

ENTERED

May 22, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
ZACHRY HOLDINGS, INC., <i>et al.</i> , ¹)	Case No. 24-90377 (MI)
)	
Debtors.)	(Jointly Administered)
)	Re: Docket No. 5

**ORDER (I) AUTHORIZING DEBTORS TO
(A) CONTINUE INSURANCE PROGRAM AND SURETY BOND
PROGRAM AND (B) PAY ALL OBLIGATIONS WITH RESPECT THERETO,
(II) GRANTING RELIEF FROM AUTOMATIC STAY WITH RESPECT TO
WORKERS' COMPENSATION CLAIMS, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "**Motion**")² of the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") for entry of an order (this "**Order**"), pursuant to sections 105(a), 363(b), 363(c), and 1107(a) of the Bankruptcy Code, Bankruptcy Rules 2002 and 6004, and Bankruptcy Local Rules 1075-1, 4002-1, and 9013-1, authorizing but not directing, the Debtors to (i) authorizing the Debtors to (a) continue their insurance and surety bond programs and (b) pay obligations with respect thereto, (ii) granting relief from automatic stay with respect to workers' compensation claims, and (iii) granting related relief, in each case as more fully set forth in the Motion and subject to the terms of this Order; and upon consideration of the First Day Declaration; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this matter being a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and the Court being able to issue a final order consistent with Article III of the United States Constitution; and venue of this

¹ The last four digits of Zachry Holdings, Inc.'s tax identification number are 6814. A complete list of each of the Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers may be obtained on the website of the Debtors' proposed claims and noticing agent at www.kccelle.net/zhi. The location of the Debtors' service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.



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proceeding and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and appropriate notice of and the opportunity for a hearing on the Motion having been given and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the relief requested in the Motion being in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having determined that the legal and factual bases set forth in the Motion and at the hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors shall serve a copy of the Motion and this Order on each Insurance Carrier listed in **Exhibit 1** and each Surety listed in **Exhibit 2** attached to this Order within two business days after entry of this Order.

2. The Debtors are authorized, but not directed, to continue the Insurance Policies and the Surety Bonds as well as any related agreements in the ordinary course of business and consistent with the Debtors' prepetition practice, and to pay any prepetition or postpetition obligations related to the Insurance Policies and Surety Bonds, including the Insurance Obligations and Surety Bond Obligations, in the amounts and categories described in the Motion, so long as the payment of such obligations is subject to and in accordance with the Cash Collateral Order, notwithstanding any failure of the Debtors to include any insurance policy or surety bond in **Exhibit 1** or **Exhibit 2**.

3. The Debtors are authorized, but not directed, to renew, amend, supplement, and/or extend the Insurance Policies, and to purchase new insurance policies in the ordinary course of

business, and to execute other agreements in connection therewith, so long as the payment of such obligations is subject to and in accordance with the Cash Collateral Order.

4. The Debtors are authorized, but not directed, to renew, amend, supplement, and/or extend the Surety Bonds, and to purchase new surety bonds in the ordinary course of business, and to execute other agreements in connection therewith, so long as the payment of such obligations is subject to and in accordance with the Cash Collateral Order.

5. Notwithstanding anything to the contrary in this Order, the Debtors are not authorized to pay any prepetition obligation under or related to any Insurance Policy or Surety Bond, including in respect of any deductible, self-insured retention, or other obligation, or take any action with respect to any Insurance Policy or Surety Bond that would have the effect of transforming a prepetition undersecured or unsecured claim into a postpetition or secured claim. The Debtors may seek such relief by separate motion, which may be heard on an expedited basis. For the avoidance of doubt, this limitation precludes the renewal or replacement of a pre-petition Surety Bond if the effect of the renewal or replacement would be (i) to relieve the prepetition surety on the Surety Bond of obligations under the prepetition Surety Bond; and (ii) create administrative liability by a Debtor for obligations under the renewed or new surety bond.

6. Pursuant to section 362(d) of the Bankruptcy Code, Employees are authorized to proceed with their claims under the Workers' Compensation Program in the appropriate judicial or administrative forum and the Debtors are authorized to continue the Workers' Compensation Program and pay all prepetition amounts relating thereto in the ordinary course of business. This modification of the automatic stay pertains solely to claims under the Workers' Compensation Program.

7. The Debtors shall provide reasonable advance notice to the U.S. Trustee and any statutory committee appointed in these cases if the Debtors renew, amend, supplement, extend, terminate, replace, increase, or decrease existing insurance and surety coverage or change insurance carriers or sureties, enter into any premium financing agreements, or obtain additional insurance coverage or surety bonds.

8. The Debtors shall maintain a matrix or schedule of payments made pursuant to this Order, including the following information: (a) the names of the payee; (b) the date and amount of the payment; (c) the category or type of payment, as further described and classified in the Motion. The Debtors shall provide a copy of such matrix or schedule to the U.S. Trustee and any statutory committee appointed in these chapter 11 cases no later than ten business days following the last day of each calendar month beginning upon entry of this Order.

9. The Debtors are authorized to execute and deliver such documents and to take and perform all actions necessary to implement and effectuate the relief granted in this Order.

10. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized and directed to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Order.

11. The Debtors are authorized to issue postpetition checks or effect postpetition fund transfer requests in replacement of any checks or fund transfer requests that are inadvertently dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

12. Notwithstanding anything to the contrary contained in the Motion or this Order, any payment to be made and any relief or authorization granted hereunder shall be limited by, and shall be subject to, the requirements imposed on the Debtors in any orders entered by this Court authorizing the Debtors' use of cash collateral (any such order, including, for the avoidance of doubt, the approved cash collateral budget, a "**Cash Collateral Order**"). To the extent of any

conflict (but solely to the extent of such conflict) between the terms of this Order and the terms of any Cash Collateral Order, the terms of the Cash Collateral Order will govern.

