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Via Facsimile and Overnight UPS

David S. Stone, Esq. Boies, Schiller & Flexner LLP 150 John F. Kennedy Parkway 4th Floor Short Hills, NJ 07078

> The SCO Group, Inc. v. AutoZone, Inc. Re:

Dear David:

This letter supplements the information we have provided to you previously regarding AutoZone's actions to locate and delete or replace any SCO compiled programs on its servers. AutoZone has focused its system review on searches for "COFF" files. As you likely know, COFF files are executable files in a format that is normally only used on SCO OpenServer computers. Such files would reside at AutoZone only on its store servers and on servers in AutoZone's store support center (i.e., servers at AutoZone's headquarters). All COFF files have now been located and deleted or replaced with Linux compiled versions of the files. An update of the actions AutoZone has taken to reach this result is provided below.

Store Servers

On October 19, 20, and 21, AutoZone sent a release of its software to its store servers that updated the store servers to replace nine COFF files with Linux files and to delete nineteen unused COFF files. Two other COFF programs, COMPX and DECOMPX, were also deleted in this release. The nine replaced COFF files were on the store servers because they were inadvertently included in a Linux-only release in November of 2001. They subsequently became part of the Linux image rolled out to the rest of the AutoZone stores.

Of the nineteen unused COFF files deleted in the October 19-21 release, most were help utilities used outside of AutoZone's store management system that were

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errantly omitted from the original conversion schedule and loaded into the Linux load image. It is likely that many of these programs would not run under Linux due to compatibility issues or the fact that these programs predated year 2000 and would not have operated correctly with the new AutoZone data format in use after the year 2000. In addition to the help utilities, there were four SCO compiled programs that were copied to the Linux machines errantly because the programs were not located in the proper directory for binary files prior to the Linux conversion. The programs were located in the directories where data is kept on the AutoZone store servers. During the migration from OpenServer to Linux, this entire data directory was copied onto the Linux machine; thus, the four binary files that were in the COFF format were copied as well.

The deletion of the COMPX and DECOMPX programs in the October 19-21 release caused the replenishment system to fail on some of the AutoZone store servers. The replenishment system is a program used by AutoZone store servers to order and receive new inventory from the distribution centers. The replenishment system failed with regard to stores serviced by distribution centers 66 and 77 (approximately 650 of AutoZone's 3,500 stores). Investigation of the failure revealed that the store servers served by these distribution centers still used the COMPX and DECOMPX programs in connection with the replenishment system. The AutoZone IT Department upgraded the software in distribution centers 66 and 77 to eliminate the use of COMPX and DECOMPX in all AutoZone stores. This upgrade occurred one day after the notice of the failure of the replenishment system.

The release script sent to the AutoZone stores on October 19-21 also searched each AutoZone store server for the existence of other COFF files beyond the files we identified to you previously. A total of 1,681 additional COFF files were found on 387 store machines. These programs had 127 unique file names. The bulk of these files were files that were inadvertently copied because they were in the wrong directory or because the directory was inadvertently copied. The other files fall into a number of different categories, including files that were mislabeled as COFF files but that were data files, and temporary files created by the release process before being deleted automatically. All of those additional COFF files were deleted from all AutoZone store server machines by November 1st.

Store Support Center Servers

The store support center maintains a new machine load computer that the support center uses to create new store servers. In conducting additional review of all relevant AutoZone servers for OpenServer compiled code, AutoZone's IT staff discovered that the new machine load computer had a program on it called dexpand.x that was compiled under OpenServer. This program was being used to translate data from a pre-Y2K. AutoZone format to AutoZone's new post-Y2K format. This translation occurred during the initial loading of information onto the new store server. After discovery, this program was recompiled and replaced.

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AutoZone's IT personnel also discovered that the "Spirit" server had some OpenServer compiled programs on it because of a recent restoration of the server after a crash. Historically, this server was used as both a development server and the home of AutoZone's revision control system. At one time, each AutoZone programmer had an account on the server to develop, compile, and test programs. Several years ago, AutoZone's IT department decided to stop providing developer accounts on the Spirit computer, and the machine transitioned to serving only as the home for AutoZone's revision control system. Spirit recently crashed and, during its recovery, it was converted from SCO OpenServer to RedHat Linux. All of the old files that were on Spirit were loaded back onto the machine during the recovery process to make sure that a complete restoration was achieved, and this resulted in many SCO compiled programs being loaded onto the machine. These programs were located both in the RCS system and in the developer's home directories. All of these programs (1,130) were removed from the server by October 26, 2004, after copies and backups were made.

We have produced to you previously the first thirty COFF files addressed above. AutoZone's IT personnel have saved copies of the other SCO compiled code. Copies of these files are included on CD's being sent to you with the original of this letter.

Finally, we have reviewed the relevant OpenServer agreements between SCO and AutoZone. These agreements are still in place and do not include any prohibitions on AutoZone's use of OpenServer compiled code on Linux machines. Accordingly, most of the OpenServer compiled code discussed above is properly licensed, and AutoZone is under no legal obligation to delete or recompile the code. Nevertheless, because AutoZone does not need the code to be compiled under OpenServer to serve its purposes (or, in some cases, because AutoZone no longer needs the code at all), AutoZone has removed or recompiled the code as a courtesy to your client and to avoid any further issue regarding these files in this litigation.

Please let me know if you have any questions or wish to discuss any of the foregoing further. Please also let me know when I can expect to receive supplemental responses to our client's outstanding discovery requests.

Sincerely,

David J. Stewart

David J. Stewart / Ze

DJS Enclosures ATL01/11798148v1

cc: Christopher A. Riley, Esq.
Douglas L. Bridges, Esq.