



January 25, 2002

John Lohmeyer
Chair, T10 Technical Committee
IINCITS Secretariat
c/o Information Technology Industry Council
1250 Eye Street NW, Suite 200
Washington, DC 20005

Dear John:

On January 13, 2001, Crossroads disclosed to INCITS, by letter, the existence of a patent that we believe is applicable to certain implementations of the ANSI FCP-2 standard (01-049r0.pdf). This letter amplifies Crossroads' previous letter, which is attached for reference.

Crossroads is the owner of U.S. Patent No. 6,148,421 ("the '421 patent"). Crossroads believes the '421 patent is applicable to the FC-Tape error recovery portion of the FCP-2 standard.

In the event the FCP-2 standard cannot be practiced without the use of the '421 patent, Crossroads agrees upon written request to negotiate a limited nonexclusive license to practice the '421 patent for the sole purpose of implementing the FCP-2 standard in products that are fully compliant with the FCP-2 standard. Crossroads will offer such a license on a nondiscriminatory basis and on reasonable terms and conditions. Crossroads cannot represent that the terms and conditions will be identical for all products and for all companies. Furthermore, the potential licensee must be prepared to offer Crossroads a comparable cross-license to any of the potential licensee's patents that apply or could potentially apply to Crossroads' products. Such licensing negotiations will be held with the parties concerned and will be conducted outside INCITS, ANSI and T10.

The logo graphic features a green circuit board with binary code (0s and 1s) overlaid on it, set against a dark background. The word "CROSSROADS" is written in a bold, red, sans-serif font, with a trademark symbol (TM) to its upper right. Below the word, the tagline "AT THE INTERSECTION OF BUSINESS AND INFORMATION" is written in a smaller, black, sans-serif font.

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AT THE INTERSECTION OF BUSINESS AND INFORMATION

Parties who desire to discuss obtaining a license for the '421 patent as described above may obtain further information by contacting:

Patricia E. Prince
Vice President and Corporate Counsel
Crossroads Systems, Inc.
8300 North Mo Pac Expressway
Austin, TX 78759

Sincerely,

Patricia E. Prince
Vice President – General Counsel