IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
SEA CONTAINERS LTD., et al.,[1]	)	Case No. 06-11156 (KJC)
Debtors.	)	Jointly Administered
	)	**Hearing Date: May 8, 2007 at 10:00 a.m. (ET)** **Objection Deadline: May 7, 2007 at 12:00 noon (ET)**

NOTICE OF MOTION

TO: (I) THE OFFICE OF THE UNITED STATES TRUSTEE; (II) COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR SCL; (III) COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR SCSL AND (IV) THOSE PARTIES REQUESTING NOTICE IN ACCORDANCE WITH LOCAL RULE 2002-1(B).

PLEASE TAKE NOTICE that the above-captioned debtors and debtors in possession (the "Debtors")[2] have filed the attached Debtors' Motion for Authority to Enter into a Commitment Letter for a Dip Facility, Pay Certain Expenses and Incur Certain Indemnification Obligations (the "Motion").

The Debtors have requested that responses, if any, to the Motion be filed with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before **May 7, 2007 at 12:00 noon (ET)** (the "Objection Deadline"). At the same time, you must serve a copy of your response upon the undersigned counsel.

THE DEBTORS HAVE FURTHER REQUESTED THAT A HEARING ON THE MOTION WILL BE HELD ON MAY 8, 2007 AT 10:00 A.M. (ET) BEFORE THE HONORABLE KEVIN J. CAREY IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5TH FLOOR, WILMINGTON, DELAWARE 19801.

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[1] The Debtors are Sea Containers Caribbean Inc., Sea Containers Ltd. and Sea Containers Services Ltd.

[2] The Debtors are the following three entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Sea Containers Ltd. (8412); Sea Containers Services Ltd. (9667); and Sea Containers Caribbean Inc. (4881). The address of Sea Containers Ltd. is 22 Victoria Street, P.O. Box HM 1179, Hamilton HMEX, Bermuda. The address of Sea Containers Services Ltd. is 20 Upper Ground, London SE1 9PF, United Kingdom. The address of Sea Containers Caribbean, Inc. is 1114 Avenue of the Americas, New York, NY 10036.

IF YOU FAIL TO RESPOND TO THE MOTION IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED THEREIN WITHOUT FURTHER NOTICE OR A HEARING.

Dated: Wilmington, Delaware
May 3, 2007

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SEA CONTAINERS LTD., *et al.*,[1]	)	Case No. 06-11156 (KJC)
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Debtors.	)	**Objection Deadline: May 7, 2007 at 12:00 p.m. (ET)**
	)	**Hearing Date: May 8, 2007 at 10:00 a.m. (ET)**

DEBTORS' MOTION FOR AUTHORITY TO ENTER INTO A COMMITMENT LETTER FOR A DIP FACILITY, PAY CERTAIN EXPENSES AND INCUR CERTAIN INDEMNIFICATION OBLIGATIONS

Caspian Capital Partners LP and certain of its affiliates (collectively, "Caspian"), Dune Capital LP ("Dune"), and Trilogy Capital LLC ("Trilogy" and together with Caspian and Dune, the "DIP Lenders") have committed to provide Sea Containers Ltd. ("SCL") with a debtor-in-possession credit facility (the "DIP Facility"), which will consist of a term loan of up to $151.5 million and a revolving credit facility of $25 million.[2]

As explained in more detail below, the term loan will be used to help fund repayment of an existing debt securitization facility involving Sea Containers SPC Ltd. ("SPC"), a non-debtor, "bankruptcy remote" subsidiary organized and existing under the laws of Bermuda, thereby preventing foreclosure by its lenders who have alleged a default under that facility. The repayment of the securitization facility will be accomplished through a series of transfers in which SCL will use the proceeds of the term loan to make a capital contribution to SPC Holdings, Ltd. ("Holdings"), a wholly-owned, non-debtor subsidiary, which in turn will make a

1 The Debtors in these chapter 11 cases are Sea Containers Caribbean Inc., Sea Containers Ltd., and Sea Containers Services Ltd.

2 The DIP Lenders include three of the five members of the creditors' committee for SCL.

capital contribution to SPC, its wholly-owned subsidiary. SPC then will use the proceeds of the capital contribution, together with other funds available to SPC, to repay the securitization facility.

The revolving credit facility will be available to SCL on a revolving basis during the term of the DIP Facility and will be used to fund operating and administrative expenses during these chapter 11 cases. As a result, the revolving credit facility will provide additional liquidity for the Debtors and facilitate the Debtors' ongoing restructuring efforts.

On May 3, 2007, SCL, the DIP Lenders, and Caspian, as Administrative and Collateral Agent, agreed upon a Commitment Letter and attached term sheet (together, the "Commitment Letter") that sets forth the terms of the DIP Facility and includes an agreement by SCL to pay certain expenses and to indemnify the DIP Lenders and the Administrative and Collateral Agent in certain circumstances. The Commitment Letter, a copy of which is attached as Exhibit A, represents the culmination of a lengthy negotiating process, described in more detail below, during which both SCL and Sea Containers Services Limited sought the input of their creditors' committees on a frequent, sometimes daily, basis.

By this motion (the "Motion"), the above-captioned debtors and debtors in possession (collectively, the "Debtors") seek entry of an order, substantially in the form attached, authorizing SCL to enter into the Commitment Letter and to pay certain expenses and indemnification obligations, should such obligations arise, pursuant to section 363(b) of the

United States Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code"). In support of this Motion, the Debtors respectfully state as follows:[3]

JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory basis for the relief requested herein is section 363(b) of the Bankruptcy Code.

