UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

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U.S. BANKRUPTCY COURT
ALB. DISTRICT N.M.

In re:

FURR'S SUPERMARKETS, INC., **Case No. 01-10779-SA**

Debtor. **Chapter 11**

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MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.'S
VERIFIED RULE 2019 STATEMENT

Modrall, Sperling, Roehl, Harris & Sisk, P.A. (Paul M. Fish) files its Verified Rule 2019 Statement. Pursuant to Rule 2019, Modrall, Sperling, Roehl, Harris & Sisk, P.A. ("Modrall, Sperling") states:

1. Modrall Sperling has been retained to represent the following creditors in the captioned action:

A. Heller Financial, Inc. as Agent for Fleet Capital Corporation, Bank of America, N.A., Heller Financial, Inc. and Metropolitan Life Insurance Company. The address for Heller Financial, Inc. as Agent is as follows:

Heller Financial, Inc.
500 West Monroe
Chicago, Illinois 60661
Attention: Legal Services/HCF-Furr's Supermarkets, Inc.

B. Heller Financial Leasing, Inc.'s address is as follows:

Heller Financial Leasing, Inc.
500 West Monroe
Chicago, Illinois 60661.

Nature of Heller Financial Leasing, Inc.

2. Heller Financial Leasing, Inc.'s claim arises out of a Master Equipment Lease Agreement dated September 30, 1999, between General Electric Capital Business Asset Funding

AWD

Corporation as Lessor and Furr's Supermarkets, Inc. which lease was assigned to Heller Financial Leasing, Inc. pursuant to a Master Assignment Agreement dated September 30, 1999, by and between General Electric Capital Business Asset Funding Corporation as Assignor and Heller Financial Leasing, Inc. and Assignee.

Nature of Heller Financial, Inc.'s Claim:

3. Less than one year prior to the Petition date, Fleet Financial Corporation ("Fleet"), Heller Financial, Inc., Bank of America, N.A. and Metropolitan Life Insurance Company loaned money and issued letters of credit to the Debtor under a Loan and Security Agreement (the "Existing Loan Agreement"), dated as of December 21, 2000, and the other loan documents (as defined therein) (the Existing Loan Agreement and other loan documents, collectively the "Pre-petition Senior Loan Documents"). As of the Petition date, the Debtor owed the Pre-petition Senior Lenders approximately $47,000,000 plus all accrued and unpaid pre-petition interest, costs and fees, including professional fees and expenses and other obligations under and as defined in the existing loan agreement (collectively the "Pre-petition Senior Indebtedness").

4. On February 9, 2001, the Court entered its "Interim Order (1) Authorizing Debtor to Obtain Secured Financing, (2) Granting Adequate Protection, and (3) Granting Other Relief. Among other things, such Order authorized the Debtor to borrow additional amounts according to the terms of the Order from the lenders. On March 14, 2001, a "Final Order (1) Authorizing Debtor to Obtain Secured Financing, (2) Granting Adequate Protection, and (3) Granting Other Relief" (hereinafter "Final Order") was entered. The Final Order authorized the Debtor to borrow money and obtain other financial accommodations from the lenders.

Employment of Modrall Sperling:

5. Modrall Sperling was contacted to act as local counsel representing Heller Financial, Inc., as Agent, shortly prior to the date the petition was filed in the captioned bankruptcy case. After undertaking representation of Heller Financial, Inc., Modrall Sperling was contacted to act as local counsel on behalf of Heller Financial Leasing, Inc. Modrall Sperling does not have any interest nor claim in the bankruptcy.

Terms of Representation:

6. There is no "instrument" empowering Modrall Sperling to act on behalf of these creditors with respect to the bankruptcy case.

MODRALL, SPERLING, ROEHL,
HARRIS & SISK, P.A.

By_____

Paul M. Fish
William R. Keleher
Post Office Box 2168
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Telephone: 505-848-1800
Facsimile: 505-848-1882

VERIFICATION

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

Paul M. Fish being first duly sworn, says he is a shareholder of Modrall, Sperling, Roehl, Harris & Sisk, P.A., has read the foregoing Modrall, Sperling, Roehl, Harris & Sisk, P.A.'s Verified Rule 2019 Statement and knows the content thereof, and the statements contained therein are true to the best of his knowledge and belief.

Paul M. Fish

Signed and sworn to before me on May 2, 2001, by Paul M. Fish.

Susan K. Broder
Notary Public

My Commission Expires:
2/15/04

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