UNITED STATES BANKRUPTCY COURT DISTRICT OF DELAWARE

IN RE: . Case No. 07-11337(KG)

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The SCO GROUP, INC., et al.

. 824 Market Street

. Wilmington, Delaware 19801

Debtor.

. November 6, 2007

. 10:00 a.m.

TRANSCRIPT OF HEARING
BEFORE HONORABLE KEVIN GROSS
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: Berger Singerman, P.A.

By: ARTHUR J. SPECTOR, ESQ.

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For the Debtor: Pachulski, Stang, Ziehl & Jones

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Before filing bankruptcy, SCO went to Judge Kimball 2 and said, take your summary judgment ruling and certify it for appeal. Judge Kimball said, no, I'm not going to parse this ruling. We're going to get all the issues decided at the district court level.

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Now, they could still conceivably go back and say, if you were to grant us stay relief so we can go back on our affirmative -- on our counter-claims for dollars with Judge Kimball, maybe they'd go back to him and say certify it even though this copyright infringement claim is stayed.

We'd resist that. We would say, they had all the opportunity in the world to resolve the -- to get the arbitration done, to resolve the issues that have been referred to arbitration that relates to this claim in Utah. They went to you. They asked you for -- to shut down the arbitration. Its their own fault for dividing up the causes of action in this -- in the district court case in Utah and making it impossible to reach a final judgment on all causes of action. So we would oppose certification, partial certification and entry of final judgment so that the case could go up on appeal.

So in order -- even for them to accomplish their 22 appellate objections, it seems to us the arbitration should go forward and the scope of the United Linux intellectual property provision should be decided. Once those are decided, we can go back to Judge Kimball on the copyright infringement claim.

and I'll issue an opinion as quickly as I can here. 1 2 MR. LEWIS: Thank you, Your Honor. 3 MR. SPECTOR: Thank you, Your Honor. We appreciate 4 the care and attention. 5 THE COURT: Absolutely. And with that --MR. LEWIS: We appreciate the time you've allotted to 6 7 us, too. 8 THE COURT: Pardon me? 9 MR. LEWIS: We appreciated as well the time you've 10 allotted to these matters as well. THE COURT: Absolutely. They're important matters 11 12∥ and its an important case. And I appreciate counsels hard work 13 on the papers. They were just excellent and very helpful. 14 I thank you and good day. 15 ALL ATTORNEYS: Thank you, Your Honor. 16 17 <u>CERTIFICATION</u> I, Susan Holcomb, court approved transcriber, certify 18 19 that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the aboveentitled matter. 22 23 /s/ Susan Holcomb Date: November 13, 2007 24 Susan Holcomb AAERT CET **00273

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