

**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. :
: **Re: Dkt. No. 1066**

ORDER UNDER 11 U.S.C. §§ 105(a), 363, AND 365 AND FED. R. BANKR. P. 2002, 6004, 6006 AND 9014 (A) APPROVING THE SALE OF MOBILITY BUSINESS FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES PURSUANT TO 11 U.S.C. § 363, (B) AUTHORIZING AND APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS IN CONNECTION THEREWITH, AND (C) GRANTING RELATED RELIEF

Upon the motion (the “Motion”) of Edward N. Cahn, Chapter 11 Trustee of the above-captioned debtors in these chapter 11 cases (the “Debtors”), pursuant to sections 105, 363, and 365 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), and Rules 2002, 6004, 6006, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for an order authorizing and approving (a) the sale of the assets related to the mobile productivity solutions and tools business to allow mobile devices to access corporate data (collectively, the “Mobility Business Assets”)², as described in and pursuant to the terms and conditions of that certain Asset Purchase Agreement (collectively with all schedules and exhibits thereto, and all ancillary agreements, the “APA”) by and between The SCO Group, Inc. (“Seller”), Me Inc Holdings, LLC (“MIH”) and Darl McBride (“McBride”, and together with MIH, the “Buyer”), and (b) the assumption and assignment of certain executory contracts in

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 All capitalized terms not otherwise defined in this Order have the meanings ascribed to such terms in the APA.

connection therewith; and this Court having reviewed and considered (i) the Motion and all relief related thereto, (ii) any objections thereto and (iii) the Court having heard the statements of counsel and the evidence presented in support of the relief requested by the Motion; and this Court having jurisdiction to consider and determine the Motion as a core proceeding in accordance with 28 U.S.C. §§ 157(b) and 1334; and due notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED:

A. The Court has jurisdiction to consider the Motion and the relief requested therein under 28 U.S.C. §§ 157 and 1334. The Motion is a core proceeding under 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in the Court under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the Motion are Bankruptcy Code sections 105(a), 363(b), (f), and (m) and 365(a), (b) and (f) and Bankruptcy Rules 2002, 6004, 6006 and 9014.

C. As evidenced by the certificates of service filed with this Court, (i) proper, timely, adequate, and sufficient notice of the Motion, the transactions contemplated thereby (including the proposed assumption and assignment of the Assumed Contracts) and the hearing on the Motion (the "Sale Hearing") has been provided in accordance with Bankruptcy Code sections 102, 105, 363 and 365 and Bankruptcy Rules 2002, 6004, 6006 and 9014, including an advertisement in the local newspaper in Salt Lake City, UT; and (ii) no other or further notice of the Motion, the transactions contemplated thereby, the Sale Hearing or the entry of this Order is required.

D. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities, including, but not limited to: (i) the Office of the United States Trustee (the "OUST"); (ii) known persons holding a lien, claim, encumbrance or other interest in, to or against any of the Mobility Business Assets; (iii) known parties to the Assumed Contracts; and (iv) all entities who have filed a notice of appearance and request for service of papers in the Debtors' bankruptcy cases pursuant to Bankruptcy Rule 2002.

E. The Trustee and his retained professionals have marketed the Mobility Business Assets diligently, in good faith and in a commercially reasonable manner to secure the highest and/or best offer therefor.

F. The terms and conditions of the APA: (i) are fair and reasonable, (ii) valid, binding and enforceable, (iii) constitute the highest and best offer for the Mobility Business Assets, (iv) will provide a greater recovery for the Sellers' estates than would be provided by any other practical, available alternative, (v) constitute reasonably equivalent value and fair consideration for the Mobility Business Assets, and (vi) are in the best interests of the Sellers, their bankruptcy estates, creditors, and all parties in interest. The sale of the Mobility Business Assets (the "Sale") must be approved and consummated promptly in order to maximize the value of the Sellers' estates.

G. The Buyer is a good faith purchaser in accordance with Bankruptcy Code section 363(m) and, as such, is entitled to all of the protections afforded thereby.

