

# **EXHIBIT C**

## STOCK PLEDGE AGREEMENT

THIS STOCK PLEDGE AGREEMENT is made and entered into as of this \_\_\_\_ day of March, 2010, by and among the Bankruptcy Estates of The SCO Group, Inc., a Delaware corporation (“SCO Group”), and SCO Operations, Inc., a Delaware corporation (“SCO Operations”) (SCO Group and SCO Operations are sometimes collectively referred to herein as “SCO”), by and through Edward N. Cahn, solely in his capacity as Chapter 11 trustee for the Bankruptcy Estates of SCO (collectively, “Pledgor”), and Seung Ni Capital Partners, L.L.C., a Delaware limited liability company (“Pledgee”).

### RECITALS:

A. Pledgee and Pledgor have entered into that certain Secured Super-Priority Credit Agreement, of even date herewith (the “Credit Agreement”), in connection with Pledgee’s making of a portion of a loan in the amount of up to \$2,000,000.00 to Pledgor (the “Loan”).

B. The provisions of the Credit Agreement require that Pledgor execute certain documents, including this Pledge Agreement, which provides for a lien and security interest in favor of the Pledgee in certain of the assets and properties of the Pledgor, whether now owned or hereafter acquired, as security for the Loan.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Pledgor and Pledgee agree as follows:

### ARTICLE 1

#### DEFINITIONS

Definitions. Except as otherwise defined herein, each of the capitalized terms appearing in this Agreement shall have the meaning ascribed or given to it in that certain Secured Super-Priority Credit Agreement, of even date herewith, executed by and among the Borrower and Pledgee, as one of the Lenders (the “Credit Agreement”). This provision shall apply to all capitalized terms appearing hereinabove and hereinbelow. In addition, unless otherwise defined herein or in the Credit Agreement, each term used herein and defined in the Uniform Commercial Code as enacted in the State of Delaware (“UCC”) shall have the meaning given to such term in the UCC. Each of the Lenders has entered into a duplicate original of the Credit Agreement with Borrower.

### ARTICLE 2

#### OWNERSHIP.

Pledgor is the sole owner, beneficially and of record, of the shares identified on Exhibit “A” hereto (the “Shares”), in the companies identified thereon (collectively, the “Company”). The Shares are freely transferrable.

## **ARTICLE 2**

### **COLLATERAL FOR LOAN.**

The Loan and Pledgor's payment and performance under the Loan Documents are secured, in part, by the pledge of all of the Shares. The Credit Agreement, the Note, and any amendments to such Note or replacements thereof, or substitutions therefor, together with any additional promissory notes issued by Pledgor in connection with the Loan to any present or future Pledgee, and any amendments thereto, replacements thereof or substitutions therefor (collectively, the "Note"); certain other security instruments; and any other agreement, document or instrument executed in connection with the Credit Agreement, and all exhibits and schedules to any such agreements, documents or instruments, are hereinafter collectively referred to as the "Loan Documents."

## **ARTICLE 3**

### **PLEDGE AND SECURITY INTEREST**

SECTION 3.1 To secure the prompt and complete payment and performance when due of the Note and the other Loan Documents, Pledgor hereby pledges, assigns, delivers and transfers to Pledgee, and grants Pledgee a continuing security interest in, all of the following property and rights and interests in property (the "Share Collateral"):

- (a) all of Pledgor's interest in the Shares;
- (b) all proceeds of any or all of the foregoing;
- (c) all rights of Pledgor to receive any indemnity, warranty or guarantee with respect to the Shares;
- (d) all additions to and replacements of the Shares and all proceeds receivable or received when any and all of the Shares are sold, collected, exchanged, or otherwise disposed whether voluntarily or involuntary; and
- (e) any additional shares at any time or from time to time after the date hereof acquired by the Pledgor in the Company (by purchase, distribution or otherwise) shall form part of the Pledged Collateral and Pledgor will, at the request of Pledgee: (i) confirm the pledge of such shares to Pledgee; and (ii) promptly take all such other actions as necessary or desirable to perfect the security interest therein under any law (including, without limitation, under the Uniform Commercial Code as enacted in the State of Utah (the "UCC")).

