

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

**NOTICE OF HEARING AND MOTION FOR ORDER AUTHORIZING
MODIFICATION OF ENGAGEMENT AGREEMENT WITH XROADS SOLUTIONS
GROUP, LLC (FORMERLY CROSSROADS, LLC)**

TO: The Office of the United States Trustee and Other Parties in Interest as Specified in Local Rule 9013.

1. Intrepid U.S.A., Inc., Intrepid of Golden Valley, Inc. and F.C. Acquisition Corporation (collectively, the “Debtors”) hereby move this Court for the relief requested below and give notice of hearing.

2. The Court will hold a hearing on this motion at 11:00 a.m. on November 3, 2004, in Courtroom No. 7 West, United States Courthouse, 300 South Fourth Street, Minneapolis, Minnesota.

3. Any response to this motion must be filed and delivered not later than October 29, 2004, which is three days before the time for the hearing (excluding Saturdays, Sundays, and holidays), or filed and served by mail no later than October 25, 2004, which is seven days before the time set for the hearing (excluding Saturdays, Sundays, and holidays). **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**

4. The Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334, Rule 5005 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”), and Local

Rule 1070-1. This is a core proceeding. The petitions commencing Debtors' cases were filed on January 29, 2004. These cases are now pending in this Court.

5. This motion arises under 11 U.S.C. §§ 327 and 328 and Bankruptcy Rule 2014. Debtors seek authorization to modify their engagement agreement with XRoads Solutions Group, LLC, formerly known as Crossroads, LLC ("XRoads") to increase the monthly average cap on travel-related expenses from \$22,200 to \$50,000 retroactive to March 4, 2004 in accordance with the Letter Agreement attached hereto as Exhibit A and incorporated herein by reference.

6. The three original Debtors employed XRoads on an expedited basis as part of their agreement with the Official Committee of Unsecured Creditors, DVI and the United States Trustee to resolve the motion of DVI to dismiss the case and the motion of the United States Trustee to appoint a Chapter 11 trustee. At the time Debtors entered into the March 4, 2004 Engagement Agreement with XRoads, neither party had a complete idea of the level of work the engagement would entail or the need to file an additional sixty-five (65) cases.

7. A copy of the March 4, 2004 Engagement Agreement is attached hereto as Exhibit B. In negotiation of the initial Engagement Agreement, Debtors and XRoads negotiated a cap on monthly expenses "related to travel to and from the Company's headquarters for the performance of [XRoads] services at the Company's Minneapolis, Minnesota headquarters." That cap was negotiated at what the parties then thought would be approximately 10% of monthly fees, a cap of \$22,200.

8. The parties' estimate has proved to be significantly less than the level of fees and the level of expenses required in this case. A list of the travel-related expenses actually incurred

by XRoads each month is attached hereto as Exhibit C¹. The parties initially assumed that there would be approximately three or four professionals from XRoads handling the engagement. The travel-related expenses were estimated with this number of people in mind. In reality, many more XRoads employees have become involved in what the parties now recognize to be a complex reorganization. In addition, the monthly and quarterly fee detail demonstrates the complexity of the case and the number of people XRoads has brought in to assist the Debtor in managing its books and records, negotiating with creditors, preparing due diligence materials and all of the other tasks undertaken by XRoads to assist the Debtor in this reorganization.

9. In accordance with fee payment procedures in this District, XRoads has submitted its invoices to the Debtor and other parties-in-interest on a monthly basis. In each monthly letter XRoads notes the following—

While XRoads will cap its expenses for the month of [month], 2004 at the sum of \$22,200, please be informed that XRoads will be bringing a motion seeking relief from the Court to amend the expense cap on the basis of factual, legal, and equitable factors learned by XRoads during the course of this engagement.

Because XRoads and the Debtors have reached agreement regarding an increase in the monthly expense cap, the Debtors now bring this motion.

10. Debtors and XRoads have agreed that the monthly travel-related expense cap should be increased to \$50,000, and the letter attached hereto as Exhibit A documents that agreement. Debtors believe that this revised cap on travel-related expenses, having been negotiated at arms length between Dennis Simon and Todd Garamella, is a reasonable term of employment within the meaning of Bankruptcy Code § 328(a).

11. This modification reflects a change in the circumstances of the engagement that could not have been anticipated in March. At the beginning of the engagement, the parties made

¹ The May and June numbers on Exhibit C accurately reflect travel-related expenses subject to the cap. The monthly fee letters for May and June incorrectly applied the cap. This was corrected in XRoads' first fee application.

their best guess, but no one would have been able to anticipate, and they did not anticipate, how the case would develop. The primary complicating factor has been the unexpected need to file the additional sixty-five (65) cases in April. This significantly increased the reporting and accounting requirements of the estates, and has resulted in a complex claims analysis process, all handled primarily by XRoads. In addition, among other things, the OIG/Medicare issues and negotiations have required additional XRoads expertise, the complexity of Debtors' records and accounting systems and adapting available information to the requirements of Chapter 11 reporting have required additional XRoads personnel and expertise, and what the parties anticipated would be a rapid recapitalization or sale has become more complex as Intrepid and XRoads attempt to make decisions with respect to 68 operating entities to maximize value for the estates. The parties agree that if they had known at the beginning of the engagement how complex and time-intensive the engagement would be, they would have set the cap at a higher amount to reflect the personnel necessarily involved in the case. The Debtors therefore believe that it is appropriate to increase the cap and for the increased cap to be retroactive to the date of the original Engagement Agreement, March 4, 2004.

12. Pursuant to Local Rule 9013-2(a), this motion is verified and is accompanied by a memorandum of law, proposed order, and proof of service.

13. Pursuant to Local Rule 9013-2(c), Debtors give notice that, if necessary, they may call Dennis I. Simon, CEO, or Todd Garamella, Chairman of the Board, of the Debtors to testify at the hearing on this Motion. Their business addresses are Intrepid U.S.A., Inc., 6600 France Avenue South, Suite 510, Edina, MN 55425.

WHEREFORE, Debtors respectfully request that the Court authorize them to enter into a modification of the March 4, 2004 Engagement Agreement with XRoads to increase the cap on

travel-related expenses to \$50,000 per month on a cumulative average basis over the term of the engagement.

Dated: October 19, 2004

/e/ Faye Knowles
Faye Knowles (#56959)
Clinton E. Cutler (#158094)
FREDRIKSON & BYRON, P.A.
Suite 4000
200 South Sixth Street
Minneapolis, MN 55402
(612) 492-7054
Facsimile No. (612) 492-7077
Attorneys for Debtors

#3029244\1

VERIFICATION

I, Greg Von Arx, am CFO of the Debtors in the above-captioned cases. Based upon my personal information and belief, I declare under penalty of perjury that the facts set forth in the preceding Motion are true and correct, according to the best of my knowledge, information and belief.

