

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

HMI Liquidating Inc.,<sup>1</sup>

Debtor.

Chapter 11

Case No. 17-10810 (LSS)

**DECLARATION AND DISCLOSURE STATEMENT OF SCOTT BORGIA  
ON BEHALF OF ARMANINO LLP**

I, Scott Borgia, hereby state and declare as follows:

1. I am a Partner at Armanino LLP (the "Firm"), an independent accounting and business consulting firm that headquarters at 12657 Alcosta Blvd, Suite 500, San Ramon, CA 94583. I am duly authorized to make this Declaration on behalf of the Firm, and I make this Declaration pursuant to the *Order Authorizing the Debtor to Retain and Compensate Professionals Used in the Ordinary Course of Business* dated May 3, 2017 (the "OCP Order") entered in the above-captioned case. I have read the *Debtor's Motion for Authority to Retain and Compensate Professionals Used in the Ordinary Course of Business* (the "OCP Motion") and the OCP Order and understand the terms and conditions set forth therein, including the limitations on compensation payable to Ordinary Course Professionals pursuant thereto.

2. The facts set forth in this Declaration are personally known to me, and, if called as a witness, I could and would testify thereto.

3. The Firm is not a legal services firm.

4. The Firm has provided services prior to April 12, 2017 (the "Petition Date").

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<sup>1</sup> The last four digits of the Debtor's federal tax identification number are 8422. The Debtor's address is 131 Sand Creek Road, Suite B, Brentwood, CA 94513.

5. The Firm has been engaged by HMI Liquidating, Inc. (f/k/a Halt Medical, Inc.) (the “Debtor”) to provide certain services, including preparation of 2016 federal and state income tax returns, since February 2017.

6. The Debtor has requested, and the Firm has agreed, to continue to provide services to the Debtor pursuant to section 327 of the Bankruptcy Code with respect to such matters. Additionally, the Debtor has requested, and the Firm proposes to render, the following services to the Debtor: preparation of final federal and state tax returns for 2017.

7. The Firm’s current customary hourly rates, subject to change from time to time, are between \$190 (for Tax Staff) and \$525 (for International Tax Partners).

8. To the best of my knowledge, formed after due inquiry, neither I, the Firm, nor any employee thereof has any connection with the Debtor or currently represents any of its creditors, other parties-in-interest, the Office of the United States Trustee or any person employed by the Office of the United States Trustee with respect to the matters upon which it is to be engaged, and the Firm does not, by reason of any direct or indirect relationship to, connection with, or interest in the Debtor, or otherwise hold or represent any interest adverse to the Debtor, its estate or any class of creditors or equity interest holders.

9. I believe that the Firm’s representation of any such entities, which representation is in matters entirely unrelated to the Debtor, is not adverse to the Debtor’s interests, or the interests of its creditors or estate in respect of the matters for which the Firm will be engaged, nor will such services impair the Firm’s ability to represent the Debtor in the ordinary course in this chapter 11 case.

10. In addition, although unascertainable at this time after due inquiry, due to the magnitude of the Debtor’s potential universe of creditors and the Firm’s clients, the Firm may

have in the past represented, currently represent, and may in the future represent entities that are claimants of the Debtor in matters entirely unrelated to the Debtor and its estate. The Firm does not and will not represent any such entity in connection with this case and does not have any relationship with any such entity, attorneys, or accountants that would be adverse to the Debtor or its estate.

11. The Firm's process of ascertaining what, if any, connection it may have with any interest adverse to the Debtor, its estate, or any class of creditors or equity interest holders, consists of verification of its current client list.

12. As of the Petition Date, the Firm rendered services that had not been billed, or that had been billed but with respect to which payment had not been received as of the Petition Date, in the amount of \$2,571.72 on account of such prepetition services. To the extent that the Debtor has not already paid such amounts to the Firm, the Firm has agreed to waive any such unpaid amount for services rendered prior to the Petition Date.

13. In light of the foregoing, to the best of my knowledge, I believe that the Firm does not hold or represent any interest materially adverse to the Debtor, its estate, creditors, or equity interest holders, as identified to the Firm, with respect to the matters in which the Firm will be engaged.


14. Except as set forth herein, no promises have been received by the Firm or any partner, associate or other professional thereof as to compensation in connection with this case other than in accordance with the provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court of the District of Delaware, and orders of this Court.

15. The Firm further states that it has not shared, nor agreed to share any compensation received in connection with this case with another party or person, other than as permitted by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

16. The foregoing constitutes the statement of the Firm pursuant to sections 329 and 504 of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2014 and 2016(b).

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct.

Executed this 2nd day of AUGUST, 2017



A handwritten signature in black ink, appearing to be 'MAB', is written over a horizontal line.