

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

Novell

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

November 17, 2004

Mr. Ryan E. Tibbitts, Esq.
Vice President and General Counsel
The SCO Group, Inc.
355 South 520 West
Lindon, UT 84042

Re: *SCO/Sun Agreements Regarding Solaris*

Dear Tibbitts:

We have communicated with SCO several times about our concerns with SCO's handling of UNIX licenses, including the license with Sun. In these communications, we have noted that our audit rights under the Asset Purchase Agreement require SCO to provide Novell with copies of any UNIX agreements (including amendments) SCO has reached with Sun. We have sent you letters twice on this issue (in March and April 2004), and have not received an adequate response. For your convenience, I attach copies of those letters.

Sun recently confirmed that it is planning to open source its Solaris operating system. We note that SCO has publicly taken the position that Sun's UNIX license may constrain Sun's plans. We agree.

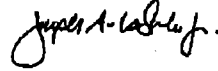
Moreover, we believe that, in view of the rights that Novell retained with respect to UNIX licenses in Section 4.16 of the APA (and in view of Novell's ownership of UNIX copyrights), we have rights to exercise with respect to Sun's UNIX license and open source plans. In particular, Section 4.16 provides that SCO has no authority to amend, modify or waive any right under any SVRx license without the prior written consent of Novell. As you know, Novell has given no such consent. I note that Novell's rights under Section 4.16 are independent of the copyright ownership issue.

Accordingly, we must once again insist that you provide us with copies of any agreements with Sun (including amendments) that relate to UNIX. We would appreciate a response by Friday, December 3, 2004.

Mr. Ryan E. Tibbitts, Esq.
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We are copying Sun on this letter (and will be separately corresponding with Sun) so that Sun may be on notice of potential issues that its UNIX license and open source plans may raise. We, of course, reserve all rights.

Sincerely yours,



Joseph A. LaSala, Jr.

Attachments

cc: Michael A. Dillon
Senior Vice President, General Counsel and Secretary, Sun Microsystems, Inc.