

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re: Case No. 16-20516-BKC-AJC

PROVIDENCE FINANCIAL
INVESTMENTS, INC.

Chapter 7

Debtor.

***EX-PARTE APPLICATION FOR APPROVAL OF EMPLOYMENT OF
THOMAS DE ARAUJO, CFE AND YIP ASSOCIATES AS
ACCOUNTANTS TO MARIA M. YIP, CHAPTER 7 TRUSTEE,
NUNC PRO TUNC TO JULY 29, 2016***

Maria M. Yip, the duly appointed Chapter 7 Trustee (the “Trustee”) for the bankruptcy estate of Providence Financial Investments, Inc. (the “Debtor”) files this application (the “Application”), pursuant to 11 U.S.C. §§ 327 and 330 and Fed. R. Bankr. P. 2014 and 2016, seeking approval of the employment of Thomas De Araujo, CFE (“De Araujo”) and the firm of Yip Associates (“Yip Associates”) as accountants to the Trustee *nunc pro tunc* to July 29, 2016, and states:

Jurisdiction and Venue

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory predicates for the relief sought herein are Sections 105(a) and 327(a) of the Bankruptcy Code.

Background

4. On July 28, 2016, (“the Petition Date”), the Debtor commenced this case by filing a voluntary petition under Chapter 7, of the United States Code.

5. On July 28, 2016, Maria M. Yip was appointed Chapter 7 Trustee of the Debtor’s estate.

Relief Requested and Basis Therefor

6. The Debtor’s financial affairs are complex.

7. Accordingly, in order for the Trustee to properly discharge her duties in this case, it is necessary that she employ accountants to assist her in investigating the financial affairs of the Debtor and other financial matters.

8. The Trustee seeks to retain Yip Associates as accountants in this bankruptcy case, *nunc pro tunc* to July 29, 2016, the date on which Yip Associates commenced rendering services to the Trustee.

9. The Trustee has selected Yip Associates because of its extensive experience and expertise in forensic accounting and bankruptcy, and is qualified to be accountants for the Trustee.

10. The Trustee seeks to employ Yip Associates to render the following professional services to the Trustee as accountants:

(a) Review of all financial information prepared by the Debtor, including but not limited to a review of the Debtor’s financial information as of the Petition Date, including, but not limited to examining its assets and liabilities;

(b) Review and analyze the organizational structure of and financial interrelationships among the Debtor’s principals, affiliates, and insiders, including a review of the books of such companies or persons as may be required;

(c) Review and analyze transfers to and from the Debtor to third parties, both pre-petition and post-petition;

(d) Attend meetings with the Debtor, creditors, insiders, and associates of such parties, and with federal, state, and local tax authorities, if requested;

(e) Review the books and records of the Debtor for potential preference payments, fraudulent transfers, or any other matters that the Trustee may request;

(f) The rendering of any such other assistance in the nature of accounting, financial consulting, or other financial projects as the Trustee may deem necessary; and

(g) Preparation of the estate tax returns.

11. To the best of the Trustee's knowledge, Yip Associates is "disinterested" (as such term is defined in Section 101(14) of the Bankruptcy Code) and has no connection with the Debtor, the creditors or any other party in interest, except as set forth in the *Affidavit of Thomas De Araujo, CFE on Behalf of Yip Associates, as Proposed Accountants to Maria M. Yip, Chapter 7 Trustee, Nunc Pro Tunc to July 29, 2016* (the "De Araujo Affidavit"), annexed hereto as **Exhibit "A"**.

12. Yip Associates will apply for compensation and reimbursement of costs pursuant to 11 U.S.C. §330 and 331, at its standard hourly rates, as they may be adjusted from time to time, for services rendered and cost incurred in this case.

[INTENTIONALLY LEFT BLANK]

WHEREFORE, the Trustee respectfully requests that this Court enter an *ex-parte* order in the form attached hereto as **Exhibit "B"** (i) approving the Trustee's employment of Thomas De Araujo, CFE and Yip Associates to perform the services set forth in this Application to Trustee in this case, *nunc pro tunc* to July 29, 2016, and (ii) granting any other relief as this Court deems appropriate.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by transmission of Notices of Electronic Filing generated by CM/ECF to those parties registered to receive electronic notices of filing in this case on July 29, 2016.

