

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: . Chapter 11
Sea Containers LTD, et al., .
Debtor(s) . Bankruptcy #06-11156 (KJC)
.....

Wilmington, DE
July 9, 2008
3:30 p.m.

TRANSCRIPT OF MOTIONS HEARING
BEFORE THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

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Young Conaway Stargatt
& Taylor, LLP
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1 THE CLERK: All rise. Be seated please.

2 THE COURT: Good afternoon.

3 MR. MORTON: Good afternoon, Your Honor. Edmon
4 Morton from Young Conaway Stargatt & Taylor on behalf of the
5 Debtors.

6 Turning to the agenda, which was very short to begin with
7 and Your Honor has made it even shorter by already entering an
8 order on item #1 --

9 THE COURT: I do my best.

10 MR. MORTON: On item #2, Your Honor, just a bit of
11 background. As the Court will recall this claims bar date for
12 general unsecured claims was set as July 16th, 2007. But the
13 Court may also recall that at that time certain claims after
14 the discussion with the Committees were excluded related to
15 employee related claims. And Your Honor, after further
16 discussions with the Committees and in light of the Debtor's
17 plans to file a Chapter 11 plan in the near term everyone has
18 decided that it is now an appropriate time to set a bar date
19 for employee claims.

20 Now the employee bar date however does specifically
21 exclude claims of employees, and I'm gonna read this to make
22 sure I get it right. "Employees residing in Great Britain
23 subject to the jurisdiction of the Courts of England and Wales
24 based solely on amounts which are or may be payable or
25 contingently or prospectively payable by the Debtors or the

1 pension schemes as a result of or in connection with current or
2 former participation in either of the pension schemes."

3 Now among other things, Your Honor, that language is
4 intended to exclude potential contingent and unliquidated
5 discrimination claims by employees in the UK arising out of the
6 equalization issue. It's -- the Debtor's proposed plan will
7 provide the mechanism for treatment of those claims.

8 Your Honor, one final note, the amended Bar Date Order
9 does also provide for agreement and coordination with both
10 Committees with respect to any future bar dates that might need
11 to be set, and any Creditors or claims that would be carved out
12 of those bar dates as well. Purely for the avoidance of doubt
13 we want to make clear that the provisions of the amended Bar
14 Date Order on that score will remain in respect with respect to
15 any future bar dates that we may seek to set.

16 With that, Your Honor, we did have just a couple of small
17 changes to the order, if I may approach with a clean and a
18 black line?

19 THE COURT: You may. Thank you.

20 MR. MORTON: And Your Honor, the changes themselves
21 are actually -- we've shortened and cut back a little bit the
22 amount of notice that we were gonna provide from a publication
23 perspective based on where the employees are located. And have
24 clarified certain parts of the language with respect to the bar
25 language that's included in the order. Those are the only

1 changes. And I see Mr. Stratton indicating perhaps he wants to
2 make a statement on the record as well.

3 THE COURT: All right, I look forward to it.

4 MR. STRATTON: Your Honor, David Stratton for the Sea
5 Container Services Limited Committee.

6 With -- we're fine with the change on the publication
7 notice and with that statement on the record about the intended
8 scope of the supplemental bar date on employee claims. We
9 support the entry of the order that's been submitted, Your
10 Honor. Thank you.

11 MR. ABBOTT: Your Honor, Derek Abbott for the SCL
12 Committee.

13 Because Mr. Morton said those magic words we will defer to
14 the Debtor's business judgment on this one and are fine with
15 the Court entering the order.

16 THE COURT: All right, thank you. I see that the
17 pages of the order are not numbered. So I'm going to handwrite
18 them in at the bottom of the page if that's okay.

19 MR. MORTON: Thank you, Your Honor. That had escaped
20 my attention.

21 (Pause in proceedings)

22 THE COURT: All right, with that the order has been
23 signed.

24 MR. MORTON: Thank you, Your Honor. I do have one
25 item, more an item of note to raise with Your Honor than

1 certainly anything I want a ruling on. I'm gonna try to say
2 this in a way that makes clear to Mr. Abbott that he doesn't
3 need to stand up and clarify, because it is meant as neutrally
4 as one can mean any statement.

5 We are -- per the GE/Sea Co settlement that was approved,
6 we are under a fairly tight time frame for purposes of getting
7 our plan on file and confirmed by the end of November. We
8 actually have a deadline of August 31st to file a plan, but if
9 you back out from the confirmation schedule it would be pretty
10 tight if we waited until then.

11 The Debtors do intend to file a plan as we just indicated
12 in the very near term. We understand that Your Honor is taking
13 some well deserved time off and that your schedule is not
14 otherwise light irrespective of that time. We simply wanted to
15 make sure that it was clear on the record that while the plan
16 we will file will embody the treatment of the pension claims
17 that we have proposed in the settlement that is currently under
18 advisement, and the disclosure statement will make clear that
19 that matter is under advisement as it is subject to an
20 objection by the SCL Committee. We simply didn't want Your
21 Honor to perceive that the filing of that plan and disclosure
22 statement otherwise get the clock ticking and running was in
23 any way an attempt to get out ahead of Your Honor with respect
24 to the opinion and what your ultimate ruling might be. And
25 that's primarily the reason we wanted to put that on the

1 record.

2 THE COURT: Well, I often find the parties are out
3 ahead of me. So I'm accustomed to that. But I would not have
4 viewed it in that way, but I appreciate your comments.

5 MR. MORTON: Certainly, Your Honor.

6 THE COURT: All right, anything else for today?

7 MR. STRATTON: There is, and I'm sure my colleagues
8 join me in congratulating you on becoming -- or commiserating
9 with you, depending on your point of view, on becoming Chief
10 Judge of the Court.

11 THE COURT: Thank you, Mr. Stratton.

12 MR. STRATTON: You're welcome.

13 MR. MORTON: Your Honor, I would join in the
14 commiserating. I believe those are all the matters.

15 THE COURT: Well, it's like a management position in
16 a law firm. Usually the billable hour requirement doesn't
17 change very much, and the compensation doesn't go up very much.
18 In my case not at all.

19 MR. ABBOTT: More work and fewer rewards.

20 THE COURT: That's about it. And more complaints to
21 handle I guess. But not with this gang. This is a good group.
22 So ought to be easy. Thank you all very much. That concludes
23 this hearing. Court is adjourned.

24 ALL: Thank you, Your Honor.

25 (Court adjourned)

1 CERTIFICATION
2 I certify that the foregoing is a correct transcript from the
3 electronic sound recording of the proceedings in the above-
4 entitled matter.
5

6 *Lewis Parham*

8/1/08

7
8 _____
Signature of Transcriber

Date