | 94.61% |

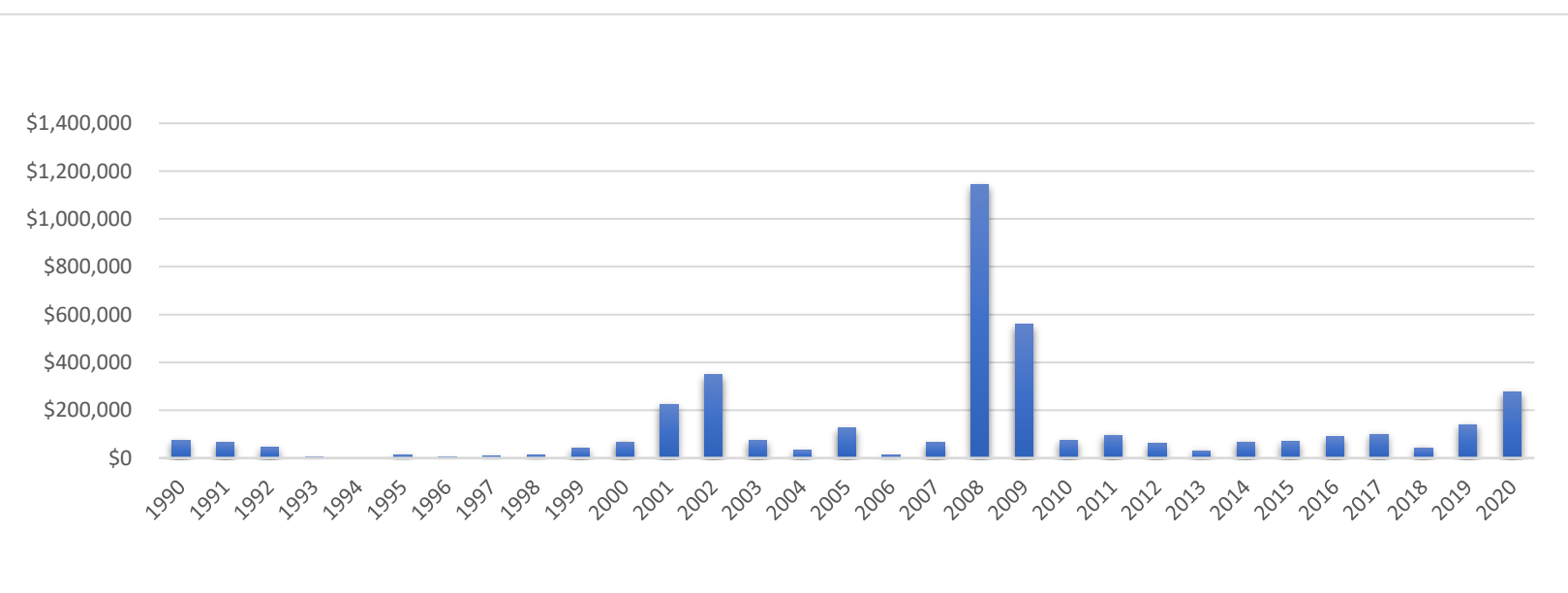
Number of Billion Dollar Public Company Bankruptcy Filings

1990 - 2020 (*Assets in \$millions)



Assets of Billion Dollar Public Company Bankruptcy Filings

1990 - 2020 (*Assets in \$millions)



Companies Filing Chapter 11 Petitions in 2020

(Top 15 listed in descending order by Pre-Petition Assets)

| <u>Company</u> | <u>Bankruptcy Date</u> | <u>Description</u> | <u>Assets*</u> |
|--|-------------------------------|------------------------------------|-----------------------|
| 1) The Hertz Corporation | 05/22/20 | Rental Cars | 25,842 |
| 2) LATAM Airlines Group S.A. | 05/25/20 | Airlines | 21,087 |
| 3) Emergent Capital, Inc | 10/15/20 | Consumer Finance | 17,512 |
| 4) Frontier Communications Corporation | 04/14/20 | Integrated Telecommunication Svcs. | 17,433 |
| 5) Chesapeake Energy Corporation | 06/28/20 | Oil and Gas Exploration | 16,193 |
| 6) Ascena Retail Group, Inc. | 07/23/20 | Apparel Retail | 13,690 |
| 7) Valaris plc | 08/19/20 | Oil and Gas Drilling | 13,038 |
| 8) Intelsat S.A. | 05/14/20 | Alternative Carriers | 11,651 |
| 9) Mallinckrodt plc | 10/12/20 | Pharmaceuticals | 9,584 |
| 10) McDermott International, Inc. | 01/21/20 | Oil and Gas Equipment and Services | 8,754 |
| 11) J.C. Penney Company, Inc. | 05/15/20 | Department Stores | 7,989 |
| 12) Whiting Petroleum Corporation | 04/01/20 | Oil and Gas Exploration a | 7,636 |
| 13) Neiman Marcus Group LTD LLC | 05/07/20 | Apparel Retail | 7,545 |
| 14) Oasis Petroleum Inc. | 09/30/20 | Oil and Gas Exploration | 7,499 |
| 15) Avianca Holdings S.A. | 05/10/20 | Airlines | 7,273 |

* Assets in \$millions


United States Bankruptcy Court Data

Following are statistical presentations of bankruptcy data collected by the Administrative Office of the United States Courts. Data provided by the Administrative Office contains information on the number of filings by categories and regions but contains no financial information on the filings (e.g., average indebtedness of filers, etc.). Historical data on U.S. bankruptcy filings is summarized in past editions of the **Statistical Abstract of the United States**. Current data from the Administrative Office of the U.S. Courts can be found at www.uscourts.gov.

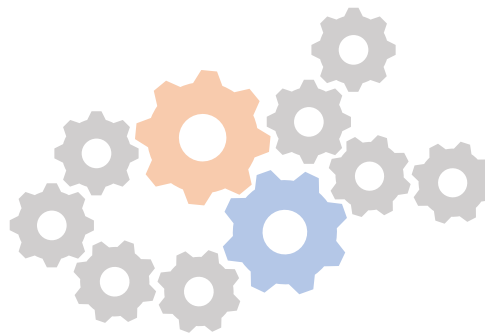
There are a number of important caveats about interpreting this data. The Bankruptcy Reform Act of 1978, which took effect in October 1979, altered the nature of bankruptcy so greatly that data from pre-1980 and post-1980 generally are not comparable. The data before 1980 is available in different degrees of categorization. In the following charts, the data is presented in three consistent series: 1973-1982; 1940-1973 and 1905-1980. Also, the data is collected by the individual district courts which often have different methods of categorizing bankruptcy filers. For example, when a person who previously operated a business files bankruptcy, some courts will categorize it as a business bankruptcy and others will categorize it as a non-business bankruptcy. Another difference in the courts' reporting methodology involves how individual courts categorize parties who file for bankruptcy on more than one subsequent occasion.



