UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In Re:	)	**Chapter 11**
	)	
SEA CONTAINERS LTD. et al.,	)	**Case No. 06-11156 (KJC)**
	)	
Debtors.	)	**Jointly Administered**

FEE AUDITOR'S FINAL REPORT REGARDING INTERIM FEE APPLICATION OF ZOLFO COOPER LIMITED FOR THE NINTH INTERIM PERIOD

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Fee Application of Zolfo Cooper Limited for the Ninth Interim Period (the "Application").

BACKGROUND

1. Zolfo Cooper Limited ("Zolfo Cooper") was retained as financial advisor to the Official Committee of Unsecured Creditors of Sea Containers Services Ltd. In the Application, Zolfo Cooper seeks approval of fees totaling $282,930.52[1] and costs totaling $905.45[2] for its services from October 1, 2008 through November 30, 2008 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective

[1, 2] The fee and expense figures listed herein represent the US Dollar equivalent of $173,620.92 in fees and $555.63 in expenses in Zolfo Cooper's local currency, the British Pounds Sterling (£), plus VAT of $26,043.14 and $83.35 respectively. Zolfo Cooper used the exchange rate of £0.70570 for the compensation and expenses sought in its October, 2008 invoice, and £0.70570 for the compensation and expenses sought in its November, 2008 invoice.

February 1, 2009, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. 330, Issued January 30, 1996 (the "Guidelines"), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served on Zolfo Cooper an initial report based on our review, and received a response from Zolfo Cooper, portions of which response are quoted herein.

DISCUSSION

3. In our initial report we noted that included in the Application are fees in the amount of US $8,553.21 for services rendered between November 25, 2008 and November 30, 2008. As these fees were billed for work either performed or to be performed after November 24, 2008, the confirmation date of Debtors' Fourth Amended Joint Plan Pursuant to Chapter 11 of the United States Bankruptcy Code (the "Plan"), they are beyond the scope of our review, and we will not make any recommendation concerning their approval.

4. In our initial report we noted the following instance wherein four professionals participated in a conference call:

16/10/08	Taylor	1.0	$445.00	$630.58	…… and meeting with G. Squires, M. Skelton and Sackers to discuss [PPF report] (1.0).
16/10/08	Hartley	1.0	$370.00	$524.30	PPF validation report call with G. Squires, M. Skelton, K. Taylor and Sackers.
16/10/08	Skelton	1.0	$445.00	$630.58	Discussing the PPF validation report with G. Squires, L. Hartley, K. Taylor and Sackers.
16/10/08	Squires	1.0	$595.00	$843.13	Discussing the PPF validation report with M. Skelton, K. Taylor and Sackers.

The entries do not specifically address the participants' roles in the conference call. While we do not believe that all instances of the use of multiple professionals are inappropriate, it is our opinion

that the use of multiple professionals should be scrutinized closely. *See* *In re Busy Beaver Bldg. Centers, Inc.*, 19 F.3d 833, 856 (3rd Cir. 1994). Paragraph II.D.5 of the Guidelines provides that "[i]f more than one professional from the applicant firm attends a hearing or conference, the applicant should explain the need for multiple attendees." Moreover, Rule 2016-2(d)(ix) states "[t]he activity descriptions shall individually identify all meetings and hearings, each participant, the subject(s) of the meeting or hearing, and the participant's role." We asked Zolfo Cooper about these fees and it responded as follows:

> Zolfo Cooper operates a small team of four dedicated professionals on the Sea Containers case, with additional input as and when required for specific projects (such as assisting in the review of exit financing proposals).
>
> The four professionals participating in the meeting highlighted at paragraph five are:
>
> Gary Squires, Partner - Engagement partner in charge of the case, Gary is the main advisor to the members of the SCSL Committee on all financial matters including pension issues, asset sales and general conduct of the case.
>
> Mark Skelton, Director - Case manager, taking responsibility for key matters on the case, preparing technical documentation and leading discussion and communication with the Committee members.
>
> Ken Taylor, Director - Advisory director, providing in depth knowledge of the UK pensions regulatory environment.
>
> Luke Hartley, Senior Associate - Co-ordinates the day to day running of the case; prepares technical documentation; co-ordinates asset sale documentation and information requests.
>
> Zolfo Cooper's policy is to ensure that, where possible, work is delegated to the most cost effective member of staff on the team, i.e. that person who is best able to complete the task for the lowest cost. The four staff highlighted above are key members in the management of the case on a day to day basis or provide specialist knowledge that was invaluable in the meeting highlighted.
>
> We have outlined below an explanation of each participant's role in the conference call highlighted in paragraph five of the Initial Report.

Date	Employee	Narrative	Purpose
16/10/08	Taylor	...and meeting with G Squires, M Skelton and Sackers to discuss PPF Report	Ken is an advisory Director in Zolfo Cooper's dedicated Pensions Advisory team, with extensive experience of the UK pensions regulatory regime. A key subject discussed on the conference call was potential Scheme entry into the UK's Pension Protection Fund (PPF), a matter where Ken's expertise was invaluable.
16/10/08	Hartley	PPF Validation report call with G Squires, M Skelton, K Taylor and Sackers	Luke is a senior associate in Zolfo Cooper's dedicated Pensions Advisory team. Luke was responsible for drafting the majority of the report discussed at the meeting and was therefore on hand to explain any necessary points.
16/10/08	Skelton	Discussing the PPF Validation report with G Squires, M Skelton, K Taylor and Sackers	Mark Skelton is a director in Zolfo Cooper's dedicated Pensions Advisory team, responsible for key case matters and advice. Mark had overall responsibility for delivering the report and ensuring Zolfo Cooper's advice was accurate and consistent with other case matters.
16/10/08	Squires	Discussing the PPF Validation report with G Squires, M Skelton, K Taylor and Sackers	Gary Squires is Zolfo Cooper's engagement partner for the Sea Containers case. Gary has extensive experience advising schemes and sponsors around PPF entry and was therefore invaluable in this meeting.

We appreciate Zolfo Cooper's response and have no objection to these fees.

CONCLUSION

5. Thus we recommend approval of fees totaling $274,377.31 ($282,930.52 excluding $8,553.21[3]) and expenses totaling $905.45, for Zolfo Cooper's services for the Application Period.

[3] *See* paragraph 3 above.

Respectfully submitted,

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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served via First-Class United States mail to the attached service list on this 12th day of April, 2009.

_____
Warren H. Smith

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