Dated: 10/13, 2004

Signed:



Greg Von Arx



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August 31, 2004

Mr. Todd J. Garamella, Chairman
Intrepid U.S.A., Inc.
6600 France Ave., Suite 510
Edina, MN 55435

**Re: Amendment #1 to Crossroads / Intrepid U.S.A., Inc. Engagement
Letter Agreement dated March 4, 2004**

Dear Mr. Garamella:

This Amendment #1 shall revise the letter agreement dated March 4, 2004 (the "Agreement") between Intrepid U.S.A., Inc. and its subsidiaries and affiliates, FC Acquisition, Inc., Golden Valley, Inc. (collectively, the "Company") and Crossroads, LLC ("Crossroads"). All references in this Agreement to Crossroads shall include officers, agents, and employees of Crossroads. If appropriate in connection with performing its services for the Company hereunder, Crossroads may utilize the services of one or more of its affiliates, including but not limited to Crossroads Corporate Finance, LLC, in which case the references herein to Crossroads shall include such affiliates.

The first sentence of Section 3.d. entitled "Expenses" of the Agreement is hereby deleted in its entirety and replaced by the following, which replacement language shall be retroactively effective as of March 4, 2004:

"3. d. **Expenses.** In addition to its Monthly Fees, any Hourly Fees and the Performance Fee, Crossroads shall be entitled to reimbursement of its expenses (e.g., actual out of pocket expenses such as communications, travel, meals and living expenses) reasonably incurred in connection with this Engagement, provided that Crossroads shall cap its monthly expenses related to travel to and from the Company's headquarters for the performance of its services at the Company's Minneapolis, Minnesota headquarters office at \$50,000 per month on a cumulative average basis over the term of this Engagement."

Entire Agreement/Conflicts. This Amendment incorporates by reference all of the terms and conditions contained in the Agreement, which shall remain unchanged and in full force and effect, except as amended by this Amendment. In the event of any conflict between the terms of the Agreement and the terms of this Amendment, the terms of this Amendment will be deemed to have superseded those of the Letter Agreement and exclusively will govern the matter in question.

If you agree to the terms and conditions set forth above, please indicate your acceptance and approval by signing this letter in the space provided below and on the duplicate copy attached. Please return one fully executed original to the undersigned for our files. Please also instruct the Company's legal counsel to immediately prepare and submit an application to the

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Intrepid U.S.A., Inc.
May 7, 2004
Page 2 of 3

Bankruptcy Court seeking to amend Crossroads' employment terms consistent with the terms of this Amendment #1.

Very truly yours,
CROSSROADS, LLC

Todd E. Doyle
General Counsel

AGREED AND ACCEPTED:

Intrepid U.S.A., Inc.
a Minnesota corporation

By: _____
Name:
Title:

Date: _____

FC Acquisition, Inc.
a _____ corporation

By: _____
Name:
Title:

Date: _____

Signatures continue on next page.

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Intrepid U.S.A., Inc.
May 7, 2004
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Golden Valley, Inc.

a _____ corporation

By: _____

Date: _____

Name:

Title:

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MAR 15 2004

March 12, 2004

VIA OVERNIGHT MAIL

Faye Knowles, Esq.
Fredrikson & Byron, P.A.
Pillsbury Center
200 South Sixth Street
Suite 4000
Minneapolis, MN 55402-1425

Re: Intrepid U.S.A., Inc. / Crossroads, LLC

Dear Faye:

Enclosed are duplicate originals of the Engagement Agreement between Crossroads, LLC and Intrepid U.S.A., Inc. for the Chapter 11 Bankruptcy matter. Please arrange to have both documents initialed and signed by all required parties and return one fully executed original to me in the enclosed envelope.

We very much look forward to working with you and the Fredrikson team on this matter.

Sincerely,

CROSSROADS, LLC

Todd E. Doyle
General Counsel



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March 4, 2004

Mr. Todd J. Garamella, Chairman
Intrepid U.S.A., Inc.
6600 France Ave., Suite 510
Edina, MN 55435

RE: Intrepid U.S.A., Inc. / Crossroads, LLC

Dear Mr. Garamella:

This letter agreement (the "Agreement") sets forth the services to be provided by Crossroads, LLC ("Crossroads") to Intrepid U.S.A., Inc. and its subsidiaries and affiliates, FC Acquisition, Inc., Golden Valley, Inc. (collectively, the "Company"), debtors in that certain consolidated Chapter 11 Bankruptcy case pending in Minnesota [Case no. 04-40416], and the terms and conditions under which such services will be performed (the "Engagement"). All references in this Agreement to Crossroads shall include officers, agents, and employees of Crossroads. If appropriate in connection with performing its services for the Company hereunder, Crossroads may utilize the services of one or more of its affiliates, including but not limited to Crossroads Corporate Finance, LLC, in which case the references herein to Crossroads shall include such affiliates.

1. **Scope of Services: Pre-Stipulation**

- a. Since the commencement of the cases, the Company, certain related entities, the Official Committee of Unsecured Creditors, DVI and Todd J. Garamella have been attempting to resolve disputes among them which were most recently brought to the Bankruptcy Court through the motion of the United States Trustee for appointment of a Chapter 11 trustee. Those parties are negotiating a stipulation to resolve the disputes (the "Stipulation"). One provision of the Stipulation requires the Post-Stipulation services described below. This section 1 is intended to describe the engagement in the period prior to execution of the Stipulation.
- b. From March 4, 2004 through the date of execution of the Stipulation or earlier agreement of the above parties (the "Pre-Stipulation Period"), the Company wishes to employ Crossroads on an hourly rate basis for services necessary to prepare for the Post-Stipulation engagement, including, but not limited to, the following:

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- i. Becoming familiar with company operations and the background of specific challenges the company will face during the Post-Stipulation period;
 - ii. Meeting with interested parties to facilitate the Stipulation, including providing information regarding Crossroads and mediating disagreements over Stipulation provisions; and
 - iii. Undertaking investigation and other activities necessary to prepare for assuming the roles described in the Post-Stipulation scope of services below.
- c. Crossroads shall charge the Company on an hourly rate basis for the Pre-Stipulation Period as follows:

Dennis I. Simon, other Crossroads Principals and Managing Directors	\$450
John Walters and Crossroads Directors	\$375
Crossroads Senior Consultants, Consultants and Associates	\$295 to \$250

In addition to the above hourly fees, Crossroads shall be entitled to reimbursement of its expenses as described in and subject to the provisions of paragraph 2(d) below.

2. Scope of Services: Post-Stipulation

- a. Crossroads will provide to the Company the services of Dennis I. Simon who will serve as the Company's Chief Executive Officer, President, Responsible Officer and as a member of the Company's Board of Directors (collectively, the "CEO"). Crossroads may supply a suitable replacement to Mr. Simon as the CEO upon approval by DVI, the Unsecured Creditors Committee, the Chairman of the Board, and notification to the Bankruptcy Court. The CEO shall report to the Company's Board of Directors (the "Board") and shall serve on the following terms:
 - i. The CEO shall be authorized to make decisions with respect to all aspects of the management and operation of the Company's business, in such manner as he deems necessary or appropriate, consistent with the

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business judgment rule and the provisions of Delaware law applicable to the obligations of persons acting on behalf of corporations.