The Year 2020

| Filings by Type and Chapter  | | | |
|---|---------|----------|---------------|
| | Total | Business | Non- Business |
| Chapter 11 | 8,113 | 7,561 | 552 |
| Chapter 7 | 381,217 | 12,197 | 369,020 |
| Chapter 12 | 552 | 552 | |
| Chapter 13 | 154,341 | 1,105 | 153,236 |
| All Chapters | 544,463 | 21,655 | |

There were 240 minor Chapter filings in 2020 (including 236 Chapter 15 filings and 4 Chapter 9 filings). This accounts for the discrepancy in the sums of the specified Chapters compared to All Chapters.



Bankruptcy Filings by Chapter 1990 - 2020

| <u>Year</u> | <u>Total</u> | <u>Ch. 7</u> | <u>Ch. 11</u> | <u>Ch. 12</u> | <u>Ch. 13</u> |
|-------------|--------------|--------------|---------------|---------------|---------------|
| 1990 | 782,960 | 543,334 | 20,783 | 1,346 | 217,468 |
| 1991 | 943,987 | 656,460 | 23,989 | 1,495 | 262,006 |
| 1992 | 971,517 | 681,663 | 22,634 | 1,608 | 265,577 |
| 1993 | 875,202 | 602,980 | 19,174 | 1,243 | 251,773 |
| 1994 | 832,829 | 567,240 | 14,773 | 900 | 249,877 |
| 1995 | 926,601 | 626,150 | 12,904 | 926 | 286,588 |
| 1996 | 1,178,555 | 810,400 | 11,911 | 1,083 | 355,123 |
| 1997 | 1,404,145 | 989,372 | 10,765 | 949 | 403,025 |
| 1998 | 1,442,549 | 1,035,696 | 8,386 | 807 | 397,619 |
| 1999 | 1,319,465 | 927,074 | 9,315 | 834 | 382,214 |
| 2000 | 1,253,444 | 859,220 | 9,884 | 407 | 383,894 |
| 2001 | 1,492,129 | 1,054,927 | 11,424 | 383 | 425,292 |
| 2002 | 1,577,651 | 1,109,923 | 11,270 | 485 | 455,877 |
| 2003 | 1,660,245 | 1,176,905 | 9,404 | 712 | 473,137 |
| 2004 | 1,597,462 | 1,137,958 | 10,132 | 108 | 449,129 |
| 2005 | 2,078,415 | 1,659,017 | 6,800 | 380 | 412,130 |
| 2006 | 617,660 | 360,890 | 5,163 | 348 | 251,179 |
| 2007 | 850,912 | 519,364 | 6,352 | 376 | 324,771 |
| 2008 | 1,117,771 | 744,424 | 10,160 | 345 | 362,762 |
| 2009 | 1,473,675 | 1,050,832 | 15,189 | 544 | 406,962 |
| 2010 | 1,593,081 | 1,139,601 | 13,713 | 723 | 438,913 |
| 2011 | 1,410,653 | 992,332 | 11,529 | 637 | 406,084 |
| 2012 | 1,221,091 | 843,545 | 10,361 | 512 | 366,532 |
| 2013 | 1,071,932 | 728,833 | 8,980 | 395 | 333,326 |
| 2014 | 936,795 | 619,069 | 7,234 | 361 | 310,061 |
| 2015 | 844,495 | 535,047 | 7,241 | 407 | 301,705 |
| 2016 | 794,960 | 490,365 | 7,292 | 461 | 296,655 |
| 2017 | 789,020 | 486,347 | 7,442 | 501 | 294,637 |
| 2018 | 773,418 | 475,575 | 7,095 | 498 | 290,146 |
| 2019 | 774,940 | 483,988 | 6,808 | 595 | 283,413 |
| 2020 | 544,463 | 381,217 | 8,113 | 552 | 154,341 |

Note: "Total" includes small numbers of other Chapter and Sub-Chapter filings.