BACKGROUND

A. General

3. On October 15, 2006, the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. On October 17, 2006, the Court entered an order directing the joint administration and procedural consolidation of these chapter 11 cases.

4. The Debtors are continuing in possession of their respective properties and have continued to operate and maintain their respective businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. At the outset of these chapter 11 cases, the United States Trustee appointed an Official Committee of Unsecured Creditors for Sea Containers Ltd., the membership of which was modified on January 23, 2007. Also on January 23, 2007, the United States Trustee

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[3] In further support of the requested relief, the Debtors will file the Declaration of Mark Wilson in Support of Debtors' Motion for Authority to Enter Into DIP Credit Facility Commitment Letter (the "Wilson Declaration") before the hearing on the Motion.

appointed an Official Committee of Unsecured Creditors for Sea Containers Services Ltd. ("SCSL").

6. SCL is the ultimate parent of a group of affiliated companies that includes the other Debtors, as well as more than 100 non-debtor, wholly-owned foreign and U.S. subsidiaries (collectively, the "Company"). The Company primarily engages in the marine container leasing business, but it also has business interests in a diverse set of other industries, including container manufacturing and repairing, property investment, perishable commodity production and sales, and publishing. The Company operates as a global consolidated business and has employees, assets and creditors throughout the world.

7. A substantial portion of SCL's container leasing business is managed by GE SeaCo SRL ("GE SeaCo"), a joint venture between SCL and GE Capital Corporation and certain of its subsidiaries (collectively, "GE"). SCL's ownership interest in GE SeaCo, and its related commercial contracts and shipping containers, are held by SCL and various non-debtor subsidiaries. Because GE SeaCo manages a significant portion of SCL's container leasing business, and because of the significant value of GE SeaCo as an operating entity in its own right, SCL's ownership interest in GE SeaCo is one of the Debtors' most valuable assets.

B. The Securitization and the Related Dispute

8. Since December 1996, as part of a securitized financing, SCL regularly sold all of its rights, title, and interest in a substantial portion of its shipping containers, and all rights to lease revenues relating to those containers, to SPC. After formation of GE SeaCo in 1998, a substantial majority of the containers owned by SPC were leased to or managed by GE SeaCo under commercial agreements among SCL, SPC, and GE SeaCo. Pursuant to an indenture (as amended at certain times prior to October 3, 2006, the "Original Indenture") with The Bank of New York, as Indenture Trustee, SPC issued secured notes, (which aggregated approximately

$284 million at the July 2001 restatement) to finance the purchase of the shipping containers and the associated lease revenues (the notes, the Original Indenture, and related documents, all as amended from time to time, the "Securitization Facility"). To secure its obligations under the Securitization Facility, SPC granted a security interest in substantially all of its assets, including its containers and its interest in the commercial agreements with GE SeaCo. SCL did not guarantee SPC's obligations under the Securitization Facility, but did pledge its Class B Quotas in GE SeaCo in support of those obligations.[4]

9. On October 3, 2006, SCL sold to SPC all of its remaining containers and SPC entered into an amendment and restatement of the Original Indenture (the "Amended Indenture") involving (i) the refinancing of approximately $107 million in outstanding principal amount of notes issued under the Original Indenture and (ii) the issuance by SPC of a new series of notes with an initial principal amount of approximately $54 million. Currently, SPC's obligations under the Securitization Facility total approximately $141 million (not including certain accrued and unpaid interest, fees, costs, expenses and charges). Wachovia Capital Markets, LLC and Ableco Finance LLC (collectively, the "Noteholders") hold the notes issued under the Amended Indenture.

10. On March 20, 2007, the Noteholders notified SCL of an alleged default that had occurred under the Amended Indenture, the occurrence of which the Debtors dispute. The basis for the default, according to the Noteholders, was a breach of certain representations, warranties, and covenants under the Amended Indenture in connection with tax payments that GE SeaCo

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4 The Class B Quotas were issued on account of non-cash assets (i.e., containers) contributed to GE SeaCo by SCL and GE Capital Container SRL and reflect the relative value of those contributions. GE SeaCo's Class A Quotas reflect the equity value of GE SeaCo as a whole.

believes may be owed to foreign taxing bodies on account of some SPC-owned containers. The Debtors do not agree with GE SeaCo's conclusion regarding the tax obligations, which the Debtors understand is not based on any invoice or other notification from the relevant taxing authorities suggesting that tax obligations are due and owing.

11. Because of the alleged default, the Noteholders have accelerated the obligations under the Securitization Facility and threatened to foreclose their liens in SPC's assets. Such a foreclosure would significantly harm the Debtors' estates for several reasons. First, the Debtors believe that SPC has significant enterprise value above its level of indebtedness. The Debtors fear that this equity value, which otherwise would be available to the Debtors' estates, would be reduced, or even destroyed, by the "fire sale" conditions of a foreclosure. Second, the business and operational ramifications of a foreclosure, which have significant potential to be complex, may well adversely affect SCL's equity value in GE SeaCo, one of the Debtors' most valuable assets.

