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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO
ALBUQUERQUE, N.M.

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In re : Case No: 11-01-10779-SA
FURR'S SUPERMARKETS, INC., : Chapter 11
Debtor. :
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AMENDED AND RESTATED DECLARATION OF LORETTA CROSS IN
SUPPORT OF APPLICATION
FOR ORDER UNDER 11 U.S.C. §§ 327(a) AND FED. R. BANKR. P. 2014
APPROVING RETENTION OF PRICEWATERHOUSECOOPERS, LLP AS
DEBTOR'S FINANCIAL CONSULTANTS

I, Loretta Cross, declare that:

1. I am a partner of PricewaterhouseCoopers, LLP. I submit this declaration in support of the Application, dated February 8, 2001, of Furr's Supermarkets, Inc., debtor and debtor-in-possession (the "Debtor"), for an order under section 327 of the Bankruptcy Code, and Federal Rule of Bankruptcy Procedure 2014, approving the employment of PricewaterhouseCoopers, LLP ("PricewaterhouseCoopers" or "PwC") as the Debtor's financial consultants ("Financial Consultants"). Such Application hereafter is called the "PwC Retention Application." Except as otherwise indicated I have personal knowledge of the matters set forth herein and, if called as a witness, would testify competently thereto.

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2. I am the PricewaterhouseCoopers partner principally responsible for this engagement. A copy my biographical resume is attached as Exhibit A to this Declaration.

3. PricewaterhouseCoopers has extensive experience in reorganization proceedings and enjoys an excellent reputation for financial consulting services it has provided in large and complex chapter 11 cases on behalf of debtors and creditors throughout the United States. PricewaterhouseCoopers' corporate recovery professionals have been involved in some of the largest and most complex bankruptcies in the United States and are qualified to assist the Debtor in this case in a cost-effective, efficient and timely manner.

SERVICES TO BE RENDERED

4. The Debtor has requested that PricewaterhouseCoopers perform the following services, among others:

(a) Assist in negotiations and attend meetings with bank lenders and any creditors' committees or their related professionals;

(b) Assist in the preparation or review of business plans, liquidation analysis and other necessary and desirable special projects or reports;

(c) Assist in the development, negotiation, and promulgation of plans of reorganization;

(d) Assist in the preparation of documents necessary for confirmation of this chapter 11 case, including financial information contained in the disclosure statements:

(e) Provide litigation consulting services and expert witness testimony if requested by the Debtor; and

(f) Perform other functions as requested by the Debtor and its counsel to aid the Debtor in its business reorganization, including, but not limited to, preparation of schedules of assets and liabilities, statements of financial affairs, analysis of preferences and fraudulent transfers, assistance in claims reconciliation and estimation, and assistance related to the Debtor's compliance with SOP 90-7 "Accounting for Companies in Reorganization."

5. Subject to the Court's approval of the Application, PricewaterhouseCoopers is willing to serve as the Debtor's Financial Consultants and to perform the services described above.

CONNECTIONS WITH PARTIES IN INTEREST ON
NON-DEBTOR-RELATED MATTERS

6. In connection with the preparation of this Declaration, PricewaterhouseCoopers' professionals conducted a review of its professional contacts with the Debtor, their affiliates and certain entities holding large claims against the Debtor that were reasonably known to us. Our review, completed under my supervision, consisted of queries of an internal computer database containing names of individuals and entities

that are present clients of PricewaterhouseCoopers in order to identify potential relationships. A summary of such representation that PricewaterhouseCoopers was able to locate using its reasonable efforts is reflected in Exhibit B to this Declaration.

7. From time to time, PwC has provided accounting or consulting services to certain creditors of the Debtor and other parties in interest in matters unrelated to the Debtor's chapter 11 case (the "Bankruptcy Case"). PwC has not provided, and does not provide, services in or on connection with the Bankruptcy Case to any creditors or equity holders of the Debtor. PwC has identified in Exhibit B the creditors of the Debtor and other parties in interest in the Bankruptcy Case for whom PwC is currently providing services on matters unrelated to the Debtor or the Bankruptcy Case.

8. In addition, given its diverse practice and client base, PwC may at a future date provide services to clients who become parties of interest in the Bankruptcy Case in matters unrelated to the Debtor or the Bankruptcy Case. We will perform a review of our records once a quarter to determine if any new relationships have arisen, based on the service list. If any such situation comes to our attention, we will file an amendment or supplement to this declaration at that time.

9. PricewaterhouseCoopers is providing and likely will continue to provide services unrelated to the Debtor or the Bankruptcy Case for the entities shown on Exhibit B. Our assistance to these parties has been primarily related to auditing, tax, and/or other consulting services. To the best of my knowledge, no services have been provided

to these creditors or other parties in interest which could impact their rights in the Debtors' case, nor does PricewaterhouseCoopers' involvement in this case compromise its ability to continue such auditing, tax and/or consulting services. None of the entities in Exhibit B represented more than 1% of PricewaterhouseCoopers' U.S. annual revenue during the prior fiscal year.