Bankruptcy Filings by Business and Non-Business

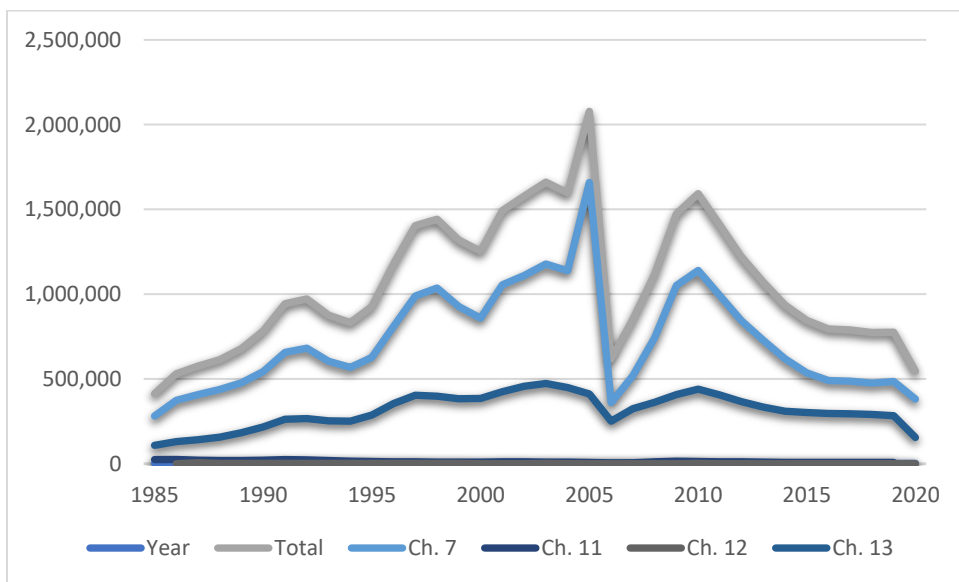
1985 - 2020

| <u>Year</u> | <u>Total</u> | <u>Business</u> | <u>Non-Business</u> | <u>Ratio Non-Bus. / Bus.</u> |
|-------------|--------------|-----------------|---------------------|------------------------------|
| 1985 | 412,431 | 71,242 | 341,189 | 4.8 |
| 1986 | 530,008 | 80,879 | 449,129 | 5.6 |
| 1987 | 574,849 | 81,999 | 492,850 | 6.0 |
| 1988 | 613,606 | 63,775 | 549,831 | 8.6 |
| 1989 | 679,980 | 63,227 | 616,753 | 9.8 |
| 1990 | 782,960 | 64,853 | 718,107 | 11.1 |
| 1991 | 943,987 | 71,549 | 872,438 | 12.2 |
| 1992 | 971,517 | 70,643 | 900,874 | 12.8 |
| 1993 | 875,202 | 62,304 | 812,898 | 13.0 |
| 1994 | 832,829 | 52,374 | 780,455 | 14.9 |
| 1995 | 926,601 | 51,959 | 874,642 | 16.8 |
| 1996 | 1,178,555 | 53,549 | 1,125,006 | 21.0 |
| 1997 | 1,404,145 | 54,027 | 1,350,118 | 25.0 |
| 1998 | 1,442,549 | 44,367 | 1,398,182 | 31.5 |
| 1999 | 1,319,465 | 37,884 | 1,281,581 | 33.8 |
| 2000 | 1,253,444 | 35,472 | 1,217,972 | 34.3 |
| 2001 | 1,492,129 | 40,099 | 1,452,030 | 36.2 |
| 2002 | 1,577,651 | 38,540 | 1,539,111 | 39.9 |
| 2003 | 1,660,245 | 35,037 | 1,625,208 | 46.4 |
| 2004 | 1,597,462 | 34,317 | 1,563,145 | 45.6 |
| 2005 | 2,078,415 | 39,401 | 2,039,214 | 51.8 |
| 2006 | 617,660 | 19,695 | 597,965 | 30.4 |
| 2007 | 850,912 | 28,322 | 822,590 | 29.0 |
| 2008 | 1,117,771 | 43,546 | 1,074,225 | 24.7 |
| 2009 | 1,473,675 | 60,837 | 1,412,838 | 23.2 |
| 2010 | 1,593,081 | 56,282 | 1,536,799 | 27.3 |
| 2011 | 1,410,653 | 47,806 | 1,362,847 | 28.5 |
| 2012 | 1,221,091 | 40,075 | 1,181,016 | 29.5 |
| 2013 | 1,071,932 | 33,212 | 1,038,720 | 31.3 |
| 2014 | 936,795 | 26,983 | 909,812 | 33.7 |
| 2015 | 844,495 | 24,735 | 819,760 | 33.1 |
| 2016 | 794,960 | 24,114 | 770,846 | 31.9 |
| 2017 | 789,020 | 23,157 | 765,863 | 33.1 |
| 2018 | 773,418 | 22,232 | 751,186 | 33.8 |
| 2019 | 774,980 | 22,780 | 752,160 | 33.0 |
| 2020 | 544,463 | 21,655 | 522,808 | 24.1 |

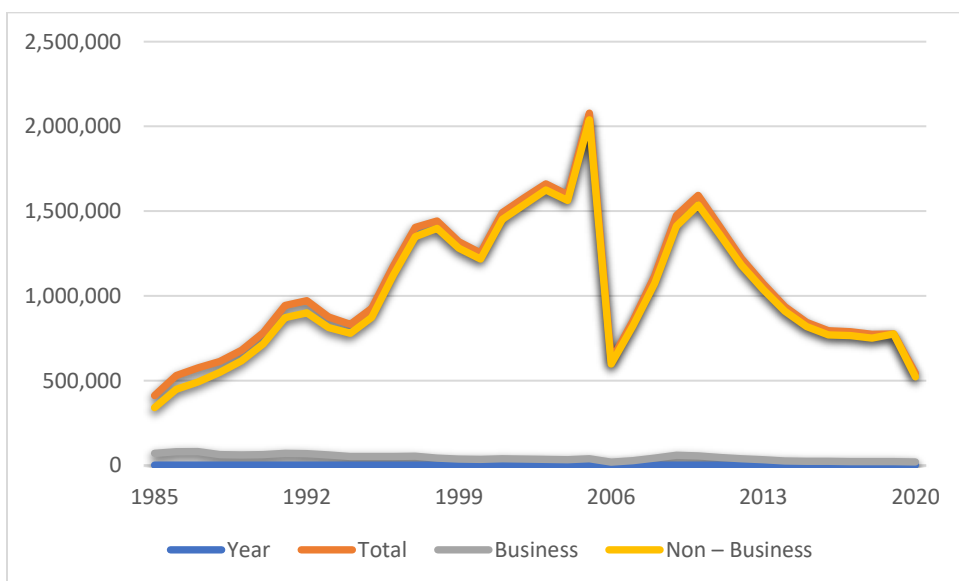
Bankruptcy Filing Trends

1985 - 2020

Chapters 7, 11, 12 and 13 & Total



Total, Business & Non-Business



Bankruptcies by Circuit and District - 2020

| Circuit & District | Total Filings | Total Non-Business | Total Business | Ch. 7 | Ch. 11 | Ratio 7 / 11 |
|--------------------|---------------|--------------------|----------------|--------|--------|--------------|
| Total | 544,463 | 522,808 | 21,655 | 12,197 | 7,561 | 1.61 |
| DC | 507 | 458 | 49 | 27 | 20 | 1.35 |
| 1st | 13,171 | 12,625 | 546 | 367 | 125 | 2.94 |
| ME | 1,015 | 944 | 71 | 35 | 23 | 1.52 |
| MA | 4,415 | 4,128 | 287 | 218 | 53 | 4.11 |
| NH | 1,081 | 1,033 | 48 | 37 | 6 | 6.17 |
| RI | 1,413 | 1,382 | 31 | 28 | 2 | 14.00 |
| PR | 5,247 | 5,138 | 109 | 49 | 41 | 1.20 |
| 2nd | 25,560 | 23,697 | 1,863 | 789 | 923 | 0.85 |
| CT | 4,194 | 4,080 | 114 | 94 | 12 | 7.83 |
| NY,N | 4,397 | 4,301 | 96 | 67 | 10 | 6.70 |
| NY,E | 8,295 | 7,793 | 502 | 299 | 203 | 1.47 |
| NY,S | 5,668 | 4,665 | 1003 | 239 | 676 | 0.35 |
| NY,W | 2,627 | 2,518 | 109 | 77 | 19 | 4.05 |
| VT | 379 | 340 | 39 | 13 | 3 | 4.33 |
| 3rd | 32,102 | 29,207 | 2,895 | 791 | 1,915 | 0.41 |
| DE | 3,249 | 1,367 | 1882 | 168 | 1627 | 0.10 |
| NJ | 14,728 | 14,232 | 496 | 290 | 177 | 1.64 |
| PA,E | 5,005 | 4,820 | 185 | 120 | 43 | 2.79 |
| PA,M | 3,763 | 3,644 | 119 | 75 | 20 | 3.75 |
| PA,W | 5,352 | 5,140 | 212 | 137 | 48 | 2.85 |
| VI | 5 | 4 | 1 | 1 | 0 | 0 |
| 4th | 43,661 | 42,349 | 1,312 | 785 | 432 | 1.82 |
| MD | 11,249 | 10,971 | 278 | 179 | 75 | 2.39 |
| NC,E | 4,110 | 3,938 | 172 | 99 | 50 | 1.98 |
| NC,M | 2,512 | 2,428 | 84 | 65 | 16 | 4.06 |
| NC,W | 2,287 | 2,175 | 112 | 67 | 36 | 1.86 |
| SC | 4,707 | 4,585 | 122 | 87 | 21 | 4.14 |
| VA,E | 12,713 | 12,312 | 401 | 200 | 192 | 1.04 |
| VA,W | 3,804 | 3,727 | 77 | 50 | 15 | 3.33 |
| WV,N | 935 | 918 | 17 | 11 | 5 | 2.20 |
| WV,S | 1,344 | 1,295 | 49 | 27 | 22 | 1.23 |

