

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

_____	X
In re:	: Chapter 11
	:
Sea Containers Ltd., <i>et. al.</i> ,	: Case No. 06-11156
	:
	: Jointly Administered
Debtors.	:
	:
_____	x

**RESERVATION OF RIGHTS OF CONTRARIAN CAPITAL ADVISORS, LLC,
J.P. MORGAN SECURITIES INC., CREDIT TRADING GROUP,
POST ADVISORY GROUP, LLC, TRILOGY CAPITAL LLC, AND
VARDE INVESTMENT PARTNERS, L.P. RELATING TO THE DEBTORS' MOTION
FOR ORDER APPROVING SETTLEMENT REGARDING PENSION CLAIMS**

Contrarian Capital Advisors, LLC, J.P. Morgan Securities Inc., Credit Trading Group, Post Advisory Group, LLC, Trilogy Capital LLC, and Varde Investment Partners, L.P. (collectively, the “Bondholders”), by and through their undersigned counsel, hereby submit this reservation of rights with regard to the Debtors’ *Motion for Order Approving Settlement Regarding Pension Claims* (the “9019 Motion”).¹

Background

1. The Bondholders are unsecured creditors of Sea Containers, Ltd., (“SCL”) holding, in the aggregate, \$173,052,500 in principal amount of (i) 10.75% notes issued by SCL due October 15, 2006; (ii) 7.875% notes issued by SCL due February 15, 2008; (iii) 12.5% notes issued by SCL due December 1, 2009; (iv) 10.5% notes issued by SCL due May 15, 2012; and (v) various trade and other unsecured claims against one or more of the Debtors.

¹ Terms not defined herein shall have the meaning ascribed to them in the Debtors’ *Motion for Order Approving Settlement Regarding Pension Claims*.

Reservation of Rights

2. As has been previewed to the Court and other parties in interest, the Bondholders intended to join the objection filed by the SCL Committee to the Debtors' 9019 Motion (the "SCL Committee Objection"). However, last week the SCL Committee informed the Bondholders that the SCL Committee Objection contained information designated as "confidential" under the *Stipulation Governing the Protection of and Exchange of Confidential Information* (the "Stipulation"), dated January 17, 2008 [Exhibit 1 to Docket No. 1473], and approved by the Court on February 26, 2008 [Docket No. 1497] and, accordingly, could not be shared with the Bondholders unless the other parties to the Stipulation, the SCSL Committee and the two Pension Schemes, consented. The Bondholders promptly requested such consent from the SCSL Committee and the Pension Schemes, informing these parties that it was prepared to be bound by the terms of the Stipulation. To date, the SCSL Committee and Pension Schemes have declined to provide such consent. As a result of this withholding of consent, the Bondholders have not been able to review the SCL Committee Objection or file a joinder by the filing deadline established by the Court.

3. Because their failure to file a joinder by the objection deadline results directly from the unreasonable failure of the SCSL Committee and the Pension Schemes to consent to their review of purportedly confidential information, the Bondholders reserve their right to submit a joinder to the SCL Committee Objection in the event that the SCSL Committee and the Pension Schemes belatedly provide such consent or the Court determines that the Bondholders should have access to the information contained in the SCL Committee Objection.

Dated: Wilmington, Delaware
May 18, 2008

FOX ROTHSCHILD LLP

By: /s/ Neal J. Levitsky
Neal J. Levitsky, Esquire (No. 2092)
Seth A. Niederman, Esquire (No. 4588)
Citizens Bank Center, Suite 1300
919 North Market Street
Wilmington, DE 19801
(302) 654-7444

-and-

KRAMER LEVIN NAFTALIS &
FRANKEL LLP
Thomas Moers Mayer, Esquire
P. Bradley O'Neill, Esquire
Joshua K. Brody, Esquire
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Attorneys for the Bondholders