

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF NEW MEXICO

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

IN RE:

FURR'S SUPERMARKETS, INC., )  
a Delaware Corporation )  
Tax I.D. No. 75-2364418 (Federal) )  
02-159595-0 (New Mexico) )  
 )  
Debtors, )  
\_\_\_\_\_ )

No. 11-01-10779-SA

**OBJECTION TO WIND-DOWN MOTION**

Premier Distributing Company, Inc. ("Premier") objects to certain aspects of the Debtor's wind-down motions and as grounds states:

1. The amount escrowed for the claims of liquor wholesalers is insufficient to pay all of the claims of liquor wholesalers, plus all attorney fees and accrued interest in full. Because liquor wholesalers are prior to the claims of the secured creditors, they are entitled to interest and attorney fees pursuant to 11 U.S.C. 506.

2. The proposed wind-down does not benefit the unsecured creditors or the debtor's estate, since the only beneficiaries of the Fleming sale are the Secured Creditors; as a result the agreement of the Secured Creditors to permit their collateral to be used enable a sale which benefits only them is of little value to the estate. In fact, it would be more appropriate to subordinate claims against the secured creditors which are being compromised by the debtor are being compromised for insufficient consideration.

3. Nothing about the wind-down order should be permitted to eliminate claims which

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other creditors might have against the Secured Lenders, including claim to insist on marshaling.

4. The full value of the liquor licenses (estimated to be approximately 9.5 million dollars) should be escrowed pending a resolution of the claims of the wholesalers claims.

5. It is not apparent from the wind-down motion of the effect the motion might have on claims of creditors which arose under 11 U.S.C. 546(c), but it seems possible that the motion will destroy or eliminate those rights.

6. To the extent the allowance of the claims of the secured lenders is deemed to affect the right of Premier in connection with its claims, including its lien claims, and those claims asserted in Adversary Proceeding No. 01-1073-SA, this objection is an objection to the claims of the Secured Lenders.

SUTIN, THAYER & BROWNE  
A Professional Corporation

By 

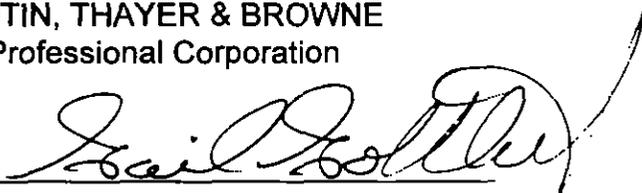
Gail Gottlieb

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Company, Inc.  
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(505) 883-2500  
596202.wpd

We hereby certify and verify under penalty of perjury that we have mailed a copy of the foregoing pleading to Robert Jacobvitz and Richard Levin and the Office of the Assistant U.S. Trustee this 12 day of August, 2001.

SUTIN, THAYER & BROWNE  
A Professional Corporation

By

A handwritten signature in cursive script, appearing to read "Neil Goller", is written over a horizontal line. The signature is fluid and includes a long, sweeping flourish that extends upwards and to the right.