

EXHIBIT 27

NOVELL AND CALDERA

ASSET PURCHASE AGREEMENT

issues to do's:

closing versus "transfer" versus "effective" or other dates which should be operative; consistency language on sensitivity, proprietary, damaging disclosure etc. as part of preamble. Also as part of separate technology license and as part of grant-back; technology license (DPMS, Motif, Personal NW, etc.) should include exploitation obligations by Caldera; rename/re-reference exhibits (no more ex. A); other specific modifications for an asset purchase agreement (as opposed to stock purchase).

This Asset Purchase Agreement ("Agreement") is made as of July 1, 1996 ("Transfer Date") between Caldera, Inc., a corporation organized and existing under the laws of the State of Utah ("Caldera"), and Novell, Inc., a corporation organized and existing under the laws of the State of Delaware ("Novell").

SECTION 1

Preamble

1.1 In November 1991 Novell acquired a DOS-based desktop operating system business ("DOS Business"). Since that acquisition, Novell has endeavored to further the business. Several products corresponding to that business have been made available by Novell or its predecessors in interest, including Multiuser DOS, Concurrent DOS, DR DOS and Novell DOS.

1.2 Caldera and Novell believe that it is in their best interests, respectively, that Caldera acquire the assets and assume the liabilities of Novell comprising the DOS Business (the "Acquisition"). ~~Because Caldera owns a substantial amount of the common stock of Novell, Caldera wants to acquire the DOS Business through a tax-free distribution under Section 355 of the Internal Revenue Code of 1954 (as amended).~~

1.3 In connection with the Acquisition, Novell will ~~(a) form a new corporation named Digisoft, Inc. ("Digisoft"); (a) transfer to Caldera the assets and liabilities comprising the DOS Business, including the products associated with the DOS Business ("DOS Products"); (b) assign to Caldera certain agreements and rights; (c) transfer the stock of Digisoft to Caldera; and (c) accept a license back from Caldera for the DOS Products, including improvements thereof, for internal use by Novell as well as for inclusion within products of Novell or of any entity in which Novell owns an interest of ten percent (10%) or greater, but not for sale as a standalone product.~~

~~1.4 Under this Agreement, Caldera will purchase the stock of Digisoft in accordance with the terms and conditions of this Agreement.~~

SECTION 2

Defined Terms

Capitalized terms in this Agreement have the meanings stated in this Section 2 or defined elsewhere in this Agreement. A reference to a particular Exhibit is to an Exhibit to this Agreement, each of which is incorporated into and made a part of this Agreement by that reference. A reference to a particular Section is to a Section of this Agreement.

2.1 Closing and Closing Date. "Closing" and "Closing Date" shall have the meanings ascribed to them in Section 5.

2.2 Development Environment. "Development Environment" means any non-commercially available device, code (source and binary), Documentation, media or development tool (including compilers, workbenches, tools, and higher-level or proprietary languages) that have been used in, or are useful for, the development, maintenance or implementation of the DOS Products or Related Technology, provided that such items are reasonably available to Novell and only to the extent such items are transferable by Novell and are no longer being used in other technologies of Novell's. ~~Novell's existing technology (UNDER REVIEW).~~

2.3 Documentation. "Documentation" means the user manuals and other written materials that relate to the DOS Products and that are owned by Novell, including materials useful for design, generation or printing (for example, logic manuals, flow charts, and principles of operation), all machine-readable text or graphic files subject to display or print-out, all test materials (including test scripts and the programs necessary to use such test scripts), all accounting and legal records relative to the abuse or enforcement of any right or interest in the Transferred Assets, and all marketing collateral, including all pre-existing customer lists pertaining to the DOS Products Software, e.g., (i) product registration databases, (ii) technical support databases and (iii) other customer databases maintained by Novell for the DOS Products, if any. Such database lists shall not include the computer programs necessary to access the database lists, but shall be in a delimited ASCII format.

2.4 DOS Products. (UNDER REVIEW) "DOS Products" means the following Novell products, and any other prior or subsequent versions, revisions or instantiations of such products to the extent owned or transferable by Novell as of the Closing:

DR DOS 6.0	Concurrent DOS	DR DOS 5.0
Multibus DOS	Novell DOS 7.0	PALMDOS
GEM	GEM Draw	Gem Programmers Toolkit
Gem Wordchart	Gem Graph	Draw Plus

