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U.S. COURTS
DISTRICT OF IDAHO
CLERK OF COURT
BOISE, IDAHO

Attorneys for Trustee, Bernie R. Rakozy

UNITED STATES BANKRUPTCY COURT
DISTRICT OF IDAHO

In Re:

SAWTOOTH ENTERPRISES, INC. dba
BUCKIN' BAGEL,

Debtor.

Case No. 96-03050

**NOTICE OF HEARING AND
MOTION FOR APPROVAL OF
COMPROMISE RE: MEAD**

NOTICE OF HEARING

YOU WILL PLEASE TAKE NOTICE that the Trustee will bring the Motion for Approval of Compromise Re: Mead on for hearing before the Bankruptcy Court, Federal Building, 5th Floor, 550 Fort Street, Boise, Idaho on the **26th day of October, 1999, at the hour of 9:30 a.m.**, or as soon thereafter as counsel can be heard.

MOTION TO APPROVE COMPROMISE

Pursuant to Bankruptcy Rule 9019, the Trustee, Bernie R. Rakozy, moves the court for approval of a compromise between the estate and Margaret A. Mead,, d/b/a Margaret Mead Trust and/or Margaret A. Mead & Associates, LLC ("Mead") whereby Mead will pay the estate \$14,672.30 in exchange for dismissal of a preference claim in the amount of \$18,672.30. In support of this motion, the Trustee alleges as follows:

NOTICE OF HEARING AND MOTION FOR APPROVAL OF COMPROMISE RE: MEAD - 1

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1. On or about November 27, 1996 the Debtor, Buckin' Bagel, filed a voluntary petition for bankruptcy pursuant to Chapter 11 which was converted to Chapter 7 on or about March 13, 1997.

2. Within 90 days of Debtor's bankruptcy petition, Mead received payments totaling \$18,672.30, which were transfers of an interest of the Debtor's property pursuant to 11 U.S.C. § 547(b).

3. Mead maintains that some of the transfers by the Debtor were in payment of debts incurred by the Debtor in the ordinary course of business of the Debtor. Mead claims that the first transfer of \$1,000 was outside the 90 day preference window. Attached as Exhibit "A" is a table summary of the payment transactions. In addition, Mead claims a post-petition administrative expense claim in the Chapter 11 case in an amount of \$5,938.75.

4. The Trustee sued Mead for the preferential transfers in the adversary proceeding styled *Bernie R. Rakozy, Trustee v. American Forms & Labels, Inc. et al.*, Adversary No. 98-6330. The Trustee and Mead have agreed, subject to court approval, to settle this dispute for a payment of \$14,672.30 from Mead with Mead also waiving her post-petition administrative claim of \$5,938.75.

5. The Trustee represents that the settlement is fair and reasonable under the circumstances and is in the best interest of the estate and creditors. The settlement will avoid further expense and legal fees in pursuing the claim. The settlement will further avoid the risk of a judgment in a lesser amount and the risk of non-collection even if the Trustee prevails.

DATED this 21 day of September, 1999.

EVANS, KEANE LLP

By Jed W. Manwaring
Jed W. Manwaring, Of the Firm
Attorneys for Trustee

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21 day of September, 1999 a true and correct copy of the foregoing document was served by first-class mail, postage prepaid, and addressed to; by fax transmission to; by overnight delivery to; or by personally delivering to or leaving with a person in charge of the office as indicated below:

Samuel A. Diddle
Eberle, Berlin, Kading,
Turnbow & McKlveen
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BERNIE R. RAKOZY, TRUSTEE
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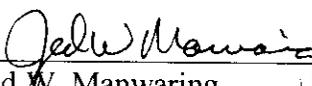
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Jed W. Manwaring

In re: *Sawtooth Enterprises*
 Date of Bankruptcy Filing: November 27, 1996
 Converted: 3/13/97
 90 days prior: August 28, 1996

281-53

MEAD PAYMENT TRANSACTIONS

VENDOR	ACCOUNT NO.	CHECK NO.	DATE OF PAYMENT	AMT OF PAYMENT	COMMENTS
Margaret Mead Trust	46310009	3017	09/19/96	1,000.00	
Margaret Mead Trust	46310009	3062	09/06/96	1,000.00	
Margaret Mead Trust	46310009	3119	09/23/96	1,000.00	
Margaret Mead Trust	46310009	3204	09/23/96	1,000.00	
Margaret Mead Trust	46310009	3250	09/25/96	1,000.00	
Margaret Mead Trust	426700323	402	10/10/96	6,500.00	
Margaret Mead Trust	4267000323	01067	10/23/96	2,250.00	
Margaret Mead Trust	4267000323	01085	11/01/96	1,647.30	
Margaret Mead Trust	4267000323	01140	12/07/96	3,275.00	
TOTAL				\$18,672.30	

