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July 16, 2007

**VIA HAND-DELIVERY**

The Honorable Robert C. Jones  
United States District Judge  
District of Nevada  
333 S. Las Vegas Blvd.  
Las Vegas, Nevada 89101

**Re: The SCO Group, Inc. v. AutoZone, Inc. CV-S-04-0237-RCJ-LRL**

Dear Judge Jones:

Pursuant to this Court's August 6, 2004 Order, The SCO Group, Inc. ("SCO") respectfully submits this ninety-day status report to apprise the Court of events occurring since our last update (on April 17, 2007) in certain other actions.

**1. The SCO Group, Inc. v. International Business Machines Corporation, Case No. 2:03CV0294 DAK (D. Utah)**

As previously reported, on March 16, 2007, SCO filed a motion for reconsideration of, as well as objections to, Magistrate Judge Wells' Order of March 2 denying SCO's Motion for Relief for IBM's Spoliation. The parties have now fully briefed both applications, but the Court has not set a date for oral argument.

In addition, the Court has not set dates for oral argument on SCO's pending motion for reconsideration of the Court's order of November 29, 2006; motion to amend SCO's December 2005 Submission; and objections to Magistrate Judge Wells' order of December 21, 2006.

**2. The SCO Group, Inc. v. Novell, Inc., Case No. 2:04CV00139 (D. Utah)**

As previously reported, on April 9, 2007, SCO filed a Motion for Partial Summary Judgment on Its First, Second, and Fifth Causes of Action and for Summary Judgment on Novell's First Counterclaim, arguing that Novell transferred UNIX and UnixWare copyrights under the plain language of the amended Asset Purchase Agreement, as confirmed by testimony of at least nine witnesses, including Novell's own CEO at the time of the Agreement.

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On April 20, 2007, the deadline for the parties to file dispositive motions, Novell filed the following motions:

- Motion for Summary Judgment on SCO's First Claim for Slander of Title and Third Claim for Specific Performance,
- Motion for Partial Summary Judgment on the Copyright Ownership Portions of SCO's Second Claim for Breach of Contract and Fifth Claim for Unfair Competition,
- Motion for Partial Summary Judgment on SCO's Non-Compete Claim in Its Second Claim for Breach of Contract and Fifth Claim for Unfair Competition, and
- Motion for Summary Judgment on SCO's First Claim for Slander of Title Based on Failure to Establish Special Damages.

On May 31 and June 4, 2007, the Court heard oral argument on the foregoing summary-judgment motions and the pending motion and cross-motion for summary judgment on Novell's Fourth Counterclaim, taking the motions under advisement. The Court also has still not ruled on Novell's Motion for Summary Judgment or Preliminary Injunction of September 29, 2006, or SCO's corresponding cross-motion.

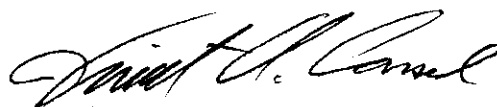
On May 15, 2007 and May 29, 2007, respectively, Novell filed its Evidentiary Objections to SCO's Summary Judgment Exhibits and Evidentiary Objections to SCO's Exhibits Submitted in Support of Its Summary Judgment Oppositions Filed May 18, 2007. SCO filed its response to both sets of Objections on June 18, 2007, and Novell filed a reply on July 3, 2007.

Based on a stipulation by the parties, on July 11, 2007, the Court entered an Order Re Pretrial Schedule, preserving the trial date of September 17, 2007.

**3. Red Hat, Inc. v. The SCO Group, Inc., Case No. 03-772-SLR (D. Del.)**

As Your Honor knows, the Court in the Red Hat case has stayed that action sua sponte. Since our last letter to this Court, the parties in that case have submitted additional ninety-day updates to that Court.

Respectfully submitted,

  
Richard J. Pocker  
*Boj*

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cc: James Pisanelli, Esq. (via hand-delivery)  
David S. Stone, Esq. (via facsimile)