

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

In re:	:	Chapter 11
CROSSROADS SYSTEMS, INC.	:	Case No. 17-51926-rbk
Debtor.	:	

**DECLARATION OF ADAM W. FINERMAN IN SUPPORT OF APPLICATION  
FOR APPROVAL OF THE EMPLOYMENT OF OLSHAN FROME WOLOSKY LLP AS  
SPECIAL COUNSEL FOR THE DEBTOR**

STATE OF NEW YORK    )  
  )  
COUNTY OF NEW YORK )

I, ADAM W. FINERMAN, DECLARE UNDER PENALTY OF PERJURY AS FOLLOWS:

I am over 18 years of age and, if called as a witness, would testify as to the matters set forth below based upon my personal knowledge, except where otherwise indicated below:

1. I am an authorized representative of the law firm of Olshan Frome Wolosky LLP (the "Firm"), proposed special counsel for the Debtor. My office address is: 1325 Avenue of the Americas, New York, New York 10019.
  
2. I am submitting this affidavit in support of the Debtor's Application for Order Pursuant to Bankruptcy Code Sections 327(e) and 329 and Bankruptcy Rules 2014 and 2016, Authorizing Employment and Retention of Olshan Frome Wolosky LLP as Special Counsel to the Debtor In Possession Effective as of the Application Date (the "Application").

DECLARATION OF ADAM W. FINERMAN

3. I am an attorney licensed to practice law in the State of New York and have been a member in good standing of the New York Bar since March 1992.

4. Neither I nor the Firm represent any interest adverse to the Debtor, as required by 11 U.S.C. §§ 327(a). Additionally, to the best of my knowledge, and except as set forth herein, neither I nor the Firm has any connection, other than in connection with this chapter 11 case, with the Debtor, the Debtor's creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee.

5. The Firm has previously represented the Debtor as outside corporate counsel.

6. In preparing this affidavit, the Firm performed a review of the connections and relationships between the Firm and creditors of the Debtor and other parties in interest. To the extent that I become aware of any additional relationships, I will promptly file a supplemental affidavit. After examining potential conflicts, I am unaware of any circumstances where the Firm has been adverse to the Debtor and a review of the names of the primary creditors and insiders of the Debtor which was supplied to the Firm by the Debtor's bankruptcy counsel has revealed that the Firm has represented the following parties in matters unrelated to the Debtor: FalconStor Software, Inc., Iroquois Master Fund, Ltd., Lone Star Value Investors, LP, Lone Star Value Management, LLC, and an affiliate of Wolverine Flagship Fund Trading Limited.

7. Except for the proposed representation of the Debtor, neither I nor the Firm has represented nor will represent any other entity in connection with this chapter 11 case, and neither I nor the Firm will accept any fee from any other party or parties in this chapter 11 case except as set out herein. As a condition to acceptance of the employment as counsel to the Debtor, the Firm has not

**DECLARATION OF ADAM W. FINERMAN**

and will not undertake to represent the interests of any creditor of the Debtor in any matter related to the Debtor. The Firm is a "disinterested person" as that term is defined in Section 101(14) of the Bankruptcy Code in that the Firm and its attorneys:

- a. Are not creditors, equity security holders, or insiders of the Debtors;
  - b. Are not and were not, within two (2) years before the date of the filing of the Debtors' Chapter 11 petition, a director, officer, or employee of the Debtors; and
  - c. Do not have an interest materially adverse to the interest of the estate or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtor.
8. The terms of the Firm's engagement with the Debtor to represent it in connection with this chapter 11 case do not vary from the Firm's customary billing arrangements for similar engagements.
9. The Firm's rates do not vary based upon the geographic location of the bankruptcy case.
10. Subject to Court approval and in accordance with Section 330(a) of the Bankruptcy Code, compensation will be payable to the Firm on an hourly basis. The primary attorneys within the Firm who represent the Debtor and their hourly rates are:

Adam W. Finerman - \$710.00 per hour; and

Claudia B. Dubon - \$350.00 per hour.

From time to time, other attorneys and paralegals from the Firm may serve the Debtor in connection with the matters for which the Firm will be retained. It is anticipated that the compensation for such other attorneys and/or paralegals will also be at their current (or hereafter adjusted) standard hourly rates. The hourly rates set in the Engagement Letter are the Firm's

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standard rates for work of this nature and the Firm did not agree to any variations from its customary billing arrangements for bankruptcy engagements of this type. The Firm will also seek reimbursement of its expenses in accordance with the U.S. Trustee Guidelines.

11. It is the Firm's policy, in all areas of its practice, to charge its clients for additional expenses incurred in connection with the client's case. The expenses charged to the Firm's clients include, among other things, postage and express mail charges at the rates charged by the U.S. Postal Service, special or hand delivery charges, copying and printing of documents, travel expenses, expenses for "working meals," and computerized research. The Firm does not charge for long distance calls other than conference calls. The Firm will charge the Debtor for expenses in a manner and at rates consistent with charges made generally to the Firm's other clients and consistent with the applicable Bankruptcy Local Rules and United States Trustee guidelines.

12. The Firm has not agreed to share any compensation received with any other entity.

13. The Firm is currently holding a retainer in the amount of \$27,365.86 as of the date of this declaration.

14. In view of the foregoing, I believe I and the Firm (i) do not hold or represent an interest adverse to the Debtors, and its estate, (ii) do not hold or represent any other party in this chapter 11 case, and (iii) are "disinterested persons" as that term is defined in Section 101(14) of the Bankruptcy Code.

15. The Firm recognizes its continuing responsibility to be aware of, and to further disclose, any relationship or connection between it and other parties in interest to the Debtor's bankruptcy estate as they appear or become recognized during the chapter 11 case. Accordingly, I reserve the

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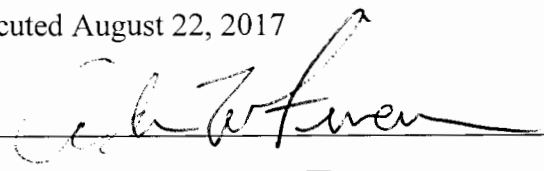
right to, and shall, supplement this disclosure if necessary as more information becomes available to us.

16. The foregoing constitutes the statement of Adam W. Finerman pursuant to Section 327 and 330 of the Bankruptcy Code and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure.

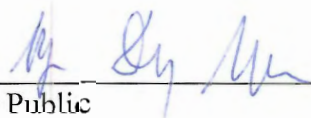
Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

FURTHER AFFIANT SAYETH NOT.

Executed August 22, 2017

By: 

SUBSCRIBED and SWORN to before me, the undersigned authority, on this the 22<sup>nd</sup> day of August, 2017.

  
Notary Public

My Commission Expires: \_\_\_\_\_

**NGOC DUNG NGUYEN**  
Notary Public State of New York  
No. 01NG6060216  
Qualified in Queens County  
Commission Expires June 18, 2019

DECLARATION OF ADAM W. FINERMAN