- ii. The CEO shall be the person responsible for communications with all constituents of the Company. In such capacity, the CEO shall conduct all meetings and represent the Company to the Bankruptcy Court overseeing the Company's case and to the Company's constituents in connection with the formulation, negotiation, and execution of a Chapter 11 plan, and to discuss the business operations, financial performance and general condition of the Company. Notwithstanding the foregoing provisions of this subsection, the CEO acknowledges that the Chairman of the Board is leading a recapitalization effort on behalf of the Company, and in this capacity, the Chairman of the Board will be the primary contact for such potential lenders. The CEO shall assist and shall cause the Company to assist the Chairman of the Board in such recapitalization effort as may be reasonably requested. Subject to the Chairman of the Board's successful refinancing or recapitalization efforts, the CEO shall implement a Chapter 11 bankruptcy plan.
 - iii. The CEO shall have authority to make decisions with respect to hiring and terminating the Company's existing and future employees, agents and representatives, including all professionals hired to assist the Company, including but not limited to restructuring professionals, provided that during the first 90 days of the Engagement, the CEO shall seek input and perspective from the Chairman of the Board on any senior level executive whom the CEO evaluates for a change of responsibilities or compensation. The CEO shall authorize the Company to pay the cost of a professional chosen by the Chairman of the Board to assist the Company in the recapitalization effort, subject to Bankruptcy Court approval.
 - iv. The CEO shall perform such other customary duties associated with the role of any CEO.
 - v. The Company, Crossroads and the CEO recognize that the number of hours devoted to the Engagement by the CEO will fluctuate based upon the activities in progress, provided that the CEO shall devote a minimum of 120 hours per month on average to this Engagement during the term hereof.
- b. Crossroads shall further provide to the Company the services of a Crossroads' Principal or Managing Director level professional, or an outside third party

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selected by Crossroads, who will serve as an additional member of the Board (“Additional Board Member”), and Crossroads shall provide additional personnel. The CEO shall lead the Company in connection with various financial and operational improvement matters including, but not limited to, the following:

- i. Evaluating the Company’s strategic alternatives;
- ii. Assisting the Company in implementing any Company approved capital structure, subject to the Chairman of the Board’s recapitalization responsibilities;
- iii. Reviewing key contracts, assessing the restructuring impact of such obligations, and developing financial and operational action plans for those deemed appropriate by the CEO;
- iv. Reviewing, validating and revising the Company’s cash flow forecasts and related processes;
- v. Evaluating the Company’s business plan, including its plans for business closings, shut downs or other changes, and revising same and integrating same into the Company’s reorganization and restructuring plans;
- vi. Assuming the leadership role in the development and implementation of a reorganization plan for the Company, whether that be based upon the successful refinancing efforts of the Chairman of the Board or some other plan;
- vii. Providing timely financial information to the Chairman of the Board in support of his efforts and responsibilities to refinance the Company;
- viii. Assuming the leadership role for the Company’s communications, negotiations with, and presentations to vendors, creditors and other key constituents;
- ix. Leading the development of employee related plans, including retention, severance, expansion or replacement plans;
- x. Assuming the leadership role for the Company’s accounts receivable collections and accounting processes;
- xi. Assuming the leadership role for the design and implementation of new effective management and financial reporting methodologies for the Company’s business;

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- xii. Analyzing and leading the Company's cash management and all related activities; and
 - xiii. Preparing all reports necessary for the bankruptcy process including reports required to be filed with the United States Trustee.
- c. Crossroads shall be authorized on behalf of the Company to make payments to the Company's bankruptcy and reorganization professionals, special counsel and ordinary course professionals in accordance with the payment procedures orders of the Bankruptcy Court, including payment of Crossroads own fees and expenses hereunder.
- d. The term "Officer" shall apply to the CEO, the Additional Board Member, and any other Crossroads personnel who may be appointed by the CEO or serve in any officer capacity under this Engagement.
- e. Crossroads is hereby authorized by the Company to communicate and negotiate directly on the Company's behalf with all of the Company's constituents in the performance of Crossroads' services under this Engagement.
- f. The scope of Crossroads' services may be expanded from time to time provided that any possible corresponding increase in fees payable to Crossroads as a result is approved by the Bankruptcy Court.
- g. Crossroads shall have no responsibility for Company obligations incurred prior to Crossroads employment under this Agreement. The Officers shall be covered by any directors and officers insurance liability policy available to the Company. The CEO may apply for and obtain directors and officers insurance coverages for Crossroads' personnel serving as Officers, as the CEO deems appropriate in his reasonable discretion. The Officers shall be further entitled to all indemnities available to the non-Crossroads affiliated officers of the Company, whether under the Company's by-laws, certificate of incorporation, applicable corporation laws, or by separate contractual arrangements between the Company and its officers or directors as may now exist or have existed prior to the Company's filing of its petition for bankruptcy.

3. Personnel & Fees.

- a. Personnel. Crossroads has appointed Dennis I. Simon as its Principal-in-Charge of this Engagement. Mr. Simon shall be assisted by such other Crossroads' professionals as the CEO determines is best suited to deliver the services hereunder. This may include a third-party service provider for preparation of


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reports required by the Office of the United States Trustee, the cost of which will be payable under paragraph (d) below.

- b. Monthly & Hourly Fees. Crossroads shall charge the Company \$220,000 per month (the "Monthly Fees") for a minimum term of three (3) months for Crossroads' services hereunder (including the services of the CEO, Additional Board Member and such other Officers and Crossroads' personnel required to perform this Engagement). In the event Crossroads' personnel's time spent "Performing the Services" (as defined below) hereunder total more than 660 hours in any calendar month during the term of this Engagement, then the Company shall pay Crossroads for such additional hours at the rate of \$250 per hour ("Hourly Fees"). In the event Crossroads' personnel's time spent Performing the Services hereunder total less than 528 hours in any calendar month during the term of this Engagement, then Crossroads shall credit the Company on Crossroads next month's invoice for each hour below the 528 threshold at the rate of \$350 per hour. Crossroads will submit monthly invoices for the Monthly Fees and any Hourly Fees hereunder, which invoices shall be due and payable in accordance with the Bankruptcy Court's payment procedures for the Company's bankruptcy case. Crossroads personnel shall record their time spent Performing the Services in accordance with the Bankruptcy Court's requirements. All Monthly Fees under this Agreement shall be due and payable in advance on the 1st day of each month during the term of this Engagement, subject to the Bankruptcy Court's authorized procedures for payments to professionals. The Monthly Fee for March 2004 shall be prorated and shall not be subject to the 528 hour threshold provisions set forth above. "Performing the Services" shall include time spent by Crossroads personnel performing the services provided for in this Agreement, as well as time spent traveling to, from and for the Company to perform such services.
- c. Performance Fee. In addition to the Monthly Fees and Hourly Fees provided for above, upon the conclusion of this Engagement Crossroads will be entitled to apply to the Bankruptcy Court for a performance fee ("Performance Fee"). The amount of the Performance Fee payable to Crossroads shall be up to \$500,000. Crossroads acknowledges that the Performance Fee shall be subject to approval by the Bankruptcy Court after due notice and opportunity for hearing given to the Company, the US Trustee, DVI, and the Unsecured Creditor's Committee. The Performance Fee shall be awarded based on a "reasonableness" standard, and shall not be pre-approved by the Bankruptcy Court's approval of the engagement of Crossroads by the Company.
- d. Expenses. In addition to its Monthly Fees, any Hourly Fees and the Performance Fee, Crossroads shall be entitled to reimbursement of its expenses

