

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
CONEXANT SYSTEMS, INC., <i>et al.</i> , ¹)	Case No. 13-10367 (MFW)
)	
Debtors.)	Jointly Administered
)	
)	Objection Date: June 3, 2013 at 4:00 p.m.
)	Hearing Date: Only if objections are timely filed

**SUMMARY OF FIRST MONTHLY FEE
APPLICATION OF KIRKLAND & ELLIS LLP
FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES
AS ATTORNEYS FOR THE DEBTORS AND DEBTORS IN POSSESSION
FOR THE PERIOD FROM FEBRUARY 28, 2013 THROUGH MARCH 31, 2013**

Name of Applicant:	Kirkland & Ellis LLP (“ K&E ”)
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	<i>Nunc pro tunc</i> to February 28, 2013 ²
Period for which compensation and reimbursement are sought:	February 28, 2013 through March 31, 2013 (the “ Fee Period ”)
Amount of Compensation sought as actual, reasonable and necessary:	\$542,900.50 ³
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$14,088.06

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: Conexant Systems, Inc. (9439); Conexant CF, LLC (6434); Brooktree Broadband Holding, Inc. (5436); Conexant, Inc. (8218); and Conexant Systems Worldwide, Inc. (0601). The Debtors’ main corporate address is 4000 MacArthur Blvd., Newport Beach, California 92660.

² See *Order Authorizing the Retention and Employment of Kirkland & Ellis LLP as Attorneys for the Debtors and Debtors in Possession Effective Nunc Pro Tunc to the Petition Date*, entered on April 11, 2013 [Docket No. 171].

³ Pursuant to the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals*, entered on April 11, 2013 [Docket No. 168], K&E will, in the absence of any objection to this application, be entitled to payment of 80% of the fees incurred during the Fee Period totaling \$434,320.40, and 100% of its expenses, totaling \$14,088.06.

Prior Applications Filed:

None

This is a(n): Monthly Interim Final application.**Professional Compensation**

Name of Professional Person	Position	Year Admitted	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation (\$)
Paul Basta, P.C.	Partner	1993	Restructuring	1,045.00	3.60	\$3,762.00
Samantha Good	Partner	1997	Corporate	970.00	3.40	\$3,298.00
Stephen C Hackney	Partner	1997	Litigation	840.00	26.00	\$21,840.00
Bernd Meyer-Loewy	Partner	1997	Restructuring	935.00	19.50	\$18,232.50
Leo Plank	Partner	2001	Restructuring	935.00	3.30	\$3,085.50
Joshua A Sussberg	Partner	2004	Restructuring	815.00	59.90	\$48,818.50
Wendy T Newkirk	Of Counsel	1999	Real Estate	735.00	17.50	\$12,862.50
Lucy Anderson	Associate	2011	Restructuring	620.00	19.20	\$11,904.00
Florian Bruder	Associate	2003	Restructuring	540.00	17.20	\$9,288.00
Victoria Cole	Associate	2013	Restructuring	495.00	102.40	\$50,688.00
Ryan Dattilo	Associate	2011	Restructuring	565.00	90.70	\$51,245.50
Robert Earles	Associate	2012	Litigation	430.00	8.80	\$3,784.00
Christopher T Greco	Associate	2007	Restructuring	715.00	67.70	\$48,405.50
Mary Kogut	Associate	2009	Corporate	630.00	5.80	\$3,654.00
Melissa Koss	Associate	2011	Restructuring	565.00	28.90	\$16,328.50
Iben Madsen	Associate	2009	Restructuring	730.00	22.70	\$16,571.00
Kylie Mitson	Associate	2006	Intellectual Property	630.00	3.70	\$2,331.00
Victor Noskov	Associate	2013	Restructuring	430.00	130.60	\$56,158.00
Joseph Pack	Associate	2010	Restructuring	630.00	155.50	\$97,965.00
Anne Raven	Associate	2012	Litigation	430.00	25.50	\$10,965.00
Brian Raynor	Associate	2012	Corporate	430.00	8.70	\$3,741.00
Andrea Weintraub	Associate	Pending	Restructuring	430.00	30.00	\$12,900.00
Peter J Wozniak	Associate	2007	Litigation	715.00	23.90	\$17,088.50
Totals for Attorneys					874.50	\$524,916.00