12. The Debtors and SPC have engaged in vigorous negotiations over the past several weeks with the Noteholders in an effort to prevent a foreclosure. In these negotiations, the Noteholders have made clear that they will foreclose their liens unless the Debtors repay the obligations under the Amended Indenture or enter into an agreement with the Noteholders for either a short-term forbearance agreement or a restructuring of the Securitization Facility. It also became clear during the negotiations and related review of the documentation that the covenants and other terms and conditions in the Securitization Facility are simply too tight for comfort: as described in more detail below, many of the requirements and covenants in the documentation relate to actions or situations that are as a practical matter within the control of GE SeaCo (the lessee or manager of the pledged containers) instead of SPC. While the Debtors and SPC believe

that the alleged defaults under the Securitization Facility are incorrect, litigation with the Noteholders could significantly erode SPC's value and would add significant risk to its financing. Further, the Debtors and SPC have little ability to prevent future defaults resulting from actions GE SeaCo may decide to take, with very little warning or recourse available to SPC.

13. The Debtors and SPC engaged in extensive discussions with the Noteholders in an effort to amend the Securitization Facility to address these concerns. As explained in more detail below, however, the Debtors believe that the DIP Lenders' proposal is more advantageous for the Debtors than any available agreement with the Noteholders. As a result, although SPC does not concede a default under the Amended Indenture, the Debtors have concluded that it is most prudent, in order to protect the value of their equity interests in SPC and GE SeaCo, for the Debtors to capitalize SPC with funds that, together with its other funds available therefore, will enable SPC repay the Amended Indenture obligations and thereby prevent the threatened foreclosure.[5] To facilitate this contemplated capitalization of SPC, the Debtors require financing from an outside source.

C. The Debtors' Working Capital Needs

14. In addition to funding needs related to the Securitization Facility, the Debtors have determined that it would be appropriate and prudent for them to obtain access to a working capital facility to ensure adequate liquidity during the chapter 11 reorganization process. As has previously been described to this Court, the Company has pursued a restructuring strategy based

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5 The capitalization will be accomplished, in keeping with the Company's corporate structure, as follows: SCL will make a capital contribution to its wholly-owned subsidiary, SPC Holdings Ltd., which will, in turn, make a capital contribution to its wholly-owned subsidiary, SPC.

on returning operational focus to its "core" container leasing business and evaluating and selling identified non-core assets held directly by SCL's foreign, non-debtor subsidiaries. Maintaining the value of the Company's non-core assets pending the completion of the planned sale program has resulted in substantial needs for cash funding for SCL. *See generally* the *Declaration of Ian C. Durant in Support of the Debtors' Motion for the Funding of SC Treasury Ltd.*, Docket No. 422 (March 19, 2007). While the Company has made and will continue to make efforts to minimize the need for such funding in the future, it is possible that further cash needs will materialize in the future.

15. While the Debtors hope to generate sufficient cash through the planned non-core asset sales to allow for funding of all cash needs of their subsidiaries as well as the operating and administrative expenses of the Debtors during these chapter 11 cases, it is possible that sufficient sale proceeds will not be available in time to cover all funding needs. In such a situation, the Debtors would require access to financing from outside sources. If the Debtors were to wait until a specific funding need arose before seeking such outside financing, the time required for the Debtors to negotiate, document and obtain court approval of that financing would likely cause funding delays that could jeopardize the value of the Company's business or the non-core assets. Accordingly, the Debtors determined that it would be prudent to put a revolving credit facility into place now so that funds will be available to cover future cash needs.

D. The Debtors Made Appropriate Efforts to Obtain Favorable Financing Proposals

i. Seeking Proposals from Third-Parties

16. The Amended Indenture represents the culmination of a marketing process that began in the summer of 2006. At that time, the Company and PricewaterhouseCoopers ("PwC") began to seek potential lenders in connection with a refinancing or restructuring of the Securitization Facility. As part of that marketing process, the Company solicited proposals from

several well-known financial institutions. Shortly thereafter, the Company signed confidentiality agreements with fourteen lenders, who then engaged in a comprehensive due diligence review.

17. After the lenders completed their due diligence, the Company received non-binding term sheets from four lenders. The Company, along with PwC, undertook a detailed review and analysis of the four proposals. Based on the analysis, the Debtors narrowed the group to three leading proposals, which they pursued. After thoroughly reviewing all of the proposals, the Company chose the Noteholders' proposal as providing the most advantageous terms to the Company. On October 3, 2006, SPC entered into the Amended Indenture.

18. Because the dispute with the Noteholders began relatively soon after execution of the Amended Indenture and issuance of the notes, the Debtors relied on the marketing process they had recently completed when seeking funding in connection with the Noteholders' demands for repayment. Specifically, the Debtors and PwC solicited funding proposals from the two finalists from the earlier process whose proposals the Company did not choose. The Debtors, with the advice of PwC, believed that these parties would be the most willing to provide acceptable financing and would be in the best position to reach agreement quickly upon financing terms, given that they had already conducted significant due diligence regarding Sea Containers and SPC and had expressed significant interest in providing funding less than a year ago. When approached by PwC, each of these lenders indicated that it was interested in financing SCL, but the lenders demanded either significant upfront and break-up fees as an inducement even to conduct due diligence and submit a non-binding proposal for the proposed DIP financing or made other demands that SCL believed were unfavorable.