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(e.g., actual out of pocket expenses such as communications, travel, meals and living expenses) reasonably incurred in connection with this Engagement, provided that Crossroads' shall cap its expenses related to travel to and from the Company's headquarters for the performance of its services at the Company's Minneapolis, Minnesota headquarters office at \$22,200 per month on a cumulative average basis over the term of this Engagement. Further, in consideration of the Company's reported lack of directors and officers liability insurance, in the event Crossroads experiences an increase in the rate of any insurance carried by Crossroads as a result of this Engagement, the Company shall, within ten (10) days after Crossroads delivers a statement to the Company (with copies thereof sent to the US Trustee, DVI and the Unsecured Creditors Committee), pay to Crossroads a sum equal to the difference between Crossroads' original premium rate and the increased premium rate, subject to the reasonable discretion of the CEO as described in Section 1. g. above.

- e. Retainer. The Company shall pay to Crossroads \$100,000 as a retainer due upon bankruptcy court approval of this Agreement. The retainer is not to be applied or credited to amounts due from the Company. Crossroads shall apply the retainer against its final invoice for this Engagement, and any unused portion of the retainer shall be promptly returned to the Company upon conclusion of this Engagement.
- f. Wire Transfers. All payments required hereunder shall be paid by wire transfer unless otherwise permitted by Crossroads. Set forth below are Crossroads' wire transfer instructions:

Bank Name: City National Bank (Irvine Banking Office)
Bank Address: 9 Executive Circle; Irvine, CA 92614
Bank Phone: Phone (949) 862-7007
ABA Routing: ABA: 122-016066
Account Name: Crossroads, LLC
Account No: 402-138300
Contact Person: E. Lyons and/or A. Key

Payments made by mail should be sent to Crossroads, LLC, Attention: Edward Lyons, Controller, 9 Executive Circle, Suite 190, Irvine, California 92614

- g. Bankruptcy Court Matters. The Company agrees to seek bankruptcy court approval of the Engagement arrangement set forth in this Agreement under 11 U.S.C. §§ 327(a) and 363 on an expedited basis immediately following execution of this Agreement.

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4. **Term of Engagement.** The term of the Engagement shall commence as of March 4, 2004 and shall expire upon the conclusion of the Company's bankruptcy case or upon confirmation of the plan of reorganization under the recapitalization plan, whichever occurs first. The Bankruptcy Court overseeing the Company's bankruptcy case or Crossroads may terminate this Agreement prematurely upon five (5) days notice, with payment due to Crossroads for services rendered and full expense reimbursement through the termination date without application of the monthly expense reimbursement limitation provided for in section 2.d above. Crossroads may withdraw for good cause without the Company's consent. Good cause includes the Company's breach of this Agreement, the Chairman of the Board's or non-Crossroads senior management's failure or refusal to cooperate with Crossroads, or any fact or circumstance that would render Crossroads' continuing representation unlawful or unethical.

5. **Work Performed.** Crossroads work for the Company will be performed on a "level-of-effort" basis; that is, the depth of our analyses and extent of our authentication of the information on which our decisions and advice to the Company will be predicated, may be limited in some respects due to the extent and sufficiency of available information, time constraints dictated by the circumstances of the Engagement, and other factors. Moreover, we do not contemplate examining any such information in accordance with generally accepted auditing or attestation standards. Rather, it is understood that, in general, we are to rely on information disclosed or supplied to us by employees and representatives of the Company without audit or other detailed verification of its accuracy and validity.

6. **Reports.** Crossroads will submit oral and/or written reports, as it deems appropriate, summarizing our evaluations and analyses based on our work pursuant to this Agreement. Our reports will encompass only matters that come to our attention in the course of our work that we perceive to be of significance in relation to the objective of our Engagement. However, because of the time and scope limitations implicit in our Engagement and the related limitations on the depth of our analyses and the extent of our verification of information, we may not discover all such matters or perceive their significance. Accordingly, we will be unable to and will not provide assurances in our reports concerning the integrity of the information used in our analyses and on which our findings, decisions and advice to the Company may be based. In addition, we have no obligation to and will not update our reports or extend our activities beyond the scope set forth herein.

7. **Warranties and Indemnification.** Crossroads neither expresses nor implies any warranties of its work nor predicts results of the Engagement. Crossroads has not offered any assurances that the efforts to resolve the financial, structural, operational or management issues facing the Company can or will be successful.

Crossroads shall not be subject to any liability to the Company for any act or omission relating to, in connection with or arising out of (i) matters occurring prior to commencement date of Crossroads services hereunder, or (ii) Crossroads' services rendered hereunder, unless

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Crossroads' acts or omissions constitute willful misconduct, gross negligence, breach of fiduciary duty, bad faith or self-dealing. In furtherance of the foregoing, the Company agrees and covenants that it will not initiate any legal or administrative proceedings whatsoever against Crossroads relating to, in connection with or arising from the services rendered hereunder seeking more than the amount of the fees actually paid to Crossroads for this Engagement.

Subject to the provisions below of this section, the Company releases, indemnifies and holds Crossroads harmless from and against any losses, claims, damages or liabilities (including payment of legal fees associated therewith) (collectively, "Losses") to which Crossroads may become subject and shall promptly reimburse Crossroads for any legal or other expenses (including the cost of any investigations and the hiring of any accountant or other experts) reasonably incurred by Crossroads relating to, in connection with or arising from the services rendered hereunder, whether or not resulting in any liability, to the full extent allowed by Delaware law, unless such Losses resulted from Crossroads' willful misconduct, gross negligence, breach of fiduciary duty, bad faith or self-dealing. All requests for indemnification and payments associated therewith shall be submitted to the Bankruptcy Court for approval after notice and hearing for reasonableness under Bankruptcy Code §330. Further, any reimbursement of legal other expenses in connection with Crossroads' indemnification rights hereunder shall be submitted to the Bankruptcy Court for approval after notice and hearing for reasonableness under Bankruptcy Code §330.

