## EXHIBIT 1A

## Novell

# VIA FAX AND CERTFIED MAIL RETURN RECEIPT REQUESTED 

May 28, 2003

Mr. Dart McBride<br>President and CEO<br>The SCO Group<br>355 South 520 West<br>Suite 100<br>Lindon, Utah 84042

Re: SCO's "Letter to Linux Customers"
Dear Darl:
As you know, Novell recently announced some important Linux initiatives. These include an upcoming NetWare version based on the Linux kernel, as well as collaboration and rescurce management solutions for Linux.

Put simply, Novell is an ardent supporter of Linux and the open source development community. This support will increase over time.

It was in this context that we recently received your "Letter to Linux Customers." Many Novell business partners and customers apparently recelved the same letter. Your letter compels a response from Novell.

As we understand the letter, SCO alleges that unnamed entities incorporated SCO's intellectual property into Linux without its authorization. You apparently base this allegation on a belief that these unnamed entities copied some UNIX System $V$ code into Linux. Beyond this limited understanding, we have been unable to glean any further information about your allegation because of your letter's vagueness.

In particular, the letter teaves certain critical questions unanswered. What specific code was copied from UNIX System V? Where can we find this code in Linuxi Who copied this code? Why does this alteged copying infringe SCO's intellectual property? By failing to address these important questions, SCO has failed to put us on meaningful notice of any allegedly infringing Linux code, and thus has withheld from us the ability - and removed any corresponding obligation - to address your allegation.

As best we can determine, the vagueness about your allegation is intentional. In response to industry demands that you be more specific, you attempt to justify your vagueness by stating, "That's like saying, show us the fingerprints on the gun so you can rub them off." (Wall Street Joumal, May 19, 2003) Your analogy is weak and inappropriate. Linux has existed for over a decade, and there are plenty the marketplace with which SCO could attempt to prove its allegation.


Mr. Darl McBride
Page 2
May 28, 2003

We are aware that you recently offered to disclose some of the alleged Linux problems to Novell and others under a nondisclosure agreement. If your offer is sincere, it may be a step in the right direction. But we wonder whether the terms of the nondisclosure agreement will allow Novell and others in the Linux community to replace any offending code. Specifically, how can we malntain the confidentiality of the disclosure if it is to serve as the basis for modifying an open source product such as Linux? And if we cannot use the confidential disclosure to modify Linux, what purpose does it serve?

In your letter, you analogize SCO's campaign against the Linux community to that of the record industry against major corporations whose servers contained downloaded music files. There are crucial differences between the two campaigns. The record industry has provided specific information to back up its allegation, white SCO steadfastly refuses to do so. In its allegation letter, the record industry provides evidence of allegedly infringing activity that is specific to the targeted company. This offers the company real notice of the activity, sufficient information to evaluate the allegation, and an opportunity to stop the activity if it determines the allegation is true. If SCO wants to compare its actions to those of the record industry, it should follow the example set by that industry and present specific evidence of the alleged infringement.

SCO claims it has specific evidence supporting its allegation against the Linux community. It is time to substantiate that clatm, or recant the sweeping and unsupported allegation made in your letter. Absent such action, tt will be apparent to all that SCO's true intent is to sow fear, uncertainty, and doubt abour Linux in order to extort payments from Linux distributors and users.

This true intent becomes clearer when one considers varlous public statements you and other SCO personnel have made about SCO's intellectual property rights in UNIX. SCO continues to say that ft owns the UNIX System V patents, yet it must know that it does not. A simple review of U.S. Patent Office records reveals that Novell owns those patents.

Importantly, and contrary to SCO's assertions, SCO is not the owner of the UNIX copyrights. Not only would a quick check of U.S. Copyright Office records reveat this fact, but a review of the asset transfer agreement between Novell and SCO confirms it. To Novell's knowledge, the 1995 agreement governing SCO's purchase of UNIX from Novell does not convey to SCO the associated copyrights. We believe it unlikely that SCO can demonstrate that it has any ownership interest whatsoever in those copyrights. Apparently, you share this view, since over the last few months you have repeatedly asked, Novell to transfer the copyrights to $5 C O_{\text {, }}$ requests that Novell has rejected. Finally, we find it telling that $S C O$ failed to assert a claim for copyright or patent infringement against IBM.

## Mr. Dart McBride

Page 3
May 28, 2003

SCO's actions are disrupting business relations that might otherwise form at a critical time among partners around Linux technologies, and are depriving these partners of important economic opportunities. We hope you understand the potential significant legal liability SCO faces for the possible harm it is causing to countless customers, developers, and other Linux community members. SCD's actions, if carried forward, will lead to the loss of sales and jobs, delayed projects, canceled financing, and a balkanized Linux community.

We, like others, are concerned about the direction of SCO's campaign. For now, we demand that SCO either promptly state its Linux infringement allegations with specificity or recant the accusation made in your letter. Further, we demand that SCO retract its false and unsupported assertions of ownership in UNIX patents and copyrights or provide us with conclusive information regarding SCO's ownership claims. In the future, we hope SCO will adhere to standards of strict accuracy when stating its rights in UNIX.