Paraprofessional Compensation

Name of Paraprofessional Person	Position	Year(s) at Position	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation (\$)
Michelle Santoro	Case Assistant	1 year	Restructuring	190.00	8.60	\$1,634.00
Jessica Murphy	Law Clerk	7 months	Corporate	430.00	4.00	\$1,720.00
Joseph Correia	Legal Assistant	2 years	Corporate	260.00	6.60	\$1,716.00
Beth Friedman	Legal Assistant	27 years	Restructuring	335.00	15.20	\$5,092.00
Jacob Goldfinger	Legal Assistant	9 years	Restructuring	305.00	10.00	\$3,050.00
Robert Orren	Legal Assistant	3.5 years	Restructuring	275.00	15.00	\$4,125.00
Alexander Olsson	Project Assistant	1 year	Corporate	185.00	3.50	\$647.50
Totals for Paraprofessionals					62.90	\$17,984.50

Compensation By Matter

Matter Number	Matter Description	Total Billed Hours	Total Fees Requested
5	Chapter 11 Bankruptcy Filing	102.10	\$58,093.00
6	Adversary Proceedings Contested Matters	9.50	\$3,692.00
7	Asset Analysis and Recovery	41.50	\$23,056.50
9	Automatic Stay Issues Relief from Stay	5.60	\$3,164.00
10	Business Operations	67.20	\$40,793.00
11	Employee Issues	10.40	\$5,940.00
12	Intellectual Property Issues	3.70	\$2,331.00
13	Case Administration	25.70	\$8,878.50
14	Claims Administration and Objections	15.80	\$8,281.00
16	Creditors Committee	44.70	\$30,742.50
17	DIP Financing-Cash Collateral-Cash Mgmt.	36.10	\$19,399.50
18	Executory Contracts and Real Property	208.00	\$115,151.50
19	Fee and Employment Applications - K&E	6.20	\$2,629.00
20	Fee and Employment Applications - Other	31.20	\$16,447.00
21	Hearings	88.10	\$51,673.50
22	Insurance	22.30	\$12,334.00
23	Plan, Disclosure Statement, Confirmation	23.00	\$12,995.50
24	Schedules and SOFAs	63.90	\$34,899.50
26	Travel Time	31.30	\$22,143.00
27	Utilities	1.90	\$1,076.50
29	Foreign Operations and Proceedings	99.20	\$69,180.00
Totals for All Matters		937.40	\$542,900.50
Blended Rate			\$579.16

Expense Summary

Service Description	Amount
Third Party Telephone Charges	\$34.74
Standard Copies or Prints	\$4,021.80
Binding	\$4.90
Color Copies or Prints	\$594.55
Scanned Images	\$189.80
Production Blowbacks	\$280.10
Postage	\$2.07
Overnight Delivery	\$259.49
Local Transportation	\$199.06
Travel Expense	\$1,400.00
Airfare	\$3,870.00
Transportation to/from airport	\$338.60
Travel Meals	\$519.74
Other Travel Expenses	\$83.31
Court Reporter Fee/Deposition	\$348.00
Filing Fees	\$52.30
Appearance Fees	\$51.00
Outside Copy/Binding Services	\$1,080.16
Catering Expenses	\$224.00
Outside Retrieval Service	\$158.96
Computer Database Research	\$175.83
Overtime Transportation	\$71.79
Overtime Meals - Non-Attorney	\$40.00
Overtime Meals - Attorney	\$16.36
Secretarial Overtime	\$61.00
Document Services Overtime	\$10.50
Total	\$14,088.06

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
) Chapter 11
CONEXANT SYSTEMS, INC., et al.,1)
) Case No. 13-10367 (MFW)
)
) Debtors.) Jointly Administered
)
) Hearing Date: Only if objections are timely filed
) Objection Date: June 3, 2013
)

FIRST MONTHLY FEE APPLICATION
OF KIRKLAND & ELLIS LLP FOR ALLOWANCE
OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS ATTORNEYS
FOR THE DEBTORS AND DEBTORS IN POSSESSION FOR THE
PERIOD FROM FEBRUARY 28, 2013 THROUGH MARCH 31, 2013

Kirkland & Ellis LLP ("K&E"), attorneys for Conexant Systems, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), submits this first monthly fee application (the "Application")2 for the period from February 28, 2013 (the "Petition Date") through March 31, 2013 (the "Fee Period"), seeking interim payment of compensation for fees and expenses in the total amount of \$448,408.46 consisting of: (a) \$434,320.40, which is 80% of the fees incurred for

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: Conexant Systems, Inc. (9439); Conexant CF, LLC (6434); Brooktree Broadband Holding, Inc. (5436); Conexant, Inc. (8218); and Conexant Systems Worldwide, Inc. (0601). The Debtors' main corporate address is 4000 MacArthur Blvd., Newport Beach, California 92660.

