

## **Audit Integrity Updates Bankruptcy Risk WatchList**

**Audit Integrity is now updating its Bankruptcy Risk WatchList every month. While the likelihood of filing for bankruptcy protection is low on an absolute basis, Audit Integrity says a high Bankruptcy Risk score is an indication of severe financial distress.**

On the the latest WatchList, only three companies have a likelihood of bankruptcy greater than 10% in Audit Integrity's estimation: Colombian coal company **Coalcorp Mining** (CCJ) – 14.32%, **Evergreen Energy** (EEE) – 11.35% and **YRC Worldwide** (YRCW) – 10.26%.

[Tim Wicks, YRC Worldwide's president and chief operating officer, [resigned earlier this month](#) to work for his former employer, United Healthcare. Wicks' visibility within the company was raised last year as he frequently worked with its biggest lenders to renegotiate debt agreements. The company's capital restructuring culminated late last year with a \$470 million debt-for-equity swap that kept YRC out of bankruptcy.]

Companies on the WatchList rank in the bottom two deciles of Audit Integrity's Bankruptcy Risk Model (indicating a higher risk of bankruptcy than 80% of North American companies rated), have an AGR® rating of "Aggressive" or "Very Aggressive," and have recently experienced high-risk events associated with an increased likelihood of bankruptcy. These include Accounting issues, Divestitures, Insider Trading, Late Filings, Litigation, Regulatory issues, Negative Earnings Surprise, Officer or Director changes, Restructuring, and/or a price drop in excess of 20% during the four-week period.

Download the full list [here](#).

<http://www.researchrecap.com/index.php/2010/04/23/audit-integrity-updates-bankruptcy-risk-watchlist/>