Bankruptcies by Circuit and District - 2020 (cont.)

| Circuit & District | Total Filings | Total Non-Business | Total Business | Ch. 7 | Ch. 11 | Ratio 7 / 11 |
|--------------------|---------------|--------------------|----------------|-------|--------|--------------|
| 5th | 42,977 | 38,985 | 3992 | 1878 | 1898 | 0.99 |
| LA,E | 2,202 | 2,100 | 102 | 61 | 28 | 2.18 |
| LA,M | 882 | 840 | 42 | 24 | 16 | 1.50 |
| LA,W | 4,558 | 4,463 | 95 | 65 | 16 | 4.06 |
| MS,N | 3,639 | 3,498 | 141 | 75 | 30 | 2.50 |
| MS,S | 4,973 | 4,861 | 112 | 86 | 18 | 4.78 |
| TX,N | 8,689 | 7,804 | 885 | 578 | 261 | 2.21 |
| TX,E | 4,366 | 4,061 | 305 | 229 | 61 | 3.75 |
| TX,S | 7,796 | 5,980 | 1816 | 398 | 1352 | 0.29 |
| TX,W | 5,872 | 5,378 | 494 | 362 | 116 | 3.12 |
| 6th | 81,560 | 80,204 | 1,356 | 907 | 297 | 3.05 |
| KY,E | 5,762 | 5,671 | 91 | 60 | 21 | 2.86 |
| KY,W | 5,669 | 5,569 | 100 | 63 | 23 | 2.74 |
| MI,E | 17,549 | 17,345 | 204 | 129 | 49 | 2.63 |
| MI,W | 4,112 | 3,954 | 158 | 91 | 50 | 1.82 |
| OH,N | 14,718 | 14,474 | 244 | 182 | 30 | 6.07 |
| OH,S | 12,033 | 11,837 | 196 | 137 | 41 | 3.34 |
| TN,E | 8,332 | 8,208 | 124 | 88 | 22 | 4.00 |
| TN,M | 5,773 | 5,598 | 175 | 121 | 44 | 2.75 |
| TN,W | 7,612 | 7,548 | 64 | 36 | 17 | 2.12 |
| 7th | 59,978 | 58,717 | 1,261 | 891 | 176 | 5.06 |
| IL,N | 25,109 | 24,508 | 601 | 472 | 94 | 5.02 |
| IL,C | 3,664 | 3,583 | 81 | 59 | 7 | 8.43 |
| IL,S | 2,264 | 2,218 | 46 | 30 | 6 | 5.00 |
| IN,N | 6,833 | 6,760 | 73 | 54 | 7 | 7.71 |
| IN,S | 10,465 | 10,304 | 161 | 113 | 26 | 4.35 |
| WI,E | 8,417 | 8,265 | 152 | 88 | 20 | 4.40 |
| WI,W | 3,226 | 3,079 | 147 | 75 | 16 | 4.69 |
| 8th | 35,969 | 34,879 | 1,090 | 710 | 153 | 4.64 |
| AR ² | 7,545 | 7,356 | 189 | 122 | 27 | 4.52 |
| IA,N | 1,462 | 1,371 | 91 | 61 | 4 | 15.25 |
| IA,S | 2,342 | 2,268 | 74 | 60 | 1 | 60 |
| MN | 7,238 | 6,966 | 272 | 196 | 26 | 7.54 |
| MO,E | 7,337 | 7,193 | 144 | 75 | 52 | 1.44 |
| MO,W | 5,231 | 5,120 | 111 | 75 | 24 | 3.13 |
| NE | 3,343 | 3,222 | 121 | 72 | 12 | 6 |
| ND | 656 | 629 | 27 | 17 | 3 | 5.67 |
| SD | 815 | 754 | 61 | 32 | 4 | 8 |

Bankruptcies by Circuit and District - 2020 (cont.)

