

**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)
)	(Jointly Administered)
Debtors.)	
)	

**THIRD MONTHLY FEE APPLICATION OF KELLEY DRYE & WARREN LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF CONEXANT SYSTEMS, INC., *ET AL.*, FOR THE
PERIOD FROM MAY 1, 2013 THROUGH AND INCLUDING MAY 31, 2013**

Name of Applicant:	Kelley Drye & Warren LLP
Authorized to Provide Professional Services to:	Counsel to the Official Committee of Unsecured Creditors
Date of Retention:	May 13, 2013, <i>nunc pro tunc</i> to March 8, 2013
Period for which compensation and reimbursement is sought:	May 1, 2013 through and including May 31, 2013
Amount of compensation sought as actual, reasonable and necessary:	\$62,379.00
Amount of expense reimbursement sought as actual, reasonable, and necessary:	\$112.50

This is a monthly application.

No time expended for preparation of this fee application is requested herein, but will be requested in Kelley Drye’s subsequent fee applications.

¹ The Debtors in these cases are: Conexant Systems, Inc.; Conexant CF, LLC; Brooktree Broadband Holding, Inc.; Conexant, Inc.; and Conexant Systems Worldwide, Inc.

PRIOR APPLICATION

Date Filed	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
May 17, 2013	March 8, 2013 through and including March 31, 2013	\$260,927	\$2,588.33	\$208,741.60	\$2,588.33
July 17, 2013	April 1, 2013 through and including April 30, 2013	\$174,341.50	\$4,489.06	N/A ²	N/A

COMPENSATION BY TIMEKEEPER

Name of Professional Person	Position with Applicant	Year of Law School Graduation	Hourly Billing Rate	Total Billed Hours	Total Compensation
James S. Carr, Esq.	Partner	1987	\$750	11.2	\$8,400.00
Jack J. Miles, Esq.	Partner	1979	\$720	5.6	\$4,032.00
Eric R. Wilson, Esq.	Partner	1997	\$670	2.0	\$1,340.00
Craig A. Wolfe, Esq.	Partner	1998	\$670	2.5	\$1,675.00
Gilbert R. Saydah, Jr., Esq.	Associate	2000	\$560	76.5	\$42,840.00
Catherine L. Thompson, Esq.	Associate	2010	\$345	10.4	\$3,588.00
Marie Vicinanza	Paralegal	N/A	\$240	2.1	\$504.00
Total				110.3	\$62,379.00
Blended Rate				\$565.50	

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Case Administration	4.5	\$1,494.50
Retention Matters (Applications & Objections)	1.1	\$616.00
Fee Matters (Applications & Objections)	5.0	\$1,725.00
Executory Contracts and Leases	12.8	\$7,491.00
Disclosure Statement and Plan of Reorganization	81.1	\$48,092.50
Committee and Creditor Communications	5.8	\$2,960.00
Total	110.3	\$62,379.00

² Pursuant to the Interim Compensation Order, as defined below, parties have 21 days to object to the Second Monthly Fee Application, or August 7, 2013. If no objections are filed, Kelley Drye will file a certificate of no objection.

EXPENSE SUMMARY

Expense Category	Total Expenses
Telephone	\$37.00
Pacer	\$75.70
Total	\$112.50

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

)	Chapter 11
In re:)	
)	Case No. 13-10367 (MFW)
CONEXANT SYSTEMS, INC., <i>et al.</i> , ³)	(Jointly Administered)
)	
Debtors.)	
)	

**THIRD MONTHLY FEE APPLICATION OF KELLEY DRYE & WARREN LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS COUNSEL TO THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF CONEXANT SYSTEMS, INC., *ET AL.*, FOR THE
PERIOD FROM MAY 1, 2013 THROUGH AND INCLUDING MAY 31, 2013**