2.5 Related Technology. (UNDER REVIEW) "Related Technology" means, to the extent owned by Novell as of the Closing, all existing technology authored, discovered, developed, made, perfected, improved, designed, engineered, devised, acquired, produced, conceived or first reduced to practice by Novell or its predecessors in interest or any of their employees or contractors in the scope of their employment or association with them for the development of the DOS Products, and that are necessary to the development of the DOS Products or to the performance by the DOS Products of their intended functions or purposes, whether tangible or intangible, in any stage of development, including without limitation existing enhancements, designs, technology, improvements, inventions, works of authorship, trade secrets, formulas, processes, routines, subroutines, techniques, concepts, methods, ideas, algorithms, source code, object code, flow charts, diagrams, coding sheets, source code listings and annotations, programmers' notes, work papers, and work product if any exists at the time of execution of this Agreement, all documentation, development tools and associated documentation (excluding such development tools and associated documentation not owned by Novell, i.e., Third Party Materials) and all rights of any kind in or to any of the foregoing, including without limitation all proprietary rights and trade secrets and all patents and copyrights (whether pending, applied for or issued) for the DOS Products, regardless of whether any or all of the foregoing constitutes copyrightable or patentable subject matter. Despite the foregoing, Related Technology does not include DPMS, Personal NetWare, or any other products or technologies not developed primarily as components of DOS Products, nor does it include any interests in Third Party Materials or other technologies owned by third parties if such Novell interests are not transferable under the terms of applicable licensing agreements (i.e., STAC).

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2.6 Claims. "Claims" shall mean any and all claims or causes of action associated with any of the DOS Products or Related Technology, including but not limited to any claims or causes of action for copyright or patent infringement, trade secret misappropriation or violation of any applicable antitrust laws.

2.7 Transferred Assets. "Transferred Assets" shall mean the DOS Products, the Related Technology, the Transferred Marks, the Documentation, and the Claims. ~~Include and define "Assumed Contracts" here.~~

2.8 Transferred Marks. **(UNDER REVIEW)** "Transferred Marks" shall mean the following marks and all applications and registrations obtained or filed by or on behalf of Novell for such marks; ~~but only to the extent of Novell's transferable ownership therein as of the Closing:~~

DR DOS	PALMDOS
MULTIUSER DOS	GEM
GEM DESKTOP	D and DESIGN
DIGITAL RESEARCH	DRAW PLUS
GEM PROGRAMMERS TOOLKIT	GEM WORDCHART
GEM GRAPH	GEM DRAW
CONCURRENT DOS	DIGITAL DESIGN
DR LOGO	DIGITAL RESEARCH WE MAKE COMPUTERS WORK
DIGITAL RESEARCH AND DESIGN	

2.9 Third Party Materials. "Third Party Materials" shall mean the materials in which a third party is the copyright owner.

SECTION 3 Transfer of Assets

3.1 Formation. Prior to the Closing, Novell shall have formed Digisoft and filed with the Utah Department of Business Regulation the Articles of Incorporation (the "Articles") attached as Exhibit A:

~~3.2 Authorization & Issuance of Digisoft Stock. Prior to Closing, Novell shall cause Digisoft to authorize and issue to Novell 10,000 shares of the Series A Preferred Stock, having the rights, privileges and preferences set forth in the Articles of Incorporation attached as Exhibit A (the "Shares" or "Securities").~~

~~3.3 Use of Name. Caldera acknowledges that it has selected the name "Digisoft" and agrees to assume full responsibility and liability for any claims that may arise out of the use of such name. Novell makes no representations or warranties regarding the use of the name "Digisoft" or its availability for use. Caldera agrees to defend or settle any claim, suit, or proceeding brought against Novell so far as it is based on an allegation that use of the name "Digisoft" infringes third party proprietary rights, and to pay any damages, costs and expenses incurred by Novell as a result of any such claim, suit or proceeding.~~

~~3.4 Transfer of Assets, Assignment of Agreements and Assignment of Revenues. At Closing, Novell shall grant, transfer, convey, and assign to Caldera all of Novell's right, title and interest in and to the Transferred Assets in accordance with the Bill of Sale attached as Exhibit D, and shall assign the Agreements specified in Section 6.1 to Digisoft. Prior to Closing, but effective as of the Transfer Date, date of execution of this Agreement, Novell shall assign to Caldera all revenues associated with the DOS Business that accrue and are received by Novell, except as otherwise provided in Section 6.3.1. After Closing, Novell shall deliver to Caldera, within thirty (30) days after the end of each Novell fiscal quarter, any such revenues received by Novell during the preceding Novell fiscal quarter.~~

~~3.5 Licenses. On or before Closing, Novell shall execute and will cause Digisoft to execute the Grant Back License Agreement attached as Exhibit B.~~

SECTION 4 Consideration

4.1 Stock. At Closing, Novell will transfer to Caldera all of the Digisoft Shares and Caldera will transfer to Novell thirty-five thousand (35,000) shares of the common stock of Novell held by Caldera. All shares of stock transferred under this Agreement must be duly authorized, validly issued, fully paid and nonassessable, and free and clear of any and all liens and encumbrances of any kind. ~~Cash.~~ At Closing, Caldera shall deliver to Novell by certified check the sum of \$2,000,000 (two million dollars) as consideration for the transfers under this Agreement.

