

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO

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U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

In re:

FURR'S SUPERMARKETS, INC.,

Debtor

Case No. 7-01-10779 SA
Chapter 7

DISCLOSURE OF GRANT THORNTON
PURSUANT TO BANKRUPTCY RULES 2014 AND 2016

Grant Thornton LLP ("Thornton") hereby states, in connection with the motion of the Chapter 7 Trustee ("Trustee") to employ Thornton as its accountants and tax advisors in or in connection this bankruptcy case:

1. The undersigned is a Partner of Thornton and practices in Thornton's Albuquerque, New Mexico office located at 6501 Americas Parkway, N.E., Suite 565, Albuquerque, New Mexico 87110.
2. Thornton acquired the Albuquerque office of Arthur Andersen, LLP ("Andersen"). Andersen has provided accounting and tax services to Furr's since approximately 1994.
3. The services to be provided to the Chapter 7 Trustee by Thornton and the arrangements for compensation Thornton, if the Court approves employment of Thornton are described in the March 13, 2002 Stipulated Order Approving Motion to Employ Arthur Andersen...[Docket No. 1605].

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4. To the best of the undersigned's knowledge, information and belief, after making reasonable inquiry, Thornton has no connection with Furr's, Furr's creditors or any other party in interest in this case, or their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, except as follows:

a. Partners and employees of Thornton may have professional relationships with counsel and other professionals representing one or more parties in interest in the case, and with persons employed in the office of the United States Trustee. Further, partners and employees of Thornton may have social relationships with counsel and other professionals representing one or more parties in interest in this case.

b. Thornton and its partners and employees may subscribe to telephone and other utility services from vendors who furnish such services to the Chapter 7 Trustee or the estate, and may purchase products or services from, or that are manufactured or distributed by, trade vendors of the Chapter 7 Trustee or the estate.

c. Thornton may represent clients who are adverse to creditors of the estate, or who are parties in interest in cases in which creditors of the estate also are parties in interest, in matters wholly unrelated to this bankruptcy case.

d. Thornton does not represent any creditors or equity security holders of Furr's in any matters related to Furr's or to this bankruptcy case.

e. As detailed in the attached Exhibit A, Thornton or Andersen has in the past from time to time represented and presently represents parties-in-interest in these proceedings. Neither Thornton nor Andersen has ever been retained nor consulted by any of these parties-in-interest regarding matters involving Furr's or this bankruptcy case.

The Chapter 7 Trustee consents to Thornton representing her while at the same time representing the parties listed in Exhibit A in matters wholly unrelated to Furr's or this bankruptcy case.

f. Except for its representation of the parties listed in Exhibit A in matters wholly unrelated to Furr's or this bankruptcy case, to the best of Thornton's knowledge it does not represent any creditors of Furr's. As soon as possible, Thornton will supplement this disclosure, if appropriate.

5. Within one year of the commencement of this bankruptcy case, Furr's has paid Thornton no moneys. However, during that period Furr's paid Andersen, for various accounting services rendered that were not in contemplation of or in connection with the Company's Chapter 11 case, a total amount of \$260,436.14, consisting of \$241,774.00 for professional fees, \$6,416.00 for reimbursable costs, and \$12,246.14 for applicable taxes. In addition, within one year of the commencement of this bankruptcy case, Furr's made no payments to Andersen for services rendered or to be rendered in connection with this Chapter 11 case.

6. Thornton holds no pre-petition claim against the Debtor.

7. Thornton has received the transfer of \$9,421.56 from Andersen, such funds being held by Andersen for future post-petition financial advisory services pursuant to the Court's March 13, 2002 Order [Docket No. 1605].

8. Thornton has not shared or agreed to share with any other person or entity, other than the partners or employees of Thornton, any compensation paid or to be paid by the estate in or in connection with this bankruptcy case.

EXHIBIT A

Grant Thornton, LLP, or Arthur Andersen's Albuquerque office which was acquired by Grant Thornton, LLP, currently serves or has served the following clients in matters not specifically related to this bankruptcy proceeding:

Andersen News Company
Bank of America
Cisco Systems Capital Corporation
CIT Group
City of El Paso
Condisco
Compaq
Conagra Beef Co.
Credit Suisse First Boston
Edison Source
Finova Capital Corporation
Fleet Capital
Frito-Lay, Inc.
General Electric Capital Corporation
General Mills
George Golleher
Heller Financial, Inc.
Hewlett-Packard Company
McDonald Douglas Finance
Metropolitan Life Insurance Company
New Mexico Beverage
Pepsi Cola
Philip Morris
Pilgrims Price Corp.
Proctor & Gamble
Quaker
Richard Goodspeed
Sensormatic Electronics Corp.
Southern Wine & Spirits
State of New Mexico