Pursuant to 11 U.S.C. §§ 330 and 331 and in accordance with the Order of this Court establishing procedures for interim compensation and reimbursement of professionals dated April 11, 2013 (the “Interim Compensation Order”),⁴ Kelley Drye & Warren LLP (“Kelley Drye”) hereby submits its third monthly application (the “Application”) for compensation for professional services rendered and reimbursement of expenses incurred as counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Conexant Systems, Inc., *et al.*, the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), for the period from May 1, 2013 through and including May 31, 2013 (the “Application Period”). In support of its Application, Kelley Drye respectfully represents as follows:

BACKGROUND

1. On February 28, 2013 (the “Petition Date”), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

³ The Debtors in these cases are: Conexant Systems, Inc.; Conexant CF, LLC; Brooktree Broadband Holding, Inc.; Conexant, Inc.; and Conexant Systems Worldwide, Inc.

⁴ D.I. 168.

2. Since the Petition Date, the Debtors have continued in possession of their properties and have continued to operate and manage their business as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On March 8, 2013, the Office of the United States Trustee for Region 3 appointed the Committee consisting of: PRES-4340 Von Karman LP; Samsung Electronics Co., LTD., and STATS ChipPAC Ltd.⁵ On March 8, 2013, the Committee selected Kelley Drye & Warren LLP to serve as counsel to the Committee and selected Womble Carlyle Sandridge & Rice, LLP as local counsel. No other official committee has been appointed in these cases.

4. On May 13, 2013, the Court entered an order approving and authorizing the Committee's retention of Kelley Drye, *nunc pro tunc* to March 8, 2013.⁶

5. On April 11, 2013, the Court entered the Interim Compensation Order. Pursuant to the terms of the Interim Compensation Order, if no objection to a monthly fee application is filed within twenty-one (21) days of filing the application, the respective professional may be paid eighty percent (80%) of the fees and one hundred percent (100%) of the expenses set forth in the applicable monthly fee application.

SUMMARY OF SERVICES RENDERED

6. Kelley Drye rendered professional legal services to the Committee throughout the Application Period, including, but not limited to:
- a. Reviewing and analyzing all motions, proposed orders, and objections impacting the Debtors' estates and corresponding with the Debtors and/or their professionals regarding the same;
 - b. Continuing participation in settlement discussions between the Debtors and their landlords to negotiate a resolution of landlord issues surrounding the rejection of leases;

⁵ D.I. 72.

⁶ D.I. 236.

- c. Reviewing and revising all plan confirmation documents to ensure protection of the interests of unsecured creditors; and
- d. Preparing all necessary documents, correspondence and pleadings required to enable the Committee to conduct its business efficiently and effectively.

SUMMARY OF SERVICES BY PROJECT

7. To assist the Court in its review of the fees sought by Kelley Drye, the firm has divided its time entries into the project categories set forth below. The attachments hereto identify the attorneys and paraprofessionals that have rendered services in each category, along with the number of hours for each individual and the total compensation sought for each category.

Case Administration (Fees: \$1,494.50 – Hours: 4.5)

8. During the Application Period, Kelley Drye addressed numerous general and administrative matters in these cases, including creating and maintaining a Committee website as described in the Committee’s 1102 motion.

Retention Matters (Applications and Objections) (Fees: \$616.00 – Hours: 1.1)

9. This category represents time spent by Kelley Drye to prepare and prosecute its application to be retained in these cases, and analyze and review the retention applications of other professionals in these cases. During the Application Period, Kelley Drye reviewed the entered retention orders for the Committee’s counsel and professionals.

Fee Matters (Applications & Objections) (Fees: \$1,725.00 – Hours: 5.0)

10. This category represents time spent by Kelley Drye to prepare its fee applications and analyze and review the fee applications filed by other professionals in these cases. During the Application Period, Kelley Drye prepared its first monthly fee application.

Executory Contracts and Leases (Fees: \$7,491.00 – Hours: 12.80)

11. During the Application Period, Kelley Drye conducted an analysis of potential issues relating to landlord disputes and how those disputes would impact the general unsecured creditor body. Kelley Drye also continued negotiating with all parties and prepared a consensual order to resolve the issues surrounding rejection of leases.