4.2 Grant Back License. At Closing, Caldera will execute in favor of Novell the Grant Back License Agreement attached as Exhibit B.

SECTION 5 Closing Date; Delivery

5.1 Closing Date. The Closing of this Agreement shall be held at the offices of Novell, Inc. at 1555 North Technology Way, Orem, Utah, 84057 on or before 10:00 a.m. on _____, or at such other time and place upon which Novell and Caldera shall agree.

5.2 Deliveries. At the Closing, Novell will deliver to Caldera (a) a true, correct and fully executed copy of each document specified and required to be delivered pursuant to this Agreement, (b) ~~a certificate in Caldera's name representing the number of Shares transferred according to Section 3.5; a fully executed Bill of Sale;~~ (c) a true, correct and complete copy of the DOS Products and Related Technology, (d) a complete copy of the Documentation, and (e) a complete copy of the complete Development Environment; no part of such Development Environment that is generally available shall be required to be delivered, provided, however that any such part shall be fully described in lieu of delivery. At the Closing, Caldera shall deliver to Novell a ~~certificate evidencing 75,000 shares of the common stock of Novell~~ certified check as described in Section 4.1 and a ~~fully executed Grant Back License Agreement as described in Section 4.2.~~

5.3 Taking of Necessary Action. Novell and Caldera shall deliver or cause to be delivered to one another such other instruments and documents necessary or appropriate to evidence the due execution, delivery, and performance of this Agreement. If, at any time after the Closing Date, any further action is necessary or desirable to carry out the purposes of this Agreement, the parties shall take all such lawful action.

SECTION 6 Transition

6.1 Transfer of Customers/Assignments. No less than two (2) weeks before Closing, Novell shall provide to Caldera (a) a list of all third parties by whom Novell is currently licensed to use Third Party Materials in connection with the DOS Products ("Third Party Licensors"); (b) a list of all original equipment manufacturers, distributors, dealers, value added resellers, and major account customers who are currently authorized to exercise any right in the DOS Products ("Current Customers"), and (c) a list of all Current Customers and others entitled to

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receive service and support of DOS Products. Within one (1) week thereafter, Novell and Caldera agree to cooperate with each other in conducting joint contacts with the Third Party Licensors and Current Customers (as needed and as permitted) for the purpose of attempting to obtain such customers' consent to transfer orders from Novell to Caldera (or to issue new orders to Caldera for the same or similar terms) and to assign Novell's rights and benefits under the foregoing licenses and contracts. Prior to Closing, Novell shall assign to Caldera those licenses and contracts for which such customer consent is not required or has been obtained.

6.1.1 Non-Assignment of Certain Items. Notwithstanding anything to the contrary in this Agreement, to the extent that the assignment of any license or contract requires the consent of any other party, neither this Agreement nor any action taken pursuant to its provisions shall constitute an assignment or an agreement to assign such license or contract if the requisite consents are not obtained and such assignment or attempted assignment would constitute a material breach. ~~Novell shall, however, use reasonable commercial efforts to obtain all third party consents necessary to assign such licenses and contracts to Caldera, and Caldera hereby consents to Novell using such effort as it deems necessary or appropriate to effect the same. If, notwithstanding the efforts of Novell and Caldera, the necessary consents for assignment of a license or contract to Caldera cannot be obtained, Novell will exercise commercially reasonable efforts to negotiate an alternative arrangement as to such contract or license so as to afford Digisoft the same or similar benefits and rights as if such assignment had occurred.~~

6.2 Assumption of Obligations. Prior to Closing, Novell shall cause Digisoft to ~~At Closing, Caldera shall~~ assume all liabilities and perform all obligations (including, but not limited to, all support and product warranty obligations) ~~under the licenses and contracts assigned to Caldera pursuant to Section 6.1 relating to the DOS Business. After Closing, Caldera shall cause Digisoft to assume all liabilities and perform all obligations under the contracts and licenses for which customer consent is obtained and which are thereafter assigned to Digisoft.~~

6.3 Transition Assistance. The parties acknowledge that it may not be practical or advisable to assign certain contracts (such as Novell's Master License Agreements ("MLAs")) pursuant to which Novell has granted customers certain rights to, among other things, use, distribute, and/or obtain maintenance and support for the DOS Products (such contracts to be referred to hereafter collectively as "Transitional Contracts"). In such cases, Novell and Caldera will use diligent efforts to transition to Caldera such business (concerning the DOS Business only) and the customer relationship (concerning the DOS Business only) such that any new agreements concerning the DOS Business will be entered into by, and support and maintenance will be provided by, Caldera. After the Closing Date, Caldera shall be responsible for providing customer maintenance and support services relating to DOS Products under those contracts assigned to Caldera, while Novell will remain responsible for providing such services under the Transitional Contracts ~~until such Transitional Contracts terminate or are transferred to Caldera~~. Novell and Caldera will use commercially reasonable efforts to implement a smooth transition of operations from Novell to Caldera so that any customers who acquire any DOS Products either before or after the Closing Date will experience as little disruption or delay in supply, support, or service as is reasonably practicable.

