UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS (HOUSTON)

IN RE:	.	Case No. 24-90391
	.	Chapter 11
COMPUTER SIMULATION & ANALYSIS, INC. and ZACHRY HOLDINGS, INC.,	.	515 Rusk Street
	.	Houston, TX 77002
Debtors.	.	Monday, December 8, 2025
	.	2:43 p.m.

TRANSCRIPT OF DOC# 334 STIPULATION BY COMMONWEALTH ELECTRIC COMPANY OF THE MIDWEST, COMPUTER SIMULATION & ANALYSIS, INC. AND TRAVELERS CASUALTY AND SURETY COMPANY AND PACIFIC INDEMNITY COMPANY
BEFORE THE HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtors:	White & Case By: CHARLES R. KOSTER, ESQ. 609 Main Street, Suite 2900 Houston, TX 77002 (832) 786-6118
For Commonwealth Electric Company of the Midwest:	Andrews Myers PC By: T. JOSH JUDD, ESQ. 1885 Saint James Place, 15th Floor Houston, TX 77056 (713) 850-4200

TELEPHONIC APPEARANCES CONTINUED.

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TELEPHONIC APPEARANCES:

For the Debtors:	Hicks Thomas LLP By: JOHN JASON DEIS, ESQ. 700 Louisiana St, Ste. 2300 Houston, TX 77002 (713) 547-9100
For Commonwealth Electric Company of the Midwest	Woods Aitken By: AUDREY SVANE, ESQ. 301 S. 13th Street, Ste. 500 Lincoln, NE 68508 (402) 437-8500

(Proceedings commence at 2:43 p.m.)

THE COURT: We're going to call right now Zachary Holdings case, 24-90377.

MR. KOSTER: Good afternoon, Your Honor.

THE COURT: Good afternoon, Mr. Koster.

MR. KOSTER: Charles Koster, White & Case, counsel for the reorganized debtors.

THE COURT: Thank you.

MR. JUDD: Good afternoon, Your Honor. Josh Judd on behalf of Commonwealth Electric Company of the Midwest. Together with me remotely is Audrey Svane.

THE COURT: Thank you.

MR. KOSTER: And I see Mr. Deis from Hicks Thomas on the line as well. We're --

THE COURT: All right. Ms. Svane, I've authorized your line. Mr. Deis, if you want to press "five star" we can get your line on as well. Thank you.

So what's our status?

MR. KOSTER: We're here today, Your Honor, on the stipulation and agreed order regarding the Commonwealth Electric claim that's filed at Docket Number 334. From the debtors' perspective, this resolves the Commonwealth claim in its entirety, as well as the litigation pending in the District Court for the District of Nebraska against the surety. It allows the Commonwealth claim in the amount asserted. It

provides for the treatment of that claim with the general unsecured creditor note pursuant to the plan, a small cash payment, and the dismissal of the Nebraska litigation.

The surety will continue to guarantee payment of the GUC note to Commonwealth on a schedule. In other words, if the reorganized debtors were to fall down on their obligations under the plan to treat Commonwealth's claim in that regard, the surety would continue to stand behind it. There is a release and guarantee, it is attached to the stipulation, between Commonwealth and the surety counsel to both parties, obviously, in attendance.

Unless Your Honor has any questions, we would respectfully request entry of the stipulation and agreed order.

THE COURT: Let me start by asking if there's anyone that opposes entry of the stipulation and agreed order.

So I just want to be sure I understand it. I think I do. Paragraph 3 requires a payment by the debtors of $100,000. I'm sorry, of the stipulation.

MR. KOSTER: Correct.

THE COURT: And once that $100,000 is paid, then the reorganized debtors owe nothing else.

MR. KOSTER: Subject to the reorganized debtors' obligations with respect to the GUC note under the plan.

THE COURT: Well, the GUC continues to have obligations, right, the GUC trust?

MR. KOSTER: It is a plan administrator function set up through the plan as opposed to a separate trust.

THE COURT: Right. Well, take a look at Paragraph 4 and tell me what those last three lines mean, because this is the heart of what I'm worried about, is I don't want there to be confusion in a few years. So the claim is fully -- is satisfied in full and all liabilities of the reorganized debtors in respect to the claim shall be settled, extinguished, and discharged. So we have a GUC promissory note, but then it says once the -- on the effective time, once the $100,000 is paid, there is no other liability. But you're telling me that there is liability.