2 The Debtors submit this Application pursuant to sections 330 and 331 of title 11 of the United States Code (the "Bankruptcy Code"), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), the Order Authorizing the Retention and Employment of Kirkland & Ellis LLP as Attorneys for the Debtors and Debtors in Possession Effective Nunc Pro Tunc to the Petition Date entered on April 11, 2013 [Docket No. 171] (the "Retention Order") and the Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals, entered on April 11, 2013 [Docket No. 168] (the "Interim Compensation Order").

reasonable and necessary professional services rendered by K&E during the Fee Period; and
 (b) \$14,088.06 for the actual and necessary costs and expenses that K&E incurred during the Fee Period. In support of this Application, K&E respectfully states as follows:

Reasonable and Necessary Services K&E Rendered During The Fee Period

1. This is the first monthly application for interim compensation that K&E has filed in these chapter 11 cases. The K&E attorneys who rendered professional services during the Fee Period are:

Name of Professional Person	Position	Year Admitted	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation (\$)
Paul Basta, P.C.	Partner	1993	Restructuring	1,045.00	3.60	\$3,762.00
Samantha Good	Partner	1997	Corporate	970.00	3.40	\$3,298.00
Stephen C Hackney	Partner	1997	Litigation	840.00	26.00	\$21,840.00
Bernd Meyer-Loewy	Partner	1997	Restructuring	935.00	19.50	\$18,232.50
Leo Plank	Partner	2001	Restructuring	935.00	3.30	\$3,085.50
Joshua A Sussberg	Partner	2004	Restructuring	815.00	59.90	\$48,818.50
Wendy T Newkirk	Of Counsel	1999	Real Estate	735.00	17.50	\$12,862.50
Lucy Anderson	Associate	2011	Restructuring	620.00	19.20	\$11,904.00
Florian Bruder	Associate	2003	Restructuring	540.00	17.20	\$9,288.00
Victoria Cole	Associate	2013	Restructuring	495.00	102.40	\$50,688.00
Ryan Dattilo	Associate	2011	Restructuring	565.00	90.70	\$51,245.50
Robert Earles	Associate	2012	Litigation	430.00	8.80	\$3,784.00
Christopher T Greco	Associate	2007	Restructuring	715.00	67.70	\$48,405.50
Mary Kogut	Associate	2009	Corporate	630.00	5.80	\$3,654.00
Melissa Koss	Associate	2011	Restructuring	565.00	28.90	\$16,328.50
Iben Madsen	Associate	2009	Restructuring	730.00	22.70	\$16,571.00
Kylie Mitson	Associate	2006	Intellectual Property	630.00	3.70	\$2,331.00
Victor Noskov	Associate	2013	Restructuring	430.00	130.60	\$56,158.00
Joseph Pack	Associate	2010	Restructuring	630.00	155.50	\$97,965.00
Anne Raven	Associate	2012	Litigation	430.00	25.50	\$10,965.00
Brian Raynor	Associate	2012	Corporate	430.00	8.70	\$3,741.00
Andrea Weintraub	Associate	Pending	Restructuring	430.00	30.00	\$12,900.00
Peter J Wozniak	Associate	2007	Litigation	715.00	23.90	\$17,088.50
Totals for Attorneys					874.50	\$524,916.00

2. The K&E paraprofessionals who rendered professional services during the Fee Period are:

Name of Paraprofessional Person	Position	Year(s) at Position	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation (\$)
Michelle Santoro	Case Assistant	1 year	Restructuring	190.00	8.60	\$1,634.00
Jessica Murphy	Law Clerk	7 months	Corporate	430.00	4.00	\$1,720.00

Joseph Correia	Legal Assistant	2 years	Corporate	260.00	6.60	\$1,716.00
Beth Friedman	Legal Assistant	27 years	Restructuring	335.00	15.20	\$5,092.00
Jacob Goldfinger	Legal Assistant	9 years	Restructuring	305.00	10.00	\$3,050.00
Robert Orren	Legal Assistant	3.5 years	Restructuring	275.00	15.00	\$4,125.00
Alexander Olsson	Project Assistant	1 year	Corporate	185.00	3.50	\$647.50
Totals for Paraprofessionals					62.90	\$17,984.50

3. During the Fee Period, K&E advised and represented the Debtors in connection with the operation of their businesses and all other matters arising from the performance of their duties as debtors in possession. As described herein, K&E prepared various pleadings, motions and other documents submitted to this Court for consideration, appeared before this Court during hearings and performed all of the other professional services described in this Application.

