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July 3, 2007

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The Honorable Sue L. Robinson
United States District Court
District of Delaware
844 North King Street
Wilmington, Delaware 19801

Re: Red Hat, Inc. v. The SCO Group, Inc., C.A. No. 03-772-SLR

Dear Judge Robinson:

Pursuant to this Court's April 6, 2004 Order, SCO respectfully submits this 90-day status report to apprise the Court of events occurring since our last update (on April 6, 2007) in SCO v. IBM, Case No. 2:03CV0294 (DAK), which is pending before the Honorable Dale A. Kimball in the United States District Court for the District of Utah.

SCO v. IBM

As previously reported, on March 16, 2007, SCO filed a motion for reconsideration of, as well as objections to, Magistrate Judge Wells' Order of March 2 denying SCO's Motion for Relief for IBM's Spoliation. The parties have now fully briefed both applications, but the Court has not set a date for oral argument.

In addition, the Court has not set dates for oral argument on SCO's pending motion for reconsideration of the Court's order of November 29, 2006, motion to amend SCO's December 2005 Submission, and objections to Judge Wells' order of December 21, 2006.

SCO v. Novell

On April 9, 2007, SCO filed a Motion for Partial Summary Judgment on Its First, Second, and Fifth Causes of Action and for Summary Judgment on Novell's First Counterclaim, arguing that Novell transferred UNIX and UnixWare copyrights under the plain language of the amended Asset Purchase Agreement, as confirmed by testimony of at least nine witnesses, including Novell's CEO at the time of the Agreement.

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On April 20, 2007, the deadline for the parties to file dispositive motions, Novell filed the following motions:

- Motion for Summary Judgment on SCO's First Claim for Slander of Title and Third Claim for Specific Performance,
- Motion for Partial Summary Judgment on the Copyright Ownership Portions of SCO's Second Claim for Breach of Contract and Fifth Claim for Unfair Competition,
- Motion for Partial Summary Judgment on SCO's Non-Compete Claim in Its Second Claim for Breach of Contract and Fifth Claim for Unfair Competition, and
- Motion for Summary Judgment on SCO's First Claim for Slander of Title Based on Failure to Establish Special Damages.

On May 31 and June 4, 2007, the Court heard oral argument on the foregoing motions and the pending motion and cross motion for summary judgment on Novell's Fourth Counterclaim, taking the motions under advisement. The Court also has still not ruled on Novell's Motion for Summary Judgment or Preliminary Injunction of September 29, 2006, or SCO's corresponding cross motion.

On May 15, 2007 and May 29, 2007, respectively, Novell filed its Evidentiary Objections to SCO's Summary Judgment Exhibits and Evidentiary Objections to SCO's Exhibits Submitted in Support of Its Summary Judgment Oppositions Filed May 18, 2007. On June 18, SCO filed its response to both sets of Objections.

Respectfully,

/s/ Leslie A. Polizoti

Leslie A. Polizoti

cc: Peter T. Dalleo, Clerk (By Hand)
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