The SCO Group Australia and New Zealand Attn: Kieran O'Shaughnessy 56 Berry Street North Sydney NSW 2060

CyberKnights Pty Ltd Attn: Leon Brooks [ address suppressed ] [ for web version ]

09 February 2004

## Dear Sir

## RE: CONFIRMATION OF EMAIL NOTICES TO CEASE AND DESIST

I attach in the paper edition of this notice, forwarded by registered mail to the address above, copies of emails which have been sent to your address without response, and a copy of the email to which the electronic edition of this notice is attached.

The heart of the matter is that The SCO Group Australia and New Zealand (hereinafter TSG-ANZ) has widely published claims to "intellectual property" in Linux, and claims that users of Linux are required to purchase a licence from TSG-ANZ in the amount of AUD\$999.00 for each single-CPU server running Linux.

<u>Take notice</u> that such claims are fraudulent, and unless they are retracted as publicly as they were made, CyberKnights Pty Ltd (hereinafter CK) will vigorously pursue a conviction of fraud against TSG-ANZ.

In support of this assertion, note the following statement drawn from a report on compliance before the District Court in Utah's case "The SCO Group Inc. vs International Business Machines Corporation", reference "2:03CV0294":

"[...] in response to the Court's Order, SCO abandons any claim that IBM misappropriated its trade secrets, concedes that SCO has no evidence that IBM improperly disclosed UNIX System V code, and acknowledges that SCO's contract case is grounded solely on the proposition that IBM improperly disclosed portions of IBM's own AIX or Dynix products, which SCO claims to be derivatives of UNIX System V".

A contract case has nothing to do with any other entity than the contracting parties, TSG and IBM. Any remaining claims by TSG are therefore against IBM. Since TSG have produced no supporting evidence despite being directly ordered to do so by the judge in the above case, and since Novell have formally waived TSG's claims against IBM as per the terms of the contract under which such rights as TSG retains were acquired from Unix System Laboratories via Novell, such claims are extremely unlikely to be proven even if they did have any bearing against CK.

<u>Take notice</u> that your actions in falsely claiming to own and control software essential to CK's business practices are damaging CK's reputation, and in engendering fear and uncertainty amongst clients and potential clients of CK as to the ownership, control and possible licence costs of said software, both directly and through association with statements by your parent company TSG Inc, TSG-ANZ is causing damage to CK which CK fully intends to recover.

<u>Take notice</u> that in the absence of a clear and positive response from TSG-ANZ before midnight WST (GMT+08) on Saturday, 13 February 2004, CK will promptly commence action to suppress TSG-ANZ's fraudulent claims and to recover CK's damages and costs related to the matter.

If you have not been ignoring previous emails from CK, you will note that the deadline mentioned therein has been extended both to allow Court proceedings to pass and to permit registered communication of our claims and notice of intent-to-act to be delivered to TSG-ANZ.

Leon Brooks *(for)* CyberKnights Pty Ltd 09 February 2004