United States Court of Appeals
For the First Circuit

No. 25-1249

IN RE: STEVEN T. SAVAGE; VIRGINIA A. SAVAGE,

Debtors,

COASTAL CAPITAL, LLC,

Appellee,

v.

STEVEN T. SAVAGE; VIRGINIA A. SAVAGE,

Appellants.

APPEAL FROM THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW HAMPSHIRE

[Hon. Steven J. McAuliffe, U.S. District Judge]

Before

Gelpí, Thompson, and Montecalvo,
Circuit Judges.

Stephen T. Martin, with whom The Law Offices of Martin & Hipple, PLLC was on brief, for appellants.

Thomas J. Pappas, with whom Primmer Piper Eggleston & Cramer, P.C. was on brief, for appellee.

February 27, 2026

THOMPSON, Circuit Judge. Filing for bankruptcy offers insolvent debtors a path toward a fresh start. But, before they can obtain their sought-after relief via a discharge, debtors must provide a basic rundown of their financial condition and satisfactorily explain any apparent loss of assets during the lead-up to their filing for bankruptcy. Here, the United States Bankruptcy Court for the District of New Hampshire found that appellants Steven and Virginia Savage ("the Savages") did not satisfactorily explain the disposition of their assets and consequentially denied the couple a discharge. The United States District Court for the District of New Hampshire upheld this decision, and, after due consideration, we affirm.

I

Debtors filing for Chapter 7 bankruptcy may "obtain a 'fresh start' by discharging nearly all previously incurred debts." In re Shove, 83 F.4th 102, 106 (1st Cir. 2023) (quoting In re Curran, 855 F.3d 19, 22 (1st Cir. 2017)). But not all debtors walk unimpeded to their fresh starts as "certain behavior may preclude the granting of a discharge." In re Simmons, 810 F.3d 852, 855 (1st Cir. 2016). We need only introduce one type of preclusive behavior relevant to this appeal (although the Bankruptcy Code defines several others, see 11 U.S.C. § 727(a)). A bankruptcy court may deny a discharge when "the debtor has failed to explain satisfactorily, before determination of denial of

discharge . . . any loss of assets or deficiency of assets to meet the debtor's liabilities." Id. § 727(a)(5).

With this statutory requirement in mind, we turn to the case at hand. We draw the facts from those found by the bankruptcy and district courts, which are largely undisputed by the parties. See In re NTA, LLC, 380 F.3d 523, 524 (1st Cir. 2004). In doing so, we relay only those facts pertaining to the issues raised on appeal.

The story opens with a company called Sky-Skan Incorporated. Sky-Skan designed, installed, and maintained digital equipment used in planetariums around the world. Steven Savage was Sky-Skan's president and sole shareholder while Virginia Savage was Sky-Skan's vice president and bookkeeper. In July 2011, Bank of America provided Sky-Skan with a $900,000 line of credit secured by Sky-Skan's property and personally guaranteed by the Savages. Steven Savage's personal guarantee was further secured by his mortgage on a commercial condominium in Nashua, New Hampshire, where Sky-Skan operated its business.

In April 2017, Bank of America assigned its loan to appellee Coastal Capital, LLC ("Coastal" to save keystrokes). Shortly thereafter, Sky-Skan fell into financial trouble and could no longer obtain new lines of credit. To help their ailing company, the Savages dipped into their own pockets to cover

Sky-Skan's operational expenses using personal funds and credit cards.

But, even with the Savages' support, Sky-Skan defaulted on its obligations to Coastal. Sky-Skan's default kicked off a series of legal proceedings, first in state court to prevent Sky-Skan and the Savages from moving or concealing the collateral securing its obligations, and later in federal bankruptcy court after Sky-Skan filed a Chapter 11 bankruptcy petition.[1] During its bankruptcy proceedings, Sky-Skan filed a statement of financial affairs ("SOFA") and schedules of its assets and liabilities as required by 11 U.S.C. § 521(a)(1). These Sky-Skan documents were signed by Steven Savage under the pains and penalties of perjury. Sky-Skan's SOFA disclosed $704,075 in payments to the Savages for "Expense Reimbursement for use of credit cards, travel expenses, rent and repayment of personal loans" in the one-year period before Sky-Skan filed for bankruptcy.