MR. KOSTER: I wish I had a copy of the plan and the definition of GUC note administrative agent here, but the reorganized debtor is the party responsible for servicing that GUC note obligation.

THE COURT: Let me accept that at face value just for a moment. I'm not sure that's what this says.

MR. KOSTER: Yeah. I agree with the language you're pointing to, Your Honor, and we can certainly clean that up if the other parties wish. And I imagine that the surety and its counsel may because the intent is that the reorganized debtor services the GUC note and if, and only if the reorganized debtor defaults on that obligation, then the surety would stand behind it.

THE COURT: So Paragraph 5, and this is just sort of adding fuel to the same fire, seems to say that the reorganized debtors and Commonwealth release themselves from everything. If that note is going to remain outstanding, and I -- that -- this is exactly the concern I walked out with, I think we're inviting confusion in a couple of years. So I would prefer to eliminate the confusion and make it abundantly clear that the payment of the hundred thousand doesn't eliminate the obligations on the note. It simply eliminates all obligations other than with respect to the duty to -- there's a duty to pay a hundred thousand and there is a duty to do whatever the plan says about the GUC promissory note, and beyond those duties there is a full release.

If that's what you're saying, I don't think I have any problem with the settlement. Nobody else does. My only request is we get rid of what I see as an ambiguity.

MR. KOSTER: I agree with Your Honor. That's an ambiguity. Perhaps if the other parties would like to weigh in, I think we could certainly make that clarification, because that is the intent.

THE COURT: Let me just ask if the other parties will weigh in and see if they agree.

MR. JUDD: Sure. And, Your Honor, Josh Judd again, and I'll defer to Ms. Svane on this, but I think the -- you know, our intent is that the last sentence of Paragraph 5 tries

to clarify that issue. It sounds like the -- that sentence doesn't overcome the concern of the Court of there being ambiguity. But glad to address that and defer to Ms. Svane on that, the last sentence of Paragraph 5.

THE COURT: It may -- you may be right that that preserves it.

MS. SVANE: That was the intent, Your Honor, but if you're reading some ambiguity into this language, we'd certainly want to make changes to make sure that it can't be -- can be read in the way that you're reading it.

THE COURT: So look, I do think that that sentence says what you all are saying, but if you'll look at Paragraph 4, everything is released except what's in Paragraph 8.

Can I just suggest -- look, I am okay with your deal. If you all want this deal done, I'll do this deal exactly as you've written it, because if there's an ambiguity, it works in favor of the debtors, and I'm really here to look out to be sure that all of that is being done properly. If you all want to sign this way, I'll sign it this way. If you want to redo it, I got your position on the ambiguity. This conversation almost surely will eliminate that confusion. So I'll leave it up to you as to what you want me to do, Ms. Svane.

MS. SVANE: I think we'd like an opportunity to reassess and review with fresh eyes. We certainly don't want there to be ambiguity. And to the extent that it would show

Commonwealth seems to have waived its claims, we want to prevent that from happening. So we appreciate the opportunity to review it another time and to resubmit with that ambiguity hopefully resolved.

THE COURT: Let's do that then. Can you all get that done in the next week?

MR. KOSTER: Without a doubt.

THE COURT: Okay. Just upload an order. Mr. Jackson, when that comes in, would you put it in my emergency folder and we'll get it done right away?

Thank you, all. Do you all need to put on any evidence in support of this compromise?

MR. KOSTER: From the debtors' perspective, no, unless Your Honor would like an evidentiary record.

THE COURT: I don't need one.

MR. KOSTER: Terrific. Thank you.

MR. JUDD: No, Your Honor.

THE COURT: Okay. Thank you, all. I will be in recess until three o'clock.

MR. DEIS: Thank you, Your Honor.

MS. SVANE: Thank you, Your Honor.

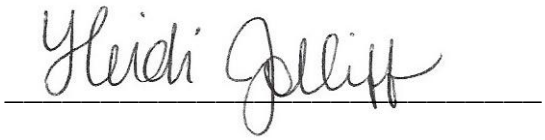
THE COURT: Thank you.

(Proceedings concluded at 2:53 p.m.)

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C E R T I F I C A T I O N

I, Heidi Jolliff, court-approved transcriber, hereby certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter.



HEIDI JOLLIFF, AAERT NO. 2850 DATE: December 16, 2025

ACCESS TRANSCRIPTS, LLC

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS

In Re:	Computer Simulation & Analysis, Inc. and Zachry Holdings, Inc. Debtor	Case No.: 24−90391 Chapter: 11

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