

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11 Cases
	)	
The SCO Group, Inc., <u>et al.</u> , <sup>1</sup>	)	Case No. 07-11337 (KG)
	)	(Jointly Administered)
Debtors.	)	
	)	Related Docket No. ____

**ORDER GRANTING DEBTORS' MOTION FOR A DETERMINATION THAT  
INCENTIVE BONUSES FOR QUARTER ENDING OCTOBER 31, 2007 WERE  
PAID IN THE ORDINARY COURSE OF DEBTORS' BUSINESS FOR CONTINUING  
AUTHORITY TO PAY ORDINARY COURSE OF BUSINESS INCENTIVE BONUSES**

Upon the Motion<sup>2</sup> of the above-captioned debtors in possession (the "Debtors") seeking a determination that that incentive bonuses paid by the Debtors' pursuant their 2007 Employee Incentive Bonus Program for the quarter ending October 31, 2007 were made in the ordinary course of the Debtors' business and for continuing authority to pay ordinary course of business incentive bonuses; the Court, having considered the Motion, testimony of witnesses and argument of counsel; FINDS, ORDERS and ADJUDGES that:

1. Prior to September 14, 2007 (the "Petition Date"), the Debtors had employee incentive bonus programs, pursuant to which employees were entitled to be paid bonuses, on a quarterly basis, to the extent that certain revenue and net operating income/loss as well as personal performance objectives were achieved (the "Performance Metrics").

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms not defined have the meanings ascribed in the Motion.

2. The Debtors had an incentive bonus program for their fiscal year 2007 (the "Program"), pursuant to which eligible employees were entitled to be paid bonuses, on a quarterly basis, to the extent that the Performance Metrics were achieved.

3. The Program is of the sort commonly undertaken by companies in the Debtors' industry.

4. The Debtors achieved the financial goals set by the Debtors' Board of Directors for the quarter ending October 31, 2007. Further, the Debtors' eligible employees achieved the personal performance objectives for the quarter ending October 31, 2007.

5. Accordingly, the Court finds and adjudges that the Q4 Bonuses were made in the ordinary course of business.

6. The Debtors are authorized in the ordinary course of their businesses to continue to pay similar incentive bonuses for future quarters.

7. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: \_\_\_\_\_, 2008

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The Honorable Kevin Gross  
United States Bankruptcy Judge