

UNITED STATES BANKRUPTCY COURT, District of New Mexico

**Notice of Chapter 7 Bankruptcy Case, Meeting of Creditors, and Deadlines**

A chapter 11 bankruptcy case concerning the debtor listed below was originally filed on February 8, 2001, and was converted to a case under chapter 7 on December 20, 2001. You may be a creditor of the debtor. You may want to consult an attorney to protect your rights. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below.

NOTE: The staff of the bankruptcy clerk's office cannot give legal advice.

**See Reverse Side for Important Explanations**

*Debtor:* (address of record, which is now closed)  
**Furr's Supermarkets, Inc.**, a Delaware corporation  
 c/o Chief Financial Officer  
 4411 The 25 Way NE, Suite 100  
 Albuquerque, NM 87109-5859

*Case Number:* 7-01-10779 S A  
 NM Taxpayer ID: 02-159595-0  
 Employer ID No.: 75-2364418

FILED  
 OFFICE OF THE CLERK  
 2002 JAN 29 PM 1:55  
 U.S. BANKRUPTCY COURT  
 ALBUQUERQUE, N.M.

*Attorneys for Debtor:* (motion to withdraw pending)  
 Jacobvitz, Thuma & Walker, P.C.  
 500 Marquette Avenue NW, Suite 650  
 Albuquerque, NM 87102-5309  
 Telephone: 505-766-9272

*Bankruptcy Trustee:*  
 Yvette J. Gonzales  
 PO Box 1037  
 Placitas, NM 87043-1037  
 Telephone: 505-771-0700

**Meeting of Creditors:**

**Date:** Monday, January 28, 2002      **Time:** 9:00 a.m. to 1:00 p.m.  
**Location:** Albuquerque Convention Center, 401 Second Street NW, Ballroom A, West Complex, Upper Level  
 Albuquerque, New Mexico

**Creditors May Not Take Certain Actions**

The filing of the bankruptcy case automatically stays certain collection and other actions against the debtor and the debtor's property. If you attempt to collect a debt or take other action in violation of the Bankruptcy Code, you may be penalized.

**- Please See Reverse Side for Information About Claims -**

*Address of the Bankruptcy Clerk's Office:*  
 United States Bankruptcy Court, District of New Mexico  
 421 Gold Avenue SW, Room 316  
 PO Box 546  
 Albuquerque, NM 87103-0546  
 Telephone: 505-348-2500  
 Toll-Free Telephone: 866-291-6805

For the Court:

Norman H. Meyer, Jr., Clerk of Court  
 United States Bankruptcy Court, District of New Mexico  
 Court website: [www.nmcourt.fed.us/bkdocs](http://www.nmcourt.fed.us/bkdocs)

*Hours Open:* 8:30 a.m. through 4:30 p.m.

*Date:* January 4, 2002

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## EXPLANATIONS

### Filing of Chapter 7 Bankruptcy Case

Chapter 7 of the Bankruptcy Code provides for the appointment of a trustee and the liquidation of the remaining assets of the debtor as soon as reasonably possible, although "as soon as reasonably possible" may take months or substantially longer. Generally speaking, any money that results from the liquidation process is distributed to the various categories of claims as follows: first, to the administrative expenses of the chapter 7 case (for example, the expenses of the chapter 7 trustee); second, to the administrative expenses of the chapter 11 case, including employee vacation and severance claims measured by the period when the employee worked for the debtor after February 8, 2001, health care claims arising after February 8, 2001, the claims of the professionals, such as lawyers or accountants, who worked in the chapter 11 case but have not gotten paid yet, and taxes owed for the time the debtor was in chapter 11; third, to the claims for unpaid wages, vacation, sick leave and severance pay earned within 90 days before the chapter 11 filing (but no more than a maximum of \$4,300 per employee); fourth, for certain taxes incurred by the debtor before it filed bankruptcy; and fifth, to all other unsecured claims incurred by the debtor before it filed its bankruptcy case on February 8, 2001. (The foregoing list leaves out some categories of payments; the purpose of the list is only to describe what are likely to be the largest categories of payees.) **PLEASE NOTE: THE FACT THAT THERE ARE MANY CLAIMS IN EACH CATEGORY DOES NOT MEAN THAT THERE WILL BE ENOUGH MONEY TO PAY ALL THE CLAIMS IN EACH CATEGORY.** Generally, all the claims in the first category must be paid in full before any payment can be made to the second category, and all the claims in the second category must be paid in full before any payment is made to claims in the third category, etc. The trustee will try, as best she can within a reasonable period of time, to realize the most value from the assets of the bankruptcy estate. **HOWEVER, IT IS POSSIBLE THAT ENTIRE CATEGORIES OF CLAIMS WILL NOT RECEIVE ANY PAYMENT WHATEVER.**

The trustee has begun to work on the case. She will conduct a first meeting of creditors at a time and place shown on the front page of this notice. She will then continue the process of trying to generate as much cash as she can from the assets. The trustee will also send out any needed notices when and if there is money with which to pay claims.

<b>Creditors May Not Take Certain Actions</b>	Prohibited collection actions are listed in Bankruptcy Code §362. Common examples of prohibited actions include contacting the debtor by telephone, mail or otherwise to demand repayment; taking actions to collect money or obtain property from the debtor; repossessing the debtor's property; and starting or continuing lawsuits or foreclosures.
<b>Meeting of Creditors</b>	A meeting of creditors is scheduled for the date, time and location listed on the front side. The business of the meeting shall include the examination of the debtor under oath. Creditors are welcome to attend, but are not required to do so. The meeting may be continued and concluded at a later date without further notice.
<b>Administrative Claims and Proofs of Claim</b>	<b>The Court has set a deadline of January 20, 2002, for the filing of administrative claims. An administrative claim consists of costs and expenses of preserving the estate, including claims for wages, sick pay, vacation pay, severance and unreimbursed health care claims that occurred after February 8, 2001.</b> The deadline for filing most of the other chapter 11 administrative claims already expired. If you have already filed an administrative claim it is not necessary to file another one. There may be no property available to the trustee to pay creditors for claims for goods or services arising before February 8, 2001. <b><i>You therefore should not file a proof of claim at this time if you do not have an administrative claim.</i></b> If it later appears that assets are available to pay creditors, you will be sent another notice telling you that you may file a proof of claim, and telling you the deadline for filing your proof of claim.
<b>Bankruptcy Clerk's Office</b>	Any paper that you file in this bankruptcy case should be filed at the bankruptcy clerk's office at the address listed on the front page of this notice. You may inspect all papers filed, including the list of the debtor's property and debts, at the bankruptcy clerk's office. <b>You may also view documents filed in this case at the court's web site <a href="http://www.nmcourt.fed.us/bkdocs">www.nmcourt.fed.us/bkdocs</a>.</b> If you do not have access to the Internet, you may come to the clerk's office intake counter and access the web site using a court computer.
<b>Legal Advice</b>	The staff of the bankruptcy clerk's office cannot give legal advice. You may want to consult an attorney to protect your rights.
<b>Abandonment</b>	Unless a request for notice is filed and served upon the trustee by a party in interest within 15 days after the date of mailing of this notice, the trustee may abandon any property deemed burdensome or of inconsequential value to the estate without further notice.

**-Refer to Other Side for Important Notices-**