19. Due to the sizeable up-front fee payments demanded by potential lenders with no guarantee that financing would ultimately be available on acceptable terms, the Debtors and PwC

ultimately determined that proceeding with these third-party lenders was not in the best interest of the Debtors' estates. As described in the following section, the Debtors had identified two groups of potential lenders (the DIP Lenders and the Noteholders) who were willing to engage in financing negotiations and present proposals for financing commitments without being paid up-front to do so.

ii. Negotiations with the Noteholders and the DIP Lenders

20. At the same time as the financing exploration described above, the Debtors have negotiated exhaustively over the past several weeks with the Noteholders and the DIP Lenders over various financing proposals. As an alternative to foreclosure, the Noteholders offered either a short-term standstill agreement or an agreement to restructure the Securitization Facility. Under the standstill agreement, the Noteholders would agree not to foreclose their liens for a period of 90 days so as to allow time for SPC or the Debtors to obtain third-party financing to repay them. Under the restructuring agreement, the Noteholders and the Debtors would restructure the Securitization Facility so that it would mature upon the Debtors' exit from chapter 11.

21. At the same time, the Debtors also were negotiating with the DIP Lenders regarding several alternative financing structures, including the terms of a potential DIP loan that would enable SCL to capitalize SPC with funds that, together with funds available to SPC, could be used to repay the Noteholders.

iii. Identification of the DIP Facility as Most Advantageous

22. After careful consideration and extensive analysis and discussion of the proposals by both the Noteholders and DIP Lenders, the Debtors concluded that the DIP Lenders' proposal

provides the most benefit to the Debtors' estates. The DIP Lenders' proposal offers attractive financing terms, including no cash upfront fees or break-up fees.[6] The proposal also provides a solution to the dispute with the Noteholders, while at the same time providing the Debtors a $25 million revolving credit facility to address the Debtors' liquidity needs during the chapter 11 cases.

23. Unlike a short-term financing or forbearance that would require the Company to expend additional time and money to secure permanent financing in the near future, the DIP Lenders' proposal will allow the Debtors to lock in permanent financing, thereby enabling the Debtors and their advisors to focus their efforts going forward on key restructuring initiatives and developing a confirmable chapter 11 plan. Finally, the structure of the proposal (in which the borrower is SCL, not SPC) ensures that the bulk of the covenants and other obligations under the facility will relate to the assets and operations of SCL rather than SPC, who, as described below, does not have direct control over its primary asset, the containers leased or managed by GE SeaCo.

24. In comparison to the DIP Lenders' proposal, the Noteholders' proposals came up short in significant areas. Both of the Noteholders' proposals required the Debtors to pay sizeable fees to the Noteholders as part of any agreement.[7] Further, neither of the Noteholders' proposals provided sufficient relief from the operating, reporting, and other covenants under the

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6 As described in the summary of DIP Facility terms that appears below, the proposal does include a refinancing fee, which is payable upon a prepayment.

7 The Noteholders' short-term proposal provided that any fees paid could be credited against a prepayment fee that would become due to the Noteholders in the event that SPC refinanced its obligations under the Securitization Facility. It was not clear, however, that any such prepayment fee would ever become due.

Amended Indenture, which meant that the Debtors faced the possibility of additional and continuing allegations of default—and threats of foreclosure—by the Noteholders.

25. The Debtors believe that the lack of covenant relief represents a considerable disadvantage of the Noteholders' proposals, because many of the covenants and other requirements in the Securitization Facility relate to the operation and management of SPC's shipping containers. As indicated above, SPC's shipping containers are leased to or managed by GE SeaCo, which GE now controls.[8] Therefore, because the Debtors do not control the assets to which numerous covenants and requirements relate, it is extremely challenging to ensure compliance with the Securitization Facility. Thus, without significant covenant relief, the Debtors would be at constant risk of an action or omission by GE SeaCo that would breach a Securitization Facility covenant, thereby opening the door to a future default and the severe consequences it would bring. For this reason, the Debtors did not view the Noteholders' proposals as attractive financing options.

26. In large part because the DIP Facility is structured in an entirely different way from the Securitization Facility, it presents a substantially different set of covenants and other requirements that are much easier for the Company to meet. Importantly, because the primary obligor under the DIP Facility is SCL, the affirmative and negative covenants and other requirements in the DIP Facility focus primarily upon the assets, operations and other actions and omissions of SCL rather than SPC or GE SeaCo. Thus, the Debtors will have significantly greater control over their ability to maintain compliance with the DIP Facility than under the

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8 GE obtained majority control of the GE SeaCo Board of Managers on April 13, 2006 pursuant to certain contractual provisions in GE SeaCo's governing documents allowing GE to appoint another GE representative to the Board of Managers.

Securitization Facility, even taking into account the partial covenant relief proposed by the Noteholders proposals. Moreover, the DIP Facility contains no ratio, leverage or other financial covenants such as those under the Securitization Facility.

27. Accordingly, for all of these reasons, the Debtors determined that the DIP Lenders' financing proposal is the most advantageous funding option available to the Company as a whole.

E. The DIP Facility

28. The DIP Facility will consist of a non-amortizing term loan of up to $151.5 million available in a single drawing (the "Term Loan") as well as a $25 million revolving credit facility (the "Revolving Credit Facility" and, together with the Term Loan, the "DIP Loans").

29. The Term Loan will be in the principal amount of up to the lesser of (a) $151.5 million and (b) the product of (i) 1.01 and (ii) the amount necessary to repay in full, without penalty or premium, the principal balance of the loans outstanding under the Securitization Facility, including any accrued, unpaid interest thereon and certain transactional expenses, including the fees and expenses of counsel to the DIP Lenders, all as more fully described in the section entitled "Use of Proceeds," below. The Term Loan will reflect original issue discount from par of 1.0% of the amount borrowed.