## **ARTICLE 4**

### **EVIDENCE OF SHARES**

Pledgor shall immediately deliver to Pledgee any and all of the certificates evidencing the Shares. The Shares shall be accompanied by, as appropriate, (a) undated, duly executed stock

powers or similar instrument endorsed by Pledgor either in blank or to Pledgee in a manner which Pledgee deems satisfactory; and (b) such other instruments or documents as Pledgee shall request.

## **ARTICLE 5**

### **PLEDGOR'S REPRESENTATIONS AND WARRANTIES**

SECTION 5.1 Pledgor hereby represents and warrants to Pledgee that:

- (a) Pledgor is the sole owner, beneficially and of record, of one hundred percent (100%) of all of the issued and outstanding capital stock of Company.
- (b) Section 3.12 of the Credit Agreement is hereby incorporated herein.

## **ARTICLE 6**

### **PLEDGOR'S COVENANTS**

SECTION 6.1 **Pledgor** agrees that, until such time as this Pledge Agreement shall cease to be in full force and effect according to its terms:

- (a) Defense of Collateral. Pledgor will defend the Pledged Collateral against all claims and demands of all persons (other than Pledgee) claiming an interest in any of the Pledged Collateral and will discharge or cause to be discharged all liens on any or all of the Pledged Collateral, except for the security interest under this Pledge Agreement and Liens permitted under the Credit Agreement.
- (b) Location of Office. Pledgor shall keep the office where it keeps its records concerning the Pledged Collateral at the address specified in Article 18; or, upon thirty (30) days' prior written notice to Pledgee, at such other location in a jurisdiction where all actions required by Article 7 have been taken with respect to the Pledged Collateral.
- (c) Disposition of Collateral. Except as expressly permitted under the Credit Agreement, prior to the payment in full of the Note, Pledgor shall not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Share Collateral; or (ii) create or suffer to exist any lien upon or with respect to any of the Pledged Collateral, except for the pledge, hypothecation and security interest created by this Pledge Agreement.
- (d) Jurisdiction of Organization. Pledgor will cause the Company at all times to be a corporation organized under the laws of the State of Delaware. [Note: Confirm whether true for all pledged entities.]
- (e) Voting Rights. Pledgor shall exercise any and all management, voting and other consensual rights pertaining to the Organizational Documents and the Company in a manner not in violation of the terms of this Pledge Agreement or the Note

(f) Issuance of Additional Interests. Pledgor will not authorize the issuance by the Company of any additional interests in the Company unless concurrently with such issuance all such interests are made subject to the pledge hereunder.

## **ARTICLE 7**

### **CONTINUED PERFECTION OF SECURITY INTEREST**

Pledgor agrees that it will not take any actions or fail to perform any of its duties or obligations under this Pledge Agreement that would cause Pledgee to cease to have a first priority perfected security interest of the Pledged Collateral. Pledgor agrees, from time to time and at its expense, to promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary, or that Pledgee may request in order to perfect and protect the pledge, hypothecation and security interest granted or purported to be granted hereby or to enable Pledgee to exercise and enforce its rights and remedies hereunder with respect to the Pledged Collateral. Pledgor hereby further authorizes Pledgee to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Pledged Collateral.

## **ARTICLE 8**

### **VOTING RIGHTS/DISTRIBUTIONS**

SECTION 8.1 So long as no Event of Default shall have occurred and be continuing:

(a) Pledgor shall be entitled to exercise any and all voting and/or consensual rights and powers accruing to an owner of the Shares for any purpose not in violation of the provisions of this Pledge Agreement or the Note; and

(b) Pledgor shall be entitled to receive and retain all cash and other distributions payable in respect of the Share Collateral.

SECTION 8.2 Upon the occurrence and during the continuance of an Event of Default and delivery of written notice by Pledgee to Pledgor exercising Pledgee's rights under this Section 8.2, all rights of Pledgor to exercise the voting and consensual rights and powers described in Section 8.1 above shall immediately cease and all such rights shall thereupon automatically become vested in Pledgee.