Disclosure Statement and Plan of Reorganization (Fees: \$48,092.50 – Hours: 81.1)

12. This category represents time spent by Kelley Drye in connection with the plan and disclosure statement. During the Application Period, Kelley Drye drafted a liquidating trust agreement to be filed with the plan and disclosure statement. Kelley Drye also reviewed the objections to confirmation of the plan that were filed. In connection with confirmation of the plan, Kelley Drye reviewed and commented on all additional plan documents, including the voting results, all plan supplements, and the draft confirmation order. Finally, Kelley Drye reviewed and responded to the U.S. Trustee's issues with respect to the releases contained in the plan and disclosure statement.

Committee and Creditor Communications (Fees: \$2,960.00 – Hours: 5.8)

13. This category represents time spent preparing for and conducting regular Committee meetings, as well as communicating with the Committee members on an individual basis from time to time regarding Committee business and related matters. During the Application Period, Kelley Drye communicated with the Committee members regarding confirmation related issues and established communication procedures through the Committee's 1102 motion.

EXPENSES

14. Kelley Drye's out of pocket disbursements during the Application Period

total \$112.50.⁷ These disbursements are broken down into categories of charges included in attachments hereto.

15. Kelley Drye represents as follows with regard to its charges for actual and necessary costs and expenses during the Application Period:

- a. Copy charges are \$0.10 per page, which charge is reasonable and customary in the legal industry representing costs of copy materials, outside service costs, acquisition, maintenance, storage, and operation of copy machines and a copy center, and in compliance with Local Rule 2016-2(e)(iii).
- b. Charges for meals are only included when they are necessitated by meetings with the Debtors or the Committee or when Kelley Drye's personnel worked on these cases past 8:00 p.m., or through a normal meal period.

VALUATION OF SERVICES

16. Attorneys and paraprofessionals of Kelley Drye billed a total of 110.3 hours in connection with these cases during the Application Period. A detailed breakdown of the hours spent and services performed by the attorneys and paraprofessionals is set forth in the attachments hereto.

17. The rates charged are Kelley Drye's normal hourly rates for work of this character. The reasonable value of the services rendered by Kelley Drye to the Committee during the Application Period is \$62,379.00.

18. At all relevant times, Kelley Drye has been a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code and has neither represented nor held any interest adverse to the interest of the Committee.

⁷ Kelley Drye reserves the right to request reimbursement of additional expenses incurred during the Application Period in subsequent applications, to the extent that any such additional expenses have not been processed to date in Kelley Drye's billing system.

19. Kelley Drye has reviewed the requirements of Local Bankruptcy Rule 2016-2 and believes that this Application complies with its requirements.

20. All services for which compensation is requested by Kelley Drye were performed for or on behalf of the Committee, and not on behalf of the Debtors or other persons. There is no agreement or understanding between Kelley Drye and any other persons, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.

21. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

22. The fees billed for this Application Period total \$62,379.00 and the expenses incurred during this Application Period are \$112.50. Pursuant to the Interim Compensation Order, if no objection is raised, 80% of the fees payable to Kelley Drye for the Application Period are \$49,903.20 and the expenses payable to Kelley Drye for the Application Period are \$112.50.

WHEREFORE, Kelley Drye respectfully requests: (i) interim allowance of compensation for necessary and valuable professional services rendered to the Committee in the sum of \$62,379.00 and reimbursement of actual and necessary expenses incurred in the sum of \$112.50 for the period from May 1, 2013 through May 31, 2013; (ii) payment as provided under the Interim Compensation Order, and (iii) such other relief as this Court deems just and proper.

Dated: July 17, 2013

KELLEY DRYE & WARREN LLP

By /s/ James S. Carr

James S. Carr, Esq.

Craig A. Wolfe, Esq.

Gilbert R. Saydah, Jr., Esq. (DE Bar No. 4304)

101 Park Avenue

New York, NY 10178

Telephone: (212) 808-7800

Facsimile: (212) 808-7897

*Counsel for the Official Committee of the
Unsecured Creditors of Conexant Systems, Inc., et.
al.*