30. Under the Revolving Credit Facility, a principal amount equal to $25 million will be available to SCL for borrowing on a revolving basis during the term of the DIP Facility. The funds will be available for use by the Debtors for general corporate purposes in the ordinary course of business. Importantly for the purposes of both this Motion to enter into the Commitment Letter and the contemplated later motion for authorization to borrow under the DIP Facility, the Debtors would not engage in intercompany lending transactions, such as funding of non-debtor subsidiaries, absent approval under separate order of this Court.

31. Additional material terms of the DIP Facility contemplated by the Commitment Letter are as follows:[9]

DIP Borrower	SCL.
DIP Lenders	Caspian, Dune and Trilogy.
Guarantors	SPC Holdings Ltd., a Bermuda company ("SPC Holdings").
Administrative and Collateral Agent	Caspian (the "DIP Agent").
DIP Facility	A senior, superpriority, secured, debtor-in-possession term loan and revolving credit facility (the "DIP Facility") made available to the Borrower following the entry of (i) the Commitment Order and (ii) a final order of the Bankruptcy Court, in form and substance reasonably satisfactory to the DIP Lenders, approving and authorizing entry by SCL into the DIP Credit Documents, and the transactions contemplated thereby (the "Final Order"), such DIP Facility to comprise a term loan facility (the "Term Loan Facility") and a revolving credit facility (the "Revolving Credit Facility") as described below. The several commitments of the DIP Lenders to provide the DIP Facility pursuant to the DIP Credit Agreement on the DIP Effective Date in the maximum amount so provided (whether or not utilized) are referred to collectively as the "DIP Commitments".

9 This Motion contains a summary of certain terms in the Commitment Letter. If there is any variance between this summary and the Commitment Letter, the terms of the Commitment Letter shall control. Any capitalized terms not defined herein shall have the meanings ascribed in the Commitment Letter.

Term Loan Facility	A term loan facility providing for a non-amortizing term loan (the "Term Loan") available in a single drawing on the Closing Date, such Term Loan to be in a principal amount of up to the lesser of (a) $151.5 million and (b) the product of (i) 1.01 and (ii) the amount necessary, together with other funds of SPC available therefor, to repay in full, without penalty or premium, the principal balance of the loans outstanding under the existing $160,661,000 term debt securitization facility of SPC, dated October 3, 2006 (the "Existing SPC Facility") and any accrued, unpaid interest thereon and counsel's fees and disbursements payable under the Existing SPC Facility, and to pay related fees and expenses of counsel to the DIP Lenders. The amount to be made available to the Borrower on the Closing Date will reflect an original issue discount ("OID") from par of 1.0% of the amount referred to in clause (b)(ii) above. Once repaid, the Term Loan may not be reborrowed.
Revolving Credit Facility	A revolving credit facility in an aggregate principal amount equal to $25 million (the loans thereunder, the "Revolving Credit Loans" and, together with the Term Loan, collectively, the "DIP Loans"), available on a revolving basis during the period commencing on the Closing Date and ending on the DIP Termination Date. Revolving Credit Loans may be borrowed, repaid and re-borrowed.

Use of Proceeds	The proceeds of the Term Loan shall be used exclusively by the Borrower, in accordance with the terms of the DIP Credit Documents, (i) to make a capital contribution to SPC Holdings which shall immediately apply all such amounts received by it to make a capital contribution to SPC (such successive capital contributions, collectively, the "SPC Capital Contribution"), in each case in an amount not to exceed the lesser of (x) $150,000,000 and (y) the least amount that, together with other moneys available to SPC therefor, will be sufficient to, and will be used solely to, repay in full all outstanding obligations under the Existing SPC Facility and (ii) to pay all costs and expenses of the DIP Lenders and the DIP Agent (including the reasonable fees and expenses of their legal and other advisors) relating to the structuring of the proposed financing for the Borrower or SPC, including negotiation, documentation and administration of the Commitment Documents and related documents and the DIP Credit Documents, and the alternative forms of financing proposals requested by SCL, or otherwise in connection with the transactions contemplated hereby, including those incurred in connection with the preparation, negotiation, documentation and enforcement of, and preservation of rights under, the Commitment Documents and the DIP Credit Documents (whether incurred before, on or after the date of the Commitment Letter) which amounts shall be payable without any requirement for filing a fee application or obtaining further approval of the Bankruptcy Court, all in accordance with the Commitment Documents and the DIP Credit Documents. No proceeds of the DIP Loans may be used to pay any prepayment or refinancing or similar fee or premium in respect of the Existing SPC Facility. The proceeds of the Revolving Credit Loans shall be used for general corporate purposes of the Borrower and its subsidiaries in the ordinary course of business, consistent with the terms of the DIP Credit Documents.

Interest Rate	The rate of interest *per annum* with respect to the unpaid amount of all DIP Loans (other than during any period in which an Event of Default exists) shall be the Eurodollar Rate[10] for the relevant Interest Period plus the Applicable Margin[11] (the "Non-Default Rate"). Non-Default Rate interest on the DIP Obligations shall be payable monthly in arrears.
Default Rate	The rate of interest *per annum* with respect to the unpaid amount of all DIP Loans during the continuance of an Event of Default shall be the 1-month Eurodollar Rate, calculated daily, plus the Applicable Margin plus 2.0% (the "Default Rate"). The rate of interest *per annum* with respect to the unpaid amount of all other DIP Obligations during the continuance of an Event of Default shall be equal to the Default Rate that would be applicable in respect of Revolving Credit Loans (whether or not outstanding). Default Rate interest on the DIP Obligations shall be payable in cash on demand and shall be compounded daily.

