

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Case No. 06-11156 (KJC)
SEA CONTAINERS LTD., <i>et al.</i> , <sup>1</sup>	)	Jointly Administered
	)	
	)	Chapter 11
Debtors.	)	
	)	Objection Deadline: November 17, 2008 at 4:00 p.m.

**EIGHTEENTH INTERIM APPLICATION OF MORRIS, NICHOLS, ARSHT &  
TUNNELL LLP, AS DELAWARE COUNSEL FOR THE SCL COMMITTEE OF  
UNSECURED CREDITORS, FOR ALLOWANCE OF INTERIM  
COMPENSATION AND FOR INTERIM REIMBURSEMENT OF ALL ACTUAL  
AND NECESSARY EXPENSES INCURRED FOR THE PERIOD  
SEPTEMBER 1, 2008 THROUGH SEPTEMBER 30, 2008**

Name of Applicant:	MORRIS, NICHOLS, ARSHT & TUNNELL LLP
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention:	January 24, 2007 <i>nunc pro tunc</i> to October 26, 2006
Period for which Compensation and reimbursement is sought:	September 1, 2008 through September 30, 2008
Amount of compensation sought as actual, reasonable and necessary:	\$8,424.50 <sup>2</sup>
Amount of reimbursement sought as actual, reasonable and necessary:	\$458.91

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<sup>1</sup> These jointly administered cases are those of the following debtors: Sea Containers Caribbean, Inc., Sea Containers Ltd., and Sea Containers Services Ltd.

<sup>2</sup> This amount reflects a voluntary reduction of \$717.00 by Morris, Nichols, Arsht & Tunnell LLP. The voluntary reduction is set forth in more detail on the attached exhibits.

This is an  x  interim   final application

The total time expended for fee application preparation is approximately 5 hours and the corresponding compensation requested is approximately \$750.00.<sup>3</sup>

If this is not the first application filed, disclose the following for each prior application:

DATE FILED	PERIOD COVERED	REQUESTED FEES/EXPENSES	APPROVED FEES/EXPENSES
01/29/07	10/26/06-12/31/06	\$160,299.50/\$8,176.45	\$160,299.50/\$8,176.45
03/02/07	01/01/07-01/31/07	\$27,819.00/\$1,488.26	\$27,819./\$1,488.26
04/11/07	02/01/07-02/28/07	\$15,438.50/\$1,438.83	\$15,438.50/\$1,438.83
04/25/07	03/01/07-03/31/07	\$15,085.00/\$311.41	\$15,085.00/\$311.41
07/03/07	04/01/07-05/31/07	\$29,870.00/\$621.71	\$29,870.00/\$621.71
08/09/07	06/01/07-06/30/07	\$72,358.50/\$8,908.26	\$72,358.50/\$8,086.73
09/21/07	07/01/07-07/31/07	\$31,447.50/\$1,009.92	\$31,447.50/\$1,009.92
10/01/07	08/01/07-08/31/07	\$46,837.00/\$2,846.56	\$46,837.00/\$2,846.56
10/16/07	09/01/07-09/30/07	\$88,041.25/\$28,903.08	\$88,041.25/\$28,903.08
11/26/07	10/01/07-10/31/07	\$78,049.00/\$17,359.98	\$62,439.20/\$17,359.98
01/09/08	11/01/07-11/30/07	\$53,483.50/\$1,931.86	\$42,786.80/\$1,931.86
02/13/08	12/01/07-12/31/07	\$37,210.00/\$486.07	\$29,768.00/\$486.07
05/01/08	01/01/08-03/31/08	\$109,518.50/\$5,068.00	\$87,614.80/\$5,068.00
06/25/08	04/01/08-05/31/08	\$96,201.50/\$6,061.78	\$76,961.20/\$6,061.78
8/20/08	06/01/08-06/30/08	\$15,409.00/\$2,925.45	\$12,327.20/\$2,925.45
8/28/08	07/01/08-07/31/08	\$12,392.00/\$728.29	\$9,913.60/\$728.29
9/25/08	08/01/08-08/31/08	\$14,887.50/\$746.55	\$11,910.00/\$746.55

<sup>3</sup> Allowance for compensation for such time is not requested in this application but will be sought in a subsequent fee application.

