

**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. :  
: **Hearing Date: 2/16/11 at 4:00 p.m. ET**  
: :  
: :  
-----

**NOTICE OF MODIFIED BIDDING PROCEDURES IN CONNECTION WITH  
AUCTION AND SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' SOFTWARE  
BUSINESS ASSETS CONSISTENT WITH FORM ASSET PURCHASE AGREEMENT  
AND FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

TO: (i) the Office of the United States Trustee; (ii) all parties who have timely filed requests for Notice under Bankruptcy Rule 2002; and (iii) potential bidders

On August 9, 2010, Edward N. Cahn, Chapter 11 Trustee for the above-captioned debtors (collectively, the "Debtors") filed the *Motion of the Chapter 11 Trustee for Order (1) Authorizing the Marketing, Auction and Sale of Substantially All of the Debtors' Software Business Assets Consistent with Form Asset Purchase Agreement and Free and Clear of All Liens, Claims and Encumbrances, (2) Authorizing Assumption, Assignment, and Sale of Certain Executory Contracts and Unexpired Leases, (3) Approving Bidding Procedures in Connection with Auction, (4) Establishing Sale Hearing Date and (5) Granting Related Relief* (the "Sale Motion") [Docket No. 1141] with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801 (the "Bankruptcy Court").

On August 23, 2010, the Bankruptcy Court entered the *Order (1) Authorizing the Marketing, Auction and Sale of Substantially All of the Debtors' Software Business Assets Consistent with Form Asset Purchase Agreement and Free and Clear of All Liens, Claims and Encumbrances, (2) Authorizing Assumption, Assignment, and Sale of Certain Executory Contracts and Unexpired Leases, (3) Approving Bidding Procedures in Connection with Auction, (4) Establishing Sale Hearing Date and (5) Granting Related Relief* (the "Bidding Procedures Order") [Docket No. 1161]<sup>2</sup>.

PLEASE TAKE NOTICE THAT as authorized by the Bidding Procedures Order the Chapter 11 Trustee has made the following modifications to the procedures approved thereunder:

<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.

<sup>2</sup> All capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Bidding Procedures Order.

1. The modified **deadline for submission of bids** shall be on or before **January 14, 2011, at 5:00 p.m. (Prevailing Delaware Time)**.
2. A potential Qualified Bidder of any Acquired Assets must timely submit a **Qualified Bid** for the Acquired Assets by January 14, 2011 that complies with Paragraph 7 of the Bidding Procedures Order in all respects except that the Deposit shall be in the amount of \$100,000.
3. The Trustee shall conduct an auction to determine the highest or best bid for the Acquired Assets beginning at **10:00 a.m. (Prevailing Delaware Time) on January 19, 2011, at the law offices of Blank Rome LLP located at 1201 N. Market Street, Suite 800, Wilmington, DE 19801.**
4. All Contract Parties shall be given notice of the Highest Bidder by **January 21, 2011** and shall have until **February 7, 2011 at 4:00 p.m. (Prevailing Delaware Time)** to object to the Transaction solely on the grounds that they have not received adequate assurance of future performance with respect to their Assigned Contract.
5. A Modified APA shall be filed by **January 24, 2011.**
6. All objections to the Transaction shall be filed with the Bankruptcy Court and served on the Notice Parties on or before **February 7, 2011 at 4:00 p.m. (Prevailing Delaware Time).**
7. A hearing to approve the Transaction shall be held on **February 16, 2010, at 4:00 p.m. (Prevailing Delaware Time).**

Dated: January 6, 2011

**BLANK ROME LLP**

/s/ Bonnie Glantz Fatell  
Bonnie Glantz Fatell (DE No. 3809)  
1201 N. Market Street, Suite 800  
Wilmington, DE 19801  
(302) 425-6400

*Counsel to Edward N. Cahn, Chapter 11 Trustee for The  
SCO Group, Inc., et al.*