4. During the Fee Period, K&E professionals and paraprofessionals expended a total of 937.40 hours working on these chapter 11 cases.³ The total reasonable value of such services equals \$542,900.50. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, K&E believes the amount of fees requested is fair and reasonable given: (a) the complexity of these chapter 11 cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services to the Debtors and their estates; and (e) the costs of comparable services other than in a case under chapter 11 of the Bankruptcy Code. To the best of K&E's knowledge, this Application complies with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Guidelines for Reviewing Applications for Compensation & Reimbursement of Expenses Filed Under 11 U.S.C. § 330 (the "*U.S. Trustee Guidelines*"), Local Rule 2016-2, the Retention Order and the Interim Compensation Order.

³ Attached hereto as **Exhibit A** is a detailed and itemized description of the services K&E rendered during the Fee Period, which, (a) identifies the individuals who rendered services in each subject matter (as discussed in more detail herein), (b) describes each activity or service that each individual performed and (c) states the number of hours (in increments of one-tenth of an hour) spent by each individual providing such services.

**Reasonable and Necessary Services Rendered
by K&E During the Fee Period — Categorized by Matter**

5. The following are summaries of the significant professional services that K&E rendered during the Fee Period, organized in accordance with K&E's internal system of project and work codes by subject matter.

a. Matter 5 — Chapter 11 Bankruptcy Filing

(Fees: \$58,093.00; Hours: 102.10)

6. This subject matter includes legal services rendered in connection with the filing of the Debtors' chapter 11 petitions and various "first day" and "second day" pleadings, as well as a draft plan of reorganization, disclosure statement and related notices on the Petition Date. More specifically, K&E attorneys: (a) reviewed, revised and filed the Debtors' petitions, "first day" and "second day" motions, proposed orders, affidavits and notices; (b) coordinated with the United States Trustee for the District of Delaware (the "*U.S. Trustee*") and the Debtors' constituents regarding such pleadings; (c) coordinated service of such pleadings; and (d) prepared for the "first day" hearing, which included drafting hearing notes and related materials and preparing potential witnesses in connection with certain of the "first day" motions.

7. Specifically, the Debtors filed several motions seeking orders authorizing the Debtors to pay various prepetition claims. Entry of these orders eased the strain on the Debtors' relationships with employees, vendors, customers and taxing authorities as a consequence of the commencement of these chapter 11 cases. Among other things, these orders authorized the Debtors to: (a) pay certain prepetition employee wages and benefits; (b) pay certain prepetition claims of foreign vendors and certain lien claimants; (c) maintain the Debtors' cash management system; (d) use prepetition bank accounts, checks and other business forms; (e) make tax payments to federal, local and state taxing authorities; (f) prohibit utility companies from

discontinuing services; (g) reject certain unfavorable leases; (h) pay certain severance obligations; and (i) maintain insurance policies and enter into new insurance policies.

b. Matter 6 — Adversary Proceedings and Contested Matters

(Fees: \$3,692.00; Hours: 9.50)

8. This subject matter includes legal services rendered in connection with litigation, adversary proceedings or other adversarial matters. Specifically, K&E attorneys drafted suggestions of bankruptcy to be filed in ongoing civil litigations involving the Debtors and assessed legal issues related thereto.

c. Matter 7 — Asset Analysis and Recovery

(Fees: \$23,056.50; Hours: 41.50)

9. This subject matter includes legal services rendered in connection with issues related to the Debtors' prepetition secured lender's security interests. Specifically, K&E attorneys: (a) researched and reviewed case law regarding the secured lender's interest in the Debtors' property; and (b) responded to requests of the Official Committee of Unsecured Creditors (the "*Creditors' Committee*") regarding such security interests.

d. Matter 9 — Automatic Stay Issues

(Fees: \$3,164.00; Hours: 5.60)

10. This subject matter includes legal services rendered in connection with enforcement of the automatic stay on behalf of the Debtors. Specifically, K&E attorneys: (a) conducted legal research pertaining to Comerica Bank's ability to obtain relief from the automatic stay and draw on its letter of credit; (b) drafted a consent order regarding Comerica Bank's motion; and (c) coordinated communications with counsel to the Debtors' key stakeholders, including the Debtors' senior secured lender and the Creditors' Committee regarding issues pertaining thereto.

e. Matter 10 — Business Operations

(Fees: \$40,793.00; Hours: 67.20)

