

**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 03-1097-S
(Productive Data Systems)**

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 Productive Data Systems ("Productive Data"), as set forth in the adversary proceeding No. 03-1097-S, captioned *Yvette J. Gonzales, Trustee v. Productive Data Systems* (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 Thirty Nine Thousand Seventy Four Dollars and 15/100 (\$39,074.15) from Productive Data, plus all other amounts, if any, recoverable pursuant to 11 U.S.C. §547.

5. **The Settlement.** Productive Data has offered to pay the Trustee Thirty Five Thousand Dollars and 00/100 (\$35,000.00), payable in 12 equal monthly installments of \$1,000.00 to be paid on the first day of the month immediately following the date of the entry of an Order approving the settlement, and on the first day of each month thereafter for eleven (11) months, with a final lump sum payment of \$23,000.00, in full satisfaction of any and all claims, including without limitation claims asserted in the Adversary Proceeding (the "Settlement"). The full terms of the Settlement are set forth in the attached Settlement Agreement. 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.

DAVIS & PIERCE, P.C.
/s/ electronically filed 03/25/04
Chris W. Pierce, Esq.
Post Office Box 6
Albuquerque, New Mexico 87103
(505) 243-6129

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:

T. Kyle Campbell, III, Esq.
PO Box 37299
Albuquerque, NM 87176-7229
(505) 872-1515

David T. Thuma, Esq.
Jacobvitz, Thuma & Walker
500 Marquette NW, Suite 650
Albuquerque, New Mexico 87102

Ronald F. Andazola
Post Office Box 608
Albuquerque, New Mexico 87103

/s/ 03/25/04

Chris W. Pierce, Esq.

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