

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,  
a Delaware corporation,

Case No. 7-01-10779 SA  
Chapter 7

Debtor.

**ORDER RESULTING FROM FEE APPLICATIONS OR EXPENSE  
REIMBURSEMENT CLAIMS FILED BY THE UNSECURED CREDITORS  
COMMITTEE AND CERTAIN OF ITS PROFESSIONALS**

This matter came before the Court beginning on January 30, 2001 for final hearing upon the following fee applications and expense reimbursement application (together, the "Fee and Expense Reimbursement Applications"):

(a) First interim fee application by Pepper Hamilton LLC ("Pepper Hamilton") filed August 15, 2001 and docketed as no 897, seeking allowance of compensation for the period from February 14, 2001 through June 30, 2001 in the amount of \$642,763.51, consisting of \$596,288.00 for fees and \$46,475.51 for expenses;

(b) Second interim fee application by Pepper Hamilton filed October 4, 2001 and docketed as no. 1148, seeking allowance of compensation for the period from July 1, 2001 through September 26, 2001 in the amount of \$110,284.77, consisting of \$98,506.00 for fees and \$11,778.77 for expenses;

(c) Final fee application by Deloitte Consulting L.P. and Deloitte & Touche LLP (together "Deloitte") filed November 14, 2001 and docketed as no. 1334 (the "Deloitte Fee Application"), seeking allowance of compensation for the period from February 21, 2001 through October 31, 2001 in the amount of \$1,096,641.92, consisting

of \$1,004,640.00 for fees, \$39,780.88 for expenses, and \$52,221.04 for applicable New Mexico gross receipts tax; and

(d) Application of Official Committee of Unsecured Creditors (the “Committee”) for reimbursement of expenses filed August 17, 2001 and docketed as no. 912 (the “Committee Reimbursement Application”), seeking reimbursement of expenses in the amount of \$35,648.09.

Appearances were made at the final hearings on the Fee and Expense Reimbursement Applications as noted on the record. The Court, after hearing and considering the evidence, and arguments of counsel, and being sufficiently advised, FINDS:

A. The Court has jurisdiction over the contested matters arising from the filing of the Fee and Expense Reimbursement Applications and objections thereto (the “Contested Matters”) under 28 U.S.C. §1334(b). The Contested Matters are core proceedings under 28 U.S.C. §157(b)(2).

B. Proper and sufficient notice of the final hearings on the Fee and Expense Reimbursement Applications was served on all parties entitled to notice. No further notice to any creditors or other parties in interest is necessary or appropriate in the particular circumstances prior to entry of this Order.

C. The Court made oral findings of fact and conclusions of law on the record, on Tuesday, May 14, 2002, as permitted by Bankruptcy Rule 7052, made applicable to the Contested Matters by Bankruptcy Rule 9014. Such oral findings of fact and conclusions of law are incorporated herein by reference.

D. Entry of this order is appropriate under Bankruptcy Code §§330(a), 331, 503(b)(2) and 507(a)(1).

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED, as follows:

1. For the period from February 14, 2001 through September 26, 2001, Pepper Hamilton is allowed compensation as a chapter 11 administrative expense under Bankruptcy Code §§503(b)(2) and 507(a)(1), in the amount of \$502,598.28, consisting of \$444,344.00 for fees and \$58,254.28 for expenses. The balance of the compensation sought by Pepper Hamilton for such period is disallowed.

2. For the period from March 14, 2001 through October 31, 2001, Deloitte is allowed compensation as a chapter 11 administrative expense under Bankruptcy Code §§503(b)(2) and 507(a)(1) in the amount of \$557,463.32, consisting of \$524,826.55 for fees, \$31,635.97 for expenses and \$1000.80 for gross receipts tax. The balance of the compensation sought by Deloitte for such period is disallowed. All Deloitte fees charged for services rendered, and all costs Deloitte incurred, prior to March 14, 2002 are disallowed. All gross receipts tax reimbursement Deloitte claimed with respects to services rendered, and costs incurred, prior to March 14, 2002 are disallowed. As to the Deloitte Fee Application, this is a final order.

3. The members of the Committee are allowed an expense reimbursement claim as a chapter 11 administrative expense under Bankruptcy Code §§503(b)(3)(F) and 507(a)(1) in the amount of \$27,889.42. As to the Committee Reimbursement Application, this is a final Order.

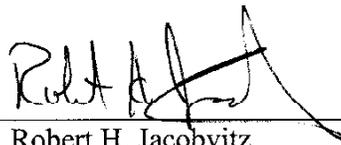
4. Compensation and reimbursement of expenses that are allowed pursuant to this order shall not be paid until specifically authorized by further order of the Court. The

Court has not heard or decided, and this order does not resolve, any issues related to restrictions in cash collateral or financing orders on payment of professional fees and disbursements.

  
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THE HONORABLE JAMES S. STARZYNSKI  
UNITED STATES BANKRUPTCY JUDGE

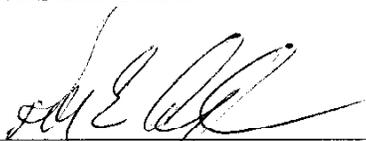
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I hereby certify that a true and correct copy of the foregoing was either electronically transmitted, faxed, delivered or mailed to the listed counsel and parties on:

JUL 1 1 2002

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