## **ARTICLE 9**

### **PLEDGEE APPOINTED AS PLEDGOR'S**

### **IRREVOCABLE ATTORNEY-IN-FACT**

Pledgor hereby appoints Pledgee as Pledgor's attorney-in-fact with full power in Pledgor's place and stead, in Pledgor's name or its own name and at Pledgor's sole cost and expense, to execute, endorse and deliver any and all agreements, assignments, pledges, instruments and any other writings, and to take any and all other actions, which Pledgee may deem necessary or

desirable to carry out the terms and effect the purposes of this Pledge Agreement and to exercise fully its rights and remedies hereunder, in each case upon the occurrence and during the continuance of an Event of Default. Pledgor hereby ratifies all that Pledgee and all its representatives shall lawfully do or cause to be done under this power of attorney, which power is coupled with an interest and shall be irrevocable until all obligations under the Loan Documents have been satisfied and this Pledge Agreement has been terminated. Pledgee shall not exercise any of its rights under the power of attorney granted in this Article 9 until after the occurrence and during the continuance of an Event of Default.

## **ARTICLE 10**

### **SECURITY INTEREST ABSOLUTE**

SECTION 10.1 The obligations of Pledgee under this Pledge Agreement are independent of any guaranties, and a separate action or actions may be brought and prosecuted against Pledgee to enforce this Pledge Agreement, irrespective of whether any action is brought against a guarantor of the Note, or whether another party or any guarantor of the Note is joined in any such action or actions. All rights of Pledgee and the pledge, hypothecation and security interest hereunder, and all obligations of Pledgor hereunder, shall be absolute and unconditional to the extent permitted by applicable law, irrespective of:

- (a) any lack of validity or enforceability of any other agreement or instrument relating thereto;
- (b) any change in the time, manner or place of payment of or in any other term of, all or any of the Note, or any other amendment or waiver of or any consent to any departure from the Note;
- (c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment or waiver of, or consent to departure from any guaranty, for the Note;
- (d) any manner of application of the Pledged Collateral, or proceeds thereof, to the Note, or any manner of sale or other disposition of any other collateral for the Note or any other assets of Pledgor; or
- (e) any other circumstances which might otherwise constitute a defense available to, or a discharge of, Pledgor or a third party grantor of a security interest.

## **ARTICLE 11**

### **PLEDGEE'S RIGHTS TO PERFORM FOR PLEDGOR**

If Pledgor shall at any time fail to perform or comply with any of its covenants and agreements hereunder, Pledgee may (but shall not be required or obligated to), upon reasonable advance written notice to Pledgor, take such action, in its own name and capacity or as Pledgor's attorney-in-fact, as Pledgee shall deem necessary or desirable to effect such performance or compliance.

## **ARTICLE 12**

### **LIMITATION OF PLEDGEE'S LIABILITY/REIMBURSEMENT OF EXPENSES**

SECTION 12.1 Pledgee shall have no obligation to take, or refrain from taking, any action with respect to the Share Collateral or Pledgor's rights and interests therein.

SECTION 12.2 Pledgor shall pay or reimburse Pledgee (or cause Pledgee to be paid or reimbursed) on demand for all reasonable out of pocket costs and expenses (including without limitation reasonable attorneys' fees and legal expenses) paid or incurred by Pledgee in connection with (a) the administration of this Pledge Agreement during the existence of an Event of Default, and (b) the exercise and enforcement of any of Pledgee's rights, powers and remedies hereunder, including without limitation its right to perform Pledgor's covenants and agreements hereunder to the extent Pledgor fails to do so.

## **ARTICLE 13**

### **DEFAULTS**

Each of the Events of Default listed in the Credit Agreement shall constitute an Event of Default hereunder.

## **ARTICLE 14**

### **REMEDIES**

In addition to the remedies outlined and provided for in the Credit Agreement, Pledgee shall have the following remedies upon the occurrence of any Event of Default:

SECTION 14.1 Upon the occurrence and during the continuance of an Event of Default:

(a) Pledgee may, at any time and from time to time, exercise any and all rights and remedies available to it (i) hereunder, under the Note, and under any of the other Loan Documents, including without limitation those rights and remedies set out in subsections (b) through (d) of this Section 14.1, and (ii) as a secured party under the UCC and under any other applicable law or rule of law or equity. Should Pledgee elect to proceed by action at law or in equity to foreclose its security interest in and sell any or all of the Share Collateral, Pledgor waives (to the extent permitted by law) any rights it may then have in connection therewith to require Pledgee to post bonds, sureties or collateral security or to demand possession of any such Share Collateral pending judgment therein.