H. Neither the Sellers nor the Buyer has engaged in any conduct that would cause or permit the application of Bankruptcy Code section 363(n) to the Sale, including having the APA voided.

ACCORDINGLY, THE COURT HEREBY ORDERS THAT:

1. The Motion is GRANTED.
2. Any objections to the Motion or the relief requested therein that have not been withdrawn, waived or settled, and all reservations of rights included therein, are overruled on the merits. Parties who did not object, or who withdrew their objections to the Motion, are deemed to have consented pursuant to Bankruptcy Code section 363(f)(2).
3. The Trustee is authorized and directed, pursuant to Bankruptcy Code sections 105(a) and 363(b), to perform all of his obligations pursuant to the APA and to execute such other documents and take such other actions as are reasonably necessary to effectuate the transactions contemplated by the APA.
4. The sale of the Mobility Business Assets, pursuant to this Order and the APA, will vest the Buyer with good title to the Mobility Business Assets and will be a legal, valid and effective transfer of the Mobility Business Assets free and clear of all liens, claims, interests or other encumbrances (collectively, "Liens"), with all such Liens to attach to the net proceeds of sale in the order of their priority, if any, and with the same validity, priority, force and effect which such holder has prior to the sale of the Mobility Business Assets, subject to the rights, claims, defenses, and objections, if any, of the Debtors and all parties in interest, pursuant to Bankruptcy Code sections 105(a), 363(f), and 365.
5. All persons or entities holding Liens in, to or against the Mobility Business Assets shall be, and they hereby are, forever barred from asserting such Liens against the Buyer and its successors and assigns, or against such Mobility Business Assets after Closing.
6. Subject to and conditioned on the Closing of the transactions contemplated by the APA, pursuant to Bankruptcy Code sections 105(a) and 365, the Sellers' assumption and

assignment to the Buyer, and the Buyer's assumption on the terms contained in the APA, of the Assumed Contracts is approved, and the requirements of Bankruptcy Code section 365(b)(1) with respect thereto, including without limitation that all Cure Amounts (as defined in the Motion) as determined by the Court will be paid or otherwise satisfied by Buyer, are deemed satisfied.

7. The APA and any related agreements, documents or other instruments may be modified, amended, or supplemented through a written document signed by the parties thereto in accordance with the terms thereof without further order of this Court; provided, however, that any such modification, amendment or supplement is neither material nor changes the economic substance of the transactions contemplated hereby.

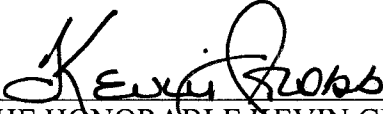
8. Until these cases are closed or dismissed, this Court shall retain exclusive jurisdiction (a) to enforce and implement the terms and provisions of the APA, all amendments thereto, and any waivers and consents thereunder; (b) to compel the Sellers and the Buyer to perform all of their respective obligations under the APA; (c) to resolve any disputes, controversies or claims arising out of or relating to the APA, including with respect to Assumed Contracts; and (d) to interpret, implement and enforce the provisions of this Order.

9. This Order shall be binding upon (i) the Debtors and their estates, (ii) all creditors of, and holders of equity interests in, any Debtor, (iii) all holders of Liens against or on all or any portion of the Mobility Business Assets, (iv) the Buyer, and (v) all successors and assigns of any of the foregoing.

10. The failure to include any particular provision of the APA in this Order shall not diminish or impair the effectiveness of that provision, it being the intent of this Court and the parties that the APA be approved and authorized in its entirety.

11. This Order constitutes a final order pursuant to 28 U.S.C. § 158(a). As provided by Bankruptcy Rule 7062, this Order shall be effective and enforceable immediately. The provisions of Bankruptcy Rules 6004(g) and 6006(d) staying the effectiveness of this Order for ten (10) days are hereby waived. This Court has found that time is of the essence in closing the transactions contemplated by the APA and the parties to the APA shall be authorized to close the Sale as soon as possible consistent with the terms of the APA.

Dated: April 7, 2010
Wilmington, DE



THE HONORABLE KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE