

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

In re:	)	
	)	Chapter 11
	)	
Computer Simulation & Analysis, Inc. <sup>1</sup>	)	Case No. 24-90391 (MI)
	)	
Reorganized Debtor.	)	
	)	<b>Re: Docket No. 334</b>

**CERTIFICATE OF COUNSEL REGARDING STIPULATION AND  
AGREED ORDER REGARDING THE CLAIM OF COMMONWEALTH ELECTRIC**

Pursuant to the *Procedures for Complex Cases in the Southern District of Texas*, counsel to the above-captioned reorganized debtors and debtors in possession (collectively, the “**Reorganized Debtors**”) certifies as follows:

1. On December 1, 2025, the Reorganized Debtors filed the *Stipulation and Agreed Order Regarding the Claim of Commonwealth Electric* [Docket No. 334] (the “**Stipulation**”) between the Reorganized Debtors, Commonwealth Electric Company of the Midwest, Travelers Casualty and Surety Company, and Pacific Indemnity Company (collectively, the “**Parties**”).
2. The Court held a hearing on the Stipulation on December 8, 2025 and directed the Parties to incorporate certain revisions to the Stipulation.
3. The undersigned counsel certifies that the attached revised Stipulation (the “**Revised Stipulation**”) incorporates the Court’s comments and that each of the Parties has

<sup>1</sup> The last four digits of the federal tax identification number for Computer Simulation & Analysis, Inc. are 4097. The location of the Reorganized Debtor’s service address in this chapter 11 case is: P.O. Box 240130, San Antonio, Texas 78224. On June 27, 2025, the Bankruptcy Court entered the *Final Decree Closing Certain of the Chapter 11 Cases* (Case No. 24-90377 (MI), Docket No. 3178) closing the chapter 11 cases for Zachry Holdings, Inc., Zachry EPC Holdings, Inc., Zachry Engineering Corporation, ZEC New York, Inc., Zachry High Voltage Solutions, LLC, UE Properties, Inc., ZEC Michigan, Inc., Zachry Constructors, LLC, Zachry Industrial, Inc., Zachry Enterprise Solutions, LLC, Moss Point Properties, LLC, Zachry Nuclear Construction Inc., Zachry Nuclear, Inc., Zachry Nuclear Engineering, Inc., Zachry Plant Services Holdings, Inc., JVIC Fabrication, LLC, Zachry Industrial Americas, Inc., Zachry Maintenance Services, LLC, J.V. Industrial Companies, LLC, Madison Industrial Services Team, LLC.



consented to entry of the Revised Stipulation. A redline reflecting the changes made in the Revised Stipulation is attached hereto as **Exhibit A**.

Dated: December 10, 2025  
Houston, Texas

*/s/ Charles R. Koster*

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**WHITE & CASE LLP**

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*Counsel to the Reorganized Debtors*

**Certificate Of Service**

I certify that on December 10, 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

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

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In re:

Computer Simulation & Analysis, Inc.<sup>1</sup>

Reorganized Debtor.

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Chapter 11

Case No. 24-90391 (MI)

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**STIPULATION AND AGREED ORDER  
REGARDING THE CLAIM OF COMMONWEALTH ELECTRIC**

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This stipulation and agreed order (this “**Stipulation and Agreed Order**”) is made by and among Zachry Holdings, Inc. and its affiliated reorganized debtors (collectively, and including Zachry Industrial, Inc., the “**Reorganized Debtors**”), Commonwealth Electric Company of the Midwest (“**Commonwealth Electric**”), and Travelers Casualty and Surety Company and Pacific Indemnity Company (together, the “**Sureties**” and, together with the Reorganized Debtors and Commonwealth Electric, the “**Parties**” and each a “**Party**”). The Parties hereby stipulate and agree as follows:

**WHEREAS**, on May 21, 2024, the Reorganized Debtors commenced these chapter 11 cases (the “**Chapter 11 Cases**”) in the United States Bankruptcy Court for the Southern District of Texas (the “**Court**”);

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<sup>1</sup> The last four digits of the federal tax identification number for Computer Simulation & Analysis, Inc. are 4097. The location of the Reorganized Debtor’s service address in this chapter 11 case is: P.O. Box 240130, San Antonio, Texas 78224. On June 27, 2025, the Bankruptcy Court entered the *Final Decree Closing Certain of the Chapter 11 Cases* (Case No. 24-90377 (MI), Docket No. 3178) closing the chapter 11 cases for Zachry Holdings, Inc., Zachry EPC Holdings, Inc., Zachry Engineering Corporation, ZEC New York, Inc., Zachry High Voltage Solutions, LLC, UE Properties, Inc., ZEC Michigan, Inc., Zachry Constructors, LLC, Zachry Industrial, Inc., Zachry Enterprise Solutions, LLC, Moss Point Properties, LLC, Zachry Nuclear Construction Inc., Zachry Nuclear, Inc., Zachry Nuclear Engineering, Inc., Zachry Plant Services Holdings, Inc., JVIC Fabrication, LLC, Zachry Industrial Americas, Inc., Zachry Maintenance Services, LLC, J.V. Industrial Companies, LLC, Madison Industrial Services Team, LLC.

**WHEREAS**, on August 23, 2024, Commonwealth Electric sued the Sureties in the U.S. District Court for the District of Nebraska (Case No. 24-CV-3149, the “**Nebraska Litigation**”), seeking payment from the Sureties of all amounts allegedly owed by the Debtors to Commonwealth Electric;

**WHEREAS**, on August 27, 2024, Commonwealth Electric filed its proof of claim in the Chapter 11 Cases (Claim No. 1003) (the “**Claim**”), seeking the same amount at issue in the Nebraska Litigation;

**WHEREAS**, on February 20, 2025, the Reorganized Debtors filed the *Debtors’ Objection to the Claim of Commonwealth Electric Company of the Midwest (Claim No. 1003)* [Docket No. 2336] (the “**Claim Objection**”), disputing the validity of the Claim;

**WHEREAS**, on March 21, 2025, Commonwealth Electric filed its *Response to Debtors’ Objection to the Claim of Commonwealth Electric Company of the Midwest (Claim No. 1003)* [Docket No. 2602] (the “**Response**”);

**WHEREAS**, on April 10, 2025, the Plan went effective (the “**Effective Date**”);<sup>2</sup>

**WHEREAS**, on May 23, 2025, Commonwealth Electric filed its *Motion for Summary Judgment with Respect to Debtors’ Objection to the Claim of Commonwealth Electric Company of the Midwest* [Doc. 2953] (the “**Summary Judgment Motion**”);

**WHEREAS**, on July 15, 2025, the United States District Court for the District of Nebraska entered an order (the “**Stay Order**”) staying the Nebraska Litigation.

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the *Further Modified First Amended Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and Its Debtor Affiliates* [Case No. 24-90377 (MI), Docket No. 2362].

**WHEREAS**, in August 2025, the Reorganized Debtors caused a partial payment of the Claim to be made to Commonwealth Electric, totaling \$2,764,286.76, utilizing escrowed retainage from the Standing Bear Lake Station project;<sup>3</sup>

**WHEREAS**, to avoid unnecessary costs and the uncertainty of litigation, the Parties have agreed to settle their disputes with respect to the Claim on the terms and conditions set forth in this Stipulation and Agreed Order.

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

1. The Claim (Claim No. 1003) shall be settled and allowed, pursuant to the Plan, as a General Unsecured Claim in the amount of \$2,594,743.86, *plus* interest required under the GUC Note Documents and Article III.C.6 of the Plan (including postpetition interest totaling \$118,425.69), and *excluding* attorneys' fees, costs and any additional amounts sought by Commonwealth Electric from the Reorganized Debtors in the Claim or otherwise (the "**Allowed Commonwealth Claim Amount**").

