

OLSHAN

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August 21, 2017

Crossroads Systems, Inc.
11000 North Mo-Pac Expressway
Suite 150
Austin, Texas 78759
Attn: Ms. Jennifer Crane
Chief Financial Officer

Re: Crossroads Systems, Inc.

Dear Jennifer:

As required by the Joint Rules of the Appellate Divisions of the courts of New York State, it is our practice to provide an engagement letter to our clients prior to our commencing a new representation. This letter and its accompanying memorandum explain the scope of the legal services to be provided, the fees and expenses to be charged and our billing practices. They also notify you of rights you have to arbitrate certain fee disputes.

We look forward to representing Crossroads Systems, Inc. in connection with your pending chapter 11 case, we will render services to you including, but not limited to, serving as outside corporate counsel to you, work with you on appropriate disclosures and other required filings, and represent you in other matters which may arise during the pendency of your Chapter 11 case. The representation may also include assisting Eric Terry Law, PLLC on your behalf. Should you ask us to represent you in other matters, those representations will be undertaken pursuant to the same terms as those set forth herein, unless we agree on different terms, in writing, with respect to such matters.

Our schedule of hourly rates for attorneys and other members of the professional staff is based upon their years of experience, practice area, specialization, training and level of professional attainment. My standard billing rate is \$710 per hour, with other partners generally billed at \$540 to \$900 per hour, associates at \$330 to \$540 per hour and legal assistants at \$180 to \$340 per hour.

You have paid us a retainer of \$25,000 for our representation in this matter. We will bill you monthly for time charges and disbursements incurred and ask that billings in excess of the retainer amount be paid upon presentation. Our invoices will reflect application of the retainer payment and if for any reason our engagement is terminated prior to the full application of the retainer, the balance thereof will be returned to you. Please note, we reserve the right to require additional retainers depending upon the nature of the anticipated work (for example, should our representation require us to appear in court on your behalf or if the scope of services changes) and as stated above, our fees are determined on an hourly basis. Retainers are not fixed fees for

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any services or even an estimate of the amount to be incurred—instead, retainers are a means of providing partial payment in advance to us to be credited against future services.

This engagement agreement, in its accompanying memorandum, includes a waiver of possible future conflicts. Such a provision is included because we are a full-service law firm and we may be (and often are) asked to represent a client with respect to interests that are adverse to those of other clients who are represented by the Firm in connection with other matters. This is a complex issue about which you may wish to consult with independent counsel.

The attached memorandum describes our procedures and the terms of this engagement in greater detail. If you have any questions, concerns or criticisms at all about our charges or procedures, or would like to discuss them for clarification or modification, please feel free to call me at any time.

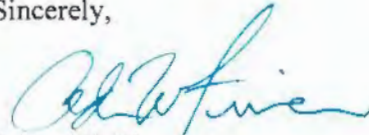
As you are aware, you have the right to terminate our representation at any time. Your termination of our services, however, will not affect your responsibility for payment of outstanding invoices or fees and expenses incurred before termination or incurred thereafter in connection with an orderly transition of the matter. We may, in our sole discretion, withdraw from our representation of you, as permitted or required under any applicable standards of professional conduct or rules of court: (i) in the event that you deliberately disregard your obligation to pay our fees and expenses; (ii) should you otherwise fail to fulfill your obligations under this letter of engagement; or (iii) upon our giving reasonable notice to you.

In the event that there is a significant change in the scope of our services or the fees to be charged, we will provide you with an updated letter of engagement.

If the terms outlined in this letter and its accompanying memorandum are satisfactory, please sign and return the original to me, together with a check for the retainer, in the enclosed return envelope. Please be advised that even if you neglect to countersign a copy of this letter, your instructing us to act on your behalf in connection with this engagement will constitute your full acceptance of the terms of this letter and its accompanying memorandum.

We look forward to working with you.

Sincerely,




Adam W. Finerman

Enclosure

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We have read and understand the foregoing letter of engagement and attached memorandum and agree to their terms. We shall be responsible for the payment of fees and disbursements incurred in accordance with the terms of this letter of engagement and its accompanying memorandum.

Crossroads Systems, Inc.

By: 
Name: ANTHONY K. COLEMAN, JR.
Title: EXECUTIVE DIRECTOR.

Olshan Frome Wolosky LLP

TERMS OF ENGAGEMENT

The following supplements the attached engagement letter, and sets forth the terms by which Olshan Frome Wolosky LLP (the "Firm") agrees to provide legal services to you.

Representation. Unless specifically stated otherwise in the attached letter, our representation of you does not extend to any of your affiliates and we do not assume any duties with respect to such affiliates. For example, if you are a corporation, we do not represent your parents, subsidiaries, sibling corporations, directors, officers, employees, shareholders or partners, or any entities in which you own an interest. If you are a partnership or limited liability company, we do not represent any of your partners or members.

Professional Fees. In the absence of a written agreement with you to the contrary, our fees for professional services are based upon the hours worked by our attorneys and legal assistants multiplied by their respective billing rates. To help us determine the value of our services, our lawyers and legal assistants maintain time records for each client and matter, reflecting the services performed on the matter each day, and the total amount of time spent on the matter for that day. In certain bankruptcy matters, however, time may be further subdivided on a "per task" basis. Our attorneys and legal assistants are assigned hourly rates which are based on years of experience, specialization, training and level of professional attainment. We adjust our rates periodically (usually at the beginning of each year) to take into account inflation and the increased experience of our professional personnel.