The Savages soon followed their languishing company into bankruptcy and filed their own petition in December 2017.[2] Much

[1] Chapter 11 bankruptcy, also known as reorganization bankruptcy, enables businesses (and sometimes individuals) with significant debt to restructure their financial obligations while continuing operations under court supervision. It also halts creditor collection efforts, allowing for a payment plan to be negotiated, ultimately aiming to return the entity to profitability or provide a fresh start. See generally Truck Ins. Exch. v. Kaiser Gypsum Co., 602 U.S. 268, 272 (2024) (discussing Chapter 11 bankruptcy).

[2] The Savages initially filed for Chapter 11 bankruptcy but

like Sky-Skan, the Savages submitted their own SOFA and schedules as part of their bankruptcy proceedings, but their disclosures reported no income from employment nor from operating a business in the three calendar years leading up to their bankruptcy petition. Critically, the Savages' SOFA and schedules did not disclose the $704,075 transferred from Sky-Skan to the Savages between November 2016 and November 2017.

While the Savages' bankruptcy proceedings were underway, Coastal filed an adversary complaint objecting to the Savages' eligibility for a Chapter 7 discharge.[3] Coastal's complaint set forth six counts under federal bankruptcy law as to why it believed the Savages should be denied a discharge. After a motion to dismiss filed by the Savages (which the bankruptcy court denied) and cross motions for summary judgment (which the bankruptcy court mostly denied but granted in part), Coastal and the Savages proceeded to a bench trial to decide counts I-III and the surviving parts of counts IV-VI.

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later converted their case to a Chapter 7 bankruptcy. Chapter 7 bankruptcy petitions are more common for individuals (as opposed to corporations) and provide a path toward a discharge.

[3] In essence, "an adversary proceeding is a subsidiary lawsuit within the larger framework of a bankruptcy case." Fin. Oversight & Mgmt. Bd. for P.R. v. Cooperativa de Ahorro y Crédito Abraham Rosa, 54 F.4th 20, 26 n.1 (1st Cir. 2022) (citation modified). The goals of an adversary proceeding vary, but typically seek recovery of money or property, a discharge determination, or to subordinate certain claims.

The bench trial before the bankruptcy court lasted two days with Steven and Virginia Savage providing the only testimony. The court heard argument, received post-trial briefing, and ultimately found in the Savages' favor on all counts except count III. That count of Coastal's complaint accused the Savages (as we just detailed above) of receiving "hundreds of thousands of dollars from Sky-Skan" in the year leading up to their bankruptcy petition but failing "to satisfactorily explain the reason that said money is not available to satisfy their liabilities." The bankruptcy court found it undisputed that the Savages received $704,075.27 from Sky-Skan during the year leading up to bankruptcy. But the court also found that the Savages presented evidence regarding the disposition of $684,599.42 worth of those particular funds. Thus, on the bankruptcy court's initial tally, the disposition of $19,475.85 in funds remained unknown.

But the bankruptcy court did not stop there. It also found gaps in the Savages' explanation related to $89,500's worth of the Sky-Skan money reportedly paid as rent to the couple to operate out of the Savages' New Hampshire commercial condominium. The court noted that the Savages were consistently collecting rent from Sky-Skan on the condo but not consistently paying the mortgage. So, because the Savages did not use Sky-Skan's rent money to pay the monthly mortgage on the condo for seven months, the bankruptcy court added an additional $15,151.29 to the

unaccounted-for funds column ($2,164.47 a month in missed mortgage payments times seven months).

The court went on to identify further missing funds related to this rental income. At trial, Virginia Savage testified that the Savages increased Sky-Skan's monthly rent from $4,000 a month to $8,000 a month so that they could stop receiving a salary and reduce Sky-Skan's tax burden.[4] Based on this testimony, the court attributed $4,000 a month as salary that the Savages used to pay for personal expenses like housing, utilities, and food. But even then, with $4,000 a month accounted for as salary and $2,164.47 a month accounted for as mortgage debt on the condo (whether paid or unpaid), that left $1,835.53 out of Sky-Skan's $8,000 a month rent payments unaccounted for. The court multiplied that $1,835.53 figure by twelve resulting in another $22,026.36 in unaccounted-for funds. After adding everything together, the court reached a final figure of $56,653.50 in unexplained proceeds.