2. The GUC Note Administrative Agent is hereby directed to update the notes register maintained pursuant to the Plan and GUC Note Documents to reflect Commonwealth Electric's entitlement to a GUC Promissory Note with a value equaling the Allowed Commonwealth Claim Amount.

3. Within five (5) business days of the entry of this Stipulation and Agreed Order and the Reorganized Debtors' receipt of payment instructions from Commonwealth Electric, whichever is later, the Reorganized Debtors shall pay \$100,000.00 to Commonwealth Electric in cash.

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<sup>3</sup> See Order (I) Approving Settlement By and Among the Debtors and Omaha Public Power District, (II) Authorizing the Debtors to Amend and Assume (As Amended) the Omaha Public Power District Contract, and (III) Granting Related Relief [Docket No. 961].

4. Upon (a) the GUC Note Administrative Agent's issuance of a GUC Promissory Note pursuant to paragraph 2, and (b) the Reorganized Debtors' payment to Commonwealth Electric pursuant to paragraph 3 (the time at which both (a) and (b) have occurred, the "**Effective Time**"), the Claim shall be deemed satisfied in full and all liabilities of the Reorganized Debtors in respect of the Claim shall be deemed settled, extinguished, and discharged, except for the Reorganized Debtors' payment obligations of the GUC Promissory Note pursuant to the Plan and applicable law, and subject to paragraph 8 below.

5. Upon the Effective Time, except as set forth in paragraph 8 below, the Reorganized Debtors (on behalf of themselves and each of their respective Related Parties (as defined in the Plan)), Commonwealth Electric (on behalf of itself and its Related Parties), and the Sureties shall be deemed to have mutually released each other and each of their Related Parties from any and all claims and causes of action whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, based on or relating to, or in any manner arising from, in whole or in part, the Claim, the Debtors, the Estates, the Reorganized Debtors, the Chapter 11 Cases, and the business or contractual arrangements or interactions between the Debtors or Reorganized Debtors (as applicable) and Commonwealth Electric, including without limitation claims or causes of action that may be held by Commonwealth Electric against the Reorganized Debtors related to any warranties, guarantees, bonds, advance payments, default damages, delay damages, rejection damages, subrogation claims, and/or vendor or subcontractor payments, in all cases based upon

any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Time. Notwithstanding anything to the contrary herein, nothing herein shall be construed as a waiver of any of the Sureties' rights under any agreement of indemnity, including but not limited to any general agreement of indemnity with the Reorganized Debtors. The foregoing Release in paragraph 5 expressly reserves and does not waive or release Commonwealth Electric's rights against the Reorganized Debtors under the GUC Promissory Note issued by the GUC Note Administrative Agent.

6. The Summary Judgment Motion is hereby dismissed as moot.

7. Within five (5) business days of the Effective Time, Commonwealth Electric shall dismiss the Nebraska Litigation with prejudice and without an award of costs and attorneys' fees associated with the litigation.

8. Commonwealth and the Sureties have executed a Release and Guarantee Agreement, wherein the Sureties agreed to guarantee the Reorganized Debtors' payment of the Allowed Commonwealth Claim Amount. A copy of the Release and Guarantee Agreement is attached as **Exhibit 1** and incorporated by reference herein. The Reorganized Debtors' payment obligations of the Allowed Commonwealth Claim Amount are governed by the Plan. The Reorganized Debtors reaffirm their obligations as set forth in the Plan to the Sureties to repay any losses incurred by the Sureties, in accordance with the terms of any general agreement of indemnity and the Release and Guarantee Agreement.

9. The Claim Objection as to Claim No. 1003 is deemed resolved on the terms set forth herein.



10. 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.

11. This Stipulation and Agreed Order is subject to the approval of the Court and shall be of no force and effect unless it is approved by the Court.

12. The terms and conditions of this Stipulation and Agreed Order shall be immediately effective and enforceable upon entry by the Court, except as otherwise set forth herein.

13. 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.

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

15. 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.

16. 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.