13. Nothing contained in the Motion or this Order, nor any action taken pursuant thereto, nor any payment made pursuant to the authority granted thereby, is intended to be or shall be construed as: (a) an admission as to the amount of, basis for, or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' rights to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any claim is of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a waiver of any claims or causes of action that may exist against any creditor or interest holder; (f) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (g) a waiver or limitation of the Debtors' rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the Motion are valid and the Debtors expressly reserve their rights to contest the extent, validity, or perfection or seek avoidance of all such liens.

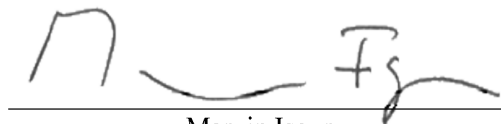
14. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

16. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

17. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Signed: May 22, 2024

A handwritten signature in black ink, appearing to read 'M Isgur', is written over a horizontal line.

Marvin Isgur
United States Bankruptcy Judge

Exhibit 1

Insurance Policies

Exhibit 2

Surety Bonds

United States Bankruptcy Court
Southern District of Texas

In re:
Zachry Holdings, Inc.
Debtor

Case No. 24-90377-mi
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: May 22, 2024

User: ADIuser
Form ID: pdf002

Page 1 of 3
Total Noticed: 5

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on May 24, 2024:

Recip ID	Recipient Name and Address
db	+ Zachry Holdings, Inc., 527 Logwood Avenue, San Antonio, TX 78221-1738
op	+ CB&I LLC, 757 North Eldridge Parkway, Houston, TX 77079-4527
op	+ Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, El Segundo, CA 90245-5648

TOTAL: 3

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
cr	Email/Text: julie.parsons@mvmalaw.com	May 22 2024 20:13:00	The County of Brazos, Texas, McCreary Veselka Bragg & Allen, PC, Attn: Julie Anne Parsons, PO Box 1269, Round Rock, TX 78680-1269
cr	+ Email/Text: julie.parsons@mvmalaw.com	May 22 2024 20:13:00	The County of Medina, Texas, McCreary, Veselka, Bragg & Allen, P.C., P.O. Box 1269, Round Rock, TX 78680, UNITED STATES 78680-1269

TOTAL: 2

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
cr		Bank of america, n.a.
intp		Chiyoda International Corporation

TOTAL: 2 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: May 24, 2024
Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on May 22, 2024 at the address(es) listed below:

District/off: 0541-4
Date Rcvd: May 22, 2024

User: ADIuser
Form ID: pdf002

Page 2 of 3
Total Noticed: 5

Name	Email Address
Alonso Aquije	on behalf of Debtor Zachry Holdings Inc. alonso.aquije@whitecase.com, mco@whitecase.com
Andrew Jimenez	on behalf of U.S. Trustee US Trustee andrew.jimenez@usdoj.gov
Andrew F. O'Neill	on behalf of Debtor Zachry Holdings Inc. aoneill@whitecase.com, mco@whitecase.com
Barrett Lingle	on behalf of Debtor Zachry Holdings Inc. barrett.lingle@whitecase.com, mco@whitecase.com
Bojan Guzina	on behalf of Debtor Zachry Holdings Inc. bojan.guzina@whitecase.com, mco@whitecase.com
Charles A Beckham, Jr	on behalf of Interested Party Chiyoda International Corporation charles.beckham@haynesboone.com kenneth.rusinko@haynesboone.com;jodi.valencia@haynesboone.com
Charles R. Koster	on behalf of Debtor JVIC Fabrication LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry EPC Holdings LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Engineering Corporation ckoster@whitecase.com mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Maintenance Services LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry High Voltage Solutions LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor J.V. Industrial Companies LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Plant Services Holdings Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Moss Point Properties LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Constructors LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Nuclear Engineering Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Industrial Americas Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Enterprise Solutions Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Nuclear Construction Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Computer Simulation & Analysis Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor ZEC Michigan Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor UE Properties Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Nuclear Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Madison Industrial Services Team LLC ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Industrial Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor Zachry Holdings Inc. ckoster@whitecase.com, mco@whitecase.com
Charles R. Koster	on behalf of Debtor ZEC New York Inc. ckoster@whitecase.com, mco@whitecase.com

District/off: 0541-4

User: ADIuser

Page 3 of 3

Date Rcvd: May 22, 2024

Form ID: pdf002

Total Noticed: 5

Christopher T Greco

on behalf of Other Prof. CB&I LLC christopher.greco@kirkland.com
alexandra.schwarzman@kirkland.com;hlamparter@excoresources.com;ecf-9b7a1a52c6e8@ecf.pacerpro.com;whitney.fogelberg
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Clint Simkins

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Demetra Liggins

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Evan Gershbein

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Gabriela Delgado

on behalf of Debtor Zachry Holdings Inc. gabriela.delgado@whitecase.com

Jana Smith Whitworth

on behalf of U.S. Trustee US Trustee jana.whitworth@usdoj.gov

Julie Anne Parsons

on behalf of Creditor The County of Brazos Texas jparsons@mvalaw.com,
vcovington@mvalaw.com;kalexander@mvalaw.com;julie.parsons@ecf.courtdrive.com

Julie Anne Parsons

on behalf of Creditor The County of Medina Texas jparsons@mvalaw.com,
vcovington@mvalaw.com;kalexander@mvalaw.com;julie.parsons@ecf.courtdrive.com

Richard James Szuba

on behalf of Debtor Zachry Holdings Inc. rj.szuba@whitecase.com

US Trustee

USTPRegion07.HU.ECF@USDOJ.GOV

TOTAL: 37