| Circuit & District | Total Filings | Total Non-Business | Total Business | Ch. 7 | Ch. 11 | Ratio 7 / 11 |
|--------------------|---------------|--------------------|----------------|-------|--------|--------------|
| 9th | 93,877 | 90,135 | 3,742 | 2,717 | 742 | 3.66 |
| AK | 320 | 291 | 29 | 21 | 5 | 4.20 |
| AZ | 13,515 | 13,176 | 339 | 245 | 80 | 3.06 |
| CA,N | 5,900 | 5,440 | 460 | 310 | 118 | 2.63 |
| CA,E | 10,968 | 10,603 | 365 | 266 | 52 | 5.12 |
| CA,C | 27,852 | 26,515 | 1,337 | 1,038 | 247 | 4.20 |
| CA,S | 6,426 | 6,157 | 269 | 225 | 25 | 9.00 |
| HI | 1,566 | 1,503 | 63 | 49 | 5 | 9.80 |
| ID | 2,772 | 2,689 | 83 | 52 | 20 | 2.60 |
| MT | 1,201 | 1,101 | 100 | 57 | 13 | 4.38 |
| NV | 8,007 | 7,752 | 255 | 157 | 89 | 1.76 |
| OR | 6,636 | 6,469 | 167 | 108 | 23 | 4.70 |
| WA,E | 2,277 | 2,227 | 50 | 35 | 11 | 3.18 |
| WA,W | 6,369 | 6,151 | 218 | 148 | 54 | 2.74 |
| GUAM | 67 | 60 | 7 | 6 | 0 | 0 |
| NMI | 1 | 1 | 0 | 0 | 0 | 0 |
| 10th | 31,284 | 30,264 | 1,020 | 724 | 166 | 4.36 |
| CO | 8,562 | 8,193 | 369 | 264 | 78 | 3.38 |
| KS | 4,470 | 4,293 | 177 | 100 | 19 | 5.26 |
| NM | 2,423 | 2,338 | 85 | 58 | 19 | 3.05 |
| OK,N | 1,990 | 1,936 | 54 | 49 | 4 | 12.25 |
| OK,E | 1,235 | 1,202 | 33 | 30 | 0 | 0 |
| OK,W | 4,259 | 4,124 | 135 | 104 | 16 | 6.50 |
| UT | 7,638 | 7,519 | 119 | 84 | 18 | 4.67 |
| WY | 707 | 659 | 48 | 35 | 12 | 2.92 |
| 11th | 83,817 | 81,288 | 2,529 | 1,611 | 714 | 2.26 |
| AL,N | 9,616 | 9,473 | 143 | 91 | 39 | 2.33 |
| AL,M | 5,538 | 5,469 | 69 | 44 | 15 | 2.93 |
| AL,S | 3,258 | 3,214 | 44 | 25 | 15 | 1.67 |
| FL,N | 1,923 | 1,850 | 73 | 47 | 22 | 2.14 |
| FL,M | 20,838 | 19,956 | 882 | 584 | 241 | 2.42 |
| FL,S | 14,691 | 14,033 | 658 | 380 | 228 | 1.67 |
| GA,N | 18,741 | 18,257 | 484 | 337 | 129 | 2.61 |
| GA,M | 5,372 | 5,270 | 102 | 53 | 17 | 3.12 |
| GA,S | 3,840 | 3,766 | 74 | 50 | 8 | 6.25 |

Minor Chapters & Sections of the U.S. Bankruptcy Code

1990 - 2020

| <u>Year</u> | <u>Ch. 9</u> | <u>Section 304</u> | <u>Ch. 15</u> |
|-------------|--------------|--------------------|---------------|
| 1990 | 13 | 7 | |
| 1991 | 18 | 15 | |
| 1992 | 14 | 21 | |
| 1993 | 12 | 19 | |
| 1994 | 16 | 23 | |
| 1995 | 10 | 23 | |
| 1996 | 8 | 30 | |
| 1997 | 10 | 24 | |
| 1998 | 3 | 38 | |
| 1999 | 5 | 23 | |
| 2000 | 11 | 28 | |
| 2001 | 8 | 47 | |
| 2002 | 7 | 89 | |
| 2003 | 6 | 81 | |
| 2004 | 6 | 102 | |
| 2005 | 11 | 71 | 6 |
| 2006 | 5 | | 75 |
| 2007 | 6 | | 42 |
| 2008 | 4 | | 76 |
| 2009 | 12 | | 136 |
| 2010 | 7 | | 124 |
| 2011 | 13 | | 58 |
| 2012 | 20 | | 121 |
| 2013 | 9 | | 88 |
| 2014 | 12 | | 58 |
| 2015 | 4 | | 91 |
| 2016 | 8 | | 179 |
| 2017 | 7 | | 81 |
| 2018 | 4 | | 100 |
| 2019 | 6 | | 130 |
| 2020 | 4 | | 236 |

[Chapter 9](#): The Chapter of the Bankruptcy Code providing for reorganization of municipalities (which includes cities and towns, as well as villages, counties, taxing districts, municipal utilities and school districts).

[Section 304](#): Section 304 no longer exists. Chapter 15 replaced Section 304 in 2005.

[Chapter 15](#): The Chapter of the Bankruptcy Code dealing with cases of cross-border insolvency.

Chapter 12

Farm Bankruptcy

| State / Area | 2020 | 2019 | 2018 | | State / Area | 2020 | 2019 | 2018 |
|---------------|------|------|------|--|-------------------|------------|------------|------------|
| Alabama | 7 | 5 | 5 | | Nebraska | 32 | 38 | 27 |
| Alaska | 0 | 0 | 0 | | Nevada | 0 | 0 | 0 |
| Arizona | 4 | 5 | 3 | | N.H. | 2 | 2 | 2 |
| Arkansas | 14 | 13 | 13 | | New Jersey | 1 | 2 | 0 |
| California | 18 | 25 | 18 | | New Mexico | 2 | 0 | 0 |
| Colorado | 8 | 3 | 7 | | New York | 8 | 20 | 24 |
| Connecticut | 0 | 2 | 1 | | North Carolina | 5 | 16 | 12 |
| D.C. | 0 | 0 | 0 | | North Dakota | 7 | 1 | 9 |
| Delaware | 1 | 2 | 0 | | No. Marianas | 0 | 0 | 0 |
| Florida | 10 | 18 | 4 | | Ohio | 10 | 14 | 7 |
| Georgia | 22 | 41 | 26 | | Oklahoma | 12 | 12 | 6 |
| Guam | 0 | 0 | 0 | | Oregon | 13 | 6 | 2 |
| Hawaii | 0 | 1 | 0 | | Pennsylvania | 7 | 18 | 15 |
| Idaho | 10 | 9 | 6 | | Puerto Rico | 5 | 14 | 18 |
| Illinois | 10 | 16 | 10 | | Rhode Island | 0 | 0 | 0 |
| Indiana | 11 | 8 | 15 | | South Carolina | 6 | 10 | 3 |
| Iowa | 34 | 27 | 13 | | South Dakota | 20 | 13 | 13 |
| Kansas | 35 | 36 | 35 | | Tennessee | 7 | 8 | 10 |
| Kentucky | 8 | 9 | 11 | | Texas | 16 | 22 | 25 |
| Louisiana | 9 | 14 | 11 | | Utah | 2 | 0 | 6 |
| Maine | 4 | 3 | 6 | | Vermont | 19 | 6 | 3 |
| Maryland | 3 | 5 | 6 | | Virgin Islands | 0 | 0 | 0 |
| Massachusetts | 4 | 7 | 9 | | Virginia | 5 | 6 | 6 |
| Michigan | 12 | 15 | 10 | | Washington | 7 | 7 | 5 |
| Minnesota | 29 | 30 | 26 | | West Virginia | 0 | 1 | 1 |
| Mississippi | 9 | 7 | 5 | | Wisconsin | 69 | 57 | 48 |
| Missouri | 15 | 9 | 9 | | Wyoming | 0 | 1 | 0 |
| Montana | 20 | 11 | 6 | | Total U.S. | 552 | 595 | 498 |

BankruptcyData Business Report Data

2020

BankruptcyData collects business bankruptcy data in real time from all US Bankruptcy Courts.