Signed: \_\_\_\_\_, 2025

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THE HON. MARVIN ISGUR  
UNITED STATES BANKRUPTCY JUDGE

**STIPULATED AND AGREED THIS 10TH DAY OF DECEMBER, 2025:**

/s/ Charles R. Koster

**WHITE & CASE LLP**

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*Counsel to Travelers Casualty and Surety  
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/s/ T. Josh Judd

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*Counsel to Commonwealth Electric*

**Certificate of Service**

I certify that on December 10, 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

**Exhibit 1**

**Release and Guarantee Agreement**

## **RELEASE AND GUARANTEE AGREEMENT**

This Release and Guarantee Agreement (the “Agreement”) is entered into on the date referenced below by Travelers Casualty and Surety Company of America (“Travelers”) and Pacific Indemnity Company (“Pacific”) (collectively, the “Surety”), and Commonwealth Electric Company of the Midwest (“Commonwealth”). The Surety and Commonwealth are collectively referred to herein as the “Parties.”

### **RECITALS**

1. Commonwealth has asserted claims against the Surety, which arose out of Payment and Performance Bonds, identified as Travelers Bond No. 107261753 and Pacific Bond No. 82455022 (the “Bonds”), executed on behalf of Zachry Industrial, Inc. (“Zachry”). As set forth in the Bonds, the Bonds were provided to guarantee Zachry’s work and payment obligations at the Turtle Creek Electrical Power Generation Facility (the “Turtle Creek Project”) and the Standing Bear Lake Station Electric Power Generation Facility (the “Standing Bear Project”) (collectively, the “Projects”);

2. On or around August 11, 2023, Commonwealth and Zachry executed five (5) subcontract agreements to provide labor and materials on the Turtle Creek and Standing Bear Projects (the “Subcontracts”), identified as Subcontract 605028; Subcontract 600327; Subcontract 598870; Subcontract 598862; and Subcontract 600359;

3. On May 21, 2024, Zachry commenced Chapter 11 cases (“Zachry’s Bankruptcy”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”);

4. On August 23, 2024, Commonwealth sued the Surety in the U.S. District Court for the District of Nebraska (Case No. 24-CV-3149, the “Nebraska Litigation”), seeking payment from the Surety of all amounts allegedly owed by Zachry to Commonwealth;

5. On August 27, 2024, Commonwealth filed its proof of claim in the Chapter 11 Cases (Claim No. 1003) (the “Claim”), seeking the same amount at issue in the Nebraska Litigation;

6. On September 19, 2024, the Surety filed its Answer and Jury Demand in the Nebraska Litigation, wherein the Surety disputed Commonwealth’s claims and asserted certain affirmative defenses;

7. On February 27, 2025, the Bankruptcy Court issued its Findings of Fact, Conclusions of Law, and Order (I) Approving the Debtors’ Disclosure Statement on a Final Basis and (II) Confirming the Further Modified First Amended Joint Chapter 11 Plan of Reorganization of Zachry Holdings, Inc. and its Debtor Affiliates, including Zachry Industrial, Inc. (the “Plan”);

8. On July 15, 2025, the Court in the Nebraska Litigation issued is Memorandum and Order, wherein the Court stayed the Nebraska Litigation pending the resolution of Commonwealth’s Claim in the Bankruptcy Court;

9. Zachry Holdings, Inc. and its Debtor Affiliates, including Zachry Industrial, Inc. and Commonwealth settled Commonwealth's Claim in the Bankruptcy Court subject to a Stipulation and Agreed Order, which includes the Surety's guarantee of certain payments from Zachry to Commonwealth (but no other payments by Zachry to any other creditor), as set forth in this Agreement. The Surety's obligations under this Agreement shall only arise if there is an uncured default by Zachry on its payment obligations to Commonwealth pursuant to the Stipulation and Agreed Order Regarding the Claim of Commonwealth and Zachry's Bankruptcy Plan;