Signed: _____



Maria M. Yip, Trustee
One Biscayne Tower
2 S. Biscayne Blvd., Suite 2690
Miami, FL 33131
Phone: (305) 908-1862
Facsimile: 786-800-3903
trustee@yipcpa.com

EXHIBIT "A"

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
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In re: Case No. 16-20516-BKC-AJC
PROVIDENCE FINANCIAL Chapter 7
INVESTMENTS, INC.

Debtor.

_____ /

**AFFIDAVIT OF THOMAS DE ARAUJO, CFE ON BEHALF OF YIP ASSOCIATES, AS
PROPOSED ACCOUNTANTS TO MARIA M. YIP, CHAPTER 7 TRUSTEE,
NUNC PRO TUNC TO JULY 29, 2016**

STATE OF FLORIDA)
) SS:
MIAMI-DADE COUNTY)

I, **THOMAS DE ARAUJO, CFE**, being duly sworn, state that:

1. I am a forensic accountant, certified fraud examiner (“CFE”) and a Director in the consulting firm of Yip Associates (“Yip Associates”). Our firm maintains offices at One Biscayne Tower, 2 S. Biscayne Boulevard, Suite 2690, Miami, Florida 33131; 1 East Broward Boulevard, 7th Floor, Fort Lauderdale, FL 33301; 1001 Yamato Road, Suite 301, Boca Raton, FL 33431; and 565 Fifth Avenue, 7th Floor, New York, NY 10017. I am familiar with the matters set forth herein and make this affidavit in support of the *Ex-Parte Application for Approval of Employment of Thomas De Araujo, CFE and Yip Associates as Accountants to Maria M. Yip, Chapter 7 Trustee, Nunc Pro Tunc to July 29, 2016* (the “Application”).

2. The Trustee has requested that Yip Associates and I represent her for the reasons stated in the said Application.

3. Yip Associates maintains a conflict check system. A conflict check search was run for all creditors on the creditor matrix filed with the Court by Providence Financial Investments, Inc. (the "Debtor"), the Debtor and attorneys. In preparing this Affidavit, I reviewed the results obtained from the firm's conflict check system and no employee in our firm has had or presently has any connection with the Debtor, the Debtor's creditors, any other party in interest or their respective attorneys and accountants, the United States Trustee, or any person employed in the Office of the United States Trustee, on any matters in which the firm is to be engaged with the following exceptions:

(a) Yip Associates has been retained by the Trustee in other unrelated bankruptcy matters.

(b) Some of the Debtor's creditors may be the same as some of the creditors in unrelated bankruptcy matters.

4. Maria M. Yip is the sole member of Yip Associates.

5. Maria M. Yip is a member of the panel of bankruptcy trustees in the Southern District of Florida.

6. I am well-qualified to serve as accountant for the Trustee for the purpose required. I have more than 11 years of experience and training in forensic accounting. I have been retained as accountant to render professional services to trustees in numerous unrelated bankruptcy matters in this District. In this regard, Yip Associates and I have rendered such professional services to the Trustee and other fiduciaries and clients in this District in other unrelated bankruptcy and non-bankruptcy matters.

7. Neither I nor our firm has or will represent any other entity in connection with this case, and neither I nor our firm will accept any fee from any other party or parties in this case, except the Trustee, unless otherwise authorized by the Court.

8. The professional fees and costs incurred by Yip Associates in the course of its representation of the Trustee in this case shall be subject in all respects to the application and notice requirements of 11 U.S.C. §§ 327, 330 and 331 and Rules 2014 and 2016.

9. The current hourly rates for the accountants at Yip Associates range from \$195.00 to \$500.00. The current hourly rate of Thomas De Araujo, CFE, the affiant herein, is \$350.00. The current hourly rate for paraprofessionals at Yip Associates is \$125.00. Yip Associates typically adjusts its hourly rates annually on January 1st.

