

October 13, 2003

Mr. John Lohmeyer INCITS T10 Chair LSI Logic 4420 ArrowsWest Dr. Colorado Springs, CO 80907

Re: Crossroads U.S. Patent No. 6,425,035

Dear John:

On January 8th, 2002, Crossroads Systems ("Crossroads") submitted a letter of disclosure to you, on behalf of the INCITS T10 Technical Committee ("T10") providing notification according to the ANSI NCITS T10 patent policy that Crossroads was the owner of U.S. Patent No. 5,941,972 ("the '972 patent"), and that Crossroads believed the '972 Patent was applicable to Access Controls proposal of the draft SCSI Primary Commands – 3 (SPC-3) standard.

The intent of this letter is to provide notification to T10 according to the ANSI NCITS T10 patent policy that Crossroads is also the owner of U.S. Patent No. 6,425,035 ("the '035 patent"). Again, Crossroads believes the 035 Patent is applicable to the Access Controls section of the current draft SPC-3 standard (Revision 15, 12 September, 2003).

In the event the Access Controls section survives in SPC-3, and that standard cannot be practiced without the use of the '035 patent, Crossroads agrees upon written request to negotiate a limited nonexclusive license to practice the '035 patent for the sole purpose of implementing the SPC-3 standard in products that are fully compliant with the SPC-3 standard, as adopted. 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



Page 2 October 13, 2003

apply to Crossroads' products. Such licensing negotiations will be held with the parties concerned and will be conducted outside NCITS, ANSI and T10.

Parties who desire to discuss obtaining a license for the '972 patent as described above may obtain further information by contacting:

Robert M. Griswold, Jr. Chief Technologist Crossroads Systems, Inc. 8300 North MoPac Expressway Austin, TX 78759

Thank you for your assistance.

Very truly yours,

Robert M. Griswold, Jr. Chief Technologist