6.3.1 Revenue From Transitional Contracts. ~~NEED NTS REVIEW~~ Digisoft shall be entitled to the revenue and benefits received by Novell reasonably attributable to support or maintenance of the DOS Products pursuant to the Transitional Contracts net of Novell's identifiable direct expenses of support and maintenance related specifically thereto and documented to Caldera. Novell may retain (or may obtain from Caldera at Caldera's cost of materials) such units of inventory of DOS Products as it deems reasonably necessary to satisfy customers under Transitional Contracts in accordance with this section if Digisoft is unable to do so. Caldera shall be entitled to the revenue and benefits received by Novell relating to DOS Products and support and maintenance thereof pursuant to the Transitional Contracts (net of Novell's identifiable direct expenses of materials, support, and maintenance), to the extent that such revenues are billable by Novell after the Closing (in other words, Novell keeps the benefit of MLAs it has already billed prior to Closing, and this is simply part of the Assumed Obligations picked up by Caldera). Following the Closing, Novell shall not enter into any new Transitional Contracts nor extend the term of any existing contract. Except for revenue from MLAs, Novell and Caldera shall negotiate a mutually

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acceptable arrangement to afford Caldera the benefits of ongoing customer contracts that are intended to be assigned hereunder but that cannot be assigned because of third party objections.

6.4 **Maintenance of Business.** If, on or before the Closing Date, Novell becomes aware of a material deterioration in the relationship with any material customer, supplier, or key employee of Novell as it relates to the Transferred Assets, Novell will promptly bring such information to the attention of Caldera and, if requested by Caldera, will exercise reasonable efforts to restore the relationship. Novell will take commercially reasonable efforts to maintain the value and condition of the Transferred Assets until Closing, provided however, the foregoing shall not be construed to require Novell to exert efforts greater than those exerted as of the effective date of this Agreement.

6.5 **Conduct of Business.** Except as provided otherwise herein or as approved or as recommended by Caldera, Novell will through the Closing Date continue to deal with the Transferred Assets and conduct its business thereto in the ordinary course and will not, without the prior written consent of Caldera: (a) encumber or permit to be encumbered any of the Transferred Assets; (b) license the DOS Products, except in the ordinary course of business consistent with past practice (which shall not include licensing of any source code), or license, sell, enter into any material lease or contract for the purchase or sale of or encumber or otherwise dispose of any other property, real or personal, tangible or intangible, used by or in connection with the Transferred Assets, other than in connection with the sale or other disposition of inventory in the ordinary course of business consistent with past practice; (c) amend or terminate any of the agreements identified in Section 5.1; (d) waive or release any material right or claim related to the Transferred Assets except in the ordinary course of business, consistent with past practice; or (e) agree or otherwise commit or create any obligation to do any of the things described in the preceding clauses.

SECTION 7

Representations and Warranties of Novell

Except as set forth in the Schedule of Exceptions attached hereto as Exhibit C, referring specifically to the representations and warranties in this Agreement and which reasonably identifies the basis for an exception thereto, Novell represents and warrants to Caldera as follows:

7.1 **Organization and Standing: Articles and Bylaws.** ~~On or before the Closing Date, Digisoft shall be a corporation duly organized and existing under, and by virtue of, the laws of the state of Delaware and shall be in good standing under such laws. At such time, Digisoft shall also have the requisite corporate power to own and operate its properties and assets and to carry on its business as proposed to be conducted. Digisoft shall not have elected to be an "S Corporation" as defined in Section 1361 of the Internal Revenue Code of 1986, as amended (the "Code"). On or before Closing, Novell shall furnish Caldera with a true, correct and complete copy of the Articles of Incorporation of Digisoft in effect.~~

7.2 **Corporate Power.** Novell has all requisite corporate power to execute and deliver this Agreement and all agreements to be executed and delivered pursuant to the terms hereof (collectively, the "Ancillary Agreements"). ~~On or before Closing, Digisoft will have all requisite corporate power to sell and issue the Shares hereunder and to carry out and perform its obligations under the terms of this Agreement and the Ancillary Agreements.~~

~~7.3 **Capitalization.** The authorized capital stock of Digisoft will consist immediately prior to the Closing of 5,000,000 shares of stock, 4,900,000 shares of which are Common Stock and 100,000 shares of which are Series A Preferred Stock. The amounts specified in Section 3.2 shall be issued and outstanding prior to Closing. The Shares shall have the rights, preferences, privileges and restrictions set forth in the Articles. All outstanding securities of the Company will be issued in compliance with the registration or exemption provisions of applicable~~