11. This subject matter includes legal services rendered in connection with the Debtors' general day-to-day business operations and ordinary course transactions, including discussions with key vendors and suppliers. Specifically, K&E attorneys: (a) corresponded and coordinated with the Debtors' vendors, including the Debtors' foreign vendors, regarding operational issues; (b) corresponded and coordinated with the Debtors' management team to facilitate an efficient transition into chapter 11, stabilize business operations and comply with chapter 11 operational requirements; and (c) drafted and reviewed numerous "critical vendor" agreements.

f. Matter 11 — Employee Issues

(Fees: \$5,940.00; Hours: 10.40)

12. This subject matter includes legal services rendered with respect to various employee issues. Specifically, K&E attorneys: (a) corresponded with employees regarding questions and concerns with respect to these chapter 11 cases; (b) researched, analyzed and corresponded with the Debtors' management regarding legal issues surrounding employee severance and the payment of accrued vacation; (c) reviewed and revised pleadings related thereto; and (d) filed a motion to establish an employee severance program [Docket No. 16], which motion was approved by the Court on April 19, 2013 [Docket No. 199].

g. Matter 12 — Intellectual Property Issues

(Fees: \$2,331.00; Hours: 3.70)

13. This subject matter includes legal services provided in connection with issues related to the Debtors' intellectual property. Specifically, K&E attorneys reviewed and revised

the Debtors' patent schedules and reviewed patent records and researched title issues with regard to the Debtors' patents.

h. Matter 13 — Case Administration

(Fees: \$8,878.50; Hours: 25.70)

14. This subject matter includes services rendered in connection with the orderly administration of the Debtors' chapter 11 cases. Specifically, K&E attorneys and paraprofessionals: (a) drafted proposed orders; (b) compiled filed documents for distribution to K&E team members and the Debtors; (c) reviewed and monitored the Court's docket, related pleadings and correspondence; (d) prepared case calendars and various task lists; (e) conferred with the Debtors regarding various task lists and pending matters; (f) organized case documents and internal K&E electronic workspaces; and (g) coordinated case management tasks among internal K&E team members, the Debtors' co-counsel and other retained professionals.

i. Matter 14 — Claims Administration and Objections

(Fees: \$8,281.00; Hours: 15.80)

15. This subject matter includes legal services rendered in connection with the claims administration and objection process. Specifically, K&E attorneys: (a) drafted and filed a motion to set a bar date in these chapter 11 cases [Docket No. 91], which motion was approved by the Court on April 11, 2013 [Docket No. 162]; (b) coordinated with the U.S. Trustee to revise the bar date order; and (c) responded to creditor inquiries regarding claims status and priority.

j. Matter 16 — Creditors' Committee

(Fees: \$30,742.50; Hours: 44.70)

16. This subject matter includes legal services rendered in connection with correspondence with general unsecured creditors and the Creditors' Committee. Specifically, K&E attorneys: (a) prepared for and attended the committee formation meeting and preparatory

meeting with the U.S. Trustee; (b) prepared for and attended the meeting of creditors pursuant to section 341 of the Bankruptcy Code; (c) corresponded with the Creditors' Committee regarding various diligence requests; (d) corresponded and negotiated with the Creditors' Committee regarding other related matters, such as the Creditors' Committee's review of various first day and second day pleadings, and met with the Creditors' Committee's advisors to discuss and negotiate the Debtors' proposed plan of reorganization, the related disclosure statement, the global settlement and the potential distribution to landlords and general unsecured creditors under the proposed plan of reorganization.

k. Matter 17 — DIP financing - Cash Collateral - Cash Management

(Fees: \$19,399.50; Hours: 36.10)

17. This subject matter includes legal services rendered in connection with securing the Debtors' debtor in possession financing ("**DIP Financing**"). Specifically, K&E attorneys: (a) prepared closing documents for the DIP Financing; (b) negotiated with the Debtors' key creditor constituents and lenders regarding the final terms of the DIP Financing; (c) corresponded with the Debtors' financial advisor, Alvarez & Marsal North America, LLC ("**A&M**"), in connection with analyzing the Debtors' DIP Financing budget; and (d) performed due diligence with respect to the DIP Financing loan parties.

l. Matter 18 — Executory Contracts and Real Property

(Fees: \$115,151.50; Hours: 208.00)

