

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**CHAPTER 7 TRUSTEE'S MOTION TO APPROVE CONSULTING AGREEMENTS
WITH FORMER FURR'S EMPLOYEES**

Yvette J. Gonzales, the Chapter 7 trustee of Furr's Supermarkets, Inc. (the "Trustee"), requests that the Court approve consulting agreements between the estate and a number of former Furr's employees, 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. The Trustee is now in the process of collecting estate assets. Among the most important of these are:

- a. Actions to recover avoidable preferences;
- b. Actions to recover post-petition prepaid open accounts;
- c. Actions to recover post-petition open accounts receivable; and
- d. Actions to recover certain pre-petition open accounts receivable

(together, the "Collection Actions"). To date, the Trustee has filed approximately 60 Collection Actions, seeking to recover millions of dollars. The Trustee anticipates that a substantial number of additional Collection Actions will be filed in the future.

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