From there, the bankruptcy court concluded the Savages had failed to satisfactorily explain this deficiency and

[4] The bankruptcy court noted that, even though Virginia Savage said that they charged Sky-Skan $8,000 a month in rent, it only paid the Savages this amount for two months between November 2016 and November 2017. In reality, Sky-Skan's rent payments varied drastically with a low of $550 in January 2017 and a high of $18,200 in March 2017. So, even though $89,500 in rent payments breaks down to approximately $7,458.34 a month, the court used Virginia's testimony and based its calculations off $8,000 a month in rent payments.

consequentially denied them a discharge under 11 U.S.C. § 727(a)(5). In other words, the court ruled in Coastal's favor on only count III of the adversary complaint, but that was enough to prevent the Savages from obtaining a discharge. The Savages' post-judgment motions were denied by the bankruptcy court, and the bankruptcy court's decision on count III was later upheld on appeal by the district court. The Savages timely beseeched our court to conduct yet another review of the bankruptcy court's count III decision and its denial of a discharge pursuant to 11 U.S.C. § 727(a)(5).

II

Appellate review in bankruptcy cases proceeds in two steps: litigants must first appeal to the district court (or a bankruptcy appellate panel) and then the courts of appeals may provide a "second tier of appellate review." In re Simmons, 810 F.3d at 856; see 28 U.S.C. § 158(a)-(b), (d). Once the case travels to our court, "we accord no special deference to determinations made by the first-tier appellate tribunal but, rather, train the lens of our inquiry directly on the bankruptcy court's decision." In re Simmons, 810 F.3d at 857 (citation modified).

We review the bankruptcy court's findings of fact for clear error and its conclusions of law de novo. E.g., In re Montr., Me. & Atl. Ry., Ltd., 956 F.3d 1, 6 (1st Cir. 2020). The

decision of whether to grant or withhold a discharge presents a mixed question of law and fact. In re Carp, 340 F.3d 15, 25 (1st Cir. 2003). We review claims of this ilk for clear error unless the bankruptcy court's analysis rests atop of legal error -- meaning we will not set aside the bankruptcy court's conclusions "unless, on the whole of the record, we form a strong, unyielding belief that a mistake has been made." Id. at 22 (citation modified).

A

To better elucidate (and resolve) the Savages' appellate asseverations, we first set forth the pertinent burden-shifting framework. As touched on in our statutory introduction, § 727(a)(5) "authorizes the bankruptcy court to deny a discharge when a debtor has experienced a loss of assets or some other deficiency that the debtor cannot satisfactorily explain." In re Simmons, 810 F.3d at 859. A burden-shifting framework applies to claims under this provision: the party seeking to prevent a discharge must first show that the debtor has not accounted for previously owned assets or income, then, after that showing, the burden shifts to the debtor to satisfactorily explain the deficiency (as in, tell us what happened to the money). Id. at 860. A satisfactory explanation "'must be supported by at least some corroboration,' and it 'must be sufficient to eliminate the need for any speculation as to what happened to all of the

assets.'" Id. (emphasis added) (quoting In re Aoki, 323 B.R. 803, 817 (B.A.P. 1st Cir. 2005)).

The Savages' arguments relate to how the bankruptcy court interpreted and applied § 727(a)(5) after the burden had shifted to them to satisfactorily explain what happened to the $704,075.27 in Sky-Skan money.[5] The Savages first claim that the bankruptcy court's decision to deny them a discharge rests on a mistaken interpretation of § 727(a)(5). According to the Savages, the statute only permits denial of a discharge when the lost assets at issue are substantial -- a term they loosely define (at times) to mean assets capable of meeting their outstanding liabilities.[6] So, because they satisfactorily explained their deficiency as to

[5] The Savages did not dispute below and agree on appeal that they received $704,075.27 from Sky-Skan in the year preceding their bankruptcy petition. So, even though the Savages' statutory interpretation arguments at times seem to implicate the bankruptcy court's decision to shift the burden on to them, the Savages have waived their ability to raise this argument. See, e.g., Punsky v. City of Portland, 54 F.4th 62, 67 (1st Cir. 2022) (explaining that claims not squarely raised before the trial court are waived on appeal). Moreover, the Savages have failed to provide any developed argument that the bankruptcy court erred in shifting the burden onto them, giving us further cause to deem this claim waived. See United States v. Zannino, 895 F.2d 1, 17 (1st Cir. 1990).