8. **Disclosures**. Crossroads has represented, and will in the future represent, many different clients with various business interests in numerous industries. These clients are often referred to Crossroads by intermediaries such as lawyers, investment bankers, lenders, competitors and accountants ("Referral Sources"). In undertaking the Engagement on behalf of the Company, Crossroads' objective is to provide services for the Company to the best of its ability, but without precluding Crossroads from representation of other clients or from accepting referrals from or making referrals to Referral Sources. Since Crossroads wants the Company to be comfortable with the retention of Crossroads in light of other client and Referral Sources relationships, Crossroads makes the following disclosures, based on the information provided by the Company of parties with an interest in the Engagement:

- **AlixPartners**, a competitor restructuring firm to Crossroads, referred Crossroads to the Company for this Engagement. AlixPartners represents DVI, the Company's lender.
- **AT&T** is currently an adverse party to a Crossroads' client in an unrelated matter and was previously a non-adverse party to Crossroads' clients in other unrelated matters.
- **Bank of Montreal** and its affiliates is currently an adverse party to a Crossroads' client in an unrelated matter and in another unrelated matter is a

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non-adverse party to a Crossroads' client. Bank of Montreal was previously an adverse party to Crossroads' clients in other unrelated matters.

- **Buchalter Nemer Fields & Younger, P.C.** ("Buchalter") referred Crossroads to the Company for this Engagement. Buchalter has been involved in previous unrelated Crossroads engagements, often representing parties adverse to Crossroads' position. Buchalter represents the Unsecured Creditors Committee in this Engagement.
- **Centerpoint Energy** is currently an adverse party to Crossroads' client in an unrelated matter.
- **Cerberus** and its affiliates are currently adverse parties to Crossroads' clients in unrelated matters, and have previously been both adverse and non-adverse parties to other Crossroads' clients in other unrelated matters.
- **Goldman Sachs & Co.** is both adverse and non-adverse to current and former Crossroads' clients in unrelated matters.
- **IBM** is currently an adverse and non-adverse party to Crossroads' clients in unrelated matters and previously was an adverse party and a non-adverse party to Crossroads' clients in unrelated matters.
- **National City Bank** ("National City") and its affiliates have referred business to Crossroads. National City is currently an adverse party to Crossroads' clients in unrelated matters and has previously been an adverse and a non-adverse party to Crossroads' clients in other unrelated matters.

▪ *The Company to provide relevant party information in writing to Crossroads.*

Crossroads agrees to update the disclosure information from time to time if and when additional parties with an interest in or a relationship with the Company are identified, in writing, to Crossroads.

As a specific condition to Crossroads' undertaking the Engagement, the Company acknowledges the potential conflicts of interest inherent in the above disclosures and waives any conflict of interest or similar claim related to such disclosures.

9. **Entire Agreement, Waiver, Modification, and Notices** This Agreement, including any Exhibits, constitutes the final and complete expression of the parties with respect to its subject matter and supersedes and replaces any other written or oral agreement or understanding between the parties. This Agreement may be amended, modified, supplemented or waived only by a written instrument signed by both parties and approved by the Bankruptcy Court after due notice and opportunity for a hearing on the matter given to the US Trustee, DVI, the Company's DIP lender (as may be applicable), the Unsecured Creditors Committee

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Intrepid U.S.A., Inc
March 4, 2004
Page 11 of 11

and such other parties as may request such notice. No waiver of a breach hereof shall be deemed to constitute a waiver of a future breach, whether of a similar or a dissimilar nature. All notices, demands or other communications which are required or are permitted to be given in this Agreement shall be in writing and shall be deemed to have been sufficiently given (i) upon personal delivery, (ii) the third business day following due deposit in the United States mail, postage prepaid, and sent certified mail, return receipt requested, correctly addressed or (iii) when receipt is acknowledged if sent via facsimile transmission. Notices to the Company shall be sent to the address set forth on page one of this Agreement. Notices to Crossroads shall be sent to the address set forth below:

Crossroads, LLC
Attn: General Counsel
9 Executive Circle, Suite 190
Irvine, CA 92614
Fax (949) 567-1702

Either party may give written notice of a change of address by certified mail, return receipt requested, and after notice of such change has been received, any notice shall be given to such party in the manner above described at such new address.

10. **Authority** Subject to the Bankruptcy Court's approval of this Agreement, the Company has all requisite corporate power and authority to enter into this Agreement. The Company and Crossroads have fully reviewed this Agreement, have obtained counsel on its terms, and have participated in the drafting of this Agreement such that it shall not be construed against any one party. This Agreement has been duly and validly authorized by all necessary corporate action on the part of the Company and has been duly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms.

11. **Expiration of Offer** If this Agreement is not executed by March 12, 2004, Crossroads reserves the right to amend or revoke the terms after such date.

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Intrepid U.S.A., Inc
March 4, 2004
Page 12 of 16

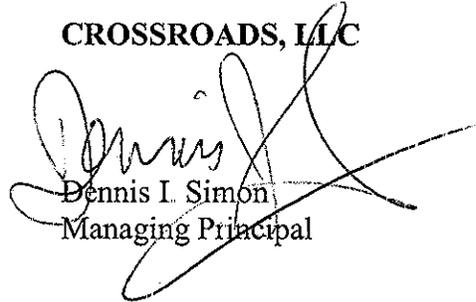
THE ADDITIONAL TERMS AND CONDITIONS ATTACHED TO THIS AGREEMENT ARE HEREBY MADE PART OF THIS AGREEMENT AS THOUGH FULLY SET FORTH HEREIN.

If you agree to the terms and conditions set forth above, please indicate your acceptance and approval by signing this letter in the space provided below and on the duplicate copy attached. Please return one fully executed original to the undersigned for our files. Please also instruct the Company's legal counsel to immediately prepare and submit an application for Crossroads' employment to the Bankruptcy Court consistent with the terms of this Agreement.

Crossroads looks forward to serving you in this important matter.

Very truly yours,

CROSSROADS, LLC



Dennis I. Simon
Managing Principal

AGREED AND ACCEPTED:

Intrepid U S A , Inc.
a Minnesota corporation

By: _____

Name:
Title:

Date: March 12, 2004

Signatures continue on next page



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Intrepid U.S.A., Inc.
March 4, 2004
Page 13 of 16

FC Acquisition, Inc.

a _____ corporation

By: _____

Name:
Title:

Date: March 12, 2004

Golden Valley, Inc.

a _____ corporation

By: _____

Name:
Title:

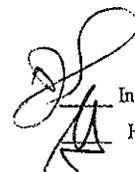
Date: March 12, 2004

ACKNOWLEDGED AND AGREED:

Todd J. Garamella

As Chairman of the Board of
Intrepid U.S.A., Inc., FC Acquisition, Inc and
Golden Valley, Inc.