10. The Parties anticipate that the debt will be repaid as follows, subject to the approval of the Bankruptcy Court.

11. Under the GUC Note Payment Schedule and Zachry's bankruptcy plan, Zachry will issue a promissory note to Commonwealth for Commonwealth's General Unsecured Claim in the amount of \$2,594,743.86 plus post-petition interest totaling \$118,425.69 for a total GUC Note amount of \$2,713,169.55, which shall accrue 15% interest from the effective date of the Plan through the GUC Note's maturity. 7.5% of interest on the GUC Note shall be paid in kind at the GUC Note's maturity as part of a Balloon Payment. The 7.5% cash interest is payable to Commonwealth on the schedule and in the amounts set forth below:

<b><u>Payment Due Date</u></b>	<b><u>Payment Amount</u></b>
12/31/2025	\$147,737.66
03/31/2026	\$52,907.19
06/30/2026	\$54,484.34
09/30/2026	\$56,113.04
12/31/2026	\$57,173.81
03/31/2027	\$56,988.23
06/30/2027	\$58,687.03
09/30/2027	\$60,441.37
12/31/2027	\$61,583.96
03/31/2028	\$61,896.53
06/30/2028	\$63,050.74
07/03/2028	\$2,117.36

12. Once the GUC Note reaches maturity (per Zachry's bankruptcy Plan), Zachry will issue a balloon payment in the amount of \$3,448,468.16 on July 3, 2028 ("Balloon Payment"). The Balloon Payment reflects the starting note balance of \$2,713,169.55, plus accrued paid in kind interest and the final cash interest due at maturity; and

13. The Parties desire to settle on mutually satisfactory terms the claims and disputes and Nebraska Litigation relating to the Subcontracts, Bonds, and the Projects, without resorting to further litigation.

**AGREEMENT**

The Parties agree as follows:

1. **GUARANTEE.** In consideration of the releases and assignments set forth below, the Surety hereby agrees to guarantee Zachry's payment obligations to Commonwealth under the Stipulation and Agreed Order Regarding the Claim of Commonwealth and Zachry's Bankruptcy Plan. If at any time Zachry fails to issue payment to Commonwealth as required under Zachry's Bankruptcy Plan, Commonwealth will provide written notice to the Surety of Zachry's failure to issue the payment to allow the Surety an opportunity to cure the missed payment. Notice shall be provided to the Surety via U.S. First Class Mail and Electronic Mail as follows:

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**Pacific Indemnity Company**

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If the Surety or Zachry have not cured the missed payment within ten days of the Surety receiving notice of the missed payment, the Surety shall issue payment to Commonwealth for the entire remaining amount due to Commonwealth, with interest then accrued to date within forty-five days of the Surety's and Zachry's failure to cure the missed payment (the "Surety Payment"). The Surety's obligations are limited to the Unpaid Principal Balance of the GUC Note owed by Zachry to Commonwealth (but no other creditor) as set out in Recital Paragraph 12 above, plus any interest accrued prior to the Surety Payment.

The Surety shall be obligated to pay accrued to date paid in kind interest and any accrued cash interest that is due at the time of the Surety Payment, and which has not previously been paid by Zachry, but the Surety shall have no liability for any interest that accrues after the Surety Payment or be liable for any other expenses or costs, including attorney fees, under the GUC Note, the Stipulation, and/or this Agreement. If a conflict exists between the GUC Note, the Stipulation, or this Agreement, this Paragraph 1 shall control as to the Surety's Obligations.