[6] We say "at times" because the Savages offer several theoretical and ranging definitions for what constitutes a "substantial" asset, including 51% or more of any outstanding liabilities, "considerable in quantity; significantly great," and simply "something much more than what was unaccounted-for here." Nonetheless, their inability to land on one definition is immaterial to our decision.

all but a relatively small portion that would not have covered their outstanding liabilities, the Savages believe the bankruptcy court legally erred by denying their discharge over such a trivial amount. And if we disagree with their interpretation of the relevant statute, the Savages lodge further challenges to the bankruptcy court's calculation of the unaccounted-for assets and the court's decision not to credit their good faith explanation for most of the deficiency. The Savages also accuse Coastal of destroying documents in its possession that they say would have explained where the Sky-Skan money went. We discuss each argument in turn, starting with the Savages' statutory interpretation arguments.

B

The Savages claim that 11 U.S.C. § 727(a)(5) "requires the plaintiff to prove that the defendant owned a substantial asset that it no longer owns." (emphasis added on behalf of the Savages). And, because the unaccounted-for portion of the funds "was not substantial or able to meet the Savages' liabilities, they provided a satisfactory explanation as a matter of law." As Coastal eagerly points out and the Savages concede, the term "substantial" does not appear in the statutory text. See 11 U.S.C. § 727(a)(5). So the Savages not only read an extra term into the statute, but argue that this term carries significant weight in their appeal such

that the bankruptcy court erred by requiring them to explain the loss of an insubstantial amount.

The interpretation of the Bankruptcy Code is a legal question that we review de novo. In re Christo, 192 F.3d 36, 37 (1st Cir. 1999). Questions of statutory interpretation start with the statutory text. E.g., In re Ruiz, 122 F.4th 1, 13 (1st Cir. 2024). As we just laid out (as plainly as it gets), the Savages' reading of § 727(a)(5) requires inserting the word "substantial" into the statute, something we cannot do. Vicor Corp. v. FII USA Inc., 132 F.4th 1, 7 (1st Cir. 2025) (citing Romag Fasteners, Inc. v. Fossil, Inc., 590 U.S. 212, 215 (2020)). Rather, the statutory text explicitly precludes a discharge where "the debtor has failed to explain satisfactorily . . . any loss of assets or deficiency of assets to meet the debtor's liabilities." 11 U.S.C. § 727(a)(5) (emphasis added); see also In re Simmons, 810 F.3d at 860 (requiring a debtor to explain "what happened to all of the assets" (quoting In re Aoki, 323 B.R. at 817)). The Savages' interpretation would not only insert a new term (and an elusive new standard for courts to apply) but also render the phrase "any loss of assets or deficiency" superfluous. E.g., Woo v. Spackman, 988 F.3d 47, 51 (1st Cir. 2021) ("[I]t is apodictic that we should avoid, when possible, interpretations of a statute that will render words in the statutory text superfluous."). Therefore, we reject the Savages' interpretation and hold that the bankruptcy court did

not err when interpreting § 727(a)(5). See In re Simmons, 810 F.3d at 859-60 (explaining 11 U.S.C. § 727(a)(5) and its burden shifting framework sans reference to a requirement that a loss of assets or deficiency must be substantial).

The Savages' attempt to persuade us differently with caselaw falls equally short. The Savages cite a case from the First Circuit Bankruptcy Appellate Panel that further quotes a case from the United States Bankruptcy Court for the Northern District of Illinois in support of their interpretative theory. To the Savages' credit, that quotation does state "[o]nce the creditor has introduced some evidence of the disappearance of substantial assets, the burden shifts to the Debtor to explain satisfactorily the losses or deficiencies." In re Brien, 208 B.R. 255, 258 (B.A.P. 1st Cir. 1997) (emphasis ours) (quoting In re Potter, 88 B.R. 843, 849 (Bankr. N.D. Ill. 1988)). But neither that case nor its quoted source considered the specific issue raised by the Savages, and neither case required the debtor's lost assets to be "substantial" as the Savages request. See id. (dismissing a complaint because appellants/creditors failed to initially allege facts demonstrating the existence of any loss or how the property disappeared); In re Potter, 88 B.R. at 849 (finding that plaintiffs/creditors made a prima facie case under 11 U.S.C. § 727(a)(5) without any consideration of whether lost

assets were substantial).[7] So we're left with neither the statutory text nor the Savages' citations to caselaw to support their argument that § 727(a)(5) requires a substantial loss of assets or deficiency to deny a discharge.

