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U.S. BANKRUPTCY COURT
ALBUQUERQUE, NM

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Debtor.

No. 11-01-10779-SA

OFFICIAL COMMITTEE OF UNSECURED CREDITORS' OBJECTION TO AMENDED MOTION OF PINNACLE LOGISTICS, INC. AND COUNTRYWIDE LOGISTICS, INC. TO COMPEL DEBTOR TO (1) ASSUME OR REJECT CERTAIN EXECUTORY CONTRACTS AND/OR ALTERNATIVELY (2) REQUIRING THE DEBTOR TO TENDER WEEKLY PAYMENTS ON A CASH DEMAND BASIS

The Official Committee of Unsecured Creditors of Furr's Supermarkets, Inc. (the "UCC"), by and through its local counsel Davis & Pierce, P.C. (William F. Davis, Esq.), for its Objection to the Amended Motion of Pinnacle Logistics, Inc. and Countrywide Logistics, Inc. to Compel Debtor to (1) Assume or Reject Certain Executory Contracts and/or Alternatively (2) Requiring the Debtor to Tender Weekly Payments on a Cash Demand Basis, STATES:

1. To the extent facts are alleged in the Preliminary Statement, the UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in this Statement, and therefore the factual allegations are denied.

2. The UCC admits the allegations contained in Paragraph 1 of the Amended Motion.

3. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 2, and the same are therefore denied.

4. The UCC is without information or knowledge sufficient to form a belief as to the truth

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of the allegations contained in Paragraph 3, and the same are therefore denied.

5. In response to Paragraph 4, the UCC denies that the Movant is a secured creditor. The UCC is without information or knowledge sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 4 of the Amended Motion, and the same are therefore denied.

6. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 5 of the Amended Motion, and the same are therefore denied.

7. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations concerning the value of the inventory in the El Paso Warehouse, and the same are therefore denied. The UCC denies that Pinnacle has a lien against the inventory. The UCC denies any other allegations contained Paragraph 6 not specifically addressed herein.

8. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in the first sentence of Paragraph 7, and the same are therefore denied. The UCC denies that Countrywide has a lien against inventory being shipped. The UCC denies any other allegations contained Paragraph 7 not specifically addressed herein.

9. The UCC admits the allegations contained in Paragraph 8 of the Amended Motion. The UCC also asserts that the claimed liens are invalid due to the lack of required bills of lading, and warehouse-men's certificates.

10. The UCC admits the allegations contained in Paragraph 9 of the Amended Motion.

11. The UCC admits the allegations contained in Paragraph 10 of the Amended Motion.

12. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 11 of the Amended Motion, and the same are therefore

denied.

13. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 12 of the Amended Motion, and the same are therefore denied.

14. The UCC denies the allegations contained in Paragraph 13 of the Amended Motion.

15. The UCC denies the allegations contained in Paragraph 14 of the Amended Motion.

16. The UCC admits the allegations contained in Paragraph 15 of the Amended Motion.

17. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 16 of the Amended Motion, and the same are therefore denied.

18. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 17 of the Amended Motion, and the same are therefore denied.

19. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 18 of the Amended Motion, and the same are therefore denied.

20. The UCC admits the allegations contained in Paragraph 19 of the Amended Motion.

21. The UCC denies the allegations contained in Paragraph 20 of the Amended Motion.

22. The UCC denies the allegations contained in Paragraph 21 of the Amended Motion.

23. Paragraph 22 of the Amended Motion is a statement of law and need not be answered, but the UCC denies the same to the extent that any facts are asserted.

24. Paragraph 23 of the Amended Motion is a statement of law and need not be answered,

but the UCC denies the same to the extent that any facts are asserted.

25. The UCC is without information or knowledge sufficient to form a belief as to the truth of the allegations contained in Paragraph 24 of the Amended Motion, and the same are therefore denied.

26. The UCC denies the allegations contained in Paragraph 25 of the Amended Motion.

26. The prayer for relief need not be answered, but the UCC denies the same to the extent that any facts are asserted.

27. The relief requested should not be granted because the Debtor is performing under the applicable agreements and is not in default.

28. The claimed liens are defective due to the lack of required documentation, bills of lading and warehouse receipts, and since the Movants are not secured creditors there is no need for adequate protection.

29. The Movants are seeking an advantage beyond the conditions provided in the Agreements. Their request should be denied and they should be held to their Agreements.

30. The relief requested would be a hardship to the Debtor due to the increased pressure on liquidity. This strain on liquidity could have a serious impact on the successful reorganization of the Debtor.

WHEREFORE, the Official Committee of Unsecured Creditors of Furr's Supermarkets, Inc. would ask this Court to deny the Amended Motion, and for such other and further relief the Court

deems just.

Respectfully submitted,

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The undersigned hereby certifies that a true and accurate copy of the foregoing was mailed this 31st day of May, 2001.

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