(b) To the extent permitted by Applicable Law, Pledgee may sell, assign, transfer, endorse and deliver all, or from time to time any part, of the Share Collateral at public or private sale, over the counter or at any broker's board or securities exchange, for cash, or credit or in exchange for other property, for immediate or future delivery, without advertisement or notice (except as provided in this subsection), and for such price and on such terms as Pledgee deems appropriate, provided only that all aspects of any

such disposition are commercially reasonable within the requirements of the UCC, as defined and supplemented by the standards and agreements set forth herein. Pledgor agrees that to the extent notice of the time and place of any such public sale, or of the time after which Pledgee intends to make any such private sale or other disposition, is required under the UCC, such notice shall be deemed commercially reasonable if transmitted by any of the means described in the documents related to the Loan not less than ten (10) days prior thereto. Pledgee shall not be obligated to effect any sale of any or all of the Share Collateral, whether or not notice thereof has been given, and may adjourn any public or private sale from time to time by announcement at the time and place fixed for such sale, and such sale may be held without further notice at the time and place to which it was so adjourned.

(c) At any such public sale, Pledgee shall be entitled to bid for and/or purchase the Share Collateral then being sold and may pay the price thereof by credit against the amounts then outstanding under the Loan Documents. Any purchaser of the Share Collateral (including Pledgee) shall take such item(s) free from any right or claim of Pledgor, and Pledgor hereby waives, to the extent permitted by the UCC and other applicable law, all rights of redemption and/or to any stay, exemption or appraisal which Pledgor now has or may hereafter acquire.

(d) The proceeds of the sale or other disposition of the Pledged Collateral shall be applied first, to that part consisting of Pledgee's reasonable out of pocket expenses (including, without limitation, reasonable attorneys' fees and legal expenses) in preparing for disposition and disposing of the Share Collateral and, to the extent not previously reimbursed by Pledgor, in administering this Pledge Agreement and exercising and enforcing its rights, powers and remedies hereunder, and second, to the satisfaction of the then-outstanding amount of the indebtedness then remaining unpaid under the Loan Documents. Pledgee shall account to Pledgor for any surplus, and Pledgor shall remain liable to Pledgee for any deficiency until repaid in full.

## **ARTICLE 15**

### **CUMULATIVE REMEDIES; NO WAIVERS BY PLEDGEE**

All rights, powers and remedies of Pledgee (a) under this Pledge Agreement, the Note, and the Loan Documents; and (b) under the UCC and other applicable law, are cumulative and except as otherwise expressly provided by law or in such agreements may be exercised concurrently or in any order of succession. Pledgee's failure to exercise or delay in exercising any of such rights, powers and remedies shall not constitute or imply a waiver thereof, nor shall Pledgee's single or partial exercise of any such right, power or remedy preclude its other or further exercise thereof, or the exercise of any other right, power or remedy. Pledgee's cure of any Default shall not constitute a waiver thereof, and its waiver of one Default shall not constitute a waiver of any subsequent Default.

## **ARTICLE 16**

### **PLEDGOR'S WAIVERS**

SECTION 16.1 Pledgee's security interest in the Share Collateral shall be absolute and unconditional regardless of the existence or occurrence of, and Pledgor expressly waives any defense or discharge that might otherwise arise from, any of the following:

(a) any lack of validity or enforceability of this Pledge Agreement, the Note or any other of the Loan Documents or other agreements or instruments relating hereto or thereto or otherwise relating to the amounts owed; and

(b) to the extent permitted by law, any other circumstance that might otherwise constitute a defense available to, or a discharge of, Pledgor in respect of the amounts owed or this Pledge Agreement.

