IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
	)	
The SCO GROUP, INC., et al.,[1]	)	Case No. 07-11337 (KG)
	)	(Jointly Administered)
Debtors.	)	

Objection Deadline: April 20, 2009 at 4:00 p.m.
Hearing Date: Scheduled only if necessary

EIGHTEENTH INTERIM APPLICATION OF TANNER LC FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF EXPENSES, AS ACCOUNTANTS TO THE DEBTORS FOR THE PERIOD FROM MARCH 5, 2009 THROUGH MARCH 31, 2009

Name of Applicant:	Tanner LC
Authorized to Provide Professional Services to:	Debtors in Possession
Date of Retention:	Effective October 2, 2007 by Order Entered December 5, 2007 for audit and quarterly review services; expanded effective October 3, 2008 by Order Entered November 20, 2008 for audit and quarterly review services; expanded effective January 10, 2008 by Order Entered February 5, 2008 for the preparation of federal and state income tax returns; expanded effective December 29, 2008 by Order Entered January 28, 2009 for the preparation of federal and state income tax returns; expanded effective April 2, 2008 by Order Entered June 8, 2008 for audit of 401(k) plan.
Period for which Compensation and Reimbursement is Sought:	March 5, 2009 through March 31, 2009[2]
Amount of Compensation Sought as Actual, Reasonable and Necessary:	$19,568.75

[1]The Debtors and the last four digits of each of the Debtors' federal tax identification numbers are as follows: (a) The SCO Group, Inc., a Delaware corporation, Fed. Tax Id. #2823; and (b) SCO Operations, Inc., a Delaware corporation, Fed. Tax ID. #7393.

[2]This Application reserves the right to include any fees expended in the time period indicated above in future application(s) if it is not included herein.

Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	$48.34

This is a: _X_ interim ____ final application.

The time expended for reviewing and revising the fee application is approximately 6 hours and the corresponding compensation will be requested in a subsequent interim application.

PRIOR APPLICATIONS FILED

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
December 21, 2007	10/5/2007 – 11/5/2007	$ 28,499	$450	$28,499	$450
December 21, 2007	11/6/2007 – 12/5/2007	$19,001	$1,534	$19,001	$1,534
January 8, 2008	12/6/07 – 1/4/08	$65,955	$1,523	$65,955	$1,523
February 4, 2008	1/5/08 – 2/1/08	$98,095	$437	$78,476	$437
March 4, 2008	2/2/08 – 3/3/08	$32,868	$1,484	$26,294	$1,484
April 1, 2008	3/4/08 – 3/31/08	$28,441	$283	$22,753	$283
May 2, 2008	4/1/08 – 4/30/08	$8,574	$71	$6,859	$71
June 3, 2008	5/1/08-5/31/08	$16,459	$326	$13,167	$326
July 2, 2008	6/1/08-6/30/08	$53,613	$440	$42,890	$440
August 7, 2008	7/1/08-7/31/08	$14,450	$59	$11,560	$59
September 2, 2008	8/1/08-8/31/08	$14,730	$423	$11,784	$423
October 7, 2008	9/1/08-9/30/08	$17,263	$59	$17,263	$59
November 11, 2008	10/1/08-10/31/08	$23,480	$777	$18,784	$777
December 1, 2008	11/1/08-11/30/08	$12,139	$78	$9,711	$78
January 5, 2009	12/1/08-12/31/08	$82,447	$2,191	$65,958	$2,191

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
February 3, 2009	1/1/09-1/31/09	$96,507	$3,506	$77,205	$3,506
March 5, 2009	2/1/09-3/4/09	$17,938	$154	$14,350	$154

SUMMARY OF PROFESSIONAL TIME

PROFESSIONALS:

Name	Position of Applicant, Number of Years in Position	Total Hours	Hourly Rate	Total Fee
Jeff Bickel	Partner, 3	.90	$325.00	$292.50
Kent Bowman	Partner, 15.5	28.00	$325.00	$9,100.00
Mark Erickson	Partner, 3.5	2.50	$325.00	$812.50
Michelle Jahn	Staff, .25	3.00	$105.00	$315.00
Caleb Miller	Staff, 2	17.50	$120.00	$2,100.00
Paul Otterstrom	Staff, .75	2.50	$105.00	$262.50
Shelly Owen	Staff, .75	4.25	$105.00	$446.25
Scott Robinson	Sr. Mngr, .5	26.00	$240.00	$6,240.00
Subtotals		84.65		$19,568.75