~~federal and state securities laws. Except pursuant to and as set forth in this Agreement and the Ancillary Agreements, there will be no preemptive rights, voting agreements, options or warrants or other conversion privileges or rights outstanding as of the Closing Date to purchase any of the authorized but unissued stock of Digisoft.~~

7.4 Authorization. All corporate action on the part of Novell, its directors, and its stockholders necessary for the authorization, execution, delivery, and performance of this Agreement and the Ancillary Agreements by Novell has been taken. ~~The authorization, sale, issuance, and delivery of the Shares by Digisoft will be taken on or before the Closing Date.~~ This Agreement and the Ancillary Agreements, when executed and delivered by Novell, will constitute valid and binding obligations of Novell and enforceable in accordance with their respective terms. ~~The Shares, when issued in compliance with the provisions of this Agreement, will be validly issued, fully paid, and nonassessable and will have the rights, preferences, and privileges described in the Articles, and, subject to the accuracy of Caldera's representations in Section 8 hereof, the Shares will be issued in compliance with all applicable federal and state securities laws.~~

7.5 Compliance with Other Instruments, None Burdensome, etc. ~~As of the Closing Date, Digisoft will not be in violation of any term of its Articles of Incorporation or bylaws, or in any material respect of any term or provision of any mortgage, indebtedness, indenture, contract, agreement, instrument, judgment or decree, order, statute, rule or regulation applicable to Digisoft. Novell's execution, delivery and performance of, and compliance with, this Agreement and the Ancillary Agreements, and the issuance of the Securities to Caldera, will not have resulted and will not result in any violation of, conflict with, constitute a default under, or result in the creation of, any mortgage, pledge, lien, encumbrance or charge upon any of the properties or assets of Novell.~~

7.6 Litigation, etc. As of the date of this Agreement, there are no actions, suits, proceedings, or investigations pending that relate to the incorporation of ~~Novell~~ or to the DOS business of Novell, before any court or governmental agency (or, to the best of the Novell's knowledge, is there any threat thereof), or that question the validity of this Agreement or the Ancillary Agreements or any action taken or to be taken in connection herewith or therewith. The foregoing includes, without limitation, actions pending or threatened involving the prior employment of any employees of Novell, such employees' use of knowledge in connection with the DOS business, or any information or techniques proprietary to any of their former employers.

7.7 Patents and Other Intangible Assets. (NEEDS FURTHER REVIEW) As of the date of this Agreement, Novell is unaware of any infringement of or conflict with the rights of others with respect to any patents, patent applications, trademarks, trade names, brand names, trade secrets, inventions, processes, formulae or copyrights necessary for the operation of the DOS Business. ~~business of Digisoft as proposed to be conducted.~~

7.8 Governmental Consent, etc. No consent, approval or authorization of or designation, declaration or filing with any governmental authority on the part of Novell is required in connection with the valid execution and delivery of this Agreement and the Ancillary Agreements, ~~or the offer, sale or issuance of the Securities or the consummation of any other transaction contemplated hereby, except for filing of the Articles with the Utah Department of Business Regulation and any other filings required under applicable state securities laws.~~

~~7.9 Offering. Subject to the accuracy of Caldera's representations in Section 8 hereof, the offer, sale and issuance of the Securities in conformity with the terms of this Agreement constitute transactions exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), and from the qualification or registration requirements of applicable state securities law.~~

7.10 Brokers or Finders. Novell has not incurred, and will not incur, directly or indirectly, as a result of any action taken by Novell pursuant to this Agreement, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with this Agreement or the Ancillary Agreements.

7.11 Disclosure. The representations and warranties of Novell contained in (a) this Agreement, the Ancillary Agreements and the exhibits or schedules attached hereto, and (b) any certificate furnished or to be furnished to Caldera at the Closing, when read together, do not, to the best of Novell's knowledge, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made.

~~7.12 Employees. Digisoft has no employees and therefore no employee of or consultant of Digisoft is in violation of any term of any employment contract or any other contract or agreement relating to the relationship of any such person with Digisoft.~~

7.13 No Implied Representations. It is the explicit intent of each party hereto that Novell is not making any representation or warranty whatsoever, express or implied, except those representations and warranties of Novell contained in this Agreement.