Date: March 12, 2004

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Intrepid U.S.A., Inc.
March 4, 2004
Page 14 of 14

ADDITIONAL TERMS AND CONDITIONS

Agreement Not to Employ. Crossroads' business is in part centered on its ability to identify and secure the services of talented personnel for its client companies. Absent an agreement with Crossroads providing it fair compensation, Crossroads would suffer serious economic harm were its client companies to hire directly or through other companies Crossroads' employees or independent contractors. The Company, its board members, officers and affiliates agree that during the term of this Agreement and for twelve months thereafter they shall not, directly or indirectly, solicit, offer employment to or hire any employee or independent contractor of Crossroads. If the Company and Crossroads agree that the Company may hire a Crossroads' employee or independent contractor, notwithstanding the prohibition in the immediately preceding sentence, and such hiring occurs within twelve months after the termination of this Agreement, the Company shall pay Crossroads one-half of the intended first year's compensation which would be payable to the Crossroads employee or independent contractor, but not less than \$1 million per Principal or Managing Director level person hired, and \$500,000 per lower level person hired. Any such payment shall be made on the date the Crossroads' employee or independent contractor begins work for the Company

Legal Proceedings. If after the termination of the Engagement Crossroads is requested and agrees or is required to participate in any manner in legal or administrative proceedings regarding the Company, compensation shall be paid to Crossroads for its time at the then current hourly rates. For individuals no longer employed by Crossroads, at the time of such participation, payment shall be made to such individuals directly or to their employers, as applicable

Accuracy of Information. The Company and the Chairman of the Board will use reasonable efforts to assure that all information, financial or otherwise, provided by or on behalf of the Company with respect to the Engagement (the "Information") to Crossroads will, as of its respective dates, be accurate and complete in all its material respects. The Company understands that Crossroads will not be responsible for independently verifying the accuracy of the Information. The Company assumes full responsibility for inaccuracies in any Information provided by or on behalf of the Company to Crossroads or any third party. The Company and the Chairman of the Board will reasonably cooperate with Crossroads in all phases of Crossroads' services under the Engagement. Specifically, without limiting the generality of the foregoing, if at any time during the Engagement, the Company or the Chairman of the Board discovers that any of the Information is inaccurate in any material respect it will immediately notify Crossroads in writing.

Work Output. Crossroads' work processes used, prepared or assembled by Crossroads during the Engagement, including Crossroads' proprietary methodology, know-how and computer models ("Work Processes") shall be the exclusive property of Crossroads. The

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Intrepid U.S.A., Inc
March 4, 2004
Page 15 of 15

Company shall not be entitled to the Work Processes. Crossroads shall retain copies of the Work Processes pursuant to its document retention policy as in effect from time to time. Upon the conclusion of the Engagement, Crossroads shall deliver to the Company any data, reports, or runs assembled or prepared by Crossroads for the Engagement specifically and for the benefit of the Company. The data, reports and runs shall be the property of the Company.

Future Engagements. Crossroads has offices throughout the United States. Crossroads is or expects to be engaged by other clients from time to time and cannot assure that, following the Engagement, an engagement will not be accepted elsewhere for an interested party.

Independent Contractor. The Company acknowledges that Crossroads is being retained as an independent contractor to the Company.

Confidentiality. During the term of the Engagement and for a period of six months thereafter, Crossroads shall keep secret and retain in strictest confidence, any and all confidential information relating to the Company or which Crossroads shall obtain knowledge of by reason of the Engagement, including, without limitation, trade secrets, customer lists, financial plans or projections, pricing policies, marketing plans or strategies, business acquisition or divestiture plans, technical processes and other research projects. Crossroads shall not, except in connection with the performance of its duties hereunder, disclose any such information to anyone outside the Company, other than to Crossroads' legal counsel, as required by applicable law (provided prior written notice thereof is given by Crossroads to the Company) or with the Company's prior written consent, which shall not be unreasonably withheld or delayed. The obligations of Crossroads in this paragraph shall not apply to information which is (i) known generally to the public; (ii) known to Crossroads prior to the date of this Agreement; (iii) lawfully disclosed to Crossroads by a third party; (iv) generally known in the industry in which the Company is engaged; or (v) required by law to be disclosed by Crossroads.

The Company shall not, except as required in the conduct of its business, disclose any Work Processes to any third party other than the attorneys and advisors of the Company, DVI, the Unsecured Creditors Committee, or as otherwise required by law, without the prior written consent of Crossroads, which consent shall not be unreasonably withheld or delayed.

Engagement of Legal Counsel. Crossroads will have the right to retain independent legal counsel to obtain advice with respect to its services under the Engagement. The Company will reimburse Crossroads upon demand for the reasonable fees and expenses of such independent legal counsel incurred as an expense by Crossroads on behalf of the Company up to \$20,000 per calendar quarter, on a cumulative basis. Nothing in this Section limits the rights of Crossroads to employ counsel and to pay legal expenses, and any obligation of the Company or any other party to indemnify Crossroads for such expenses, in the event any claim is asserted against Crossroads or any litigation is commenced in connection with the Engagement.

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Intrepid U.S.A., Inc.

March 4, 2004

Page 16 of 16

Use of Name. The Company agrees that Crossroads shall have the right to use the Company's name and logo in a description of the services provided by Crossroads under the Agreement.

Applicable Law; Headings. The Agreement shall be governed in accordance with the laws of the State of New York, without giving effect to the principles of conflicts of laws. The paragraph headings in the Agreement and the Additional Terms and Conditions are for informational purposes only.

END OF DOCUMENT

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XRoads Solutions Group, LLC
Intrepid Summary of Expenses by Month Included in the \$22,200 Cap
Period March 4, 2004 through August 31, 2004

March 4 - March 31, 2004

Airfare	\$ 27,334.00
Ground	2,515.65
Lodging	9,877.28
Meals	3,794.31
Other	<u>592.89</u>
 Total Expenses Due for March	 \$ 44,114.13

April 1 - April 30, 2004

Airfare	\$ 27,880.76
Ground	5,005.75
Lodging	18,247.56
Meals	6,678.26
Other	<u>1,718.68</u>
 Total Expenses Due for April	 \$ 59,531.01

May 1 - May 31, 2004

Airfare	\$ 34,294.79
Ground	10,188.27
Lodging	19,130.98
Meals	8,617.55
Other	<u>492.04</u>
 Total Expenses Due for May	 \$ 72,723.63

XRoads Solutions Group, LLC
Intrepid Summary of Expenses by Month Included in the \$22,200 Cap
Period March 4, 2004 through August 31, 2004

June 1 - June 30, 2004

Airfare	\$ 14,807.78
Ground	8,453.05
Lodging	12,599.97
Meals	6,575.67
Other	<u>434.21</u>

Total Expenses Due for June \$ 42,870.68

July 1 - July 31, 2004

Airfare	\$ 20,569.67
Ground	8,834.70
Lodging	14,087.56
Meals	4,998.98
Other	<u>391.07</u>

Total Expenses Due for July \$ 48,881.98

August 1 - August 31, 2004

Airfare	\$ 21,388.96
Ground	8,144.80
Lodging	12,445.60
Meals	6,729.07
Other	<u>434.47</u>

Total Expenses Due for August \$ 49,142.90

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

**MEMORANDUM IN SUPPORT OF MOTION FOR ORDER AUTHORIZING
MODIFICATION OF ENGAGEMENT AGREEMENT WITH XROADS SOLUTIONS
GROUP, LLC (FORMERLY CROSSROADS, LLC)**

Debtors Intrepid U.S.A., Inc., Intrepid of Golden Valley, Inc., and F.C. Acquisition Corporation (“Debtors”) seek an order of the Court authorizing them to modify the March 4, 2004 Engagement Agreement with XRoads Solutions Group, LLC, formerly known as CrossRoads, LLC (“XRoads”) by raising the monthly travel-related expense cap from \$22,200 to \$50,000. The facts supporting the motion are set out in the verified motion.

