

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
The SCO GROUP, INC., <u>et al.</u> , ¹)	Case No. 07-11337 (KG)
)	(Jointly Administered)
Debtors.)	Related Docket No. _____

ORDER APPROVING PLAN SPONSOR PROTECTIONS

The Court having considered the *Debtors' Motion To Approve Settlement Compensation Or Sale Compensation And Expense Reimbursement To Plan Sponsor* (the "Motion") filed by the debtors in possession (collectively, the "Debtors"), any responsive pleadings filed in connection with the Motion, the record and representations of counsel at the hearing on the Motion; and the Court having determined that notice of the Motion was adequate and sufficient under the circumstances and that the relief sought in the Motion is reasonable, necessary, and in the best interests of the Debtors' respective estates, their creditors and interest holders; and after due deliberation and sufficient cause appearing therefore; does ORDER as follows:

1. The Motion is GRANTED.
2. If the Pending Litigation is resolved by a sale of the Debtors to a third party, a net settlement in Debtors' favor, or by the acquisition of the Debtors by or for the account of a defendant in the Pending Litigation,² prior to confirmation of the Plan,³ then

¹ The Debtors and the last four digits of each of the Debtors' federal tax identification numbers are as follows: (a) The SCO Group, Inc., a Delaware corporation, Fed. Tax Id. #2823; and (b) SCO Operations, Inc., a Delaware corporation, Fed. Tax ID. #7393.

² Capitalized terms not otherwise defined have the meanings ascribed in the Motion.

Stephen Norris Capital Partners, LLC (“SNCP”) shall be entitled to an amount equal to fifty percent (50%) of either: (a) the Debtors’ net recovery in such settlement (net of any recovery on or settlement of counterclaims and cross claims against Debtor, and any taxes, and all legal and other professional fees and expenses incurred by the Debtor in connection therewith) (the “Settlement Compensation”), or (b) the proceeds and purchase price paid to acquire the Debtors, as aforesaid (the “Sale Compensation”), plus a reasonable amount as reimbursement for all expenses incurred by SNCP in connection with the MOU (the “Expense Reimbursement”) (the Settlement Compensation, Sale Compensation and Expense Reimbursement collectively referred to as “Plan Sponsor Protections”).

3. The Plan Sponsor Protections shall be allowed as an administrative expense under 11 U.S.C. § 503, and payable promptly after the Debtors’ receipt of such net settlement (or sales proceeds) and after the entry of an Order by this Court denying confirmation of the Plan without further order of this Court. If the Debtors and SNCP do not agree on the calculation of some or all the Plan Sponsor Protections, the Court shall determine the appropriate amount of the disputed portion of the Plan Sponsor Protections.

4. The Court reserves jurisdiction to interpret, enforce and implement this Order.

Dated: _____, 2008

Kevin Gross
United States Bankruptcy Judge

³ The Plan as filed on _____, 2008.