

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

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U.S. BANKRUPTCY COURT  
ALBUQUERQUE, NM

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 7-01-10779-SA  
Chapter 7

Debtor.

**CHAPTER 7 TRUSTEE'S MOTION TO APPROVE INDEPENDENT CONTRACTOR  
AGREEMENT WITH MICHELLE COPE**

Yvette J. Gonzales, the Chapter 7 trustee of Furr's Supermarkets, Inc. (the "Trustee"), requests that the Court approve an independent contractor arrangement between the estate and Ms. Michelle Cope ("Cope") to assist in the collection of certain estate assets, and in support hereof states:

1. On February 8, 2001, Furr's Supermarkets, Inc. (the "Debtor") commenced this bankruptcy case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

2. On December 19, 2001, the Debtor converted the case to a Chapter 7 case. The Trustee was appointed as the Chapter 7 trustee on the same day.

3. Before it ceased operations, the Debtor accrued certain uncollected pre-petition and post-petition accounts receivable owed by third parties to the Debtor (the "Accounts Receivable"), and also accrued certain amounts it had prepaid to its vendors post-petition for product, which amounts were never used to buy product and are due and owing back to the Debtor (the "Unused Prepaid Amounts").

4. Cope was one of the Debtor's employees in charge of collecting the Accounts Receivable and the Unused Prepaid Amounts. As she has personal knowledge about the Accounts Receivable and the Unused Prepaid Amounts, and about the Debtor's records

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related thereto, it would be efficient for her to assist the Trustee in collecting the Accounts Receivable and the Unused Prepaid Amounts.

5. Cope has agreed to work for the estate as an independent contractor, on an as-needed basis, to assist the Trustee in collecting the Accounts Receivable and the Unused Prepaid Amounts.

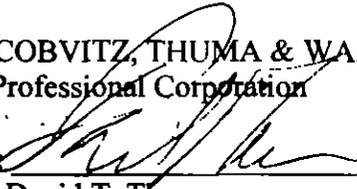
6. Under the agreement, Cope would be compensated for her time at the rate of \$30 per hour, plus gross receipts tax. Cope also would be reimbursed for out-of-pocket costs.

7. Since the Accounts Receivable and the Unused Prepaid Amounts are fully pledged to the estate's secured lenders, all amounts owed to Cope under the independent contractor relationship would be paid from the proceeds of the Accounts Receivable and the Unused Prepaid Amounts, or from other of the secured lenders' collateral.

8. The independent contractor arrangement with Cope as outlined above is in the best interests of the estate.

WHEREFORE the Trustee requests approval of the Court to enter into the independent contractor arrangement with Cope outlined above, and for all other just and proper relief.

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