10 "Eurodollar Rate" means, for an Interest Period, a rate per annum equal to the greater of (a) LIBOR for such Interest Period, adjusted for reserve requirements, if any, and subject to a customary change of circumstances provisions, and (b) on and prior to the six-month anniversary of the Closing Date, the 1 month LIBOR Rate applicable on the business day immediately preceding the Closing Date, as published in the Wall Street Journal, as so adjusted. All Term Loans and Revolving Credit Loans shall have an Interest Period of 1 month other than during any period in which an Event of Default exists, as provided herein.

11 "Applicable Margin" means, means, (a) in the case of Term Loans, 3.50% *per annum*, and (b) in the case of Revolving Credit Loans, 4.0% *per annum*.

Collateral	The DIP Obligations of the Borrower will be secured (both by order of the Bankruptcy Court and in accordance with applicable non-bankruptcy law) by a perfected, first priority security interest in and Lien on (the "DIP Lien") (1) the equity interests of the Borrower in SPC Holdings, (2) all cash and cash equivalents of the Borrower, and (3) all amounts received or receivable by the Borrower from SPC Holdings and SPC, whether as dividends or other distributions on account of equity, payments in respect of debt, or other payments on account of contractual obligations or otherwise, to the extent such amounts received or receivable may, under applicable law, be pledged as security for the obligations of the Borrower without violating legally enforceable provisions of any agreement now existing and that will be binding on the Borrower on the Closing Date after giving effect to repayment of the Existing SPC Facility. The Administrative Agent will provide the Borrower with 5 business days' prior written notice to the Borrower, the United States Trustee and any official committees appointed in the Case, of commencement of any foreclosure by the Administrative Agent on cash and cash equivalents of the Borrower. Prior to such foreclosure, the Borrower may continue to apply such cash in the ordinary course of business consistent with past practice and in accordance with the covenants contained in the DIP Credit Documents.
Guarantee	SPC Holdings will enter into a guarantee of the payment in full when due of the DIP Obligations, in form and substance reasonably satisfactory to the DIP Lenders, which Guarantee shall be secured by a perfected, first priority security interest in all assets of SPC Holdings (including, without limitation, (1) the equity interests of SPC Holdings in Sea Containers SPC Ltd., a Bermuda company ("SPC") and (2) all amounts received or receivable by SPC Holdings from SPC, whether as dividends or other distributions on account of equity, payments in respect of debt, or other payments on account of contractual obligations or otherwise) that may, under applicable law, be pledged as security for a guarantee of SPC Holdings without violating legally enforceable provisions of any agreement now existing and that will be binding on SPC Holdings or the Borrower on the Closing Date after giving effect to repayment of the Existing SPC Facility.

Superpriority Claims	All DIP Obligations shall be granted a superpriority administrative expense claim under 11 U.S.C. § 364(c)(1) with priority over all other costs and expenses of any kind, including but not limited to those specified in, or ordered pursuant to, sections 105, 326, 330, 331, 503(b), 506(c), 507(a), 507(b), 726 or any other provisions of the Bankruptcy Code. As additional protections, the Borrower shall agree (i) not to seek any order that attempts to grant any other party a superpriority claim, (2) not to seek to prime or otherwise subordinate the DIP Obligations or the DIP Lien, and (3) not to seek any order that attempts to grant a security interest in its assets to any other "person" (as such term is defined in the Bankruptcy Code) (except in connection with the repayment or refinancing in full of all DIP Obligations).
Fees and Expenses	The Borrower shall pay (i) all costs and expenses of the DIP Lenders and the DIP Agent (including the reasonable fees and expenses of their legal and other advisors) relating to the structuring of the proposed financing for the Borrower or SPC, including negotiation, documentation and administration of the Commitment Letter and related documents and the DIP Credit Documents, and the alternative forms of financing proposals requested by SCL; (ii) all costs and expenses of the DIP Lenders and the DIP Agent (including the reasonable fees and expenses of their legal and other advisors) relating to the enforcement and preservation of the respective DIP Agent's and DIP Lenders' rights and remedies under and in connection with the Commitment Documents and related documents and DIP Credit Documents; and (iii) all costs and expense of negotiating, documenting and obtaining court approval of SCL's entry into the Commitment Documents and related documents and the DIP Credit Documents and the transactions described in the Commitment Documents and the DIP Credit Documents.
Upfront Fee	None.