18. This subject matter includes legal services related to analyzing the Debtors' executory contracts and unexpired real property leases. Specifically, K&E attorneys: (a) coordinated and corresponded with the Debtors to identify contracts and leases for assumption or rejection; (b) evaluated potential savings, damages and other legal effects of assuming and/or rejecting executory contracts or unexpired leases; (c) researched legal issues

pertaining to the rejection of certain of the Debtors' unexpired leases; (d) engaged in discussions with certain of the Debtors' landlords and contract counterparties; (e) drafted a motion to reject certain of the Debtors' unexpired leases, including office leases in San Diego, California and Newport Beach, California [Docket No. 18]; (f) drafted a motion to reject the Debtors' former corporate headquarters lease in Newport Beach, California [Docket No. 109], which motion was approved by the Court on April 10, 2013 [Docket No. 150], and researched issues related thereto; (g) assisted A&M in negotiating the terms of a lease for a new corporate headquarters space with Piedmont Operating Partnership, LP ("*Piedmont*"); (h) drafted and filed a motion to enter into a new corporate headquarters lease with Piedmont [Docket No. 107], which motion was approved by the Court on April 10, 2013 [Docket No. 151]; (i) negotiated the terms of a lease for additional warehouse space with Olen Commercial Realty Corp. ("*Olen*"); and (j) drafted and filed a motion to enter into a new warehouse lease with Olen [Docket No. 173], which motion was approved by the Court on April 19, 2013 [Docket No. 205].

m. Matter 19 — Fee and Employment Applications - K&E

(Fees: \$2,629.00; Hours: 6.20)

19. This subject matter includes legal services rendered in connection with the retention of K&E as the Debtors' counsel. Specifically, K&E attorneys: (a) prepared the *Debtors' Application for Entry of an Order Authorizing the Retention and Employment of Kirkland & Ellis LLP as Attorneys for the Debtors and Debtors in Possession Effective Nunc Pro Tunc to the Petition Date* [Docket No. 28] (the "***K&E Retention Application***"), which application was approved by the Court on April 11, 2013 [Docket No. 171]; (b) reviewed K&E's invoice to ensure compliance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and the U.S. Trustee Guidelines; and (c) performed comprehensive conflicts checks and drafted related disclosures.

n. Matter 20 — Fee and Employment Applications - Other

(Fees: \$16,447.00; Hours: 31.20)

20. This subject matter includes legal services rendered in connection with ensuring the retention of the Debtors' professionals in these chapter 11 cases. Specifically, K&E attorneys: (a) worked closely with the Debtors and other professionals to assist in their retention under the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and applicable orders of the Court; (b) corresponded with the Debtors regarding amendments to certain professionals' engagement letters and potential or actual objections thereto; (c) drafted and filed a motion to authorize the retention of BMC Group, Inc. as both claims and noticing agent pursuant to section 156(c) of the Bankruptcy Code [Docket No. 4] and administrative agent pursuant to section 327 of the Bankruptcy Code [Docket No. 90], both of which motions were approved by the Court [Docket Nos. 43 and 197]; (d) drafted and filed a motion to authorize the retention of A&M as the Debtors' financial advisor [Docket No. 70], which motion was approved by the Court on

April 19, 2013 [Docket No. 204]; (e) drafted and filed a motion to authorize the retention of certain professionals utilized in the ordinary course of business [Docket No. 89], which motion was approved by the Court on April 11, 2013 [Docket No. 170]; and (f) corresponded with the U.S. Trustee and certain professionals regarding the Debtors' proposed retention of certain professionals.

o. Matter 21 — Hearings

(Fees: \$51,673.50; Hours: 88.10)

21. This subject matter includes legal services rendered in connection with Court hearings to consider the Debtors' requested relief. Specifically, K&E attorneys: (a) prepared for and attended the first day hearing; (b) prepared an agenda, orders and binders for chambers and the U.S. Trustee in connection with the hearing; and (c) engaged in related correspondence with the Court, the U.S. Trustee and key creditor constituents regarding the Debtors' requested relief at the hearing.

p. Matter 22 — Insurance

(Fees: \$12,334.00; Hours: 22.30)

22. This subject matter includes legal services rendered in connection with reviewing the Debtors' insurance policies. Specifically, K&E attorneys: (a) reviewed, analyzed and corresponded with various parties regarding the Debtors' insurance policies and related insurance coverage issues; (b) prepared a motion authorizing the ongoing payment and financing of insurance premiums (the "*Insurance Motion*"); and (c) negotiated and revised the order proposed pursuant to the Insurance Motion in response to comments from key constituents.

q. Matter 23 — Plan, Disclosure Statement, Confirmation

(Fees: \$12,995.50; Hours: 23.00)

