

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

FILED
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U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

In re:

FURR'S SUPERMARKETS, INC.,

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

Debtor.

**DISCLOSURE OF MOUNCE, GREEN, MYERS, SAFI & GALATZAN PURSUANT
TO BANKRUPTCY RULES 2014 AND 2016**

Mounce, Green, Myers, Safi & Galatzan, a Professional Corporation ("Mounce"), hereby states, in connection with the motion of the Debtor Furr's Supermarket's, Inc. ("Furr's") to employ Mounce to represent the Debtor in a pending personal injury action in El Paso, Texas:

1. The undersigned is an officer of Mounce.
2. To the best of the undersigned's knowledge, information, and belief, after making reasonable inquiry, Mounce has no connection with Furr's, Furr's creditors, or any other party in interest in this case, or their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, except that Mounce may render professional services to clients who are or may be adverse to Furr's, which services are wholly unrelated to Furr's or to this bankruptcy case.
3. The arrangement for compensating the Mounce, if the Court approves Debtor's employment of Mounce, is described in the engagement letter attached hereto as Exhibit A.
4. Mounce has received no transfer, assignment or pledge of property for post-petition services.

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5. Mounce has not shared or agreed to share with any other person or entity, other than with members or regular associates or employees of Mounce, any compensation paid or to be paid by Debtor in or in connection with this bankruptcy case.

MOUNCE, GREEN, MYERS, SAFI &
GALATZAN, a Professional Corporation

By: 

This certifies that a copy of the foregoing document
was served by mail on:

United States Trustee
P.O. Box 608
Albuquerque, NM 87103

this 9th day of November, 2001.



**MOUNCE, GREEN, MYERS,
SAFI & GALATZAN**
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW

WILLIAM J. MOUNCE*
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* ALSO MEMBER OF NEW MEXICO BAR

November 8, 2001

Mr. David Thuma
Jacobvitz, Thuma & Walker
500 Marquette NW, Suite 650
Albuquerque, NM 87102

Re: Perez, et al. v. Segura, et al.
Cause No. 2001-2810
34th District Court
D/Accident: March 4, 2001
Engagement Terms

Dear Mr. Thuma:

This letter will memorialize the agreement between Furr's Supermarkets, Inc., (the "Client") and Mounce, Green, Myers, Safi & Galatzan, a Professional Corporation (the "Firm"), under which the Firm will advise, counsel and represent the Client. The terms and conditions of our engagement is as follows:

1. The Firm agrees to represent Client with respect to the defense of the above-referenced lawsuit. The Firm may advise, assist or represent the Client in any other matters upon which the Client and the Firm agree.

2. Our fees for legal services are based primarily on the published hourly rates in effect for each lawyer and legal assistant at the time the services are rendered. Our current hourly rates are \$175.00 per hour for shareholders, \$135.00 per hour for associates, and \$70.00 per hour for legal assistants. My rate for this matter will be \$175.00. We review these hourly rates annually and may adjust them on January 1, if appropriate.

ALFA
American
Law Firm
Association

EXHIBIT
 A

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3. It is our Firm's policy to bill Client monthly for fees and out-of-pocket expenses. Each lawyer and legal assistant contemporaneously records the time required for these services, and the time records are generated by computer on a monthly basis, which we try to send out by the 15th of the following month. The monthly bill describes services performed and expenses incurred.

4. Our hourly rates do not include any interest factor for late payment. Because of this and the additional fact that we do not include a service charge for late payments, we must insist that our Clients pay their bills promptly. It is our usual practice to send to our Clients for direct payment by them invoices we receive from third parties, such as court reporters, expert witnesses, and document reproduction services. We expect you to pay such invoices promptly upon receipt.

5. If in the course of our representation we anticipate a significant increase in the level of our activity on your behalf, e.g., the commencement of trial preparation or trial, we may bill you on a basis more frequent than monthly. We will also expect that such statements will be paid promptly.

6. Our fees charge do not include expenses or disbursement made to other persons or entities, which would include filing fees, witness fees, investigator fees, transfer costs, expert witness or consultant fees, travel expenses, long-distance telephone charges, printing or duplicating costs, etc. Such expenses and disbursements are the sole responsibility of the Client and are to be paid as they are incurred.

7. Our agreement to provide legal representation in the above-referenced matter is conditioned upon your agreement to the terms of this engagement letter.

8. This Firm retains the discretion to request a deposit as retainer for legal services.

9. The Client or the Firm has a right to notify the other party of its decision to terminate this agreement and relationship at any time.

10. The Client and the Firm understand that the Firm is not able to furnish in all areas and matters legal counsel or representation that may be required by the Client and that it may be necessary for the Client to obtain such counsel and representation from others, as well as the Firm.

11. If an accountant, mediator, expert witness or other professional is hired for this matter, that professional will bill you directly for his services and you agree to pay their fees as they are incurred. No such person will be hired unless you have given your prior approval.

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12. By acceptance and execution of this engagement letter, you agree that we are relieved from the responsibility of performing any further work should you fail to pay any monthly statement for fees and expenses (including bills for expenses received from third parties), or for supplemental cost deposits, within fifteen (15) days of receipt of such statements, normally by the first of the month following receipt. In such event, you agree that we may move to withdraw as your counsel in any case where we have made an appearance on your behalf, and that you will promptly execute any withdrawal motions required to accomplish this.

13. During the course of our discussion with you about handling this matter, we may have provided you with certain estimates of the magnitude of the fees and expenses that will be required at certain stages of this litigation. It is our firm policy to advise all our clients that such estimates are just that, and that the fees and expenses required are ultimately a function of many conditions over which we have little or no control, particularly the extent to which the opposition files pretrial motions and engages in its own discovery. The reason why we submit our clients bills on a monthly basis shortly after the services are rendered is so you will have a ready means of monitoring and controlling the expenses you are incurring. If you believe the expenses are mounting too rapidly, please contact us immediately so we can assist you in evaluating how they might be curtailed in the future. When we do not hear from you, we assume that you approve of the overall level of activity on our part in this case on your behalf.

14. This letter sets forth all the covenants, promises, agreements, conditions and understandings between the Firm and the Client concerning the scope of the Firm's services. No subsequent alteration, amendment, change or addition to this agreement shall be binding upon the Firm or the Client unless it is in writing and signed by the parties.

15. We enclose a copy of a brochure from the State Bar of Texas concerning any complaints or grievances that may be available to the consumer of legal services.

16. If you find that the foregoing constitutes a correct and complete statement of the agreement under which the Firm has been retained by the Client, please execute the agreement of the Client in the space provided below.

Very truly yours,

**MOUNCE, GREEN, MYERS,
SAFI & GALATZAN**

By: 
Mark C. Walker

MCW/vr

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Agreed and Accepted:

David Thuma
for FSI

Date