10. To the best of my knowledge, based upon our investigation, neither PricewaterhouseCoopers nor any of its partners, managers, associates or analysts: (a) has a connection with the Debtor, its largest unsecured creditors, any other party in interest or the Debtor's attorneys, except as set forth above, or (b) holds or represents an interest adverse to the estate or the Debtor, nor does PricewaterhouseCoopers provide services to any other client in connection with the Bankruptcy Case.

11. To the best of my knowledge, based upon our investigation, neither PricewaterhouseCoopers nor any of its partners, managers, associates or analysts is a creditor, an equity security holder or an insider of the Debtor.

12. To the best of my knowledge, based upon our investigation, neither PricewaterhouseCoopers nor any of its partners, managers, associates or analysts is or ever was an investment banker for any security of the Debtor. To the best of my knowledge, after our investigation, neither PricewaterhouseCoopers nor any of its partners, managers, associates or analysts is or ever has been a director, officer or employee of the Debtor.

13. To the best of my knowledge, after our investigation, no partner, manager, associate or analyst at PricewaterhouseCoopers is related to a United States Bankruptcy Judge for the District of New Mexico or to the United States Trustee for the District of New Mexico or any employee in the office thereof.

14. To the best of my knowledge, after our investigation, neither PricewaterhouseCoopers nor any of its partners, managers, associates or analysts has an interest materially adverse to the interests of the Debtor or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in the Debtor or for any other reason.

15. To the best of my knowledge, after our investigation, neither PricewaterhouseCoopers nor any of the team members listed in paragraph 20 has any equity interest in any major secured or major unsecured creditors. In addition, to the best of my knowledge, after our investigation, no partners, managers, associates or analysts serves as a board member or is an insider of any major secured or major unsecured creditors of the Debtor.

16. Based on the foregoing, I believe that PricewaterhouseCoopers, its partners, managers, associates and analysts are "disinterested persons," as that term is defined at Bankruptcy Code § 101(14), and do not hold or represent any interest adverse to the Debtor's estate or the Debtor.

PRICEWATERHOUSECOOPERS' RETENTION AND PROFESSIONAL
COMPENSATION

17. On February 1, 2001, PwC was retained by the Debtor to provide financial advisory services for the bankruptcy filing. To the best of my knowledge and after making reasonable inquiry, prior to February 1, 2001 PwC performed no services for the Debtor in the year prior to the bankruptcy. PwC received a retainer of \$200,000 on February 2, 2001. On February 2, 2001, the retainer was received, deposited in PwC's operating cash management system as prepaid fees, and applied as a credit balance to the Debtor's account for services rendered or to be rendered on and after February 1, 2001. For the period from February 1, 2001 through the date of the filing of the Bankruptcy Case, the fees and expenses that PwC earned and incurred assisting the Debtor with its pre-bankruptcy planning and negotiations amounted to \$128,541 and \$9,676.75, respectively, for a total of \$138,217.75. The remaining credit balance of \$61,782.25 has been set aside as a post-petition retainer with other bankruptcy retainers paid to PwC, and will be available to apply to compensation charged for post-petition services.

18. Filed contemporaneously with the PwC Retention Application was the Declaration and Statement of Loretta Cross in Support of the Application (the "First Declaration"). Since the filing of the First Declaration we have completed our relationship check and file this Supplemental Declaration.

19. PricewaterhouseCoopers will charge the Debtor its current hourly rates for professionals resident in its domestic offices, as follows:

Partners	\$425 - \$595 per hour
Directors/Managers	\$300 - \$540 per hour
Senior Associates	\$200 - \$325 per hour
Associates and Analysts	\$100 - \$220 per hour

20. The core team members assigned to provide services to the Debtor will charge their standard billing rates for services provided. The core team members, and their standard billing rates, are listed below. The core team members will be assisted on certain projects by PwC specialists as needed.

Loretta Cross	\$495 per hour
Kevin Regan	\$570 per hour
Charles Reeves	\$440 per hour
Jay Brown	\$385 per hour
Chris Abbott	\$220 per hour

21. From time to time, the billing rates of the PricewaterhouseCoopers' personnel working on the Debtor's bankruptcy case may change. PwC will advise the Debtor and the Court of any such rate changes and any such rate changes will then be passed on to the Debtor, subject to approval of the Court.

22. Consistent with the firm's policy with respect to its other clients, PricewaterhouseCoopers will continue to charge the Debtor for all other services provided and for other charges and disbursements incurred in the rendition of services. These charges and disbursements include, among other things, costs for telephone charges, photocopying, travel, business meals, messengers, couriers, postage, witness fees and other fees related to trials and hearings.

