

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

-----  
In re : Chapter 11  
:   
THE SCO GROUP, INC., *et al.*,<sup>1</sup> : Case No. 07-11337 (KG)  
:   
: (Jointly Administered)  
Debtors. :   
: **Objection Deadline: 4/16/10 at 4:00 p.m.**  
----- : **Hearing Date: Only in the Event of an Objection**

**FIFTH MONTHLY FEE APPLICATION OF OCEAN PARK ADVISORS,  
LLC, FINANCIAL ADVISOR TO THE CHAPTER 11 TRUSTEE OF THE  
SCO GROUP, INC. ET AL., FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD OF FEBRUARY  
1, 2010 THROUGH FEBRUARY 28, 2010**

*Name of Applicant:* Ocean Park Advisors, LLC

*Authorized to Provide Professional Services to:* Chapter 11 Trustee of The SCO Group, Inc., et al.

*Date of Retention:* October 23, 2009, *nunc pro tunc* to September 15, 2009

*Period for which Compensation and Reimbursement is Sought:* February 1, 2010 through February 28, 2010

*Amount of Compensation Sought as Actual, Reasonable, and Necessary:* \$77,465.40 (80% of \$96,831.75), plus \$50,000 Financing Transaction Fee

*Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary:* \$17,412.56

This is a:       Monthly       Quarterly       Final Application

<sup>1</sup> 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.

Prior Fee Applications

Date Filed - Docket No.	Period Covered	Requested		Approved		Holdback
		Fees	Expenses	Fees	Expenses	
12/08/2009 [Dkt. 985]	09/15/2009 – 10/31/2009	\$196,002.50	\$16,721.25	\$156,802.00	\$16,721.25	\$39,200.50
1/26/2010 [Dkt. 1045]	11/1/2009 – 11/30/2009	\$63,137.00	\$3,175.00	\$50,509.60	\$3,175.00	\$12,627.40
2/4/2010 [Dkt. 1048]	12/1/2009 – 12/31/2009	\$67,916.25	\$4,114.54	\$54,333.00	\$4,114.54	\$13,583.25
3/1/2010 [Dkt. 1071]	1/1/2010 – 1/31/2010	\$89,679.50	\$2,535.40	<i>Pending</i>	<i>Pending</i>	<i>Pending</i>

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

-----	:	Chapter 11
In re	:	
	:	
THE SCO GROUP, INC., <i>et al.</i> , <sup>1</sup>	:	Case No. 07-11337 (KG)
	:	
	:	(Jointly Administered)
Debtors.	:	
-----	:	<b>Objection Deadline: 4/16/10 at 4:00 p.m.</b>
	:	<b>Hearing Date: Only in the Event of an Objection</b>

**FIFTH MONTHLY FEE APPLICATION OF OCEAN PARK ADVISORS,  
LLC, FINANCIAL ADVISOR TO THE CHAPTER 11 TRUSTEE OF THE  
SCO GROUP, INC. ET AL., FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD OF  
FEBRUARY 1, 2010 THROUGH FEBRUARY 28, 2010**

This fifth monthly fee application for compensation and reimbursement of expenses (the “*Fee Application*”) is filed by Ocean Park Advisors, LLC (“*OPA*”) requesting payment for services rendered and reimbursement of costs expended as financial advisor for the Chapter 11 Trustee (the “*Trustee*”) of The SCO Group, Inc., *et al.* (the “*Debtors*”), for the period of February 1, 2010 through February 28, 2010 (the “*Application Period*”). In support of this Fee Application, OPA respectfully states as follows:

**Jurisdiction**

1. This Court has jurisdiction to consider the Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).
2. The statutory predicates for the relief sought herein are 11 U.S.C. §§ 327 and 328,

---

<sup>1</sup> 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.

as complemented by Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and Rules 2014-1 and 2016-2 of the Delaware Bankruptcy Local Rules (the “*Local Rules*”).

### **Background**

3. On September 14, 2007 (the “*Petition Date*”), the Debtors commenced their bankruptcy cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continued in the management and operation of their businesses and property as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108 until August 25, 2009 (the “*Appointment Date*”) when this Court appointed a chapter 11 trustee.

4. On October 5, 2007, this Court entered the Administrative Order Establishing Procedures for Interim Monthly Compensation of Professionals (the “*Administrative Order*”) [Docket No. 95].

5. In connection with contested motions to convert the Debtors’ chapter 11 cases to chapter 7 cases, on or about July 27, 2009, this Court directed the United States Trustee to appoint a chapter 11 trustee.

6. On the Appointment Date, the Office of the United States Trustee filed its Notice of Appointment of Edward N. Cahn, Esquire as Chapter 11 Trustee [Docket No. 898] and, on the same day, this Court entered an Order Approving Appointment of Chapter 11 Trustee [Docket No. 900].