The data that is ingested by BankruptcyData and called a business bankruptcy filing will differ from the US Bankruptcy Court section seen above.

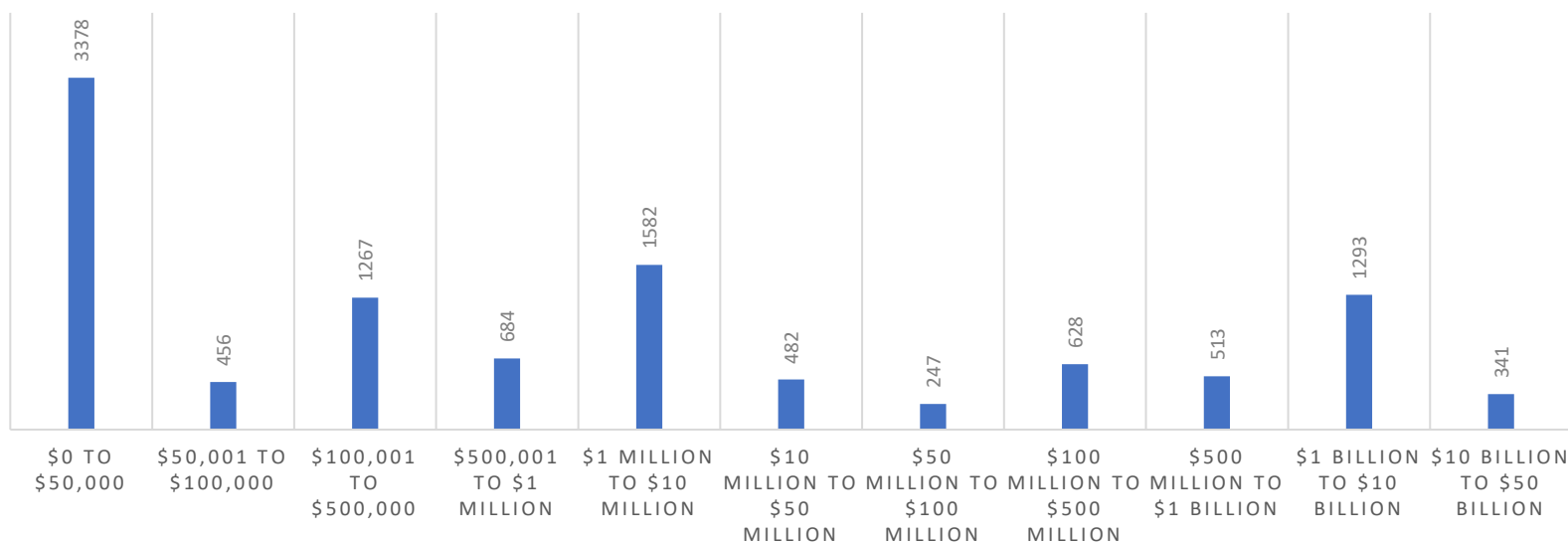


The reason being, BankruptcyData collects business filing petitions only. BankruptcyData will not collect an individual who files an individual bankruptcy petition, but also has business debt associated to their filing.

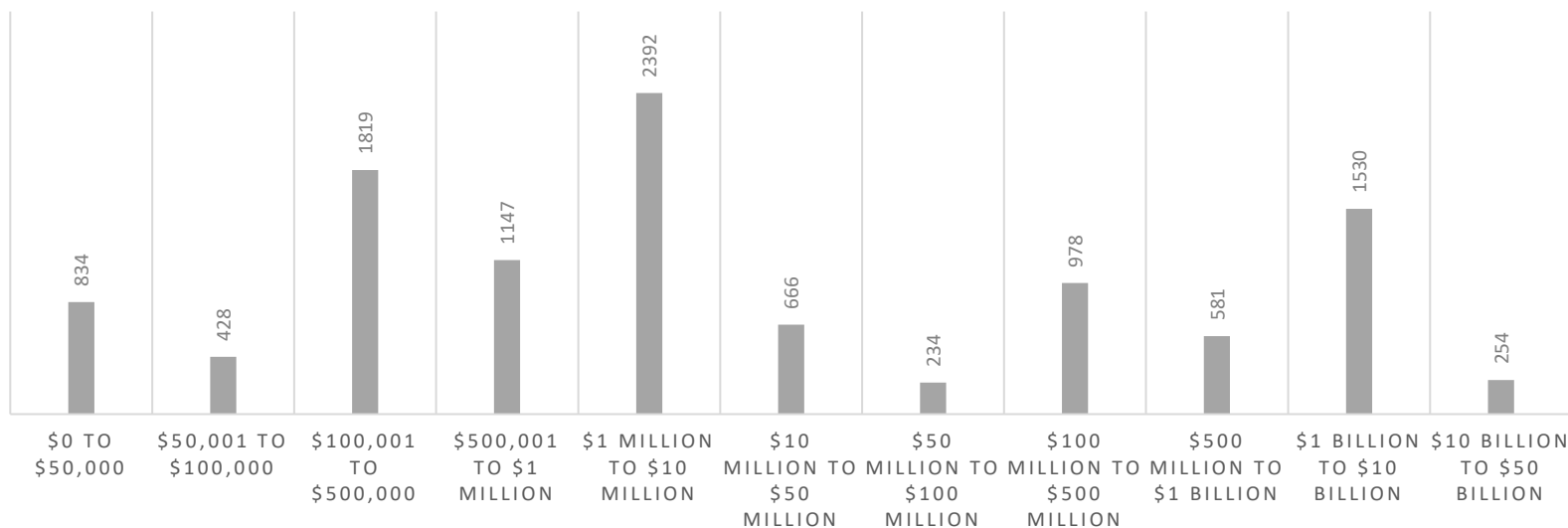
This is a grey area in data collection but does require clarification of collection methods as both sources should be deemed accurate (within reason).

