

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

In re:

ZACHRY HOLDINGS, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 24-90377 (MI)
)
) (Jointly Administered)
)

STIPULATION AND AGREED ORDER RESOLVING PROOF OF CLAIM

This stipulation and agreed order (“**Stipulation and Agreed Order**”) is made and entered into by and among the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) and Kraft Heinz Foods Company (“**Kraft Heinz**,” and together with the Debtors, the “**Parties**”) regarding Proof of Claim No. 1088 filed by Kraft Heinz. The Parties hereby stipulate and agree as follows:

WHEREAS, on May 21, 2024, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Court**”);

WHEREAS, the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409;

WHEREAS, on September 5, 2024, Kraft Heinz filed an unsecured claim in the amount of \$675,000 against Zachry Engineering Corporation and was assigned Proof of Claim No. 1088 (the “**Proof of Claim**”);

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 <https://veritaglobal.net/zhi>. The location of the Debtors' service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.



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WHEREAS, the Proof of Claim seeks damages on account of the Debtors' alleged defective work related to the "Capri Sun" renovation project at Kraft Heinz's Winchester, Granite City, and Fresno plants;

WHEREAS, the Debtors deny the basis for the Proof of Claim filed by Kraft Heinz;

WHEREAS, the Debtors have a claim against Kraft Heinz for no less than \$151,019.02 for work performed on a separate Kraft Heinz project (the "**Champaign Vinegar Invoice**"); and

WHEREAS, the Debtors and Kraft Heinz have agreed to resolve the Proof of Claim and the Champaign Vinegar Invoice, as provided herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED, AGREED, AND ORDERED:

1. Kraft Heinz shall pay the Debtors \$44,019.02 on account of the Champaign Vinegar Invoice within fourteen (14) calendar days of entry of this Stipulation and Agreed Order, reflecting a reduction of \$107,000.
2. The Debtors shall provide Kraft Heinz with certain documents and data that Kraft Heinz has requested pertaining to the "Capri Sun" renovation project within three (3) business days of entry of this Stipulation and Agreed Order.
3. The Proof of Claim is deemed withdrawn, and all amounts asserted by Kraft Heinz against the Debtors are disallowed.
4. Kraft Heinz is deemed to have unconditionally and irrevocably released, waived, and discharged each Debtor and each Debtor's respective directors, officers, employees, affiliates and advisors from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever asserted or that may be asserted by or on behalf of Kraft Heinz, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, based on or relating to, or in any manner arising from, in whole or in part, the withdrawn

Proof of Claim, except for any claims relating to rights and obligations preserved by, created by or otherwise arising out of this Stipulation and Agreed Order.

5. Consistent with and to the extent set forth in the *Further Modified First Amended Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and Its Debtor Affiliates* [Docket No. 2431], the Debtors are deemed to have unconditionally and irrevocably released, waived, and discharged Kraft Heinz and each of Kraft Heinz's directors, officers, employees, affiliates and advisors from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever asserted or that may be asserted by or on behalf of Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, based on or relating to, or in any manner arising from, in whole or in part, the withdrawn Proof of Claim and the Champaign Vinegar Invoice, except for any claims relating to rights and obligations preserved by, created by or otherwise arising out of this Stipulation and Agreed Order.

6. Nothing contained in this Stipulation and Agreed Order, and no action taken by the Debtors or Kraft Heinz in connection herewith, is intended as or shall be construed or deemed to be an admission as to (i) the amount of, basis for, or validity of any claim of Kraft Heinz against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law or (ii) fault with respect to the alleged defective work on the "Capri Sun" renovation project, which at all times has been denied by the Debtors.

7. Kurtzman Carson Consultants, LLC (dba Verita Global), as claims, noticing and solicitation agent, is authorized and directed to update the claims register maintained in these chapter 11 cases to reflect the relief granted in this Stipulation and Agreed Order.

8. The Debtors are authorized to take any and all actions necessary to effectuate this Stipulation and Agreed Order, including making modifications to the claims register to reflect the terms of this Stipulation and Agreed Order.

9. The terms and conditions of this Stipulation and Agreed Order shall be immediately effective and enforceable upon entry by the Court.

10. This Stipulation and Agreed Order is intended by the Parties to be binding upon their successors, agents, assigns, including bankruptcy trustees and estate representatives, and any parent, subsidiary, or affiliated entity of the Parties.

11. This Stipulation and Agreed Order may be signed in counterparts and signatures may be delivered by fax or email, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Each of the undersigned counsel that executes this Stipulation and Agreed Order by or on behalf of each respective Party represents and warrants that such undersigned counsel has been duly authorized and empowered to execute and deliver this Stipulation and Agreed Order on behalf of such Party.

12. Each Party represents and warrants that it is duly authorized to enter into and be bound by this Stipulation and Agreed Order.

13. This Stipulation and Agreed Order constitutes the entire agreement between the Parties with respect to the subject matter hereof and shall not be modified, altered, amended, or vacated without the prior written consent of all Parties hereto or by order of the Court. This Stipulation and Agreed Order supersedes any and all agreements, whether written or oral, that may have previously existed between the Parties with respect to the matters set forth herein. No statements, promises, or representations have been made by any Party to any other, or relied upon,

and no consideration has been offered, promised, expected, or held out other than as expressly provided for herein.

14. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Stipulation and Agreed Order. Any requests for relief brought before the Court to resolve a dispute arising from or related to this Stipulation and Agreed Order, and the matters agreed to herein, shall be brought on proper notice and in accordance with the relevant Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of Texas.

Signed: _____, 2025

THE HON. MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

STIPULATED AND AGREED TO THIS 8TH DAY OF APRIL, 2025:

/s/ Charles R. Koster

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Certificate of Service

I certify that on April 8, 2025 I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Charles R. Koster
Charles R. Koster