SECTION 8

Representations and Warranties of Caldera

Caldera hereby represents and warrants to Novell with respect to the purchase of the Shares as follows:

~~8.1 Investor Qualifications. Caldera, by reason of its business and financial experience, has the capacity to protect its own interests in connection with the purchase of the Shares. Caldera is an "accredited investor" within the meaning of Regulation D promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933.~~

~~8.2 Investment. Caldera is acquiring the Shares for investment for Caldera's own account, not as a nominee or agent and not with the view to, or for resale in connection with, any distribution thereof. Caldera understands that the sale of the Shares has not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act that depends upon, among other things, the bona fide nature of the investment intent and the accuracy of Caldera's representations as expressed herein.~~

~~8.3 Rule 144. Caldera acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Caldera is aware of the provisions of Rule 144 promulgated under the Securities Act, which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions, including (except as limited by Rule 144(k)), among other things, the existence of a public market for the shares, the availability of certain current public information about Digisoft, the resale occurring not less than two years after a party has purchased and paid for the security to be sold, the sale being effected through a "broker's transaction" or in transactions directly with a "market maker" (as provided by Rule 144(f)) and the number of shares being sold during any three-month period not exceeding specified limitations.~~

~~8.4 No Public Market. Caldera understands that no public market now exists for any of the securities issued by Digisoft, and that Novell has made no assurances that a public market will ever exist for the Shares.~~

8.5 Access to Data; Legal Opinion. Caldera has had the opportunity to ask questions of, and receive answers from, representatives of Novell concerning Digisoft and the terms and conditions of this transaction as well as to obtain any information requested by Caldera. On or before the Closing Date, Caldera shall have received a legal opinion from legal counsel to Caldera, in form and substance reasonably satisfactory to Novell, relating to due authority, execution, validity, and similar matters relating to this Agreement.

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8.6 Authorization. Caldera has all requisite legal power and authority to enter in to this Agreement and to consummate the transactions contemplated herein. All action on the part of Caldera, its trustees, directors, and its owners necessary for the authorization, execution, delivery, and performance of this Agreement and the execution and delivery of the Ancillary Agreements by Caldera has been taken. This Agreement and the Ancillary Agreements, when executed and delivered by Caldera, will constitute valid and legally binding obligations of Caldera, enforceable in accordance with their respective terms.

8.7 Compliance With Law. Caldera has conducted its business so as to comply in all material respects with all laws, rules and regulations, judgments, decrees, and orders of any court, administrative agency, commission, regulatory authority, or other governmental authority ("Governmental Entity") that are applicable to its operations. As of the date of this Agreement, there are no judgments or orders, injunctions, decrees, stipulations, or awards (whether rendered by a court of administrative agency or by arbitration) against Caldera with any continuing affect that reasonably would be expected to have a material adverse affect on the business and financial condition of Caldera or on Caldera's ability to perform its obligations under this Agreement.

8.8 No Defaults. As of the date of this Agreement, Caldera is not, nor has it received notice that it will be with the passage of time, in default or violation of (a) any judgement, decree, order, injunction, or stipulation applicable to Caldera, or (b) any agreement, note, mortgage, indenture, contract, lease, instrument, permit, franchise, or license to which Caldera is a party or by which Caldera may be bound, in a manner that reasonably would be expected to have a material adverse effect on the business and financial condition of Caldera or on Caldera's ability to perform its obligations under this Agreement.

8.9 Litigation. As of the date of this Agreement, there is no action, suit, proceeding claim or governmental investigation pending or, to the knowledge of Caldera, threatened, against Caldera that reasonably would be expected to have a material adverse effect on the business and financial condition of Caldera or on Caldera's ability to perform its obligations under this Agreement, or that otherwise seeks to prevent, alter, or materially delay any of the transactions contemplated under this Agreement.

8.10 No Implied Representations. It is the explicit intent of each party hereto that Caldera is not making any representation or warranty whatsoever, express or implied, except those representations and warranties of Caldera contained in this Agreement.

SECTION 9
Conditions to Closing

Caldera's obligation to enter into the transactions contemplated hereby at the Closing is subject to the fulfillment as of the Closing Date of the following conditions:

9.1 Execution of Documents. All other agreements and documents contemplated hereby shall have been executed.

9.2 Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by Novell and Caldera on or prior to the Closing Date shall have been performed or complied with in all respects, and all consents required to be obtained by Novell and Caldera shall have been obtained.

~~9.3 Blue Sky. Novell shall have obtained all necessary blue sky law permits and qualifications, or secured exemptions therefrom, required by any state for the offer, sale and issuance of the Securities, except where a filing is required upon, and cannot be made prior to, any conversion of the Shares.~~

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~~9.4 Articles of Incorporation. The Articles of Incorporation of Digisoft shall have been filed with the Utah Department of Business Regulation.~~

~~9.5 Trademark Registrations. Novell shall have delivered to Caldera a true and exact copy of each trademark registration corresponding to each of the Transferred Marks.~~

~~9.6 Copyright Registrations. Novell shall have delivered to Caldera a true and exact copy of each copyright registration corresponding to each of the DOS Products.~~

~~9.7 Certificate of Novell. Novell shall deliver a certificate executed on behalf of Novell by an authorized representative with signature authority to the effect that, as of the Closing Date: (a) all representations and warranties made by Novell in this Agreement are true and complete in all material respects; and (b) all covenants, obligations, and conditions of this Agreement to be performed by Novell on or before such date have been so performed in all material respects.~~

9.8 Certificate of Caldera. Caldera shall deliver a certificate executed on behalf of Caldera by an authorized representative with signature authority to the effect that, as of the Closing Date: (a) all representations and warranties made by Caldera in this Agreement are true and complete in all material respects; (b) all covenants, obligations, and conditions of this Agreement to be performed by Novell on or before such date have been so performed in all material respects, and (c) there has been no material adverse change in the business and financial condition of Caldera, or in Caldera's ability to perform its obligations under this Agreement, between the date of this Agreement and the Closing Date.