TOTAL HOURS BY PROFESSIONALS: **84.65**
"BLENDED" HOURLY RATE: **$231.17**
TOTAL PROFESSIONAL FEES: **$19,568.75**

COMPENSATION BY CATEGORY

Project Categories	Total Hours	Total Fees
Review	84.65	$19,568.75
TOTAL	**84.65**	**$19,568.75**

EXPENSE SUMMARY

SubCat	Service	Employee	Date	Expense
Exp	Meals	Robinson	3/4/2009	6.46
Exp	Telephone	Miller	3/13/2009	10.00
Exp	Mileage	Bowman	3/14/2009	13.20
Exp	Meals	Bowman	3/19/2009	8.68
Exp	Telephone	Robinson	3/23/2009	10.00
				48.34

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Objection Deadline: April 20, 2009 at 4:00 p.m.
Hearing Date: Scheduled only if necessary

EIGHTEENTH INTERIM APPLICATION OF TANNER LC FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES AS ACCOUNTANTS TO THE DEBTORS IN POSSESSION FOR THE PERIOD FROM MARCH 5, 2009 THROUGH MARCH 31, 2009

Pursuant to sections 330 and 331 of Title 11 of the United States Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the "Bankruptcy Rules"), and the Court's *Administrative Order Establishing Procedures for Interim Monthly Compensation of Professionals*, entered on or about October 4, 2007 (the "Administrative Order") (Docket No. 95), Tanner LC ("Tanner"), accountants to the Debtors in Possession ("Debtors"), submits its eighteenth monthly application (the "Application") seeking compensation and reimbursement of expenses for the period of March 5, 2009 through March 31, 2009 (the "Application Period").

By this Application, Tanner requests an interim award of compensation in the amount of $19,568.75 and reimbursement of actual and necessary expenses in the amount of $48.34 for a total allowance of $19,617.09 and payment of $15,655.00 (80% of the allowed fees) and reimbursement of $48.34 (100% of the allowed expenses) for a total payment of $15,703.34 for the Application Period. In support of this Application, Tanner respectfully represents as follows:

[1]The Debtors and the last four digits of each of the Debtors' federal tax identification numbers are as follows: (a) The SCO Group, Inc., a Delaware corporation, Fed. Tax Id. #2823; and (b) SCO Operations, Inc., a Delaware corporation, Fed. Tax ID. #7393.

BACKGROUND

1. On September 14, 2007 (the "Petition Date"), the Debtors commenced these cases (the "Chapter 11 Cases") by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

2. On or about October 4, 2007, the Court entered the Administrative Order, authorizing estate professionals ("Professionals") to submit monthly applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Administrative Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made within 20 days after service of the monthly fee application the Professional may file a certificate of no objection, after which the Debtors are authorized to pay the Professional 80% of the requested fees and 100% of the requested expenses. Beginning with the period ended on December 31, 2007 and at three-month intervals, or such other intervals convenient to the Court, the Professional shall file and serve an interim application for allowance of the amounts sought in its monthly fee applications for that period. All fees and expenses paid are allowed on an interim basis until finally allowed by the Court.

3. The retention of Tanner, as accountants to the Debtors was approved effective as of October 2, 2007 by the *Order Authorizing the Employment and Retention of Tanner LC as Accountants to the Debtors*, entered on December 5, 2007 (the "Retention Order") (Docket No. 259). The Retention Order authorized Tanner to be compensated on an hourly basis for audit and other accounting services, as well as authorized Tanner to be compensated a fixed fee of $22,500 for reviews of three Form 10-Qs to be filed by The SCO Group, Inc. for the fiscal quarters ended January 31, 2008, April 30, 2008 and July 31, 2008. The Retention Order also authorized Tanner to be reimbursed for actual and necessary out-of-pocket expenses.

4. On January 15, 2008, the Debtors filed the *Debtors' Motion To Approve The Expansion Of The Scope Of Retention Of Tanner LC To Prepare Tax Returns For The Debtors Nunc Pro Tunc To January 10, 2008* (Docket No. 311) seeking to expand the scope of Tanner's retention to include the preparation of the Debtors' consolidated federal and state income tax returns for their fiscal year ended October 31, 2007. No objection to the expanded retention was filed and on February 5, 2008, the Court entered the *Order Approving Expansion of the Scope of Employment of Tanner LC as Accountants to the Debtors Nunc Pro Tunc to January 10, 2008* (Docket No. 330) (the "Expansion Order"). The Expansion Order authorized Tanner to be compensated on an hourly basis for tax services.

