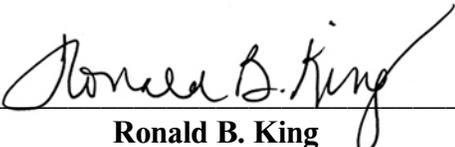




The relief described hereinbelow is SO ORDERED.

Signed August 29, 2017.



Ronald B. King
Chief United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

**IN RE: § CASE NO. 17-51926-rbk
CROSSROADS SYSTEMS, INC. §
Debtor § CHAPTER 11 PROCEEDING**

**ORDER AUTHORIZING EMPLOYMENT AND PAYMENT OF PROFESSIONALS
UTILIZED IN THE ORDINARY COURSE OF BUSINESS**
[Docket No. 20]

On August 29, 2017, the Court conducted a hearing to consider the *Debtor's Expedited Motion for an Order Authorizing Employment and Payment of Professionals Utilized in the Ordinary Course of Business* (the "Motion"), of Crossroads Systems, Inc. ("CRS" or the "Debtor"). The Court finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate, and its creditors; (iv) proper and adequate notice of the Motion has been given and no other or further

notice is necessary; and (v) upon the record herein after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein.

Therefore,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. Subject to Paragraphs 3 and 5, the Debtor is authorized, but not directed, to employ and retain the Ordinary Course Professionals listed on the attached **Exhibit A** (the “Initial Ordinary Course Professionals”), without the need to file individual retention applications and obtain retention orders for each such Initial Ordinary Course Professional. Such authorization is effective as of the later of the Petition Date or the applicable date of engagement.
3. To the extent not already filed with the Court prior to the entry of this Order, within three (3) business days after the date of entry of this Order, the Debtor shall serve this Order upon each Initial Ordinary Course Professional. Thereafter, no later than fourteen (14) days after the date of entry of this Order, each Initial Ordinary Course Professional shall provide to the Debtor and the Debtor’s counsel, for filing with the Court and service upon (i) the United States Trustee; and (ii) counsel to 210¹ (collectively, the “Notice Parties”), a declaration pursuant to Section 1746 of title 28 of the United States Code, substantially in the form of **Exhibit B** to the Motion (the “Declaration”).
4. The Debtor is authorized, without need for further hearing or order from the Court, to employ and retain Ordinary Course Professionals not currently listed on **Exhibit A** hereto (the “Additional Ordinary Course Professionals,” and collectively with the Initial Ordinary Course Professionals, the “Ordinary Course Professionals”) by filing with the Court, and serving on the

¹ Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Motion.

Notice Parties, a supplement to Exhibit A (the “Supplement”), listing the name of the Additional Ordinary Course Professional, together with a brief description of the services to be rendered, and by otherwise complying with the terms of this Order. Such authorization is effective *nunc pro tunc* to the date of filing the Supplement or the applicable date of engagement. Each Additional Ordinary Course Professional shall file a Declaration within fourteen (14) days of the filing of such Supplement.

5. The Notice Parties shall have fourteen (14) days after the later of (i) the entry of this Order or (ii) the service of any Declaration (the “Objection Deadline”) to object to the retention of any Ordinary Course Professional. Any such objections shall be filed with the Court and served upon the Debtor, the Debtor’s counsel, the Notice Parties, and the Ordinary Course Professional subject to such objection by the Objection Deadline. If any objection cannot be resolved and withdrawn within fourteen (14) days after service (or on such earlier date as determined by the Debtor in its discretion), upon motion by the Debtor, such objection shall be scheduled for hearing before the Court on the next regularly scheduled hearing date or such other date that may be agreeable to the Ordinary Course Professional, the Debtor, and the objecting party. If no objection is received on or before the Objection Deadline, or if any submitted objection is timely withdrawn or resolved, the Debtor shall be authorized to retain the Ordinary Course Professional as a final matter without further order of the Court, as of the Petition Date or the applicable date of engagement.

6. No more than once per month, the Ordinary Course Professionals shall submit reasonably detailed invoices indicating the nature of the professional services rendered and calculated in accordance with such professional’s standard billing practices. The Debtor shall submit such invoices to the Notice Parties for review. The Notice Parties shall have fourteen (14)

business days to review any such invoices. If Notice Party objects to the payment of an invoice or the amount of an invoice, the Notice Party must provide notice to the Debtor, the other Notice Parties, and the applicable Ordinary Course Professional of the objection. If the objection is not resolved within fourteen (14) days, the Debtor shall file a motion seeking approval of the payment to the Ordinary Course Professional, with such motion to be heard at the next available hearing date that is at least seven (7) days after the filing of such motion (unless emergency consideration is deemed necessary by the Debtor and the Court).

7. Provided the applicable review period has passed and no objection has been raised, the Debtor is authorized, but not directed, to make periodic payments for post-petition compensation and reimbursement of post-petition expenses to each of the Ordinary Course Professionals in the manner customarily made by the Debtor prior to the commencement of the Chapter 11 Case, in the full amount billed by any such Ordinary Course Professional, subject to the provisions of Paragraph 6, up to \$20,000 per month.

8. In the event the total amount to be paid to an Ordinary Course Professional exceeds \$20,000 in a given month, the Ordinary Course professional will be required to submit a fee application to the Court.

9. Within thirty (30) days after the end of, and with respect to, each full three-month period after the Petition Date (including any initial partial month in the first period), the Debtor shall file with this Court, and serve upon the Notice Parties, a summary statement that includes the following information for each Ordinary Course Professional: (a) the name of the Ordinary Course Professional; (b) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by such Ordinary Course Professional during the statement period; and (c) a general description of the services rendered by such Ordinary Course

Professional. The obligation to file summary statements shall terminate upon confirmation of a plan in the Chapter 11 Case.

10. This Order shall not apply to any professional retained by the Debtor under a separate order of this Court.

11. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062 or 9014, the terms and conditions of this Order shall be effective immediately and enforceable upon its entry.

12. To the extent this Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Order shall govern.

13. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

14. The Court will retain jurisdiction with respect to any matters, claims, rights or disputed arising from or related to the Motion or implementation of this Order.

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Submitted by:
ERIC TERRY LAW, PLLC
Eric B. Terry
3511 Broadway
San Antonio, Texas 78209
Telephone: (210) 468-8274
Facsimile: (210)-319-5447
PROPOSED COUNSEL FOR DEBTOR

Exhibit A**Initial Ordinary Course Professionals**

| Professional | Type of Service Provided |
|---|---------------------------------|
| Fish & Richardson PC 60 South 6 th Street Minneapolis, MN 55402 | IP Legal Support |
| Sprinkle IP Law Group - 1301 W. 25th Street, Suite 408 Austin, Texas 78705 | IP legal support |
| PMB Helin Donovan 12301 Research Blvd. Bldg. 5, Suite 160 Austin, TX 78759 | Auditors |
| Alvarez & Marsal Taxand, LLC 600 Madison Avenue 9 th Floor New York, NY 10022 | NOL Support |
| Radabaugh Law Group 2001 Secretariat Dr. Austin, TX 78737 | Contract Support |
| Blank Rome LLP 717 Texas Avenue, Suite 1400 Houston, TX 77002 | IP Legal Support |