Sea Containers Ltd., et al.  
(Case No. 06-11156 (KJC))

September 1, 2008 through September 30, 2008

Name of Professional Person	Position of the Applicant, Area of Expertise	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
William H. Sudell, Jr.	Partner/Bankruptcy	625	3.5	\$ 2,187.50
Derek C. Abbott	Partner/Bankruptcy	500	3.9	1,950.00
Thomas F. Driscoll III	Associate/Bankruptcy	315	6.1	1,921.50
Renae M. Fusco	Paralegal	195	7.7	1,501.50
Emma J. Campbell	Paralegal	180	1.7	306.00
Jason Kittinger	Paralegal	180	1.1	198.00
Sonja P. Tate	Case clerk	120	3.0	360.00
<b>Total</b>			<b>27.0</b>	<b>\$8,424.50</b>
<b>BLENDED RATE:</b>		<b>\$ 312.02</b>		

VOLUNTARY REDUCTIONS:				
Robert J. Dehney	Partner/Bankruptcy	625	.3	187.50
Donna L. Culver	Partner/Bankruptcy	500	.3	150.00
Eric D. Schwartz	Partner/Bankruptcy	475	.6	285.00
Kelly M. Dawson	Associate/Bankruptcy	315	.2	63.00
Ann Cordo	Associate/Bankruptcy	315	.1	31.50
<b>TOTAL VOLUNTARY REDUCTIONS</b>			<b>1.5</b>	<b>\$ 717.00</b>

### COMPENSATION BY PROJECT CATEGORY

Sea Containers Ltd., et al.  
(Case No. 06-11156 (KJC))

September 1, 2008 through September 30, 2008

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Case Administration	8.0	\$ 2,793.00
Fee/Employment Applications	11.3	2,744.00
Claims Administration and Objections	.5	312.50
Plan and Disclosure Statement	7.2	2,575.00
<b>TOTAL</b>	<b>27.0</b>	<b>\$8,424.50</b>

### EXPENSE SUMMARY

Sea Containers Ltd., et al.  
(Case No. 06-11156 (KJC))

September 1, 2008 through September 30, 2008

<b>Expense Category</b>	<b>Service Provider (if applicable)</b>	<b>Total Expenses</b>
Photos/Art/Spec Duplicating	Out of Office	\$ 139.65
Travel		133.80
Messenger Service		6.00
Courier/Delivery Service		51.70
Duplicating – In Office		39.60
Postage		4.80
Pacer		83.36
<b>Grand Total Expenses</b>		<b>\$ 458.91</b>

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**EIGHTEENTH INTERIM APPLICATION OF MORRIS, NICHOLS, ARSHT &  
TUNNELL LLP, AS DELAWARE COUNSEL FOR THE SCL COMMITTEE OF  
UNSECURED CREDITORS, FOR ALLOWANCE OF INTERIM  
COMPENSATION AND FOR INTERIM REIMBURSEMENT OF ALL ACTUAL  
AND NECESSARY EXPENSES INCURRED FOR THE PERIOD  
SEPTEMBER 1, 2008 THROUGH SEPTEMBER 30, 2008**

Morris, Nichols, Arsht & Tunnell LLP ("Morris Nichols"), Delaware counsel for the Official Committee of Unsecured Creditors (the "SCL Committee") appointed in the Sea Containers Ltd. and Sea Containers Caribbean, Inc., (collectively, the "Debtors") cases, submits this application (the "Application") seeking allowance of interim compensation and reimbursement of expenses under sections 330 and 331 of title 11 of the United States Bankruptcy Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules Of Bankruptcy Procedure (the "Bankruptcy Rules"), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") and the United States Trustee's Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330 effective January 30, 1996 (the "U.S. Trustee Guidelines") for (a) allowance of reasonable compensation for professional services rendered by Morris Nichols to the Committee and (b) reimbursement of actual and necessary charges and disbursements incurred by Morris

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<sup>4</sup> These jointly administered cases are those of the following debtors: Sea Containers Caribbean, Inc., Sea Containers Ltd., and Sea Containers Services Ltd.

Nichols during the period September 1, 2008 through and including September 30, 2008 in the rendition of required professional services on behalf of the Committee ("Application Period"). In support of this Application, Morris Nichols respectfully represents as follows:

### **BACKGROUND**

1. On October 15, 2006 (the "Petition Date"), the Debtor commenced a reorganization case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The Debtor continues to operate its business and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this case.

2. On October 26, 2006, the United States Trustee (the "UST") appointed an official committee of unsecured creditors in these cases.

3. On October 26, 2006, that committee held its initial meeting. At that meeting, the committee decided to create sub-committees and also decided to retain its various professionals. The UST expressed reservations regarding the proposed sub-committee structure. Subsequently, the SCL Committee requested the appointment of a separate committee to represent the interests of the unsecured creditors of Sea Containers Services Ltd. (a "Services Committee").

4. On January 23, 2007, the UST appointed the Services Committee.

5. Additionally, on January 23, 2007, the UST adjusted the membership of the SCL Committee.

### **MORRIS NICHOLS' RETENTION**

6. By application, filed on or about January 11, 2007, the SCL Committee requested authority to retain Morris Nichols as counsel in connection with its bankruptcy case, pursuant to section 327(a) of the Bankruptcy Code.

7. By Order, dated January 24, 2007, this Court entered an order (D.I. 295) approving the SCL Committee's retention of Morris Nichols (the "Morris Nichols Retention Order") as counsel for the SCL Committee *nunc pro tunc* to October 27, 2006, pursuant to section 327(a) of the Bankruptcy Code.