5. On April 30, 2008, the Debtors filed the *Debtors' Motion To Approve The Expansion Of The Scope Of Retention Of Tanner LC To Audit the Debtors' 401(k) Plan for the Year Ended December 31, 2007 Nunc Pro Tunc To April 2, 2008* (Docket No. 461) seeking to expand the scope of Tanner's retention to include the audit of the Debtors' 401(k) plan for the year ended December 31, 2007. No objection to the expanded retention was filed and on June 8, 2008, the Court entered the *Order Approving Expansion of the Scope of Employment of Tanner LC as Accountants to the Debtors nunc pro tunc to April 2, 2008* (Docket No. 488) (the "Second Expansion Order"). The Second Expansion Order authorized Tanner to be compensated a fixed fee of $17,000 for 401(k) audit services. The Second Expansion Order also authorized Tanner to be reimbursed for actual and necessary out-of-pocket expenses.

6. On October 11, 2008, the Debtors filed a motion to approve the expansion of the scope of retention of Tanner LC to perform the audit of the Debtors' consolidated financial statements for the fiscal year ended October 31, 2008 and to perform quarterly reviews during the fiscal year ending October 31, 2009, *nunc pro tunc* to October 3, 2008. No objection to the

expanded retention was filed and on November 20, 2008, the Court entered the *Order Approving Expansion of the Scope of Employment of Tanner LC as Accountants to the Debtors Nunc Pro Tunc to October 3, 2008* (Docket No. 577) (the "Third Expansion Order"). The Third Expansion Order authorized Tanner to be compensated $198,000 for the audit of the Debtors' consolidated financial statements for the fiscal year ended October 31, 2008 and $23,500 for each quarterly review of the Debtor's interim consolidated financial statements for the quarters ending January 31, 2009, April 30, 2009 and July 31, 2009. The Third Expansion Order also authorized Tanner to be reimbursed for actual and necessary out-of-pocket expenses.

7. On December 29, 2008, the Debtors filed a motion to approve the expansion of the scope of retention of Tanner LC to prepare consolidated federal income and state income tax returns for The SCO Group, Inc. and to prepare the stand-alone state income tax return of SCO Operations, Inc. for the fiscal year ended October 31, 2008 *nunc pro tunc* to December 3, 2008. No objection to the expanded retention was filed and on January 28, 2009, the Court entered the *Order Approving Expansion of the Scope of Employment of Tanner LC as Accountants to the Debtors Nunc Pro Tunc to October 3, 2008* (Docket No. 645) (the "Fourth Expansion Motion"). The Fourth Expansion Order authorized Tanner to be compensated on an hourly basis plus reimbursement of actual and necessary out-of-pocket expenses.

TANNER'S APPLICATION FOR COMPENSATION AND FOR REIMBURSEMENT OF EXPENSES

Compensation Paid and Its Source

8. All services for which Tanner requests compensation were performed for or on behalf of the Debtors.

9. Tanner has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters

covered by this Application. There is no agreement or understanding between Tanner and any other person other than the partners of Tanner for the sharing of compensation to be received for services rendered in this case.

Fee Statements

10. The fee statements for the Application Period are attached hereto as Exhibit A. These statements contain daily time logs describing the time spent by each accountant during the Application Period. To the best of Tanner's knowledge and belief, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules and the Administrative Order. Tanner's time reports are initially either handwritten or directly entered into the Tanner's timekeeping program by the accountant performing the described services. The time reports are organized on a daily basis. Tanner has separate billing numbers for the different categories of services it provides to the Debtors and unless time was spent in one time frame on a variety of different matters for a particular client, separate time entries are set forth in the time reports. Tanner charges its clients for professional services on an hourly or fixed fee basis, depending on the nature of the services, and its hourly and fixed rates are customary and comparable for professionals in bankruptcy and non-bankruptcy matters. In accordance with Del. Bankr. L. R. 2016-2(d)(viii), Tanner has reduced its charges related to any non-working "travel time" to 50% of Tanner's standard hourly rate. To the extent it is feasible, Tanner's professionals attempt to work during travel.

Actual and Necessary Expenses

11. A summary of actual and necessary expenses incurred by Tanner for the Application Period is attached hereto as part of Exhibit A.