## **ARTICLE 17**

### **TERMINATION/RELEASE OF PLEDGED COLLATERAL**

This Pledge Agreement and the security interest granted hereunder shall terminate on the date on the Note has been satisfied in full and all obligations under the Loan Documents have been fully and absolutely performed (other than contingent indemnification obligations and obligations with respect to the Loan Fee). Pledgee shall thereupon reassign and redeliver (or cause to be reassigned and redelivered) to Pledgor or such person(s) as Pledgor shall designate in writing, against due execution and delivery by Pledgor or such person(s) of a receipt therefor reasonably satisfactory to Pledgee in form and substance, the Shares (if any) as are then held by Pledgee, together with appropriate instruments of reassignment and release. Any such reassignment shall be without recourse to or warranty by Pledgee and at the expense of Pledgor.

## **ARTICLE 18**

### **MISCELLANEOUS**

SECTION 18.1 Notices. Section 8.01 of the Credit Agreement is hereby incorporated into this Pledge Agreement.

SECTION 18.2 Binding Agreement/Assignment. Sections 8.03 and 8.04 of the Credit Agreement is hereby incorporated herein.

SECTION 18.3 Survival. Each of the representations and warranties shall survive the execution and delivery of this Pledge Agreement and delivery of the Pledged Collateral to the Pledgee.

SECTION 18.4 Severability. Section 8.09 of the Credit Agreement is hereby incorporated herein.

SECTION 18.5 Governing Law. This Pledge Agreement shall be governed by and construed in accordance with the laws of the State of Delaware to the fullest extent permitted by law, except to the extent that perfection (and the effect of perfection and non-perfection) and certain remedies may be governed by the laws of any jurisdiction other than the State of Delaware.

SECTION 18.6 Amendments/Modification. Section 8.07 of the Credit Agreement is hereby incorporated herein.

SECTION 18.7 Waiver of Right to Jury Trial. Section 8.10 of the Credit Agreement is hereby incorporated herein.

SECTION 18.8 Collateral Agent Agreement. Pledgor acknowledges and agrees that Pledgee, as Agent and alone, shall have the right to enforce all Lenders' rights relating to the Collateral under the Loan Documents and under duplicate originals of all of the Loan Documents executed by the Lenders (other than the Lender) and Pledgor.

SECTION 18.9 Counterparts/Facsimiles. Section 8.12 of the Credit Agreement is hereby incorporated herein.

SECTION 18.10 No Personal Liability for Trustee. Section 8.17(a) of the Credit Agreement is incorporated herein.

SECTION 18.11 Consent to Jurisdiction and Service of Process. Section 8.14 of the Credit Agreement is hereby incorporated herein.

SECTION 18.12 Costs and Attorneys' Fees. Pledgor will, upon demand, pay to Pledgee the amount of any and all reasonable out of pocket expenses, including the reasonable attorneys' fees and expenses of counsel for Pledgee, and of any experts and agents which Pledgee may incur in connection with: (a) the administration of this Pledge Agreement upon the occurrence and during the continuance of an Event of Default; (b) the collection, retaking, storage, custody, preservation, use or operation of, preparing for sale, selling or other disposition and delivery, collection from, or other realization upon, any of the Collateral upon the occurrence and during the continuance of an Event of Default; (c) the exercise or enforcement of any of the rights of Pledgee hereunder; or (d) the failure by Pledgor to perform or observe any of the provisions hereof.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Pledgor and Pledgee duly executed this Pledge Agreement as of the date first written above.

PLEDGOR:

\_\_\_\_\_  
Edward N. Cahn, in His Sole Capacity as  
Trustee of the Bankruptcy Estates of The SCO  
Group, Inc., a Delaware corporation and SCO  
Operations, Inc., a Delaware corporation

PLEDGEE:

Seung Ni Capital Partners, L.L.C., a Delaware  
limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit "A"**  
**The Shares**

<b>Company Name</b>	<b>State of Incorporation</b>	<b>Date of Articles of Incorporation</b>	<b>Date of By-Laws</b>	<b>Number of Shares</b>	<b>Certificate Numbers</b>
1. SCO Operations, Inc.	Delaware				
2. Me, Inc.					
3. SCO Global, Inc.					
4. Cattleback Intellectual Property Holdings, Inc.					

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