

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**ORDER GRANTING THE TRUSTEE'S MOTION TO APPROVE CONSULTING
AGREEMENTS WITH FORMER FURR'S EMPLOYEES**

This matter came before the Court upon the Trustee's Motion To Approve Consulting Agreements With Former Furr's Employees, filed August 16, 2002 and docketed as #1805 (the "Motion"), and the Court, having reviewed the Motion and being otherwise duly advised in the premises, FINDS:

- A. On August 16, 2002, notice was given of the Motion, specifying a period of 20 days (plus 3 days based on service of the notice by mail, for a total of 23 days) to object thereto, in accordance with the Bankruptcy Code and Bankruptcy Rules 2002(a)(6) and 9006(f), to all persons on the limited mailing matrix maintained by the Clerk of the Bankruptcy Court in connection with this case;
- B. The notice was sufficient in the particular circumstances;
- C. The objection deadline specified in the notice expired September 9, 2002, with no objections to the Motion having been filed;
- D. The Motion and the relief requested therein comply with the requirements of Bankruptcy Code, Bankruptcy Rules, and the local rules;
- E. Entry of this order is appropriate.

IT IS THEREFORE ORDERED that the Trustee may enter into separate consulting agreements with one or more former Furr's employees who have personal knowledge and background helpful to the Trustee as she pursues the Collection Actions (as defined in the Motion). These former Furr's employees may include, but shall not be limited to, Sandra Dunlop, Chantal Puepke, Jose Tronosco, Ken Fine, Patrick Hurley, and

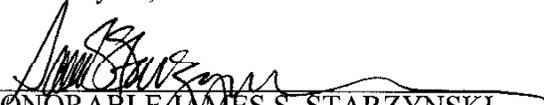
Debra Kershaw (together with any additional former employees the Trustee may later identify and wish to retain, the "Former Furr's Employees").

IT IS FURTHER ORDERED that the consulting agreement may specify compensation for each Former Furr's Employee at the rate of \$75 per hour, plus gross receipts tax and reimbursement of out-of-pocket costs, for all time spent after August 16, 2002 in connection with the Collection Actions (as defined in the Motion), whether it is answering the Trustee's questions about facts related to the Collection Actions, being deposed, preparing for deposition, preparing for trial, testifying at trial, assisting the Trustee in responding to discovery, or otherwise related to any of the Collection Actions.

IT IS FURTHER ORDERED that because the Former Furr's Employees would not be retained as professional persons within the meaning of 11 U.S.C. §327, the Trustee may pay each Former Furr's Employee 100% of the amounts due under his or her consulting agreement when the Trustee is satisfied that the amount is reasonable, and that the Former Furr's Employees shall not be required to file fee applications.

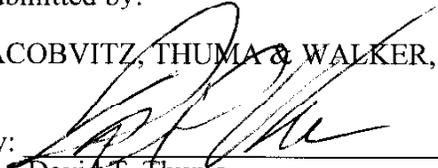
IT IS FURTHER ORDERED that if the current employer of a Former Furr's Employee insists that the amounts paid under a consulting agreement be paid to the employer, the Trustee may enter into the consulting agreement with the employer.

IT IS FURTHER ORDERED that all amounts owed to the Former Furr's Employees under the consulting agreements shall be "Collection Costs" as defined in the Stipulation and Consent Order (I) Approving Compromise and Settlement Between the Trustee on Behalf of the Estate, Heller Financial, Inc., Bank of America, N.A., Fleet Capital Corporation and Metropolitan Life Insurance Company and (II) Resolving all Objections Thereto, entered by the Court on or about July 25, 2002 as docket #1766.


THE HONORABLE JAMES S. STARZYNSKI
UNITED STATES BANKRUPTCY JUDGE

Submitted by:

JACOBVITZ, THUMA & WALKER, P.C.

By: 

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Attorneys for the Chapter 7 Trustee

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:

SEP 11 2002

Mary B. Anderson