

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11 Cases
The SCO Group, Inc., <u>et al.</u> , ¹)	Case No. 07-11337 (KG)
)	(Jointly Administered)
Debtors.)	
)	Related Docket No. 536

**ORDER GRANTING DEBTORS' MOTION FOR (1) A DETERMINATION
THAT STOCK OPTIONS AWARDED TO EXECUTIVES WERE MADE IN THE
ORDINARY COURSE OF DEBTORS' BUSINESS AND (2) CONTINUING
AUTHORITY TO AWARD ORDINARY COURSE STOCK OPTIONS**

Upon the Motion² of the above-captioned debtors in possession (the "Debtors") seeking a determination that that stock options awarded to the Debtors' four executives on August 26, 2008 pursuant the 2004 Omnibus Stock Incentive Plan were awarded in the ordinary course of the Debtors' business, and for continuing authority to continue to grant similar awards; 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 a 2004 Omnibus Stock Incentive Plan (the "2004 Plan"), pursuant to which employees were eligible to be awarded Options (as defined in the 2004 Plan) at the discretion of the Committee.

2. The 2004 Plan is of the sort commonly undertaken by companies in the Debtors' industry.

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.

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

3. The Committee approved the grant of Options aggregating 580,000 shares of The SCO Group, Inc.'s common stock at an exercise price equal to the price its shares were being traded as of the close of business on the date of the grant.

4. Accordingly, the Court finds and adjudges that awards of Options subject of the Motion that were awarded to the Debtors' executives were awarded in the ordinary course of business.

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

Dated: September 16, 2008


The Honorable Kevin Gross
United States Bankruptcy Judge