Bankruptcy Code § 328(a) authorizes a debtor to employ a professional person on any reasonable terms and conditions of employment. That Section also provides that the Court may allow compensation different from the compensation provided, if the original terms and conditions prove to have been improvident in light of developments not capable of being anticipated at the time of the fixing of such terms and conditions. In this case, the parties set the travel-related expense cap based on assumptions about the case that have proved to be significantly inaccurate, including the filing of an additional 65 related cases. The travel-related expenses associated with bringing in the number and variety of people necessary to assist the Debtors in the engagement have far exceeded what the parties originally estimated.

Debtors and XRoads agree that it is not fair or equitable to hold XRoads to an expense cap that was agreed when neither of the parties to the Engagement Agreement fully understood, or had reason to fully understand the scope of the engagement. The idea of raising the expense cap has been communicated to the primary interested parties in the cases each month in XRoads' interim fee letters, and no party has responded negatively to the suggestion. Indeed, no party is prejudiced by the increase, which serves only to fairly reimburse XRoads for its necessary expenses. Bankruptcy Code § 328(a) allows the Court to set reasonable terms of employment and to modify the terms of employment if they prove to have been improvident. Based on this authority, Debtors request that the court allow modification of the Engagement Agreement to fairly compensate XRoads for travel-related expenses necessarily incurred in performing this engagement.

Dated: October 19, 2004

/e/ Faye Knowles
Faye Knowles (#56959)
Clinton E. Cutler (#158094)
FREDRIKSON & BYRON, P.A.
Suite 4000
200 South Sixth Street
Minneapolis, MN 55402
(612) 492-7054
Facsimile No. (612) 492-7077
Attorneys for Debtors

#3029298\1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

CERTIFICATE OF SERVICE

Faye Knowles, under penalty of perjury, states that on October 19, 2004 she caused to be served the following:

Notice of Hearing and Motion for Order Authorizing Modification of Engagement Agreement with XRoads Solutions Group, LLC (Formerly Crossroads, LLC), supporting Memorandum, proposed Order and Certificate of Service

By U.S. Mail on the parties listed on the attached service list.

Dated: October 19, 2004

/e/Faye Knowles

Faye Knowles

#2961158

Dennis Simon
Intrepid U.S.A., Inc.
6600 France Avenue South
Suite 510
Edina MN 55425

Michael Massad/Steven Holmes
Hunton & Williams
30th floor, Energy Plaza
1601 Bryan St
Dallas TX 75201

Robert B. Raschke Esq
U.S. Trustee's Office
1015 US Courthouse
300 South Fourth Street
Minneapolis, MN 55415

Roylene A. Champeaux
D. Gerald Wilhelm
Assistant US Attorney
600 US Courthouse
300 South Fourth Street
Minneapolis MN 55415

MN Department of Revenue
Collection Enforcement
551 Bankruptcy Section
P.O. Box 64447
St. Paul, MN 55164

Internal Revenue Service
Special Procedures Branch
Stop 5700
316 North Robert Street
St. Paul, MN 55101

Blaine Holliday
IRS Office of Chief Counsel
650 Galtier Plaza
380 Jackson Street
St. Paul, MN 55101

Securities & Exchange Comm.
Bankruptcy Section
175 W Jackson Blvd.
Suite 900
Chicago IL 60604

DVI Financial Services, Inc.
c/o Clark T. Whitmore
Maslon Edelman et al.
3300 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402

DVI Business Credit Corp.
Richard M. Beck, Esq.
Klehr, Harrison, Harvey et al.
260 South Broad Street
Philadelphia PA 19102-3163

Todd J. Garamella
c/o John McDonald
Robins, Kaplan
2800 LaSalle Plaza
800 LaSalle Avenue
Minneapolis, MN 55402-2015

Attorneys for Creditors Committee

Jeffrey K. Garfinkle
Buchalter Nemer et al.
18400 Von Karman Ave, Suite 800
Irvine CA 92612

George Singer
Lindquist & Vennum, P.L.L.P.
4200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402-2205

Requests for Notice

IRS/Special Procedures Branch
c/o Barbara Zoccola
200 Jefferson Ave, Suite 811
Memphis TN 38103

Wendy S. Tien, Esq.
US Dpt. of Justice, Civil Dvn
P.O. 875, Ben Franklin Station
Washington, DC 20004-0875

Keith E. Dobbins
US Dpt. of Justice, Civil Division
601 D Street, NW, Room 6613
Washington, DC 20004-0875

Greg Bongiovanni
Office of the General Counsel
Dept. of Health & Human Svs
Suite 5M60 AFC
61 Forsyth St., SW
Atlanta, GA 30303-8909

Bankruptcy Administration
IOS Capital, LLC
1738 Bass Road
PO Box 13708
Macon GA 31208-3708

U.S. Bank N.A.
c/o Michael R. Stewart
Faegre & Benson, LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402-3901

Lang-Nelson Associates
c/o William I. Kampf
220 South Sixth Street, #1800
Minneapolis, MN 55402

Additional names for Intrepid II list

Keybank N.A.
127 Public Square
Cleveland OH 44114

Garamella Family Ltd. Ptntp
236 Oakwood Road
Interlachen Park
Hopkins MN 55343

David J. Fischer
Wildman, Harrold, Allen & Dixon
225 West Wacker Drive
Suite 3000

Chicago, IL 60606-1229

Bank One
c/o Sandra Lander
400 Murray Street
Alexandria LA 71301

Mpls Comm Dev Agency
105 – 5th Ave S
Minneapolis MN 55401

Affordable Housing Project
c/o Fed Home Loan Bank
907 Walnut St
Des Moines IA 50309

MHFA
ATTN: William Kuretsky
400 Sibley St, Suite 300
St Paul MN 55101

Neil Herskowitz
Riverside Contracting LLC
PO Box 626
Planetarium Station
New York, NY 10024-0540