In a similar vein, the Savages push another theory of statutory interpretation that is often indistinguishable in their briefing from their first argument. They argue that § 727(a)(5) does not require a debtor to satisfactorily explain unaccounted-for funds if the missing funds wouldn't be enough to pay back the debtor's outstanding liabilities. Here (as opposed to their previous claim), the Savages favorably cite § 727(a)(5)'s text which refers, in relevant part, to "any loss of assets or deficiency of assets to meet the debtor's liabilities." (emphasis added). So, the argument goes, because the missing and unexplained money here wasn't enough "to meet" the Savages' liabilities (as

[7] The Savages cite other bankruptcy cases, but none apply or even support the theory of interpretation they ask us to adopt. For instance, the Savages cite In re Bajgar, 104 F.3d 495, 497 (1st Cir. 1997), for the proposition that "[t]he development of the 'substantial asset' test likely resulted from interpreting the legislative intent in accordance with Section 727(a)(5)'s plain language." But In re Bajgar discusses a different provision of the Bankruptcy Code related to fraudulent transfers, 11 U.S.C. § 727(a)(2)(A), and the statutory interpretation principles discussed therein point us to "the text of the statute itself." In re Bajgar, 104 F.3d at 497 (citation omitted). In other words, the case cited says nothing about the substantial asset theory peddled by the Savages under § 727(a)(5) nor provides a canon of construction that could plausibly support their theory.

in, to pay those liabilities in full), the bankruptcy court erred in finding their explanation unsatisfactory. Call us unconvinced.

To support this claim, the Savages break out their dictionaries and argue that "to meet," as used in § 727(a)(5), must mean "to satisfy" or "to pay fully." Even assuming this definition for the isolated text is plausible, the Savages' interpretation rapidly falls apart in the context of the statute, caselaw, and common sense. Allow us to briefly say more to each point.

First, the Savages' theory runs afoul of basic bankruptcy principles and the context surrounding § 727(a)(5). Chapter 7 bankruptcy can forgive an insolvent individual for unpaid debts "by authorizing a discharge of prepetition debts following the liquidation of the debtor's assets by a bankruptcy trustee, who then distributes the proceeds to creditors." In re Buscone, 61 F.4th 10, 20 (1st Cir. 2023) (citation modified). When proceedings begin, before any consideration of a discharge, debtors must fully disclose the extent of their assets. Id. at 20-21. Once a debtor's assets are on the table, "her interests in property are either compiled into the bankruptcy estate from which (to the extent the estate can afford) her creditors will be paid, or those interests are exempted from the estate for the debtor to

keep." Id. at 20 (citation modified).[8] In other words, some assets may stay with debtors while other assets will be liquidated and used to pay creditors (or, spoiler alert, used "to meet" the debtor's outstanding liabilities).

A denial of a discharge under § 727(a)(5) only implicates the class of assets belonging to the bankruptcy estate available to pay a debtor's liabilities. See In re Cimenian, No. 24-1250, 2025 WL 2652996, at *2 (Mar. 24, 2025) (affirming the bankruptcy court's § 727(a)(5) holding because plaintiff failed to prove "a loss of assets to the bankruptcy estate"); In re Aoki, 323 B.R. at 817 (explaining the consequences of corporate assets becoming attributable to the bankruptcy estate as "any loss or reduction of those assets could form the basis for denying a discharge under § 727(a)(5)"). Herein lies the parry to the Savages' novel thrust of interpretation. A debtor must satisfactorily explain any loss of assets that would have been available "to meet the debtor's liabilities," but does not have a parallel obligation to explain lost assets that otherwise did not belong to the bankruptcy estate and would not have been available to pay creditors. 11 U.S.C. § 727(a)(5). Therefore, we reject

[8] For example, one exemption (commonly called a "homestead exemption") can protect a debtor's interest in their home. In re Rockwell, 968 F.3d 12, 18 (1st Cir. 2020); see also N.H. Rev. Ann. § 480:4 (codifying New Hampshire's version of a homestead exemption).

the Savages' expansive interpretation of "to meet" as used in § 727(a)(5) and view it merely as referring to the class of assets available to meet a debtor's liabilities.

