

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

In re:)	Chapter 11
)	
SEA CONTAINERS LTD., <i>et al.</i> ,)	Case No. 06-11156 (KJC)
)	
)	Jointly Administered
Debtors.)	
)	Related Docket No. 2193

**RESPONSE OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF
SEA CONTAINERS SERVICES LIMITED AND TRUSTEES OF THE 1983
SCHEME AND THE 1990 SCHEME RESPECTING CONFIRMATION OF
DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION**

The Official Committee of Unsecured Creditors of Sea Containers Services Limited (the “SCSL Committee”), the Trustees of the Sea Containers 1983 Pension Scheme (the “1983 Scheme”) and the Trustees of the Sea Containers 1990 Pension Scheme (the “1990 Scheme” and, together with the 1983 Scheme, the “Schemes”), by and through their undersigned attorneys, hereby submit the following response (the “Response”) to the Debtors’ Second Amended Joint Plan Pursuant to Chapter 11 of the United States Code, dated September 22, 2008 (as may be amended and as supplemented by the Plan Supplement, the “Plan”).¹

1. Pursuant to the Solicitation Procedures Order, the Debtors were required to “[f]ile a complete version of the Plan Supplement no later than 15 days prior to the Voting Deadline.” See Section C.7 of the Solicitation Procedures. On October 24, 2008, the Debtors filed certain documents comprising only a portion of the Plan Supplement (the “Filed Plan Supplement Documents”) – a number of the critical Plan Supplement documents either were not

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

filed or were filed in draft form subject to further negotiation and/or revision (such documents, the “Outstanding Plan Supplement Documents”). The Outstanding Plan Supplement Documents include, without limitation, the following: (a) certain of the constitutional and organizational documents of Newco; (b) the Business Transfer Agreement; (c) certain disclosures with respect to the officers and directors of Newco, as required by section 1129(a)(5) of the Bankruptcy Code; (d) the GE SeaCo Definitive Settlement Documents; (e) the Equalization Escrow Agreement; (f) the Non-Debtor Subsidiary Trust Deed; (g) the Equalization-Related Employee Claim Trust Deed; (h) the Newco Repatriation Note; (i) the Newco Director and Officer Equity Incentive Plan; and (j) the agreement pertaining to the retention of the Plan Administrator. Moreover, certain of the Filed Plan Supplement Documents, which purportedly were in final form, contain errors (some of which contradict certain terms and provisions in the Plan) that require correction.

2. To date, the Debtors have not filed the Outstanding Plan Supplement Documents in final form nor have they corrected those errors contained in the Filed Plan Supplement Documents. Accordingly, at this time, the SCSL Committee and the Schemes do not know whether or not the Plan will be internally consistent, coherent, consistent with the Pension Schemes Settlement Agreement, feasible or otherwise satisfy the confirmation standards. By submitting this Response, the SCSL Committee and the Schemes do not object to the Debtors’ failure to finalize the Plan Supplement in accordance with the provisions of the Solicitation Procedures; rather, the SCSL Committee and the Schemes seek to ensure that they have the opportunity to review the final forms of these documents so that they can determine whether or not it would be appropriate to object to the Plan.

3. In addition, certain unresolved issues exist that will bear on the Schemes' decision regarding whether to vote to accept or reject the Plan.² For one, the Debtors have informed the SCSL Committee and the Schemes that a number of revisions have been made to the Plan and that the Debtors intend to file a Third Amended Joint Plan of Reorganization (the "Third Amended Plan") incorporating certain of such changes. The Debtors have neither provided a copy of the Third Amended Plan nor communicated the contemplated changes to the SCSL Committee or the Schemes. At present, the SCSL Committee and the Schemes have no way of knowing whether the Third Amended Plan will contain any amendments, modifications or supplements that may materially or adversely affect the rights of the Schemes, including, without limitation, an amendment, modification or supplement that affects either Scheme's eligibility to enter the Pension Protection Fund or ability to trigger a Pension Protection Fund assessment period.

4. Secondly, on October 28, 2008, the Debtors filed a motion (the "Motion") seeking entry of an order approving a certain Stipulation in Aid of Implementation of Pension Schemes Settlement Agreement with Related Technical Amendments among the Debtors, the SCSL Committee and the Schemes (the "Stipulation"). The Stipulation ensures the proper implementation of the Pension Schemes Settlement Agreement, including, without limitation, the wind-up of Sea Containers Ferries Scotland Limited (a former participating employer to the 1990 Scheme) in the most efficient and cost-effective manner in accordance with Article IV.I of the Plan. The hearing on the Motion is scheduled for November 19, 2008 and the SCSL Committee

² The Debtors have agreed to extend the Schemes' voting deadline on the Plan to November 19, 2008 (the "Schemes' Voting Deadline"). The Schemes' voting deadline on the Bermuda Scheme of Arrangement remains November 10, 2008.

and the 1990 Scheme respectfully submit that the Court's approval of the Stipulation is vital to the implementation of the Pension Schemes Settlement Agreement and, thus, essential for the feasibility of the Plan.

5. Thirdly, the documents memorializing the exit financing facility remain a work in progress. While securing a sizable exit facility is necessary for the Debtors to emerge from chapter 11, the parties in interest in these cases have the right to review the final form of the exit financing documents prior to the Confirmation Hearing to ensure the fairness of same and the viability of Newco upon consummation of the Plan. To date, other than the commitment letter with Fortis Bank (Nederland) N.V. and DVB Bank S.E. setting forth the terms of the Debtors' exit financing facility, neither the SCSL Committee nor the Schemes have received even a draft of the exit financing documents.

6. Pursuant to the Solicitation Procedures Order, the deadline to file objections to the Plan is November 10, 2008 (the "Plan Objection Deadline"). For the reasons set forth herein, finalizing the Plan (including, without limitation, the Plan Supplement) and the exit financing documents in forms acceptable to the SCSL Committee and the Schemes, as well as the Court's approval of the Stipulation, are essential to the SCSL Committee's and the Schemes' comprehension of the actual terms and conditions of the Plan. The failure of the Debtors to resolve these issues prior to the Schemes' Voting Deadline would force one or both of the Schemes to vote on a "moving target" because critical documents remain tentative and in flux. As a matter of fundamental fairness and due process, the Plan Objection Deadline should only be construed to apply to what is known at such time. Accordingly, the right of the SCSL Committee and the Schemes to object to matters incapable of being understood by the Plan Objection Deadline is – and must be – preserved.

7. To the extent that any of the issues set forth herein remain unresolved at the time of the Confirmation Hearing, the SCSL Committee and the Schemes reserve their right to object to the confirmation of the Plan, including, without limitation, any attempt to cramdown the Plan on the Schemes' voting class, notwithstanding the passing of the Plan Objection Deadline.³ Nothing contained in or omitted from this Response should be deemed a waiver of, or deemed to prejudice, the SCSL Committee's or the Schemes' ability or right to object to additional confirmation issues at the Confirmation Hearing.

³ Some of the issues raised herein may be moot by the time of the Confirmation Hearing, as the SCSL Committee and the Schemes continue to work with the Debtors to resolve same.

CONCLUSION

WHEREFORE, based on the foregoing reasons, the SCSL Committee and the Schemes respectfully: (i) reserve their right to object to the confirmation of the Plan; and (ii) request that the Court grant such other and further relief as it deems just and proper.

Dated: Wilmington, Delaware
November 10, 2008

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