CapitalSource Finance LLC
c/o Steven Kluz, Sr., Esq.
Rider Bennett, LLP
333 South Seventh Street,
Minneapolis, MN 55402

CapitalSource Finance LLC
c/o Kenneth J. Ottaviano, Esq.
Katten Muchin Zavis Rosenman
525 West Monroe Street, #1600
Chicago, IL 60661

Healthcare Business Credit Corp.
c/o Steven Meyer, David Galle
Oppenheimer Wolff & Donnelly
3300 Plaza VII
45 South Seventh Street
Minneapolis, MN 55402

Healthcare Business Credit Corp.
c/o Michelle A. Mendez
Greenberg Traurig LLP
600 Three Galleria Tower
13155 Noel Road
Dallas, TX 75240

CenturyTel, Inc.
c/o Rex D. Rainach
3622 Government Street
Baton Rouge, LA 70806-5720

Gary L. Hacker, Esq.
Whitten & Young, P.C.
Bank of America Tower, Suite 1402
500 Chestnut Street
Abilene, TX 79602

Neil Medical Group
c/o Nikole B. Mariencheck, Esq.
Smith, Anderson, et al.
P.O. Box 2611
2500 Wachovia Capitol Ctr (27601)
Raleigh, NC 27602-2611

State of Maryland, Dpt of Labor,
Licensing and Regulation
Off. Of Unemp. Ins. Contrib. Div.
Litigation and Prosecution Unit
1100 North Eutaw Street, Room 401
Baltimore, MD 21201

New Options Founders
c/o Adam M. Spence
105 W. Chesapeake Ave., Suite 400
Towson, MD 21204

Oracle Corporation
c/o Alan Horowitz
Buchalter, Nemer, Fields & Younger
18400 Von Karman Ave, Suite 800
Irvine, CA 92612

Bizrocket.com, Inc.
c/o Jeremy D. Friedman
Downs & Associates
255 University Drive
Coral Gables, FL 33134

Healthcare Assoc. of Walterboro
c/o H. Flynn Griffin, III
Anderson & Associates, P.A.
PO Box 76
Columbia SC 29202

The Hays Group
c/o Steven Scott, Esq.
Scott Law Firm, PLC
Suite 400
3300 Edinborough Way
Edina, MN 55435

Nueces County
c/o Diane W. Sanders
Linebarger Goggan Blair & Sampson
1949 South IH 35 (78741)
PO Box 17428
Austin, TX 78760-7428

Bexar County
c/o David G. Aelvoet
Linebarger Goggan Blair & Sampson
Travis Building, 711 Navarro, Ste 300
San Antonio, TX 78205

G-Fore Associates LLC
c/o Bradford A. Steiner
Jason S. Kelley
Steiner Norris PLLC Bradford
2320 Second Ave., Suite 2000
Seattle, WA 98121

Les Nelson Investments
c/o Mark E. Fosse
Dunlap & Seeger, P.A.
206 South Broadway, Suite 505
PO Box 549

Rochester, MN 55903

Aberfeldy II Limited Partnership
c/o J. David Leamon
Munsch Hardt Kopf & Harr
4000 Fountain Place
1445 Ross Avenue
Dallas, Texas 75202-2790

IBM Corporation
Attn: Beverly H. Shideler
Two Lincoln Centre
Oakbrook Terrace, IL 60181|

Richard D. Anderson, Esq.
Briggs and Morgan, P.A.
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

Woodmen Office Land Associates
Huntington C. Brown
US Bank Tower
950 Seventeenth Street, Suite 1700
Denver, CO 80202

TN Dept. Labor and Workforce
Development—Unemployment Ins.
c/o Marie Antoinette Joiner
TN Atty General's Office, Bky Div.
PO Box 20207
Nashville, TN 37202-0207

Atty for MO Dept. of Revenue
MO Dept. of Revenue, Bky Unit
ATTN: Steven Ginther
PO Box 475
Jefferson City MO 65105-0475

Alberfeldy II Limited Partnership
c/o David E. Runck, Esq.
Oppenheimer Wolff & Donnelly
Plaza VII, Suite 3300
45 South Seventh Street
Minneapolis, MN 55402

Maureen M. Cafferkey
Office of the Solicitor
US Dept. of Labor
1240 East Ninth Street, Room 881
Cleveland, Ohio 44199

Atty for Poturski, Hawley et al
Larry Ricke, Esq.
Leonard Street & Deinard
150 S. 5th Street, Suite 2300
Minneapolis MN 55402

Atty for GA Dept. of Comm. Health
Oscar Fears, III
40 Capitol Square SW
Atlanta GA 30334

Susan D. Profant, CFCA, CLA,
c/o Ken Burton Jr., Manatee County Tax

Collector
PO Box 25300
Bradenton, FL 34206-5300

State of WA, Tax Agencies
c/o Catherine F. Ries
Assistant Atty General of WA
900 Fourth Ave, Suite 2000
Seattle WA 98164-1012

Atty for TX Comptroller etc.
Kay D. Brock
c/o Sherri K. Simpson
Bankruptcy & Collections Div.
PO Box 12548
Austin TX 78711-2548

Atty for Secretary of Labor
Phyllis B. Dolinko & Eileen Hurley
Counsel for ERISA, Office of the Solicitor
US Department of Labor
230 S Dearborn, Suite 844
Chicago IL 60604

Atty for McKesson Information Solutions
Frank W. DeBorde
Morris Manning & Martin
1600 Atlanta Financial Center
3343 Peachtree Road NE
Atlanta GA 30326

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Chapter 11 Bankruptcy

Intrepid U.S.A., Inc.,
and Jointly Administered Cases,

Case No. 04-40416-NCD

Case No. 04-40462-NCD

Case No. 04-40418-NCD

Debtors

Case Nos. 04-41924 – 04-41988-NCD

**ORDER AUTHORIZING MODIFICATION OF ENGAGEMENT AGREEMENT WITH
XROADS SOLUTIONS GROUP, LLC (FORMERLY CROSSROADS, LLC)**

This matter came before the undersigned United States Bankruptcy Judge on the Motion of Intrepid U.S.A., Inc., Intrepid of Golden Valley, and F.C. Acquisition Corporation, Debtors in certain of the above cases, to modify their Engagement Agreement with XRoads Solutions Group, LLC (“XRoads”) by increasing the monthly cap on travel-related expenses. Faye Knowles of Fredrikson & Byron, P.A. appeared on behalf of the Debtors; other appearances are noted on the record.

Based on the arguments of counsel and the documents of record herein, the Court being fully advised in the premises, and the Court’s findings of fact and conclusions of law, if any, having been stated on the record at the close of argument,

IT IS HEREBY ORDERED:

Debtors are hereby authorized to modify the terms and conditions of their employment of XRoads by increasing to \$50,000 the travel-related expense cap as described in the Motion.

Dated: _____, 2004

Nancy C. Dreher
United States Bankruptcy Judge