12. Tanner will not charge the Debtors for in-house photocopying expenses related to these cases. Further, Tanner will not charge the Debtors for either incoming or outgoing facsimile transmissions.

13. With respect to providers of third-party services, Tanner bills its clients the actual amounts charged by such services.

14. Tanner believes the foregoing rates are at or below the market rates that the majority of accounting firms charge clients for such services.

Summary of Services by Project

15. The names of the partners and other accountants of Tanner who have rendered professional services in these cases during the Application Period are set forth in the attached Exhibit A.

16. The services rendered by Tanner during the Application Period related to review services as set forth below, with a more detailed identification of the actual services provided set forth on the attached Exhibit A. Exhibit A identifies the accountants who rendered services, along with the number of hours for each individual and the total compensation sought.

A. Review Services

17. As set forth above, the Third Expansion Order authorized Tanner to be compensated $23,500 for each quarterly review of the Debtor's interim consolidated financial statements for the quarters ending January 31, 2009, April 30, 2009 and July 31, 2009. Tanner has completed its procedures related to the review of the Debtor's consolidated financial statements included in Form 10-Q for the quarter ended January 31, 2009. Accordingly, Tanner requests approval to be paid the remaining $13,180 of the fixed fee of $23,500 in connection

therewith. Additionally, Tanner requests $2,450 for preparation of monthly fee applications, $1,488.75 for preparation for and participation in audit committee meetings and additional reviews of filings due to the change in timing of filing Form 10-Q, $1,510 for review, comment on and correspondence related to a court order, and $940 for review and comment on Form 12b-25.

Fees: $19,568.75; Hours: 84.65

Valuation of Services

18. The accountants of Tanner expended a total of 84.65 hours in connection with their representation of the Debtors during the Application Period, summarized as follows:

SUMMARY OF PROFESSIONAL TIME

PROFESSIONALS:

Name	Position of Applicant, Number of Years in Position	Total Hours	Hourly Rate	Total Fee
Jeff Bickel	Partner, 3	.90	$325.00	$292.50
Kent Bowman	Partner, 15.5	28.00	$325.00	$9,100.00
Mark Erickson	Partner, 3.5	2.50	$325.00	$812.50
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Subtotals		84.65		$19,568.75

TOTAL HOURS BY PROFESSIONALS: 84.65
"BLENDED" HOURLY RATE: **$231.17**

TOTAL PROFESSIONAL FEES: **$19,568.75**

19. The nature of work performed by these persons is fully set forth in Exhibit A attached hereto. These are Tanner's normal hourly rates, and the fixed fee requested is typical of the fixed fee that Tanner would charge non-bankruptcy clients for similar work. Tanner has also charged for expenses in accordance with its ordinary practices and Del. Bankr. L. R. 2016-2 and the Administrative Order. The reasonable value of the services rendered by Tanner for the Debtors during the Application Period is $19,568.75.

20. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by Tanner is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, Tanner has reviewed the requirements of Del. Bankr. L. R. 2016-2 and the Administrative Order and believes that this Application complies with such Rule and Order.

WHEREFORE, Tanner respectfully requests that, for the period March 5, 2009 through March 31, 2009, an interim allowance be made to Tanner for compensation in the amount of $19,568.75 and actual and necessary expenses in the amount of $48.34 for a total allowance of $19,617.09 and payment of $15,655.00 (80% of the allowed fees) and reimbursement of $48.34 (100% of the allowed expenses) be authorized for a total payment of $15,703.34 and for such other and further relief as this Court may deem just and proper.

Dated: April 1, 2009 TANNER LC

Kent M. Bowman
215 South State Street

Suite 800
Salt Lake City, UT 84111
Telephone: (801) 532-7444
Facsimile: (801) 532-4911

Accountants for the Debtors-in-Possession

VERIFICATION

STATE OF UTAH :
:
COUNTY OF SALT LAKE :

KENT M. BOWMAN, after being duly sworn according to law, deposes and says:

a) I am a partner of the applicant accounting firm Tanner LC ("TANNER").

b) I am familiar with the accounting services rendered by TANNER as accountants to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by the accountants of TANNER.

c) I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware, and while I am not an attorney, I believe that the Application substantially complies with such rules.

KENT M. BOWMAN

SWORN AND SUBSCRIBED
before me this 1st day of April, 2009.

Notary Public
My Commission Expires: 1/20/2013

WENDY S. MARTIN
Notary Public State of Utah
My Commission Expires on
January 20, 2013
Comm Number 577238