2. **RELEASE AND DISCHARGE.** In consideration of the guarantee called for herein and other good and adequate consideration, Commonwealth does hereby for itself and its heirs, executors, administrators, predecessors, successors, assigns, branches, subsidiaries, agents, servants, and all other persons, firms, corporations, associations or partnerships and any and all other parties claiming through or under Commonwealth, all of whom are simply referred to herein as "Commonwealth", unequivocally and without reservation, releases, acquits, and forever discharges the Surety and its agents, employees, predecessors, successors, servants, heirs, executors, administrators, subsidiaries, obligees, attorneys and all other persons, firms, corporations, associations and partnerships of and from any and all liability, actions, causes of action, claims, demands, damages, costs, loss of services, loss of properties, expenses, compensation and any and all consequential damages or injuries, based on claims, known or unknown, which were brought or could have been brought in Case No. 24-CV-3149 or any other case sounding in statute, contract, tort or any other legal theory, which Commonwealth now has, or which may hereafter arise, be discovered or accrue, known or unknown, suspected or unsuspected, on account of, relating to, or in any way growing out of the Subcontracts, the Bonds, the Projects, the Claim, the Nebraska Litigation, and Zachry's Bankruptcy. The Surety's liability to Commonwealth under the Bonds is hereby forever extinguished as are any and all claims in relation thereto, however attenuated. Notwithstanding the foregoing, this Release shall not apply to the Parties' obligations under this Agreement. Further, nothing herein shall be construed as a waiver of any of the Surety's rights under any agreement of indemnity, including but not limited to any general agreement of indemnity and any riders thereto between Surety and Zachry and/or any of its affiliates. Through the Stipulation and Agreed Order Regarding the Claim of Commonwealth Electric filed in Zachry's bankruptcy proceedings, Zachry has reaffirmed its obligations to the Surety to repay any losses incurred by the Surety, including any losses the Surety incurs pursuant to this Agreement.

3. **GENERAL RELEASE.** Commonwealth hereby acknowledges and agrees that the Release set forth above in paragraph 2 constitutes a general release of claims against the Surety and Commonwealth further expressly waives and assumes the risk of any and all claims for damages which exist as of this date, but of which Commonwealth does not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known,

would materially affect Commonwealth's decision to enter into this Agreement. Commonwealth further agrees that Commonwealth has accepted the benefit of the Surety's guarantee of Zachry's payment obligations under the Stipulation and Agreed Order Regarding the Claim of Commonwealth and Zachry's Bankruptcy Plan as outlined in paragraph 1 of this Agreement as a complete compromise of matters between and among Commonwealth and the Surety involving the Projects, the Subcontracts, the Bonds, the Claim, the Nebraska Litigation, and Zachry's Bankruptcy and disputed issues of law and fact, and Commonwealth assumes the risk that the facts or law may be otherwise than Commonwealth believes. It is understood and agreed by Commonwealth that this settlement is a compromise of disputed claims between and among Commonwealth and the Surety, and the payment provided for herein is not to be construed as an admission of liability on the part of the Surety, by whom liability is expressly denied.

4. **RESERVATION OF RIGHTS.** Nothing herein shall be construed as a waiver of any of the Surety's rights under any agreement of indemnity, including but not limited to any general agreement of indemnity or riders, or otherwise. The Surety expressly reserves any and all rights it may have to recover any and all losses it incurs from Zachry or from any other indemnitors relating to the Bonds and/or any indemnity agreement.

5. **SCOPE OF AGREEMENT.** This Agreement is intended as a release of all claims of the kind or nature set forth above as to all persons, firms or corporations, regardless of whether such persons are specifically named or designated herein, and regardless of whether such persons, firms or corporations are parties to any litigation arising out of this matter, except to the extent any limitations are specifically designated herein to the contrary.

6. **ENTIRE AGREEMENT AND SUCCESSORS IN INTEREST.** This Agreement contains the entire agreement between the Parties regarding the matters set forth herein. Further, the terms of this Agreement are contractual and not a mere recital. This Agreement shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, devisees, agents, employees, officers, directors, trustees, conservators, guardians, beneficiaries, heirs, successors and assigns of each.

7. **NO ADMISSION OF LIABILITY.** It is understood and agreed that this Agreement is a compromise of disputed claims, and that payment thereon is not to be construed as an admission of liability on the part of the Surety, Commonwealth, or Zachry, by whom liability is expressly denied.

8. **MISTAKE.** The Parties expressly assume all risks that this Agreement was a result of any mistake of any kind, waiving all claims or defenses based upon the doctrine of mistake. This Agreement shall act as an accord and satisfaction with respect to the Parties and all claims designated herein.