23. This subject matter includes legal services rendered in connection with the Debtors' plan of reorganization and related disclosure statement. Specifically, K&E attorneys: (a) filed a motion to approve the Debtors' disclosure statement and related solicitation procedures [Docket No. 14], which motion was approved by the Court on April 19, 2013 [Docket No. 209]; (b) negotiated and corresponded with the U.S. Trustee regarding comments to the Debtors' plan of reorganization; (c) researched issues associated with the Debtors' proposed plan of reorganization; and (d) drafted and coordinated comments to the plan of reorganization and disclosure statement.

r. Matter 24 — Schedules and Statements of Financial Affairs

(Fees: \$34,899.50; Hours: 63.90)

24. This subject matter includes legal services rendered in connection with preparing the Debtors' Schedules of Assets and Liabilities and Statements of Financial Affairs (collectively, the "*Schedules and Statements*"). Specifically, K&E attorneys: (a) drafted and coordinated with A&M and the Debtors to ensure the accuracy of the global notes and the Schedules and Statements; and (b) corresponded with local counsel regarding the filing of the Schedules and Statements.

s. Matter 26 — Travel Time

(Fees: \$22,143.00; Hours: 31.30)

25. This subject matter includes time that K&E attorneys spent traveling in connection with their representation of the Debtors. In accordance with the Local Rules, K&E billed the Debtors for one-half of the total time that K&E attorneys charged for non-working

travel. As such, the amounts presented for review and payment reflect a voluntary reduction of one-half the charges for travel time, for a total reduction of \$22,143.00.

t. Matter 27 — Utilities

(Fees: \$1,076.50; Hours: 1.90)

26. This subject matter includes legal services related to issues involving the Debtors' utility providers. Specifically, K&E attorneys analyzed issues regarding utility providers' threats to discontinue services and corresponded with management and relevant Debtor personnel regarding the provision of adequate assurance.

u. Matter 29 — Foreign Operations and Proceedings

(Fees: \$69,180.00; Hours: 99.20)

27. This subject matter includes legal services related to various issues involving the Debtors' foreign subsidiaries, vendors and service providers. Specifically, K&E attorneys: (a) corresponded with foreign counsel in Germany regarding the implications of a chapter 11 filing on the Debtors' operations in Germany; (b) corresponded with foreign counsel regarding a potential bankruptcy filing in the United Kingdom (the "*U.K.*") and Germany and researched issues related thereto; (c) researched issues regarding foreign proceedings; and (d) drafted and revised letters to foreign suppliers regarding the Debtors' restructuring.

Actual and Necessary Expenses

28. The actual and necessary expenses that K&E incurred during the Fee Period total \$14,088.06.⁴ The basis for these rates is K&E's calculation of the actual cost of these services, which are intended to cover K&E's direct operating costs and cannot be incorporated into K&E's

⁴ Included in **Exhibit A** is a detailed itemization and description of the disbursements that K&E made on the Debtors' behalf, which includes charges: (a) of \$0.10 per page for internal copying or printing charges; (b) for external copying at the provider's cost without markup; and (c) for computer research at the provider's cost without markup. These items are set forth in Matter 30 — Disbursements.

hourly billing rates. Only clients who actually use services of the types set forth in Matter 30 on **Exhibit A** are separately charged for such services. The effect of including such expenses as part of the hourly billing rates would impose that cost upon clients who do not require extensive photocopying and other facilities and services.

29. The time constraints imposed by the circumstances of these chapter 11 cases required K&E attorneys and other employees to expend resources and perform legal and other administrative services on behalf of the Debtors during evenings and on weekends. These services were essential to meet deadlines, timely respond to daily inquiries from various creditors and other stakeholders, satisfy the demands of the Debtors' businesses and ensure the orderly administration of the Debtors' estates. Consistent with K&E firm policy and as further disclosed in the K&E Retention Application, K&E attorneys and other employees who worked during such hours were reimbursed for their reasonable meal and transportation costs. K&E's regular practice is to not include components for those charges in overhead when establishing billing rates, but rather to charge its clients for these and all other out-of-pocket disbursements incurred during the regular course of providing legal services.

30. In addition, due to the location of the Debtors' businesses, creditors and stakeholders in relation to K&E's offices, frequent multi-party telephone conferences were required, necessitating the use of telephone conferencing systems. On some occasions, overnight delivery of documents and other materials were required as a result of the exigencies and circumstances of these chapter 11 cases. The disbursements for such services are not included in K&E's overhead for the purpose of setting billing rates and K&E has made every effort to minimize its disbursements in these chapter 11 cases. The actual expenses incurred in providing

professional services were necessary, reasonable and justified under the circumstances to serve the needs of the Debtors in these chapter 11 cases.

