

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO**

In re:

FURR'S SUPERMARKETS, INC.,

Debtor.

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

**MOTION TO APPROVE SETTLEMENT OF
ADVERSARY PROCEEDING 02-1209-S
(Holiday Candy Company, Inc.)**

Yvette Gonzales, the Chapter 7 Trustee (the "Trustee"), by counsel, moves the Court for an order approving the settlement of all claims the estate has against Holiday Candy Company, Inc. ("Holiday Candy"), as set forth in the adversary proceeding No. 02-1209-S, captioned *Yvette J. Gonzales, Trustee v. Holiday Candy Company, Inc.* (the "Adversary Proceeding"), pursuant to F.R.Bankr.P.9019, and in support hereof states:

1. **Commencement and Conversion of Case.** On February 8, 2001, (the "Petition Date"), the Debtor filed a Voluntary Petition in this Court under Chapter 11 of the Bankruptcy Code. On December 19, 2001, this Court entered an Order converting the Chapter 11 case to a case under Chapter 7.
2. **Appointment of Chapter 7 Trustee.** On December 19, 2001, the United States Trustee appointed Yvette Gonzales as the Trustee for the Debtor's bankruptcy estate, in which capacity she continues to serve.
3. **Jurisdiction and Venue.** The Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§157 and 1334. This matter is a core proceeding under 28 U.S.C. § 157(b)(2). Venue is proper pursuant to 28 U.S.C. §§1408 and 1409.
4. **The Adversary Proceeding.** In the Adversary Proceeding, the Trustee sought to

recover Sixty One Thousand Seventy Six Dollars and 88/100 (\$61,076.88) from Holiday Candy Company, Inc., plus all other amounts, if any, recoverable pursuant to 11 U.S.C. §547.

5. **The Settlement.** Holiday Candy has agreed to pay Trustee Fifty One Thousand Nine Hundred Fifteen Dollars and 00/100 (\$51,915.00), and has in fact paid this amount to the Trustee. The Settlement is fair and equitable, and in the best interests of and beneficial to the Debtor's estate and the creditors.

WHEREFORE, the Trustee requests that the Court enter an Order approving the Settlement and for such other relief as may be just.

Respectfully submitted,

DAVIS & PIERCE, P.C.

/s/ electronically filed 03/25/04

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I hereby certify that on March 25, 2004, a true and correct copy of the foregoing was either electronically transmitted, faxed, delivered or mailed to:

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