

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11 Cases
)
The SCO GROUP, INC. et al.,¹) Case No. 07-11337 (KG)
) (Jointly Administered)
Debtors.) **Related Docket No. 115**

**ORDER GRANTING DEBTORS' APPLICATION, PURSUANT TO
11 U.S.C. §§327(e), 328 AND 330, FOR APPROVAL OF EMPLOYMENT
OF BOIES, SCHILLER & FLEXNER LLP, AS SPECIAL LITIGATION
COUNSEL TO THE DEBTORS NUNC PRO TUNC TO PETITION DATE**

Upon the *Debtors' Application, Pursuant to 11 U.S.C. §§327(e), 328 and 330, for Approval of Employment of Boies, Schiller & Flexner LLP, as Special Litigation Counsel to the Debtors Nunc Pro Tunc to Petition Date* (the "Application") of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), seeking authorization to employ and retain Boies, Schiller & Flexner LLP ("BSF") as special counsel to the Debtors; and upon the *Declaration of Stuart H. Singer, on Behalf of Boies, Schiller & Flexner LLP, as Proposed Special Litigation Counsel for the Debtors, Nunc Pro Tunc to the Petition Date* (the "Declaration") and the *Supplemental Declaration of Stuart H. Singer, on Behalf of Boies, Schiller & Flexner LLP, as Proposed Special Litigation Counsel for the Debtors, Nunc Pro Tunc to the Petition Date* (the "Supplemental Declaration");² and the Court being satisfied, based on the representations made in the Application, the Declaration and Supplemental Declaration that

¹ The last four digits of the taxpayer identification number for The SCO Group, Inc. is 2823. The last four digits of the taxpayer identification number for SCO Operations, Inc. is 7393. The address for both Debtors is 355 South 520 West, Lindon, Utah 84042.

² Capitalized undefined terms herein shall have the same meaning as set forth in the Application or Declaration.
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BSF represents or holds no interests adverse to the Debtors or the Debtors' estates with respect to the matters upon which it is to be engaged, and that employment of BSF is necessary and in the best interest of the Debtors and the Debtors' estates; and it appearing that the Court has jurisdiction to consider the Application; and it appearing that due notice of the Application has been given and no further notice need be given; and upon the proceedings before the Court; and after due deliberation and good sufficient cause appearing; it is so

ORDERED that the Application is granted as modified herein; and it is further

ORDERED that pursuant to section 327(e) of the Bankruptcy Code, the Debtors are authorized to employ and retain BSF as special counsel, effective *nunc pro tunc* to the Petition Date, on the terms set forth in the Application and the Declaration, provided, however, that BSF shall not be permitted to represent the Debtors in conducting their bankruptcy cases; and it is further

ORDERED that pursuant to section 327(e) of the Bankruptcy Code, the Debtors are authorized to employ and retain BSF as special counsel, effective *nunc pro tunc* to the Petition Date, on the terms set forth in the Application and the Declaration; provided, however, that any compensation payable to BSF shall be subject to review under 11 U.S.C. § 328 with respect to (i) any Litigation Recoveries and/or (ii) any Transaction Recoveries where International Business Machines ("IBM") or Novell, Inc. ("Novell") is a direct party to the Transaction; provided further, that compensation payable to BSF for (i) Transaction Recoveries where entities other than IBM and/or Novell are direct parties to the Transaction and (ii) the


hourly rate services referenced in paragraph 14 of the Application shall be subject to review under 11 U.S.C. § 330; and it is further

ORDERED that, subject to the foregoing, BSF shall file applications and be compensated in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and such other procedures as may be fixed by order of this Court; and it is further

ORDERED that, with the exception of BSF, this Order does not authorize either the Debtors or BSF to employ and/or compensate professionals referenced in the Application and/or the Engagement Agreement; notwithstanding BSF's obligations under the Engagement Agreement to pay certain fees and expenses, the Debtors are obligated to separately retain such professionals before they are compensated; and it is further

ORDERED that, notwithstanding anything in the Engagement Agreement to the contrary, BSF submits itself to the jurisdiction of this Court with regard to any disputes relating to its employment in the above-captioned cases.

Dated: Dec. 5 2007


The Honorable Kevin Gross
United States Bankruptcy Judge