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U.S. BANKRUPTCY COURT
ALBUQUERQUE, N.M.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re

Case No. 11-01-10779-SA
Chapter 11

FURR'S SUPERMARKETS, INC.,

Debtor.

DECLARATION OF GREGORY MAYS IN SUPPORT OF MOTION
AUTHORIZING DEBTOR TO (a) IMPLEMENT EMPLOYEE
RETENTION, SEVERANCE, AND SUCCESS BONUS PLANS;
(b) ENTER INTO TRANSITION AGREEMENT WITH THOMAS DAILEN;
AND (c) ENTER INTO CONSULTING AGREEMENTS
WITH GEORGE GOLLEHER AND GREG MAYS

Gregory Mays states that the following is true to the best of his
knowledge, information and belief:

1. I am the acting Non-Executive Vice Chairman of Furr's
Supermarkets, Inc. (the "Debtor"), a corporation organized under the laws of the
State of Delaware.

422

2. I have been acting as the Debtor's Non-Executive Vice Chairman since March 26, 2001, and have knowledge of most aspects of the Debtor's business and its restructuring efforts.

3. I submit this Declaration in support of the Debtor's motion authorizing it to enter into consulting agreements with George Golleher and with me in this chapter 11 case.

4. Except as otherwise indicated, all facts in this Declaration are based upon my personal knowledge, my review of relevant documents, or my opinion, based upon my experience and knowledge of the Debtor's operations and financial condition. If I were called upon to testify, I could and would testify competently to the facts herein.

Business Experience

5. I have been involved in the grocery business for 30 years. My early experience was in finance with Fisher Foods. For the past 15 years I have been involved with troubled supermarket chains, either in restructurings or mergers and acquisitions. My areas of expertise include finance, labor, planning, logistics and operations of either highly leveraged companies and/or insolvent companies.

Some of the companies that I have assisted in restructurings or mergers and acquisitions include:

(a) Bayless Supermarkets, where I served as a senior crisis manager in the fifty-store chain's bankruptcy filing;

(b) Cala Foods, where I assisted in the consolidation and reorganization of the company's management until the company was ultimately sold in 1990;

(c) Yucaipa Companies, where I was employed from 1990 to 1993. During my employment with Yucaipa, I became the CEO and President of Almac's Supermarkets and assisted that company through its consolidation, reorganization, refinancing, and sale from 1991 to 1993.

6. In 1994, I was employed by the Alpha Beta supermarket chain. At the time I joined the company, Alpha Beta was experiencing severe liquidity problems, and vendors had begun to tighten credit terms with the company. Although a bankruptcy filing was a possibility for Alpha Beta, through our efforts of restructuring and building a management team and focusing on liquidity of the company, a filing did not occur.

7. Alpha Beta was successfully merged with Ralph's Grocery Company, a large supermarket chain in Southern California. Ralph's was then merged with Fred Meyer, Inc. in 1998, and the new company was merged with the Kroger Companies in 1999.

8. During the restructuring of Alpha Beta, I worked with many of the same creditors that sit on the Official Committee of Unsecured Creditors in the Debtor's case. I also worked with many of the same lenders and have worked with many of the Debtor's existing management during my years in the supermarket business.

9. Through my many years in the grocery industry I have gained extensive experience with restructurings, sales, and workouts with troubled companies.

10. In more recent years, I have been retained as a consultant for Ralph's and Stater Brothers in connection with a workout for Santee Dairies, which is co-owned by the two grocery chains. In that retention, my consulting arrangement focused primarily on restructuring and/or sale of the dairy. Through my efforts, the dairy was a successful turnaround.

Role with the Debtor

11. Since assuming the role of Non-Executive Vice Chairman of the Debtor, I have been intimately involved in the day-to-day operations of the Debtor's business. On average, I work between 50 and 60 hours per week on the Debtor's business. A substantial portion of that time is used to improve the Debtor's management structure and the Debtor's liquidity and profitability.

12. Specifically, I have been involved in the day-to-day operations of the Debtor's business, including developing a plan to simplify the Debtor's financials and business and directing management in focusing on the restructuring. I have also been working on an operating plan, focusing on reducing the Debtor's operating cost while increasing liquidity.

13. I have also participated in efforts to repair the relationship, and regain credibility, with the Debtor's senior lenders and trade vendors, including frequent conversations with members of the Creditors' Committee.

Compensation Package

14. In March 2001, I was contacted by George Golleher, with whom I have worked – on and off – since 1973, after he was approached to assume

a leadership role with the Debtor. Mr. Golleher requested that I join him to build a team to work through the bankruptcy process, and I agreed to do so.

15. Mr. Golleher handled the negotiations with the Debtor's Board regarding the compensation that he and I would receive in this engagement. Because of the Debtor's cash-flow situation, we have agreed to accept less up-front and monthly compensation than we would normally request for this type of assignment, in exchange for correspondingly larger compensation payable upon a successful resolution of the case.

16. I believe that my role with the company complements Mr. Golleher's role. In addition to the key leadership role, Mr. Golleher handles strategic and transactional issues facing the Debtor. I am principally responsible for significant issues involving the day-to-day operations of the company and the critical decision-making matters associated with keeping Furr's a going concern.

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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 4th day of May, 2001, at Albuquerque, New Mexico.

 Gregory Mays