

Joseph A. LaSala, Jr.
Senior Vice President,
General Counsel and Secretary

Novell.

**VIA FACSIMILE AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

March 1, 2004

Mr. Ryan B. Tibbitts
General Counsel
The SCO Group, Inc.
355 South 520 West
Lindon, UT 84042

Re: *Audit Regarding Asset Purchase Agreement Between The Santa Cruz
Operation, Inc. and Novell, Inc., Dated September 19, 1995*

Dear Mr. Tibbitts:

I write in response to your February 5, 2004 letter regarding Novell's audit.

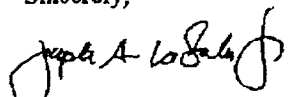
After studying your letter, it appears that a principal question concerning the Sun, Microsoft, and other Intellectual Property Licenses for Linux is whether these are SVRX licenses.

We have a copy of the "Intellectual Property License" from your website. The license purports to grant rights with respect to "SCO IP;" SCO IP is defined with reference to "UNIX-based Code;" and UNIX-based Code is defined by reference to UNIX System V or UnixWare. We do not see how SCO could reasonably argue that its Intellectual Property License is not an SVRX license. We expect the same would be true for the Sun and Microsoft licenses, but you have not shown them to us yet.

In order to complete our audit, we need the Sun, Microsoft and any other Intellectual Property Licenses for Linux. Stated more categorically, we need all agreements in which SCO purported to grant rights with respect to Unix System V.

Please provide the requested information immediately.

Sincerely,



Joseph A. LaSala, Jr.

Ex. 1045

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