

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 11-01-10779 SA
Chapter 11

Debtor.

ORDER APPROVING TERMINATION FEE AND OTHER BIDDING PROTECTIONS

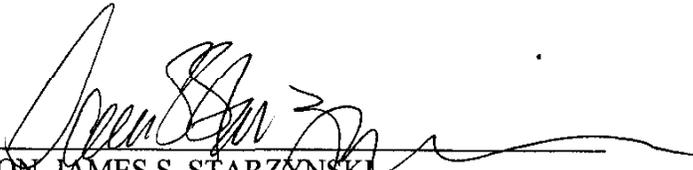
THIS MATTER comes before the Court on Debtor in possession Furr's Supermarkets, Inc. (the "Debtor's") Emergency Motion For Order Approving Termination Fee and Other Bidding Protections (the "Motion") and the Court, being duly advised in the premises, having heard arguments of counsel and the testimony of witnesses, and noting that the entry of this Order has been agreed to by Heller Financial Inc., as agent ("Heller"), finds that (i) Motion is well taken and should be granted, (ii) the Debtor's secured lenders are adequately protected in connection with the lien granted in this Order, and (iii) notice of the Motion and the hearing thereof was sufficient under the particular circumstances of this matter. The Court therefore ORDERS:

1. The Debtor's proposal to pay Fleming Companies, Inc. ("Fleming") a \$3 Million termination fee (the "Termination Fee") is hereby granted and approved, to be paid in accordance with the terms of that certain Asset Purchase Agreement by and between the Debtor and Fleming and dated June 26, 2001 (the "APA"), if and only if the Debtor accepts and consummates an "Alternative Offer" as that term is defined in the APA.

2. To secure payment of the Termination Fee, Fleming is hereby granted a lien and security interest in the proceeds of any sale pursuant to an Alternative Offer (the "Termination Fee Lien"), which lien shall be prior to any existing liens or security interests in the Debtor's assets. The

JSB and having made brief finding of fact and conclusions of law on the record as allowed by rule 7052,

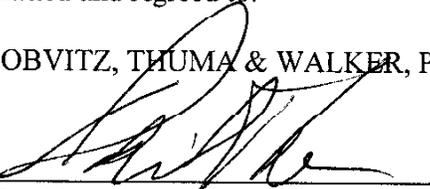
Termination Fee Lien shall attach and be perfected without the need for a security agreement, financing statement, or other written or recorded document.


HON. JAMES S. STARZYNSKI
United States Bankruptcy Judge

Submitted and Agreed to:

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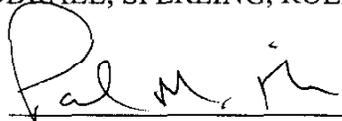
Attorneys for the Debtor

Approved as to form:


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I hereby certify that a true and correct copy
of the foregoing was either electronically
transmitted, faxed, delivered or mailed to
the listed counsel and parties on:

JUN 26 2001

Mary B. Anderson