7. On October 2 2009, the Debtors filed with this Court the Chapter 11 Trustee’s Application for Authority to Retain and Employ Ocean Park Advisors LLC as Financial Advisors and Investment Banker, Nunc Pro Tunc to September 15, 2009 (the “*OPA Retention Application*”) [Docket No. 923]. On October 23, 2009, the Court entered an order (the “*OPA Retention Order*”) approving the OPA Retention Application, upon the terms and conditions set

forth in the engagement letter between the Trustee and OPA, dated as of September 15, 2009 (the “*Employment Agreement*”) [Docket No. 939].

8. The Employment Agreement provides, as consideration for OPA’s investment banking services for, among other things, a “Financing Transaction Fee” equal to 2.5% of the aggregate gross proceeds of any Financing Transaction.<sup>2</sup>

9. Pursuant to the OPA Retention Order, the fees and expenses regarding OPA’s investment banking services, including, without limitation, the “Financing Transaction Fee,” were approved pursuant to Bankruptcy Code section 328(a). OPA, however, is still required to file fee applications for allowance of such compensation.

10. The OPA Retention Order further provides that:

Notwithstanding anything in this Order to the contrary, the United States Trustee for the District of Delaware shall retain all rights to object to the Retainers and the Success Fee based on the reasonableness standard provided for in section 330 of the Bankruptcy Code; provided, however, that “reasonableness” for this purpose shall be evaluated by comparing (among other things) the transaction fees payable in these cases to fees paid to other investment banking firms with similar experience and reputation offering comparable services in other similar chapter 11 cases and shall not be evaluated primarily on an hourly or length-of-case based criteria.

OPA Retention Order, ¶ 7.

11. OPA is a corporate financial advisory firm that provides investment banking, restructuring and crisis management services to companies and their stakeholders.

12. Presently, the professionals at OPA having the day-to-day responsibility for representation of the Trustee in these chapter 11 cases are Bruce Comer, Mark Fisler, Vinod Bhat and Michael Hakim. OPA has drawn and will draw upon the knowledge and skills of other firm professionals to provide services as the need arises.

---

<sup>2</sup> “Financing Transaction” means any transaction or series of transactions involving the public or private issuance or placement of debt securities, instruments or obligations of the Debtors (including any debtor financing).

### **Relief Requested**

13. OPA submits this Fee Application pursuant to Bankruptcy Code sections 330 and 331, the Bankruptcy Rules, the Administrative Order, and Del. Bankr. LR 2016-2. By this Fee Application, OPA seeks (i) interim allowance of compensation for actual and necessary professional services rendered in the amount of \$96,831.75 for the Application Period, and seeks payment of 80% of this amount, \$77,465.40, (ii) the allowance and payment of compensation for investment banking services rendered in the amount of \$50,000, and (iii) the allowance and payment of 100% of its actual and necessary expenses in the amount of \$17,412.56, in accordance with the terms of the Administrative Order.

### **Summary of Fees**

14. The total number of hours expended by OPA professionals and paraprofessionals in performing professional services for the Trustee during the Application Period was 252.1 hours at a blended billing rate of \$384.18 per hour. The value of these services has been computed at the rates OPA customarily charges for similar services provided other clients.

15. A detailed chronological itemization of the services rendered by each professional and paraprofessional during the Application Period, calculated by tenths of an hour and categorized in accordance with the appropriate project code, is attached hereto as **Exhibit "A"**. Every effort has been made by OPA to categorize daily time entries in accordance with the correct project code. However, in some instances, services overlap between project codes. Thus, some services may appear under more than one code, although in no instance is a specific time entry recorded more than once.

16. Specifically, the services rendered by OPA to the Trustee during the Application Period included the following:

(Project Code 1)      Planning, Supervision and Review:

The time billed to this category includes services related to general administrative and financial advisory matters, including, but not limited to, internal status update meetings, internal meetings on planning and prioritization of deliverables, reviews of emails, flow of funds, and miscellaneous email tracking of financial advisory tasks like cash runway analysis, personnel staffing, modeling, etc.

**Total Hours: 11.7      Total Fees: \$2,722.00**

(Project Code 3)      Analysis & Preparation of Court filings:

OPA worked with Debtors' management team and the Trustee's counsel to prepare, review and file monthly operating reports. OPA also discussed matters regarding the *de minimis* asset sale motion with the Trustee's counsel and reviewed court filings.

**Total Hours: 30.7      Total Fees: \$10,783.00**

(Project Code 4)      Analysis, Preparation and Execution of Restructuring Plan:

OPA analyzed the current organizational structure and personnel issues, salaries and fringe benefits, etc. and developed a restructuring plan involving headcount reductions and non-payroll expense rationalizations. OPA worked with the Debtors' estates to implement the restructuring plan. This is an ongoing process and OPA expects to continue executing on the restructuring plan going ahead.

**Total Hours: 19.6      Total Fees: \$5,879.00**

(Project Code 5)      Analysis & Preparation of Budgets & Reports:

OPA has prepared short-term cash flow projections, 13-week budgets, a 1-year cash forecast model and weekly actual-to-budget variance analysis reports on an ongoing basis. As part of this process, OPA analyzed the cash management process and engaged in detailed discussions with the Debtors' personnel to develop accurate line-by-line cash flow projections. This is an ongoing process and OPA will continue to prepare budgets and reports as needed.