SECTION 10
Miscellaneous

10.1 Governing Law. This Agreement shall be governed in all respects by the laws of the state of Utah as those laws are applied to agreements between Utah residents entered into and to be performed entirely within Utah. Any action or proceeding brought by any party against another arising out of or related to this Agreement shall be brought in a state or federal court of competent subject matter jurisdiction located within Utah County, Utah, and each of the parties to this Agreement consents to the personal jurisdiction of those courts.

10.2 Taxes. Buyer shall be responsible for all excise, sales, value-added, use, registration, stamp, transfer and other like taxes ("Transfer Taxes") imposed or levied on it by reason of this Agreement and the transactions contemplated hereby. The parties shall cooperate to the extent reasonably requested and legally permitted to minimize any such taxes, including but not limited to the electronic transmission by remote telecommunications of the DOS Products and Related Technology.

10.3 Survival. The representations, warranties and covenants contained herein or made pursuant to this Agreement shall, unless otherwise indicated, survive the Closing and shall in no way be affected by any investigation made by or on behalf of Caldera or Novell.

10.4 Successors and Assigns. Except as specifically otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

10.5 Entire Agreement; Amendment. This Agreement, the Ancillary Agreements and the other documents delivered pursuant hereto and the agreements and documents contemplated thereby constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof, and no party shall be liable or bound to any other party in any manner by any representations, warranties or covenants except as

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specifically set forth herein or therein. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought.

10.6 Notices, etc. All notices and other communications required or permitted under this Agreement shall be in writing and shall be delivered personally (including by courier or overnight express service) or mailed by first class mail, postage prepaid, addressed (a) if to Caldera, at 899 West Center Street, Orem, Utah 84058, Attention: Ralph Yarrow, or at such other address as Caldera furnishes, (b) if to Novell, at 1555 North Technology Way, Orem, Utah 84057, Attention: David R. Bradford, or at such other address as Novell furnishes.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given when delivered at the address of the party to be notified; provided, however, that such address shall have been furnished to the person giving notice (as specified above) and the address shall be at an entity that maintains regular business hours (except for holidays) throughout the entire year. In the event that the address furnished is not at an entity that maintains regular business hours, notice shall be deemed given upon the earlier of personal delivery or, if sent by mail, at the earlier of its receipt or seventy-two (72) hours after deposit in a regularly maintained receptacle for the deposit of the U.S. mail, addressed and mailed as aforesaid.

10.7 Expenses. Each party shall bear its own expenses incurred on its behalf with respect to this Agreement and the transactions contemplated hereby.

10.8 Access to Information. Novell and Caldera shall each provide the other and its accountants, counsel, and other representatives, reasonable access during normal business hours during the period prior to the Closing Date to (a) all of its properties, books, contracts, commitments, and records, and (b) all other information concerning its business, properties, and personnel (subject to restrictions imposed by applicable law) as the other may reasonably request, it being understood that access to information concerning Novell shall pertain only to the DOS Business.

10.9 Confidentiality. For purposes of this Agreement, "Confidential Information" means (a) the terms and conditions of this Agreement, (b) any information or knowledge obtained in any investigation pursuant to Section 10.8, (c) any other information that the disclosing party desires to protect against unrestricted disclosure by the receiving party and that (i) if disclosed in tangible form, is marked in writing as "confidential" or (ii) if disclosed orally or visually, is designated orally at the time of disclosure as "confidential." The parties also acknowledge that, after the date hereof, the Transferred Assets will constitute Confidential Information of Caldera. The receiving party of Confidential Information agrees to exercise reasonable care to protect Confidential Information from unauthorized disclosure, which care shall in no event be less than the receiving party gives to protect its own trade secrets. The receiving party may disclose Confidential Information only to its employees or agents who need to know such information and shall inform such employees, by way of policy and agreement, that they are bound by obligations of confidentiality. These confidentiality obligations shall survive for three (3) years from the date of this Agreement. The foregoing restriction shall not apply to any portion of the Confidential Information which (1) is already in the possession of the receiving party without obligation of confidence; or (2) becomes generally available to the public in any manner or form (i) through no fault of Digisoft or its employees, agents or representatives in the case of Transferred Assets, or (ii) without breach of this Agreement in the case of any other Confidential Information; (3) is independently developed by the receiving party without the benefit of the Confidential Information, or rightfully received from another source on a non-confidential basis; (4) is released for disclosure by the disclosing party with its written consent; (5) is required by a court or a governmental agency to be disclosed or is otherwise required by law or is necessary in order to establish rights under this Agreement; provided, that, with respect to clause (5) above, the receiving party shall first notify the disclosing party of such required disclosure and shall take such steps the disclosing party shall reasonably request to limit the scope of such disclosure and otherwise protect the confidentiality of the Confidential Information; or (6) consists of Residuals. The term "Residuals" means ideas,