We attempt to work on an economical basis by assigning tasks that do not require extensive legal training to assistants, law clerks and support personnel. Legal work that does not require more experienced attorneys will be performed, where feasible, by lawyers with lower billing rates. Of course, the quality of the work is paramount, and we do not sacrifice quality to economy.

Before undertaking a particular assignment, we will, if requested, provide you with a fee estimate to the extent possible. Estimates are not possible for some matters, however, and cannot be relied on in many others because the scope of our work will not be clear at the outset. When a fee estimate is given, it is only an estimate; it is not a maximum or minimum fee quotation. The actual fee may be more or less than the quoted estimate.

Other Charges. In addition to charges for services, our invoices include charges for other costs we incur in providing your legal services. Such costs include those for reproduction, faxing, long distance telephone usage, postage, messenger and delivery charges, filing and recording charges, travel expenses, computerized legal research, word processing, and meals and carfare relating to overtime. Some of these items represent disbursements to third parties; some include an allocation of associated overhead costs. We reserve the right to adjust our charges at any time. When we incur third-party charges of the sort described in this paragraph, we do so as agents for our clients, and you agree that such charges will be timely paid upon demand.

Billing and Payment Procedures. Unless other arrangements are made at the time of the engagement, bills will be sent monthly. Our normal policy is to request a retainer or advance payment, in which case monthly bills will be applied against the retainer; other retainer

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arrangements may also be used. When we foresee substantial costs, we may ask you to pay certain of them directly or to fund them in advance. Our statements normally contain a brief narrative description of the work done and the amount billed includes our other charges, as described above. We will be happy to break down the charges among the various projects or matters covered by the billing if so requested.

Statements for services are payable upon presentation. All Statements paid more than 30 days after receipt will be subject to a late charge of one (1%) percent per month. You should feel free to contact the partner in charge of your work with any questions or comments you may have.

New York Venue and Governing Law. Our objective is to provide you with outstanding legal services, and we hope that you are satisfied with both the cost and the performance of our Firm. To that end, if you feel that a bill is not fair, we are always willing to discuss it. In the event that we are unable to reach a resolution of any dispute that may arise between us, except as referenced in the following paragraph, all such matters shall be resolved by a court sitting in New York County, either state or federal, and each of us consent to the exclusive jurisdiction of such a court. The terms of our engagement on your behalf as described herein shall be governed by the laws of the State of New York, without regard to its choice of law rules. In the event of any litigation, the prevailing party will be entitled to recover its reasonable attorneys fees and other costs of collection, even if it represents itself or appears as co-counsel representing itself.

Arbitration. In the event you dispute the Firm's fees, under Part 137 of the Rules of the Chief Administrator of the Courts (New York), you may be entitled to arbitrate the matter. We will provide a copy of those Rules to you if such a dispute arises or upon your request. You should consult the Rule to determine whether it applies to your dispute and to be sure that you act in a timely manner to preserve your rights.

No Privilege Waiver. In the course of this Firm's representation of you, there may come a time when we may seek legal advice regarding professional ethics issues that arise during the course of our engagement. You agree that the Firm does and shall not waive any privilege with respect to such communications and that the same shall be privileged to the Firm.

Limited Liability. This Firm is qualified as a limited liability partnership under the laws of the State of New York. Under such laws, an obligation of the Firm incurred while the Firm is a limited liability partnership, whether arising in contract, tort or otherwise, is solely the obligation of the Firm, and partners of the Firm are not personally liable, directly or indirectly, by way of indemnification, contribution, assessment or otherwise, for such obligation solely by reason of being or so acting as a partner, absent wrongful conduct engaged in by such partner personally, or by any person under his or her direct supervision and control.

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Additional Services. Often, a client asks us to perform services additional to those originally requested. In such event, you will be liable for payment therefor at our customary hourly rates and for related disbursements, unless we enter into a letter of engagement setting forth different terms.

Change in Terms of Engagement. No alteration, modification or variation of the terms of our engagement will be effective unless set forth in a writing executed on behalf of the Firm by one of its partners.

Conflicts Waiver. This Firm is a general service law firm that you recognize has represented, now represents, and will continue to represent numerous clients (including, without limitation, clients who may be your debtors, creditors, or direct competitors), nationally and internationally, over a wide range of industries and businesses and in a wide variety of matters. Given this, without a binding conflicts waiver, conflicts of interest might arise that could deprive you or other clients of the right to select this Firm as counsel.

Thus, as an integral part of this engagement, you agree that this Firm may, now or in the future, represent other entities or persons, including in litigation, adversely to you or any affiliate of yours on matters that are not substantially related to: (a) the legal services that this Firm has rendered, is rendering, or in the future will render to you under this engagement and (b) other legal services that this Firm has rendered, is rendering, or in the future will render to you or any affiliate (an "Allowed Adverse Representation").

You also agree that you will not, for yourself or any other entity or person, assert that either (a) this Firm's representation of you or any affiliate in any past, present, or future matter or (b) this firm's actual, or possible, possession of confidential information belonging to you or any affiliate is a basis to disqualify this Firm from representing another entity or person in any Allowed Adverse Representation. You further agree that any Allowed Adverse Representation does not breach any duty that this firm owes you or any affiliate.