Second, the Savages provide no support in our caselaw (or elsewhere) for reading § 727(a)(5) as they request. Instead, the caselaw repeatedly shows courts reviewing a debtor's explanation of lost assets without considering any outstanding liabilities or whether the unaccounted-for assets would cover those liabilities in full. See In re Simmons, 810 F.3d at 860; see also In re Ward, 978 F.3d 298, 306-07 (5th Cir. 2020) (reviewing a debtor's explanation for lost assets without reference to whether those assets could fully pay any outstanding liabilities); In re Elian, 659 F. App'x 104, 107 (3d Cir. 2016) (same); In re Retz, 606 F.3d 1189, 1205-06 (9th Cir. 2010) (same); In re Chalik, 748 F.2d 616, 620 (11th Cir. 1984) (same). The Savages' interpretation would require us to believe previous courts interpreting § 727(a)(5) overlooked a crucial element of this inquiry: a debtor's outstanding liabilities. We'll decline that invitation and instead read our caselaw and the persuasive interpretations offered in our sister circuits as further support for rejecting the Savages' construction.

And third, we hasten to add that the Savages' interpretation of § 727(a)(5) contravenes common sense. See, e.g., United States ex rel. Omni Healthcare Inc. v. MD Spine Sols.

LLC, 160 F.4th 248, 261 (1st Cir. 2025) (noting how "common sense" plays a role in statutory interpretation (citation omitted)). Taken to its extreme, under the Savages' requested interpretation, a debtor with $1,000,000 in outstanding liabilities would not need to satisfactorily explain a $999,999 deficiency because that total unaccounted-for money would be insufficient to meet the debtor's liabilities. Or, under more likely circumstances, debtors with ballooning liabilities (say nearly $3,500,000, for example) would not need to satisfactorily explain millions of dollars in lost assets because those assets couldn't satisfy their outstanding liabilities. Cf. In re Simmons, 810 F.3d at 855, 860 (affirming a denial of discharge of "nearly $3,500,000 in unsecured debt" where the debtor failed to explain "the loss of millions of dollars in assets"). We decline to construe § 727(a)(5) to produce such absurd results.

Not so fast. The Savages argue our interpretation would produce absurdity at the opposite extreme, that a bankruptcy court could deny a discharge if only $1 was missing but a debtor had $1,000,000 in outstanding liabilities. Perhaps it could, but, luckily for the Savages and future debtors, the statute and our precedent provide two layers of protection against this hypothetical $1 discharge denial. Recall that a party seeking to prevent a discharge has the initial burden of producing some evidence that the debtor "has not accounted for previously owned

assets or previously earned income." In re Simmons, 810 F.3d at 860. This initial burden protects debtors from a denial of discharge due to $1 because a plaintiff would need to somehow produce evidence that the debtor previously owned that dollar but did not account for it in their bankruptcy filings. See In re McNamara, 620 B.R. 178, 192 (Bankr. D. Mass. 2020) (requiring a lost asset to be "actual" and not "theoretical"). Furthermore, even if a plaintiff could prove the existence of an unaccounted-for dollar, the debtor then has the opportunity to satisfactorily explain to the court how that dollar was used. And, although the bankruptcy court has discretion to decide whether an explanation is satisfactory, see In re Aoki, 323 B.R. at 817, the § 727(a)(5) exception to discharge -- like all exceptions to discharge -- is to be construed in favor of the debtor in furtherance of the Bankruptcy Code's "fresh start" policy, see In re Stewart, 948 F.3d 509, 520 (1st Cir. 2020); see also In re Carp, 340 F.3d at 25 ("[E]xceptions to discharge should be construed narrowly."). So, to summarize bluntly, it is difficult to prove a dollar is missing and easy to satisfactorily explain to the bankruptcy court where a dollar went.

Having discerned no legal error in the bankruptcy court's interpretation of § 727(a)(5), we may proceed to the Savages' remaining claims.