10. No promises have been received by Yip Associates nor any member, or associate thereof as to compensation in connection with this case other than in accordance with the provisions of the Bankruptcy Code.

FURTHER AFFIANT SAYETH NAUGHT



THOMAS DE ARAUJO, CFE

The foregoing instrument was acknowledged before me this 29th day of July, 2016, by Thomas De Araujo, CFE, who is personally known to me.



Notary Public, State of Florida

Print Name: Luis J. Sotolongo

My Commission Expires:



EXHIBIT "B"

PROPOSED

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
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In re: Case No. 16-20516-BKC-AJC

PROVIDENCE FINANCIAL
INVESTMENTS, INC.

Chapter 7

Debtor.

**ORDER APPROVING *EX-PARTE* APPLICATION FOR APPROVAL OF EMPLOYMENT
OF THOMAS DE ARAUJO, CFE AND YIP ASSOCIATES AS
ACCOUNTANTS TO MARIA M. YIP, CHAPTER 7 TRUSTEE,
*NUNC PRO TUNC TO JULY 29, 2016***

THIS MATTER having come before the Court upon the *Ex-Parte Application for Approval of Employment of Thomas De Araujo, CFE and Yip Associates as Accountants to Maria M. Yip, Chapter 7 Trustee, Nunc Pro Tunc to July 29, 2016* (the “Application”)[ECF No. ___] and the *Affidavit of Thomas De Araujo, CFE on Behalf of Yip Associates as Proposed Accountants to Maria M. Yip, Chapter 7 Trustee, Nunc Pro Tunc to July 29, 2016* (the “De Araujo Affidavit”) attached to the Application as **Exhibit “A”**. The Application requests entry of an order, approving the Trustee’s employment of Thomas De Araujo, CFE and Yip Associates.

The Court has jurisdiction over the matters raised in the Application pursuant to 28 U.S.C §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C §157(b)(2)(A). The relief requested in the Application is in the best interests of the estate and the creditors. The De Araujo Affidavit makes relevant disclosures as required by Fed. R. Bankr. P. 2014 and Fed. R. Bankr. P. 2016. The De Araujo Affidavit contains a verified statement as required by Fed. R. Bankr. P. 2014 demonstrating that Thomas De Araujo, CFE and Yip Associates are disinterested as required by 11 U.S.C §327(a) and Fed. R. Bankr. P. 2014, the Court is authorized to grant the relief requested in the Application.

Upon the representations that Thomas De Araujo, CFE and Yip Associates hold no interest adverse to the Trustee or the bankruptcy estate in the matters upon which it is to be engaged, that Thomas De Araujo, CFE and Yip Associates are disinterested persons as required by 11 U.S.C §327(a), and have disclosed any connections with parties set forth in Fed. Bankr. R. P. 2014, and that their employment is necessary and would be in the best interests of the estate, it is **ORDERED** as follows:

1. The Application is **GRANTED**.
2. The employment of Yip Associates, as accountant to the Trustee in this Chapter 7 case is **APPROVED** pursuant to 11 U.S.C §327(a).
3. The Trustee is authorized to employ Thomas De Araujo, CFE and Yip Associates as accountants to perform the services enumerated in the Application *nunc pro tunc* to July 29, 2016.
4. Yip Associates shall apply for compensation and reimbursement of costs, pursuant to 11 U.S.C §§ 330 and 331, at its standard rates, as they may be adjusted from time to time, for services rendered and costs incurred on behalf of the Trustee.

5. This Court reserves jurisdiction over the parties and the subject matter to award and/or approve fees and expenses of said parties appointed herein, in accordance with the applicable statutes and procedures.

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Submitted by:

Maria M. Yip, Trustee
One Biscayne Tower
2 S. Biscayne Blvd., Suite 2690
Miami, FL 33131
Phone: (305) 908-1862
Facsimile: 786-800-3903
trustee@yipcpa.com

Copies Furnished to: Maria M. Yip, Trustee

Trustee Yip is directed to serve copies of this Order upon all parties in interest upon receipt thereof, and to file a Certificate of Service with the Court confirming such service.