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concepts, know-how, or techniques contained in information that are retained in memory by persons who have access to the Confidential Information. The receiving party shall have no obligation to limit or restrict the assignment of such persons. However, this provision will not be deemed to grant to the receiving party a license under the disclosing party's copyrights or patents or to give the receiving party the right to disclose, except as set forth elsewhere in this Agreement, the business plans of the disclosing party or any financial, statistical, or personnel data.

10.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts and all of which together shall constitute one instrument.

10.11 Severability. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision, provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to any party.

10.12 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not considered in construing or interpreting this Agreement.

10.13 Mutual Drafting. This Agreement is the joint product of Novell and Caldera, and each provision hereof has been subject to the mutual consultation, negotiation and agreement of Novell and Caldera, and shall not be construed for or against any party hereto.

IN WITNESS WHEREOF, this Agreement is hereby executed as of the date first above written.

Caldera, Inc.

Novell, Inc.

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

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Exhibit A

HIGHLY CONFIDENTIAL
Novell Inc. Documents

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HIGHLY CONFIDENTIAL
Novell Inc. Documents

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Exhibit B
Grant Back License

HIGHLY CONFIDENTIAL
Novell Inc. Documents

903993

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Exhibit C
Novell Schedule of Exceptions

HIGHLY CONFIDENTIAL
Novell Inc. Documents

903994

Exhibit D Bill of Sale

KNOW BY THESE PRESENTS THAT:

Novell, Inc., a Delaware corporation ("Novell"), for and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby sell, grant, transfer, convey, assign, and deliver unto Caldera, Inc., a Utah corporation ("Caldera"), all of Novell's right, title and interest (subject to that Grant Back License Agreement dated as of July 1, 1996) in and to the "Transferred Assets," as such term is defined in the Asset Purchase Agreement between Novell and Caldera dated as of July 1, 1996 ("Agreement"), which assets include the following software products and all related intellectual property rights, subject to the limitations, terms and conditions of the Agreement SPA between Novell and Digisoft dated as of the date hereof:

DR DOS 6.0	Concurrent DOS	DR DOS 5.0
Multiusers DOS	Novell DOS 7.0	PALMDOS
GEM	GEM Draw	Gem Programmers Toolkit
Gem Wordchart	Gem Graph	Draw Plus

TO HAVE AND TO HOLD, all and singular, of the properties, assets and rights granted and transferred hereby, with the appurtenances thereof, unto Caldera, its successors and assigns forever, to and their own use and benefit.

For the consideration aforesaid, Novell hereby constitutes and appoints Caldera, its successors and assigns, the true and lawful attorney or attorneys of Novell, with full power of substitution, for Novell and in its name and stead, or otherwise, but on behalf and for the benefit of Caldera, its successors and assigns, to demand and receive from time to time, any and all properties hereby given, granted, bargained, sold, assigned, transferred, conveyed, set over, confirmed and delivered and give receipts and releases for and in respect to the same and any part thereof, and from time to time to institute and prosecute in the name of Novell or otherwise, but for the benefit of Caldera, its successors and assigns, any and all proceedings at law, in equity or otherwise, which Caldera, its successors or assigns, may deem proper in order to collect, assert or enforce any claim, right or title of any kind in and to the properties hereby given, granted, bargained, sold, assigned, transferred, set over, confirmed, delivered or conveyed. All actions taken by Caldera under the foregoing power of attorney shall be at Caldera's expense.

Novell, for itself and its successors and assigns, does hereby covenant with Caldera, its successors and assigns, that Novell and its successors and assigns will execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, at Caldera's expense, all such further deeds, bills of sale, transfers, assignments, conveyances, powers of attorney, conveying and confirming unto Caldera, its successors and assigns, all and singular, the properties hereby granted, sold, assigned, transferred, conveyed and delivered as Caldera, its successors or assigns, shall reasonably require, provided, however, that Caldera, its successors and assigns shall prepare all necessary documentation which shall be acceptable to Novell in its sole and reasonable judgment.

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All terms not otherwise defined herein shall have the meanings defined in the Asset Purchase Agreement dated as of the date hereof by and between Caldera and Novell.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of July 1, 1996.

NOVELL, INC.

CALDERA, INC.

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____