9. **SEVERABILITY.** If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

10. **HEADINGS.** The headings of the various paragraphs contained herein are for convenience of reference only and shall not affect the meaning or construction of any of the provisions of this Agreement.

11. **CONSTRUCTION OF THE AGREEMENT.** Except to the extent modified herein, this entire Agreement shall be construed and interpreted in accordance with the laws of the State of Nebraska. Further, the language of this Agreement shall be construed as a whole, according to its intent, and not strictly for or against any of the Parties, regardless of who drafted or was primarily responsible for drafting any of the language in this Agreement. The Parties acknowledge that they have been given the opportunity to object to, request modification of, or reject any clause or provision herein to which they do not agree. Should any Court find any provision in this Agreement to be ambiguous, then such provision shall be construed in the broadest possible manner.

12. **REPRESENTATION OF COMPREHENSION OF DOCUMENT.** In entering into this Agreement, each individual undersigned represents that he has relied upon the legal advice of his attorneys, who were the attorneys of his own choice, and that the terms of the Agreement have been completely read and explained to him by his attorneys, and that the terms are fully understood and voluntarily accepted by him, and that he has signed the Agreement as his own free act, pursuant to the by-laws of and on behalf of the applicable Party. No Party has relied upon any statements or representations made by the other or any of its agents, attorneys, employees or other persons representing that Party in entering into this Agreement.

13. **ATTORNEY FEES AND COSTS.** It is understood and agreed that each Party hereto shall not claim from the other any of its own attorneys' fees and costs arising from the claims released herein. In no way is this provision or this Agreement intended to limit the Surety's ability to recover any and all losses it incurs from Zachry or from other indemnitors relating to the Bonds and/or any indemnity agreement and as set forth in the Plan.

14. **ADDITIONAL DOCUMENTS.** The Parties agree to cooperate fully and execute any and all supplementary documents including, but not limited to, a Stipulation for Dismissal with Prejudice of the Nebraska Litigation, and to take all additional actions which may be necessary or appropriate to give full force and effect to the terms of this Agreement.

15. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement.

16. **EFFECTIVENESS.** This Agreement shall become effective following its full execution by the Parties.

COMMONWEALTH ELECTRIC COMPANY OF THE MIDWEST

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TRAVELERS CASUALTY AND SURETY COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

PACIFIC INDEMNITY COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A**

**Redline**

whichever is later, the Reorganized Debtors shall pay \$100,000.00 to Commonwealth Electric in cash.

4. Upon (a) the GUC Note Administrative Agent's issuance of a GUC Promissory Note pursuant to paragraph 2, and (b) the Reorganized Debtors' payment to Commonwealth Electric pursuant to paragraph 3 (the time at which both (a) and (b) have occurred, the "**Effective Time**"), the Claim shall be deemed satisfied in full and all liabilities of the Reorganized Debtors in respect of the Claim shall be deemed settled, extinguished, and discharged, except for the Reorganized Debtors' payment obligations of the GUC Promissory Note pursuant to the Plan and applicable law, and subject to paragraph 8 below.

5. Upon the Effective Time, except as set forth in paragraph 8 below, the Reorganized Debtors (on behalf of themselves and each of their respective Related Parties (as defined in the Plan)), Commonwealth Electric (on behalf of itself and its Related Parties), and the Sureties shall be deemed to have mutually released each other and each of their Related Parties from any and all claims and causes of action whatsoever, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common law, or any other applicable international, foreign, or domestic law, rule, statute, regulation, treaty, right, duty, requirement or otherwise, based on or relating to, or in any manner arising from, in whole or in part, the Claim, the Debtors, the Estates, the Reorganized Debtors, the Chapter 11 Cases, and the business or contractual arrangements or interactions between the Debtors or Reorganized Debtors (as applicable) and Commonwealth Electric, including without limitation claims or causes of action that may be held by Commonwealth