### **FEE PROCEDURES ORDER**

8. On November 7, 2006, this Court signed an Order Establishing Procedures For Interim Compensation And Reimbursement Of Expenses Of Professionals Pursuant To 11 U.S.C. §§ 105(a) And 331 (D.I. 91) (the "Fee Procedures Order"). In particular, the Court authorized that, upon the expiration of twenty (20) days after the service (the "Objection Deadline") of a monthly interim fee application, a Professional may file a Certificate Of No Objection with the Court, after which the Debtor is authorized to pay each Professional an amount (the "Actual Interim Payment") equal to the lesser of (i) 80 percent of the fees and 100 percent of the expenses requested in such monthly interim fee application or (ii) 80 percent of the fees and 100 percent of the expenses not subject to an objection.

### **RELIEF REQUESTED**

9. Morris Nichols respectfully requests: (a) that it be allowed (i) interim compensation in the amount of \$8,424.50 for reasonable, actual and necessary services rendered by it on behalf of the Committee during the Application Period and (ii) interim reimbursement of \$458.91 for reasonable, actual and necessary expenses incurred during the Application Period. This

Application is made pursuant to the provisions of sections 327, 330 and 331 of the Bankruptcy Code, Rule 2016 of the Federal Rules of Bankruptcy Procedure, the Fee Procedures Order and the Morris Nichols Retention Order.

10. During the Application Period, Morris Nichols has provided professional services to the Committee and incurred fees for such services totaling \$8,424.50. For the same period, Morris Nichols has incurred actual, reasonable and necessary expenses in connection therewith totaling \$458.91. With respect to these amounts, as of the date of the Application, Morris Nichols has received no payments.

11. Morris Nichols maintained daily records of the time spent rendering professional services during the Application Period. Exhibit A attached hereto contains logs, sorted by project category, which show how much time was recorded by each professional and descriptions of the services provided.

12. Exhibit B hereto contains a breakdown of disbursements incurred by Morris Nichols during the period to which this Application relates. The disbursements for which Morris Nichols seeks reimbursement include the following:

- Duplicating. Morris Nichols charges \$0.10 per page for internal copying. When copying has been performed by an outside copying service, Morris Nichols seeks reimbursement for the amount Morris Nichols was charged.
- Telecommunications. International calls are billed at actual cost. Outgoing domestic facsimile transmittals are billed at \$1.00 per page. There is no charge for incoming facsimiles.
- Computer Research Charges. Morris Nichols's practice is to bill clients for LEXIS and Westlaw research at the actual cost, which does not include amortization for maintenance and equipment.
- Working Meals. Morris Nichols's practice is to allow any attorney, paraprofessional or legal assistant working outside of normal business hours to charge a working meal to the appropriate client.



- Delivery Services. Morris Nichols's practice is to charge postal, overnight delivery and courier services at actual cost.

13. Morris Nichols has endeavored to represent the SCL Committee in the most expeditious and economical manner possible. Tasks have been assigned to attorneys, paralegals, and secretaries at Morris Nichols so that work has been performed by those most familiar with the particular matter or task and, where attorney or paralegal involvement was required, by the lowest hourly rate professional appropriate for a particular matter. Moreover, Morris Nichols has sought to coordinate with other professionals involved in this case so as to minimize any duplication of effort and to minimize attorneys' fees and expenses to the SCL Committee. Morris Nichols believes it has been successful in this regard.

14. No agreement or understanding exists between Morris Nichols and any other person for the sharing of compensation received or to be received for services rendered in connection with this case.

15. Morris Nichols has voluntarily reduced its request for interim compensation by \$717.00. This reduction consists of \$717.00 in billable services provided to the Debtor by Morris Nichols attorneys, paralegals and case clerks who individually rendered one (1) hour or less billable services to the Debtor during the Application Period.<sup>5</sup>

16. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies to the best of his information, knowledge and belief that this application complies with Local Rule 2016-2.

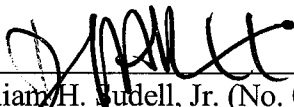
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<sup>5</sup> Morris Nichols reserves the right to seek compensation for services provided by any attorney, paralegal or case clerk who provided one (1) hour or less of billable services during the Application Period in the event that such attorney, paralegal or case clerk ultimately provides billable services to the Debtor exceeding one (1) hour.

WHEREFORE, Morris Nichols respectfully requests: (a) that it be allowed (i) interim compensation in the amount of \$8,424.50 for reasonable, actual and necessary services rendered by it on behalf of the SCL Committee during the Application Period and (ii) interim reimbursement of \$458.91 for reasonable, actual and necessary expenses incurred during the Application Period; and (b) that the Debtors be authorized and directed to pay to Morris Nichols the amount of \$7,198.51, which is equal to the sum of 80% of Morris Nichols's allowed interim compensation and 100% of Morris Nichols's allowed expense reimbursement for the Application Period.

Dated: October 27, 2008

MORRIS, NICHOLS, ARSHT & TUNNELL LLP



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Containers Caribbean, Inc.*