Refinancing Fee	On the effective date of any Refinancing, the Borrower shall pay a refinancing fee in an amount equal to 1.0% of the aggregate amount of the cash proceeds of the Term Loans made to the Borrower on or as of the Closing Date (deducting, for purposes of this calculation, the amount of the OID from the stated principal amount of such Term Loans). "Refinancing" shall mean any repayment or replacement of the DIP Obligations, directly or indirectly, with, or in anticipation of, the proceeds of any incurrence by the Borrower or its affiliates, or subsidiaries of any of the foregoing, of Indebtedness or any other obligation having pari passu or priority claim status in relation to the SCL Bonds (whether incurred prior to, contemporaneously with, or after such Refinancing), other than (i) in connection with, and substantially simultaneously with, consummation of a confirmed plan of reorganization for SCL, (ii) at the Stated Maturity Date or (iii) upon an acceleration based solely on an Event of Default of the type listed under "DIP Events of Default" in items (1), (2), (3), (4), (5), (6), (9) (only insofar as it relates to involuntary liens violative of the negative pledge covenant), (12), (13), (14) or (18) if, but only if, the relevant act or condition giving rise to such Event of Default (i) was not commenced, taken or caused, directly or indirectly, by the Borrower or any of its affiliates, (ii) was not directly or indirectly supported by the Borrower or any of its affiliates, and (iii) was actively opposed by the Borrower and each relevant affiliate.
Non-Emergence Fee	The Borrower shall pay a non-emergence fee on the one-year anniversary of the DIP Effective Date, in an amount equal to 1.0% of the aggregate principal amount then outstanding under the DIP Facility, unless all outstanding DIP Obligations have been indefeasibly paid in full on or prior to such anniversary.
Unutilized Commitment Fee	The Borrower shall pay a commitment fee calculated at the rate of 1.0% per annum on the average daily unused portion of the Revolving Credit Facility, payable monthly in arrears (which rate shall apply whether or not a Default or Event of Default shall exist).

DIP Termination Date	The first date on which a DIP Termination Event shall occur. "DIP Termination Event" shall mean the earliest to occur of any of the following dates, events or conditions: (1) the date of payment and satisfaction in full of all the DIP Obligations; (2) the effective date of a confirmed plan of reorganization for SCL; (3) the acceleration of the DIP Obligations as contemplated under "Remedies" herein; (4) the entry of an order approving the sale or other disposition of all or substantially all of the SCL's assets; (5) the date of conversion of the Case into a case under Chapter 7 of the Bankruptcy Code or the appointment of a trustee, or examiner with expanded powers, for SCL; or (6) the date that is 2 years after the Closing Date (such date, the "Stated Maturity").

32. The Commitment Letter also provides, in accordance with customary practice for transactions of this type, that SCL shall indemnify and hold harmless, among others, each of the DIP Lenders and the DIP Agent, each in their capacity as such, and their respective officers, directors, employees, affiliates, advisors, agents, advisors, attorneys, consultants, and representatives, all in accordance with terms set forth in the Commitment Letter, from any and all claims that may be instituted against them in connection with the Commitment Letter, other than any claim that results from the gross negligence or willful misconduct of the indemnified person as finally determined by a court of competent jurisdiction.

RELIEF REQUESTED

33. By this Motion, the Debtors request entry of an order authorizing (i) SCL's entry into, and performance under, the Commitment Letter, (ii) the use of estate funds to pay certain out-of-pocket costs and expenses of the DIP Lenders, including the reasonable fees and expenses of their legal and other advisors, as set forth in the Commitment Letter (the "Expenses") and (iii) SCL's indemnification of the DIP Lenders and the DIP Agent, each in their capacity as such, and their respective officers, directors, employees, affiliates, advisors, agents, advisors, attorneys, consultants, and representatives, all in accordance with terms set forth in the Commitment Letter.

Importantly, this Motion does *not* seek approval of the DIP Facility. The Debtors intend within a very short time period to file a separate motion for approval of the DIP Facility, the contemplated term and revolving borrowing thereunder, and the related capitalization of SPC from the proceeds of the Term Loan for the purpose of repaying the obligations under the Amended Indenture and related matters. Rather, the Debtors are seeking approval of the Commitment Letter, with the accompanying provisions relating to the Expenses and indemnification, for the purpose of permitting the documentation and other actions necessary to close the DIP Facility in an expedited time frame to prevent the threatened foreclosure.

BASIS FOR RELIEF

34. Bankruptcy Code § 363(b)(1) provides in relevant part that a debtor, "after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." The use of property of the estate pursuant to section 363(b) is authorized when there is a "sound business purpose" that justifies the use. *See In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999) ("In determining whether to authorize the use, sale or lease of property of the estate under this section, courts require the debtor to show that a sound business purpose justifies such actions."). Once the Debtors have articulated a valid business purpose for use of estate property, a presumption arises that the Debtors' decision is made on an informed basis, in good faith, and in the honest belief that the action is in the best interest of the company. *See In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992) ("Parties opposing the proposed exercise of a debtor's business judgment have the burden of rebutting the presumption of validity."); *In re Johns-Manville Corp.*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) ("Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made

arbitrarily or capriciously), courts will generally not entertain objections to the debtor's conduct.").

35. As set forth herein and in the Wilson Declaration, there is ample justification for SCL's entry into, and performance under, the Commitment Letter.[12] First, preserving the value of the Debtors' estates by preventing foreclosure on SPC's assets hinges upon obtaining access to the DIP Facility. Second, other aspects of the DIP Facility, including the availability of the Revolving Credit Facility, will facilitate the Debtors' reorganization efforts. The Debtors have engaged in extensive negotiations with the DIP Lenders and the Noteholders, in which the Debtors believe that the DIP Lenders have acted in good faith and conferred a substantial benefit upon the Company in general and the Debtors' estates in particular. The Debtors believe that the DIP Facility proposal resulting from the extensive, arms-length negotiations among the parties represents the most favorable financing terms available to the Company at this time.