C

The Savages next argue that the bankruptcy court erred in calculating the amount of assets left unaccounted-for. According to the Savages' view of the evidence, the unaccounted-for funds should have totaled $11,684.71, instead of $56,653.50. Our review of the bankruptcy court's factual finding is for clear error -- a formidable standard where we will not reverse so long as the bankruptcy court reached a supportable result in light of the record. See In re Shove, 83 F.4th at 110-11.

The bankruptcy court's calculation is unshakeable. As Coastal points out, the court's order explains the exact testimony, evidence, and calculation it used to arrive at $56,653.50 in unaccounted-for funds. The Savages' appellate argument is nothing more than their preferred view of the same record evidence and, concerningly, their view of purported record evidence they did not, in fact, present at trial. Indeed, the Savages concede in their appellate briefing that they did not testify at trial about the schedule they now claim would have accounted for a portion of their missing assets. Therefore, even assuming the Savages' interpretation of their evidence produces a plausible ledger for their unaccounted-for funds, it does not prove the bankruptcy court clearly erred. See Cumpiano v. Banco Santander P.R., 902 F.2d 148, 152 (1st Cir. 1990) (explaining that a factfinder's choice between two permissible views of the evidence can never be clearly

erroneous). Nor does their postulation account for all the missing funds. See In re Simmons, 810 F.3d at 860 (requiring a debtor to explain "what happened to all of the assets" (quoting In re Aoki, 323 B.R. at 817)). So we need not tarry on this one.

D

The Savages' next argument fares no better and warrants little discussion. They assert that the bankruptcy court committed clear error by denying them a discharge despite their good faith effort to trace how they used the Sky-Skan money. With near vertigo-inducing variation, the Savages claim to be unsophisticated debtors who aren't accountants but also that they provided the bankruptcy court with "thousands of pages of accounting history" and that their "testimony reflects that [they] kept substantial records," just not for the unaccounted-for funds. The inquiry is not a matter of good faith, but whether a debtor has satisfactorily explained the loss of an asset. None of the Savages' assertions provide an explanation at all, "much less one that would satisfy the strictures of section 727(a)(5)." In re Simmons, 810 F.3d at 860.

The bankruptcy court accepted the Savages' explanation for the disposition of most of the $704,075.27 from Sky-Skan, but that did not alleviate their obligation to explain all of it. See id. ("The debtor's explanation must be supported by at least some corroboration, and it must be sufficient to eliminate the need for

any speculation as to what happened to all of the assets." (citation modified)). In short, the bankruptcy court did not err in finding most of the Sky-Skan funds accounted for, but not all, and denying the Savages a discharge as a result.

E

In a final attempt to prove clear error, the Savages argue that the bankruptcy court penalized them for "being unable to meet their burden when Coastal refused access and knowingly destroyed documents that likely contained evidence that would have provided a satisfactory explanation regarding where the entirety of the money went." In August 2021, the Chapter 7 trustee from the Sky-Skan bankruptcy was authorized to destroy certain Sky-Skan records and release other documents to Coastal, who was permitted to take possession of these records if it chose to. Part of this permission also allowed Coastal to "confidentially destroy[]" these records after they were no longer needed for a dispute between Coastal and the IRS. Under our spoliation doctrine,[9] the Savages now request that we infer there was a satisfactory explanation for what happened to the Sky-Skan money in the documents that Coastal did not independently provide to the Savages and later destroyed.

[9] See Gomez v. Stop & Shop Supermarket Co., 670 F.3d 395, 399 (1st Cir. 2012), for a detailed explanation of this doctrine as we won't be needing it here.

Both Coastal and the district court viewed this claim as first raised in the Savages' post-trial motion for reconsideration. The Savages adamantly oppose this characterization but do little else to support their claim. The Savages say that they first raised this issue in a motion in limine, but they never discuss the court's denial of that motion or why we should deem it reversible error. Furthermore, the Savages never address the bankruptcy court's justification for dismissing this claim in the Savages' motion for reconsideration or the district court's reasons for affirming. A party who fails to develop an argument as to why a particular order is erroneous waives their ability to do so. Cioffi v. Gilbert Enter., 769 F.3d 90, 93-94 (1st Cir. 2014). We find apt reason to apply this prophylactic rule here amidst the Savages' unsupported factual allegations and unmentioned discovery details.

III

For the reasons outlined above, we **affirm**. Parties shall bear their own costs.