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

In re:	)	Chapter 11
ZACHRY HOLDINGS, INC., *et al.*[1]	)	Case No. 24-90377 (MI)
Debtors.	)	(Jointly Administered)

NOTICE OF FILING OF STATEMENT OF THE STATUTORY UNSECURED CLAIMHOLDERS' COMMITTEE REGARDING ZACHRY'S PROPOSED PLAN OF REORGANIZATION

PLEASE TAKE NOTICE that, on November 5, 2024, the above-captioned debtors and debtors in possession (collectively, the "**Debtors**") filed in the United States Bankruptcy Court for the Southern District of Texas the *Motion for Entry of an Order (I) Scheduling a Combined Disclosure Statement Approval and Plan Confirmation Hearing, (II) Conditionally Approving the Disclosure Statement, (III) Approving the Solicitation Timeline, Solicitation Procedures, Solicitation Package, and Notices, (IV) Establishing Procedures for Objecting to the Plan and Final Approval of the Disclosure Statement, and (V) Granting Related Relief* [Docket No. 1322] (the "**Solicitation Procedures Motion**"). The Debtors attached a proposed order and related exhibits to the Solicitation Procedures Motion [Docket No. 1322-1].

PLEASE TAKE FURTHER NOTICE that, on November 12, the Debtors filed the *Notice of Filing of Redlines of Modified Solicitation Procedures Order and Related Exhibits* [Doc. No. 1376], which included, among other exhibits, a placeholder for the *Statement of the Statutory Unsecured Claimholders' Committee Regarding Zachry's Proposed Plan of Reorganization* (the "**Committee Letter**").

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit A** is the Committee Letter.

[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' claims and noticing agent at www.veritaglobal.net/ZHI. The location of the Debtors' service address in these chapter 11 cases is: P.O. Box 240130, San Antonio, Texas 78224.

Dated: November 12, 2024
Houston, Texas

/s/ Charles R. Koster

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Debtors in Possession

Certificate of Service

I certify that on November 12, 2024, 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

Exhibit A

Committee Letter

Statement of the Statutory Unsecured Claimholders' Committee Regarding Zachry's Proposed Plan of Reorganization

November 12, 2024

To Holders of General Unsecured Claims in Class 5:

The Statutory Unsecured Claimholders' Committee of Zachry Holdings, Inc., *et al*. (the "**Committee**") serves as the fiduciary for General Unsecured Claimholders in the chapter 11 cases of Zachry Holdings, Inc. and certain of its affiliates (collectively, the "**Debtors**"). The Committee writes to **strongly encourage General Unsecured Claimholders to vote to accept the Plan**.[1]

You should carefully read all the materials that accompany this letter (as it may be supplemented, the "**Letter**"), including the instructions for completing and mailing your Ballot. All Ballots must be **received** by the Claims and Noticing Agent by **December 10, 2024 at 4:00 p.m. (prevailing Central Time) (the "Voting Deadline")** to be counted.

The Committee believes the Plan represents an outstanding outcome for General Unsecured Claimholders in these chapter 11 cases. It provides holders of Allowed General Unsecured Claims with "payment in full in Cash" equal to the allowed amount of such claims. If confirmed, this would represent an extraordinary result for unsecured claimholders. In many bankruptcy proceedings, unsecured creditors receive little to no recovery due to the lower priority of their claims in relation to secured and statutorily prioritized claims. The Committee commends the Debtors and their professionals for the progress they have made throughout these cases that has enabled them to propose a plan offering General Unsecured Claimholders full cash recoveries on their Allowed Claims.

The Committee has also worked closely with the Debtors and their professionals to ensure the Plan contains significant protections for General Unsecured Claimholders. These include:

- Payment of Allowed Claims in Cash within 5 business days after the Effective Date (the "**Initial Distribution Date**");
- If the Debtors object to a General Unsecured Claim and it is ultimately Allowed (or if the Debtors fail to make distributions on the Initial Distribution Date for any General Unsecured Claim that is Allowed as of the Effective Date), interest shall accrue from the Effective Date at the Federal Judgment Rate; and
- Fixing of the Claim Objection Deadline to the Effective Date, subject to the Debtors' ability to seek to extend the deadline once, for cause shown, for a maximum of 30 days for specifically identified claims.

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[1] Capitalized terms used but not otherwise defined have the meaning given to them in the *Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and Its Debtor Affiliates* (as may be modified, amended, or supplemented from time to time, the "**Plan**") [Docket No. [●]].

Support of the Plan by General Unsecured Claimholders will promote the Debtors' ability to confirm the Plan.[2] The sooner the Debtors are able to exit bankruptcy, the sooner General Unsecured Claims will receive payment on their Allowed Claims, and the Debtors are able to get back to business as usual. The Committee anticipates the Debtors will exit bankruptcy as a viable and thriving going concern and continue their productive business and trade relationships they have historically enjoyed with their creditors.

More information about the Plan and voting procedures can be found on the Committee's website: **https://www.veritaglobal.net/zachrycommittee**.

The positions taken by the Committee in this Letter are those of the Committee and/or its advisors and have not been endorsed by the Bankruptcy Court. Each creditor (including individual members of the Committee) must make its own independent decision as to whether or not the Plan is acceptable to that creditor and should consult with its own legal and/or financial advisor(s) before voting to accept or reject the Plan and determining whether to opt-out of the Third-Party Releases.

YOU ARE URGED TO CAREFULLY READ THE DISCLOSURE STATEMENT AND THE PLAN. THE DESCRIPTION OF THE PLAN IN THIS LETTER IS INTENDED TO BE ONLY A SUMMARY.

THIS COMMITTEE LETTER MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN THE COMMITTEE'S VIEWS ON HOW TO VOTE ON THE PLAN, AND THE INFORMATION CANNOT BE RELIED UPON FOR ANY OTHER PURPOSE. THE COMMITTEE DOES NOT GUARANTEE ANY PARTICULAR RESULT IN THE DEBTORS' CHAPTER 11 CASES.

THIS LETTER DOES NOT CONSTITUTE, AND SHALL NOT BE CONSTRUED AS, LEGAL ADVICE OR A SOLICITATION BY ANY INDIVIDUAL MEMBER OF THE COMMITTEE.

Respectfully,

The Statutory Unsecured Claimholders' Committee

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[2] Confirmation of the Plan may depend on, among other things, the Debtors successfully raising sufficient exit financing and resolving the treatment of the Prepetition Credit Facility Claims. The Committee will work constructively with the Debtors to achieve a favorable resolution of these and other issues. Should the Debtors be unable to resolve these issues, the Plan may need to be amended, and if such amendment is adverse to General Unsecured Claimholders' proposed treatment, the Committee may update this letter and inform General Unsecured Claimholders of its position on these developments.