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March 27, 2006

#### BY E-FILE

The Honorable Sue L. Robinson United States District Court 844 King Street Wilmington, DE 19801

Re:

Red Hat, Inc. v. SCO Group, Inc. Civil Action No. 03-772-SLR

Dear Chief Judge Robinson:

Pursuant to the Court's April 6, 2004 Order requesting a quarterly report on the status of various related litigation matters, Red Hat, Inc. ("Red Hat") submits this letter as an update to its previous letter, dated December 27, 2005. Although Red Hat is not a party to these other related cases, Red Hat offers the following summary based upon publicly available information.

### 1. SCO Group, Inc. v. International Business Machines Corp.

On December 22, 2005, pursuant to the Court's July 1, 2005 pre-trial management order, SCO filed a disclosure of material it claims was misused by IBM. The disclosure identified 293 technology disclosures purportedly reflecting the extent to which IBM disclosed methods, concepts, and code, from UNIX and UNIX-derived technologies. On February 13, 2006, IBM responded with a motion to limit SCO's claims relating to allegedly misused material, arguing that only ninety-three of these disclosures provided detail sufficient to identify the allegedly misused material (e.g., versions or line numbers), and requesting that the Court limit the scope of SCO's claims to these ninety-three items.

#### 2. SCO Group, Inc. v. AutoZone, Inc.

Since the filing of our last letter to the Court, no significant activity has occurred in this case.

#### 3. SCO v. Novell, Inc.

On December 30, 2005, SCO filed a motion for leave to file an amended complaint. Following the parties' stipulation to the filing of this amended pleading, and the Court's Order granting leave, a second amended complaint was filed on February 3, 2006. In addition to its original slander of title claim, the second amended complaint added four additional claims against Novell:

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## YOUNG CONAWAY STARGATT & TAYLOR, LLP

The Honorable Sue L. Robinson March 27, 2006 Page 2

- Breach of the Asset Purchase Agreement by making unauthorized distributions of UNIX;
- An alternative breach of contract claim seeking specific performance of its obligations under the Asset Purchase Agreement;
- Copyright infringement based on the unauthorized distribution of UNIX technology;
   and
- Unfair competition based on false claims of copyrights and ownership in UNIX, misappropriation of UNIX technology in Linux, and wrongful attempts to thwart SCO's claims.

Novell's response to the amended complaint is due on March 27, 2006.

Respectfully submitted,

Josy W. Ingersoll (No. 1088)

JWI:cg

cc: Clerk of the Court (by CM/ECF and hand delivery)

Mark G. Matuschak, Esquire (by e-mail)
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