31. Also, K&E regularly reduces its expenses, particularly expenses related to travel. With respect to rail expenses, all travel by all individuals is billed at the coach class rate. With respect to hotel expenses, K&E has voluntarily capped all hotel charges incurred by each individual at \$350 per night.

Retention and Continuing Disinterestedness of K&E

32. Pursuant to the Retention Order, the Debtors were authorized to retain K&E as their legal counsel effective as of the Petition Date in connection with these chapter 11 cases and all related matters. In addition, the Interim Compensation Order authorizes the Debtors to compensate K&E in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines and such other procedures as may be fixed by order of the Court.

33. Except as otherwise disclosed in the *Declaration of Joshua A. Sussberg in Support of the Debtors' Application for the Entry of an Order Authorizing the Retention and Employment of Kirkland & Ellis LLP as Attorneys for the Debtors and Debtors in Possession Effective Nunc Pro Tunc to the Petition Date*, dated February 28, 2013, annexed as **Exhibit B** to the K&E Retention Application, to the best of K&E's knowledge, K&E does not hold or represent any interest adverse to the Debtors or their estates and is a disinterested person as defined in section 101(14) of the Bankruptcy Code. Although K&E may have represented, may currently represent or in the future may represent parties in interest in connection with matters unrelated to the Debtors in these chapter 11 cases, K&E has disclosed its connections to parties in interest that it has been able to ascertain using reasonable efforts. If K&E becomes aware of material new information in this regard, K&E will file a supplemental declaration. During the

Fee Period, K&E performed the services for which it is seeking compensation on behalf of or for the Debtors and their estates and not on behalf of any committee, creditor or other person.

34. Except as provided herein or in the K&E Retention Application, K&E has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with these chapter 11 cases. In addition, pursuant to Bankruptcy Rule 2016(b), K&E has not shared, nor has K&E agreed to share (a) any compensation it received or may receive with any person other than with the partners, counsel and associates of K&E or (b) any compensation that has been, or may be, received by any other person or party.

Representations

35. Although every effort has been made to include all fees and expenses incurred during the Fee Period, some fees and expenses might not be included in this Application due to accounting processing delays. K&E reserves the right to make further application to this Court for allowance of such fees and expenses not included herein. Subsequent fee applications will be filed in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines, the Interim Compensation Order and any other orders of the Court.

36. In summary, pursuant to this Application and in accordance with the Interim Compensation Order, K&E requests interim payment of compensation for fees and expenses in the total amount of \$448,408.46 consisting of: (a) \$434,320.40, which is 80% of the fees incurred for reasonable and necessary professional services rendered by K&E during the Fee Period; and (b) \$14,088.06 for actual and necessary costs and expenses that K&E incurred during the Fee Period.

37. WHEREFORE, K&E requests that it be allowed reimbursement for its fees and expenses incurred during the Fee Period and that such fees and expenses be paid as administrative expenses of the Debtors' estates.

Dated: May 13, 2013
Wilmington, Delaware

/s/ Joshua A. Sussberg

Paul M. Basta (admitted *pro hac vice*)
Joshua A. Sussberg (admitted *pro hac vice*)
Christopher T. Greco (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

*Counsel to the Debtors
and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
CONEXANT SYSTEMS, INC., <i>et al.</i> , ¹)	Case No. 13-10367 (MFW)
)	
Debtors.)	Jointly Administered
)	

VERIFICATION OF JOSHUA A. SUSSBERG

1. I am a partner with the applicant firm, Kirkland & Ellis LLP (“**K&E**”), and have been admitted to appear before this Court *pro hac vice*.

2. I have personally performed or overseen many of the legal services rendered by K&E as general bankruptcy counsel to the above-captioned debtors and debtors in possession and am familiar with the work performed on behalf of the Debtors by the lawyers and other persons in K&E.

3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief.

4. I have reviewed the requirements of Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware and believe that the Application complies with Local Rule 2016-2.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: Conexant Systems, Inc. (9439); Conexant CF, LLC (6434); Brooktree Broadband Holding, Inc. (5436); Conexant, Inc. (8218); and Conexant Systems Worldwide, Inc. (0601). The Debtors’ main corporate address is 4000 MacArthur Blvd., Newport Beach, California 92660.

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

Dated: May 13, 2013

/s/ Joshua A. Sussberg

Joshua A. Sussberg

Partner

Kirkland & Ellis LLP