**Total Hours: 28.6      Total Fees: \$8,157.00**

(Project Code 9)      Prep/Participate in Company management calls and meetings:

OPA has had various calls with the Debtors' management team regarding various issues including, but not limited to, management/hiring issues, variance analyses, cash runway and sales, reviews of financial models, development and implementation of the restructuring plan, etc.

**Total Hours: 88.7      Total Fees: \$40,117.00**

(Project Code 11)      Prep/Participate in Meetings/Conf. Calls with Counsel and Ch. 11 Trustee:

OPA has had various calls and meetings with the Chapter 11 Trustee and counsel to the Trustee in connection with the restructuring plan, cash management issues, the cash budget, variance analyses, financing, financial models and other case issues. As part of these calls and meetings, OPA highlighted key issues and advised the Chapter 11 Trustee on potential resolutions.

**Total Hours: 18.8      Total Fees: \$6,823.50**

(Project Code 12)      Communication with potential lenders:

OPA had discussions with several potential lenders on structure and terms and has also had internal discussions regarding the loan model and terms. OPA worked with potential lenders on term sheets and loan documentation.

**Total Hours: 9.5      Total Fees: \$4,400.00**

(Project Code 14)      Preparation of Fee/Expense Applications:

OPA prepared the third monthly fee application under the guidance of counsel to the Trustee.

**Total Hours: 4.2      Total Fees: \$1,281.50**



(Project Code 15) Non-Working Travel Time:

Time billed to this project code relates to non-working travel time. In accordance with Del. Bankr. L.R. 2016-2(d)(viii), any time in this category is either billed at 50% of the regular hourly rate or reduced to 50% of the amount of time actually expended.

**Total Hours: 40.3      Total Fees: \$16,668.75**

17. Additionally, in consideration for OPA's investment banking services in connection with the Financing Transaction, OPA is to receive 2.5% of the aggregate gross proceeds of such Financing Transaction. OPA respectfully requests allowance and payment of its \$50,000.00 Financing Transaction Fee in connection with the placement of a \$2 million secured super-priority credit facility for the Debtors.

18. Specifically, the services rendered by OPA to the Debtors for the financing included the following:

- Preparation of diligence materials
- Compilation of a database of potential lenders
- Contact with potential lenders
- Due diligence on potential lenders
- Meetings and on-going communications with potential lenders
- Management of the due diligence processes conducted by potential lenders
- Negotiation of terms with potential lenders
- Negotiation of winning proposal
- Closing of the financing

**Actual and Necessary Costs and Expenses Incurred**

19. Reimbursement of expenses in the amount of \$17,412.56 is sought herein. A categorized summary of the actual and necessary costs and expenses incurred by OPA during the

Application Period, and an itemization of each expense within each category, is attached as **Exhibit “B”**. OPA reserves the right to request, in subsequent fee applications, reimbursement of any additional expenses incurred during the Application Period, as such expenses may not have been captured to date in OPA’s billing system.

**Compliance with the Bankruptcy Code, the Bankruptcy Rules and Local Rules**

20. In accordance with Del. Bankr. LR 2016-2, a summary schedule of hours and fees for each professional and paraprofessional, and a summary of hours and fees categorized by project code follow the cover sheet to this Fee Application. The undersigned submits that this Fee Application complies with Del. Bankr. LR 2016-2.

21. OPA submits that the services rendered and expenses incurred were actual and necessary and that the compensation sought is reasonable and in accordance with the standards of Bankruptcy Code section 330.

22. No agreement or understanding exists between OPA and any other entity (other than members or employees of OPA) for the sharing of compensation received or to be received for services rendered in or in connection with this case.

**Notice**

23. As required by the Administrative Order, a copy of this Fee Application has been served upon: (a) the Debtors; (b) the Debtors’ Counsel; and (c) the Office of the United States Trustee. Notice of this Fee Application was served upon all parties requesting notice pursuant to Bankruptcy Rule 2002.

WHEREFORE, OPA respectfully requests an award of compensation for professional services rendered as financial advisor to the Trustee during the Application Period in the amount of \$77,465.40 (80% of \$96,831.75), together with the reimbursement of disbursements in the amount of \$17,412.56 and the Financing Transaction Fee in the amount of \$50,000; and such other and further relief that the Court deems just and proper.

Dated: March 26, 2010  
Wilmington, Delaware

Respectfully submitted,

**OCEAN PARK ADVISORS, LLC**

By: /s/ Bruce Comer

Bruce Comer  
6033 West Century Blvd  
Suite 1290  
Los Angeles, CA 90045  
Telephone: (310) 670-2721  
Facsimile: (310) 670-4107

-and-

Mark Fisler  
6033 West Century Blvd  
Suite 1290  
Los Angeles, CA 90045  
Telephone: (310) 670-2704  
Facsimile: (310) 670-4107