36. The Debtors recognize that the DIP Lenders have been incurring substantial expenses in connection with these negotiations, including the fees and expenses of legal counsel.[13] The DIP Lenders are cognizant that, even after the approval of the Debtors' entry into the Commitment Letter, the Debtors are not authorized to enter into and be bound by the definitive agreements and other documentation for the DIP Facility until this Court has

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12 It is important to note again that SCL is not seeking authority in this Motion to obtain financing under the DIP Facility. SCL will seek authority for the financing in a later motion.

13 The DIP Lenders have agreed to limit the reimbursement of their legal fees under the Commitment Letter to $850,000 for the period ending on the date that the DIP Credit Documents are executed. The DIP Lenders have represented to the Debtors that they expect their actual legal fees to be materially less than this amount. In recognition, however, that the DIP Lenders do not solely control the extent or complexity of negotiations and documentation of the DIP Facility (including, for example, the length of negotiations prior to execution of the DIP Credit Documents, whether the Debtors seek or consider alternatives to the DIP Facility after approval of the relief sought in this Motion and other issues relating to the Debtors' specific circumstances), the Debtors have agreed to a cap on legal expenses that exceeds the anticipated level of fees for this transaction.

authorized such actions pursuant to a separate motion yet to be filed. Therefore, the DIP Lenders have required reimbursement of their Expenses and the indemnification obligations as a condition to negotiating and consummating the DIP Facility. Absent the relief requested in this Motion, the DIP Lenders are not willing to negotiate and document the DIP Facility.

37. Providing expense reimbursement and indemnification to potential lenders is fair, reasonable and typical for financing transactions such as the one at hand. Such agreements, which provide protection to lenders should the contemplated loan transaction ultimately not go forward, generally are required in order to induce potential lenders to undertake the due diligence, negotiation, structuring, documentation and other actions necessary to consummate a lending transaction of a scope similar to the DIP Facility. *See, e.g., In re Adelphia Commc'ns Corp., et al*, Case No. 02-41729 (REG), Docket No. 4254, Exh. A (Bank. S.D.N.Y. Mar. 24, 2004); *In re Federal-Mogul Global Inc., T&N Ltd., et al.*, Case No. 01-10578 (RTL), Docket No. 5942, Exh. 1, Docket No. 7185 (Bankr. D. Del. Oct. 1, 2004); *In re Exide Techs.*, Case No. 02-11125 (KJC), Docket No. 2361, Exh. A (Bankr. D. Del. Sept. 12, 2003).

38. In addition, after appropriate investigation and analysis, the Debtors have concluded that the DIP Facility presents the best alternative available under the urgent circumstances with which the Debtors are faced. The terms of the DIP Facility are fair and reasonable and were arrived at after good faith, arms' length negotiations in which SCL sought to obtain financing that would best serve its needs as described in detail herein. Importantly, the DIP Facility allows the Debtors to solve the pressing and serious issue of the Noteholders' threatened foreclosure while at the same time enabling them to secure permanent financing that will allow the Debtors and their advisors to focus on the Debtors' restructuring efforts.

39. Accordingly, a sound business purpose exists for the relief requested in this Motion, and SCL should be authorized to enter into the Commitment Letter and to perform its obligations thereunder, which include paying the fees and expenses described therein, as well as honoring indemnity obligations should they arise. Absent such approval, the Debtors perceive a significant risk that the Noteholders may attempt to foreclose on SPC's assets, thereby significantly harming the value of the Debtors' estates.

REQUEST FOR WAIVER OF STAY

40. The Debtors further seek a waiver of any stay of the effectiveness of the order approving this Motion. Pursuant to Rule 6004(h) of the Bankruptcy Rules, "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 10 days after entry of the order, unless the court orders otherwise." As set forth above, the DIP Facility is essential to prevent potentially significant harm to the bankruptcy estates. Accordingly, the Debtors submit that ample cause exists to justify a waiver of the ten-day stay imposed by Rule 6004(h) of the Bankruptcy Rules, to the extent it applies.

NOTICE

41. Notice of this Motion has been provided to the Office of the United States Trustee, the Official Committee of Unsecured Creditors for SCL, the Official Committee of Unsecured Creditors for SCSL and all parties who have properly filed a notice of appearance in these chapter 11 cases. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

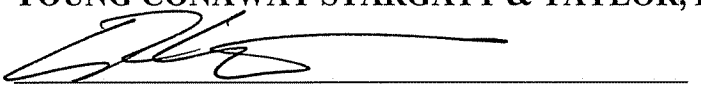
NO PRIOR REQUEST

42. The Debtors have not previously sought the relief requested herein from this or any other Court.

WHEREFORE, for the reasons set forth in this Motion and the Wilson Declaration, the Debtors respectfully request that the Court enter an order, in substantially the form attached as Exhibit B, authorizing: (i) SCL's entry into, and performance under, the Commitment Letter; (ii) the use of estate funds to pay the Expenses set forth in the Commitment Letter; (iii) SCL's indemnification of the DIP Lenders and the DIP Agent, each in their capacity as such, and their respective officers, directors, employees, affiliates, advisors, agents, advisors, attorneys, consultants, and representatives, all in accordance with terms set forth in the Commitment Letter; and (iv) such other and further relief as the Court deems necessary.

Dated: Wilmington, Delaware
May 3, 2007

YOUNG CONAWAY STARGATT & TAYLOR, LLP



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