Proskauer Secures Full Payment of Unsecured Claims in Zachry Holdings Inc. Chapter 11 Case

March 11, 2025

NEW YORK, March 11, 2025 – Leading international law firm Proskauer, in its role as counsel to the statutory unsecured claim holders' committee in the Chapter 11 cases of Zachry Holdings Inc., announced that it has secured payment in full of all general unsecured claims through a highly favorable restructuring plan. The plan, confirmed by Judge Marvin Isgur in the U.S. Bankruptcy Court for the Southern District of Texas, ensures that the approximately $600 million of unsecured claims will be fully satisfied, with the vast majority paid in full during the case and the remaining claims receiving 100% recoveries, plus interest.

Unsecured creditors with claims unpaid as of the plan's effective date will either be paid in full in cash or receive secured notes with a face amount equal to their claim plus post-petition interest at the federal judgment rate, bearing an attractive 15% interest rate going forward. The court stated at the confirmation hearing, "If you look at what the Unsecured Creditors' Committee achieved, it's a remarkable achievement to turn unsecured claims to secured claims with high interest rates." The secured notes will also be tradeable, which will enable creditors to obtain immediate liquidity if they choose.

The restructuring also ensures that Zachry Holdings Inc. emerges from bankruptcy well-positioned to continue providing world-class services to its customers and serving as a valuable and reliable business partner to its vendors, including many of the general unsecured creditors. The approved plan maintains vital business relationships, preserves jobs and bolsters the company's financial stability and growth prospects.

"We are proud to have achieved such a favorable outcome for the unsecured creditors," said Ehud Barak, partner at Proskauer. "This plan not only delivers full payment to unsecured creditors but also provides them with strong protections and the opportunity to continue valuable business relationships with a strengthened Zachry Holdings."

The Proskauer team was led by partners Ehud Barak, Daniel Desatnik, Timothy Karcher and Paul Possinger (Restructuring). It also included special restructuring counsel Steve Ma and associates Dylan Marker, Max Greenberg, Jorge Gonzalez, Ashley Weringa and Carly King (Restructuring); partners Michael Firestein, David Picon, and Matthew Triggs, special litigation counsels Lisa Markofsky and Matthew Morris and associates Elliot Stevens and Massimo Capizzi (Litigation); partner Martin Hamilton (Tax); partners Steve Weise, Philip Kaminski and Jinyoung Joo, special finance counsel Joseph Rebello and associates Francie Kelley, Adam Nowicki and Julia Vitter (Finance); partner James Gerkis (M&A); and partner Allan Bloom (Labor & Employment).

About Proskauer

The world's leading organizations and global players choose Proskauer to represent them when they need it the most. With 800+ lawyers in key financial centers around the world, we are known for our pragmatic and commercial approach. Proskauer is the place to turn when a matter is complex, innovative and game-changing. We work seamlessly across practices, industries and jurisdictions with asset managers, private equity and venture capital firms, Fortune 500 and FTSE companies, major sports leagues, entertainment industry legends and other industry-redefining companies.

Proskauer has had major roles in some of the highest-profile chapter 11 and sovereign restructuring cases throughout the U.S. Our Restructuring team represents every constituent – debtor, lender, unsecured creditor, board of directors, independent fiduciary, shareholder and new investor – involved with a business in distress and we understand the goals, strategies and tactics of each of the parties. Our relationships and broad-based experience enable us to work collaboratively in highly charged situations to develop value-added resolutions for our clients.

Related Professionals

- **Ehud Barak**
  Partner
- **Daniel Desatnik**
  Partner
- **Paul V. Possinger**

Partner

- **Michael A. Firestein**
  Partner
- **David A. Picon**
  Partner
- **Martin T. Hamilton**
  Partner
- **Steven O. Weise**
  Partner
- **Philip A. Kaminski**
  Partner
- **Allan S. Bloom**
  Partner
- **Lisa B. Markofsky**
  Special Litigation Counsel
- **Matthew J. Morris**
  Special Litigation Counsel
- **Dylan J. Marker**
  Associate
- **Maximilian A. Greenberg**
  Associate
- **Jorge Gonzalez**
  Associate
- **Ashley M. Weringa**
  Associate
- **Carly King**
  Associate
- **Elliot R. Stevens**
  Senior Counsel
- **Adam B. Nowicki**
  Associate