23. The hourly rates set forth above are the firm's standard hourly rates for work of this nature. These rates are set at a level designed to compensate PricewaterhouseCoopers fairly for the work of its partners, managers, associates and analysts and to cover certain fixed and routine overhead expenses.

24. PricewaterhouseCoopers intends to apply to the Court for allowance of compensation earned and reimbursement of expenses incurred in this case in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, and orders of the Court. PricewaterhouseCoopers acknowledges that all compensation will be subject to the Court's review and approval, after notice and a hearing.

25. PricewaterhouseCoopers has no agreement with any other entity to share any compensation received, nor will any be made, except as permitted under section 504(b)(1) of the Bankruptcy Code.

DISPUTE RESOLUTION

26. PricewaterhouseCoopers and the Debtor have agreed to bring any controversy or claim with respect to PricewaterhouseCoopers' employment in this Bankruptcy Court (or in the District Court for the District of New Mexico if the District Court withdraws the reference) and to consent to the jurisdiction and venue of such court as the sole and exclusive forum (unless such court does not have or retain jurisdiction over such claims or controversies) for the resolution of such claims, causes of actions or lawsuits. The Debtor and PricewaterhouseCoopers (and any and all of their successors and assigns) have knowingly and voluntarily agreed to waive trial by jury. If the Bankruptcy Court (or the District Court if the reference is withdrawn) does not have or retain jurisdiction over the foregoing claims and controversies, the Debtor and PricewaterhouseCoopers have agreed to submit to non-binding mediation; and if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Exhibit C.

27. PricewaterhouseCoopers has agreed not to raise or assert any defense based upon jurisdiction, venue, abstention or otherwise to the jurisdiction and venue of the Bankruptcy Court or the District Court for the District of New Mexico (if the District Court withdraws the reference) to hear or determine any controversy or claims with respect to, in connection with, arising out of, or in any way related to the services provided to the Debtor.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 4 day of April, 2001, at Houston, Texas.


Loretta Cross

ATTACHMENT A

LORETTA ROSE CROSS, CPA **Partner – Business Regeneration Services**

Loretta is a Partner in the Business Regeneration Services practice for the Southern Region of PricewaterhouseCoopers LLP. Loretta has over 20 years of Big Five Public Accounting experience including audit, management consulting and financial consulting. Her specializations include:

Bankruptcy - Assisted clients on numerous bankruptcies during the last 20 years including Discovery Zone, Homeland Stores, WRT Energy, Inc., U.S. Homes, Global Marine, Damson Oil, Frost Bros., Sakowitz, Inc., Digicon, Inc., The Houstonian, Food Barn Stores, Inc., GasMark, Ltd., TransTexas Gas, Midcon Offshore, Power Company of America, American Eco, Total National Telecommunications, Wichita River Oil, Quality Beverage, Banco Latino, and Mobile Energy Services. She has represented Debtors, Secured Lenders and Unsecured Creditors. Her services range from liquidation strategies, recapitalizations and the sale of the company as a going concern.

Restructuring and Turnaround Management - Provided turnaround services to over 30 companies in crisis, successfully avoiding bankruptcy or preparing out of court restructure as well as debt restructure, operational analysis, cash management and crisis management.

Forensic Accounting - Assisted on numerous matters for both bankruptcy and litigation where asset tracing and fraud were concerned. She has been involved in large multimillion-dollar tracing as well as small bank lapping cases. Some of her experience is listed below:

Professional: Certified Public Accountant
 Certified Insolvency and Reorganization Accountant

Education: University of Texas – BBA/Accounting

EXHIBIT C
Dispute Resolution Procedures

The following procedures shall be used to resolve any controversy or claim ("dispute") as provided in this Agreement. If any of these provisions are determined to be invalid or unenforceable, the remaining provisions shall remain in effect and binding on the parties to the fullest extent permitted by law.

Mediation

A dispute shall be submitted to mediation by written notice to the other party or parties. In the mediation process, the parties will try to resolve their differences voluntarily with the aid of an impartial mediator, who will attempt to facilitate negotiations. The mediator will be selected by agreement of the parties. If the parties cannot agree on a mediator, a mediator will be designated by the American Arbitration Association ("AAA") or JAMS/Endispute at the request of a party. Any mediator so designated must be acceptable to all parties.

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the dispute.

The mediation will be treated as a settlement discussion and therefore will be confidential. The mediator may not testify for either party in any later proceeding relating to the dispute. No recording or transcript shall be made of the mediation proceedings.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Arbitration

If a dispute has not been resolved within 90 days after the written notice beginning the mediation process (or a longer period, if the parties agree to extend the mediation), the mediation shall terminate and the dispute will be settled by arbitration. The arbitration will be conducted in accordance with the procedures in this document and the Arbitration Rules for Professional Accounting and Related Services Disputes of the AAA ("AAA Rules").