BankruptcyData Business Report Data 2020

2020 FILINGS BY ASSETS

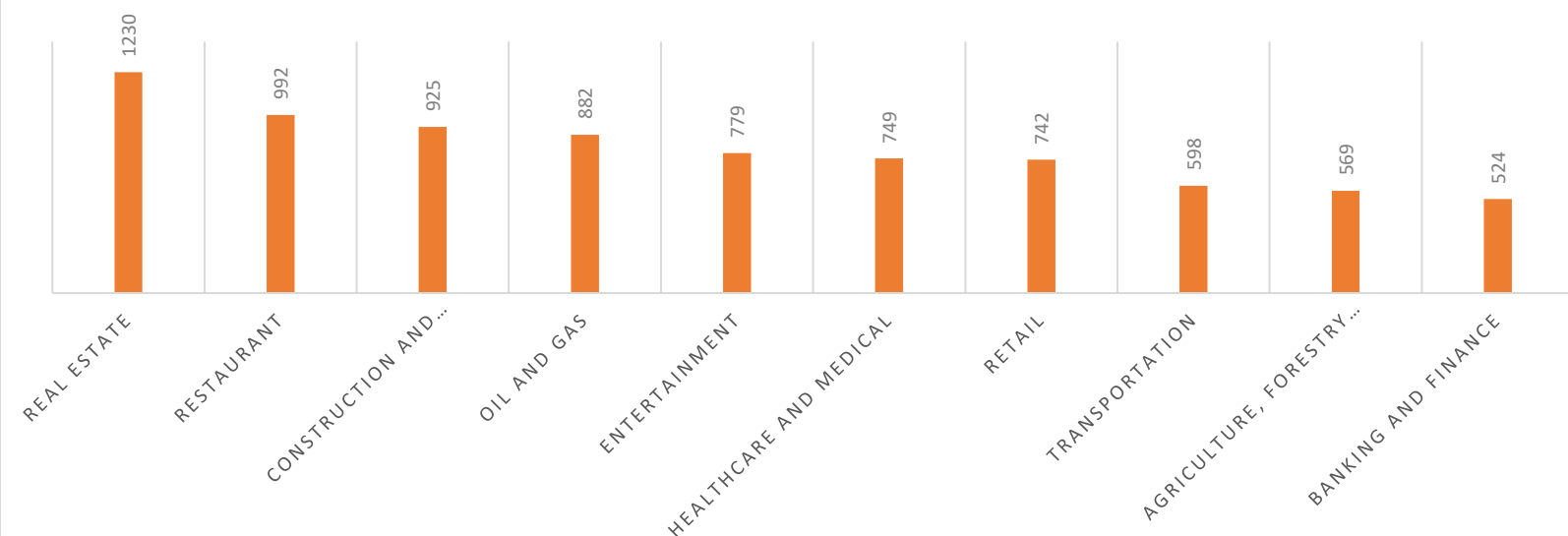


2020 FILINGS BY LIABILITIES

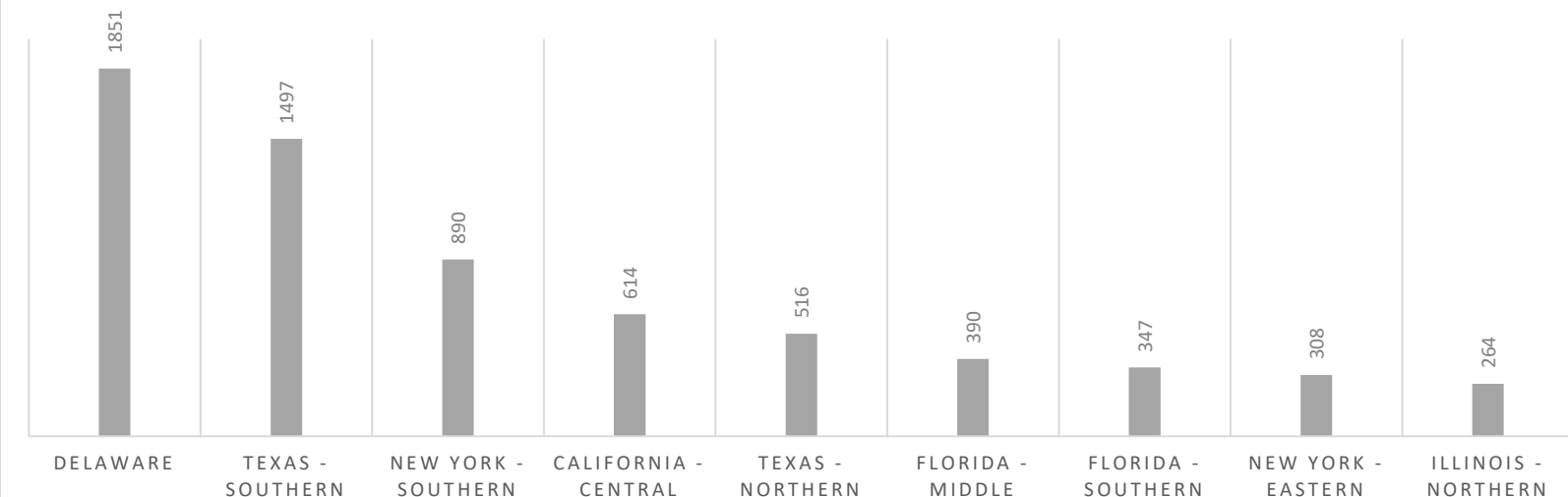


BankruptcyData Business Report Data 2020

TOP 10 FILINGS BY INDUSTRY

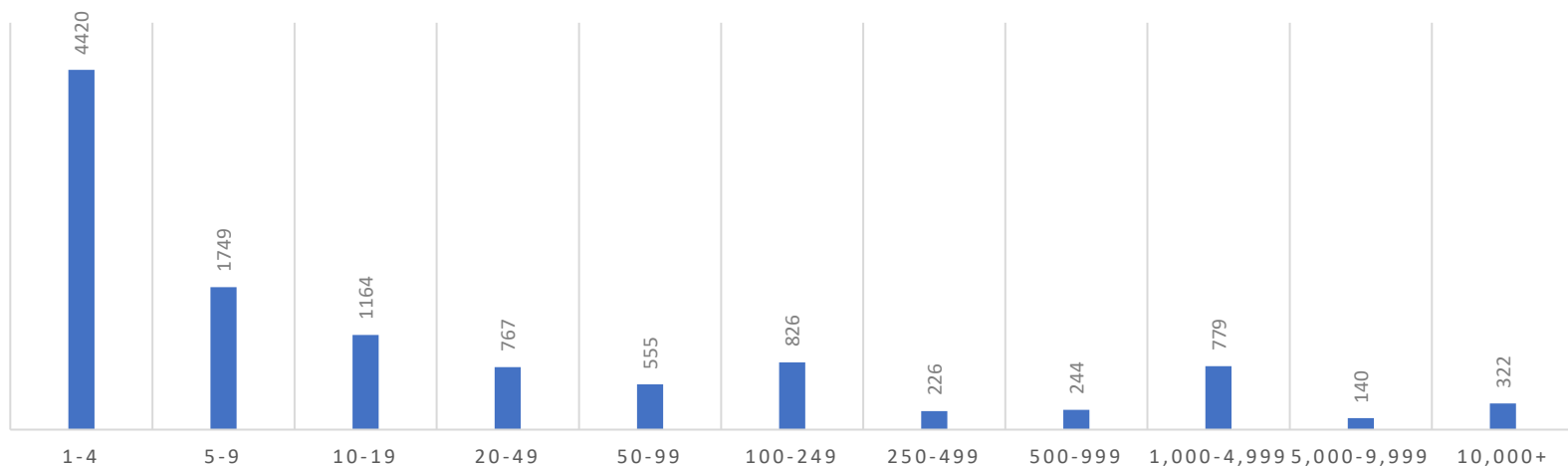


TOP 10 FILINGS BY COURT

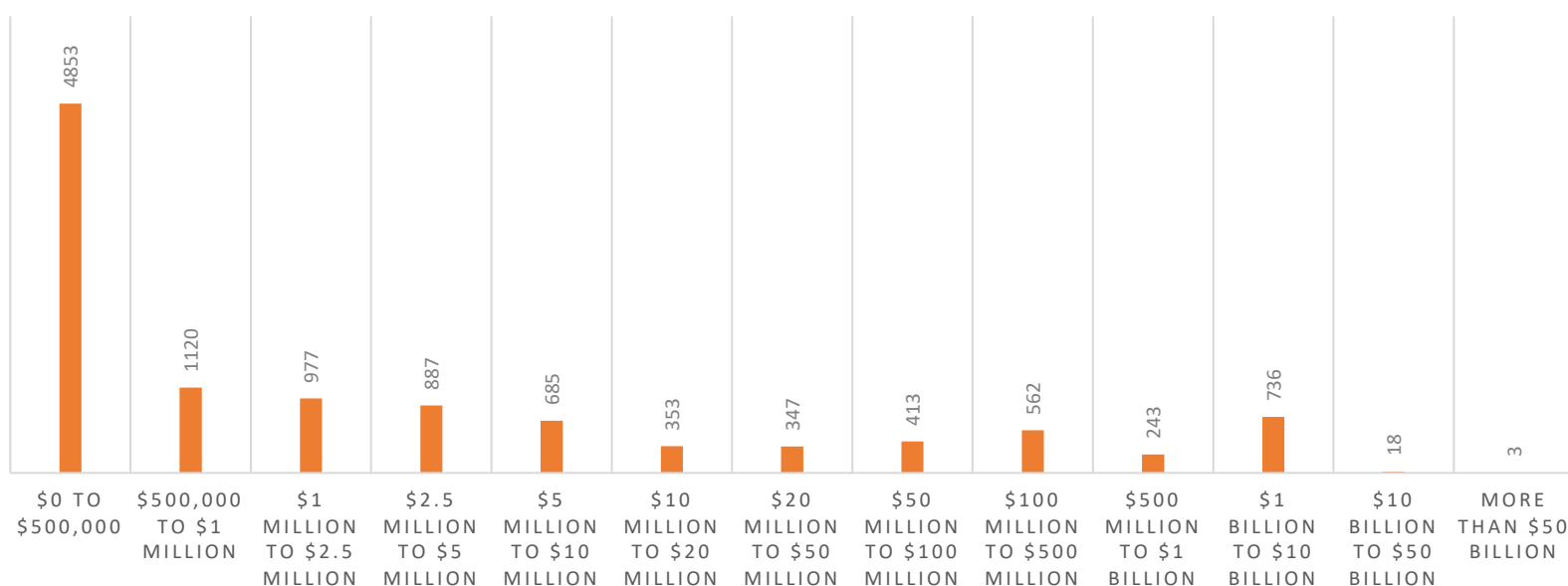


BankruptcyData Business Report Data 2020

FILINGS BY EMPLOYEES



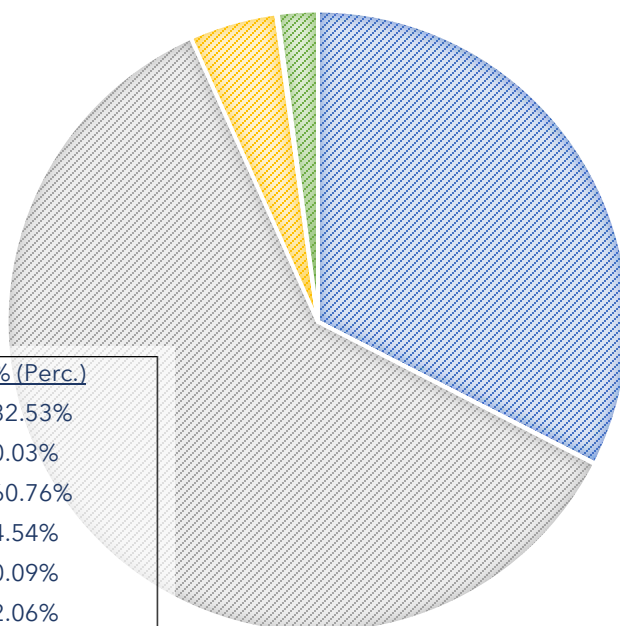
FILINGS BY SALES



BankruptcyData Business Report Data 2020

FILINGS BY CHAPTER TYPE

■ 7 ■ 9 ■ 11 ■ 12 ■ 13 ■ 15



| Chapter | Filings | % (Perc.) |
|---------|---------|-----------|
| 7 | 3703 | 32.53% |
| 9 | 3 | 0.03% |
| 11 | 6917 | 60.76% |
| 12 | 517 | 4.54% |
| 13 | 10 | 0.09% |
| 15 | 235 | 2.06% |

About BankruptcyData:

Our Platform is the industry's most extensive database of business bankruptcy information. Between our data collection, the analyses of our in-house editorial and research teams, and our technology platform, we specialize in increasing the signal and reducing the noise in the bankruptcy information environment.

BankruptcyData staff is uniquely qualified to provide timely, accurate and hard-to-duplicate research support. Our researchers have aided numerous leading bankruptcy practitioners in many different capacities, including financial analysis, litigation support, forecasting and expert commentary for media outlets.

Our mission is to reinvigorate how professionals interested in the bankruptcy sector consume, share, manage and leverage vital data, research and analysis. We provide a competitive advantage to those interested in making more informed decisions regarding the bankruptcy and distressed sectors.