

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

In re:) Chapter 11
)
CONEXANT SYSTEMS, INC., *et*) Case No. 13-10367 (MFW)
al.,)
) (Jointly Administered)
Debtors.)

**FIFTH AND FINAL FEE APPLICATION OF GAVIN/SOLMONESE LLC, AS
FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR COMPENSATION FOR SERVICES RENDERED AND RE-
IMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
MARCH 8, 2013 THROUGH JULY 12, 2013**

Name of Applicant: **Gavin/Solmonese LLC**

Authorized to Provide Professional Services to: **Official Committee of Unsecured Creditors**

Date of Retention: **March 8, 2013**

Period for which Compensation sought as actual, reasonable and necessary: **July 1, 2013 through July 12, 2013**

Amount of Compensation sought as Actual, reasonable and necessary: **\$535.00**

Amount of Expense Reimbursement sought as actual, reasonable and necessary: **\$0.00**

Period for which Compensation sought as actual, reasonable and necessary: **March 8, 2013 through July 12, 2013**

Total Compensation sought as actual, reasonable and necessary: **\$157,992.50**

Amount of Expense Reimbursement sought as actual, reasonable and necessary: **\$1,211.51**

**GAVIN/SOLMONESE LLC SUMMARY OF
PROFESSIONALS RENDERING SERVICES FROM
MARCH 1, 2013 THROUGH JUNE 30, 2013**

Professional Person	Position of the Applicant, Number of Years in that Position	Hourly Billing Rate (including changes)	Total Billed Hours	Total Compensation
Edward T. Gavin, CTP	Principal, 2006	\$600.00 (Prof.) \$300.00 (Travel)	17.60 0.00	\$10,560.00 0.00
Wayne P. Weitz	Senior Director, 2012	\$475.00 (Prof.) \$237.50 (Travel)	123.50 17.00	\$58,662.50 \$4,037.50
Stanley W. Mastil	Director, 2012	\$375.00 (Prof.) \$187.50 (Travel)	36.40 0.00	\$13,650.00 \$0.00
Ross Waetzman	Director, 2008	\$375.00 (Prof.) \$187.00 (Travel)	109.40 0.00	\$41,025.00 \$0.00
Boris J. Steffen	Managing Director, 2012	\$625.00 (Prof.) \$312.50 (Travel)	45.10 0.00	\$28,187.50 \$0.00
Sarah E. Pugh	Director, 2008	\$400.00 (Prof.) \$200.00 (Travel)	1.30 0.00	\$520.00 \$0.00
Judy L. Sacher	Other Professional Staff, 2002	\$150.00 (Prof.)	9.00	\$1,350.00
		Totals	359.30	\$157,992.50

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Asset Disposition	23.80	\$9,525.00
Business Analysis	90.90	\$42,265.00
Case Administration	3.10	\$1,597.50
Claims Administration and Objections	64.00	\$25,345.00
Court Hearing	0.70	\$357.50
Data Analysis	41.90	\$18,397.50
Fee/Employment Application	24.70	\$9,102.50
Financing	2.50	\$1,187.50
Meetings of Creditors	6.60	\$3,002.50
Plan and Disclosure Statement	21.40	\$10,447.50
Travel	17.00	\$4,037.50
Valuation	62.70	\$32,727.50
TOTAL	359.30	\$157,992.50

EXPENSE SUMMARY

Expense Category	Service Provider (if applicable)	Total Expenses
Document reproduction		\$108.20
Mileage		\$129.95
Parking		\$81.00
Public Record Search	Pacer	\$7.90
Subscription		\$95.89
Taxi		\$13.10
Telephone		\$4.47
Tolls		\$20.00
Train		\$751.00
Total		\$1,211.51

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**FIFTH AND FINAL FEE APPLICATION OF GAVIN/SOLMONESE LLC, AS
FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED
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IMBURSEMENT OF EXPENSES FOR THE PERIOD FROM
MARCH 8, 2013 THROUGH JULY 12, 2013**

Pursuant to sections 328 and 1103 of Title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Bankruptcy Rules”), and the Court’s Administrative Order Under 11 U.S.C. §§ 330 and 331 Establishing Procedures for Interim Compensation and Expense Reimbursement of Professionals and Committee Members, dated April 11, 2013 (the “Administration Order”) [D.I.168], Gavin/Solmonese LLC (“Applicant” or “G/S”) hereby files this application for final allowance of reasonable compensation with respect to the bankruptcy case of Conexant Systems, Inc., *et al.* (the “Debtors”) for services rendered as the Financial Advisor to the Official Committee of Unsecured Creditors (the “Committee”) for monthly compensation, in the amount of \$535.00, together with the reimbursement for actual and necessary expense incurred in the amount of \$0.00, for the period from July 1, 2013

through and including July 12, 2013 and for final compensation in the amount of \$157,992.50, together with the reimbursement for actual and necessary expenses incurred in the amount of \$1,211.51 (the "Application") for the period from March 8, 2013 through and including July 12, 2013 (the "Compensation Period"). In support of the Application, Applicant submits the affidavit of Edward T. Gavin, CTP attached hereto as Exhibit "A". In further support of the Application, Applicant respectfully represents as follows:

JURISDICTION

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate of the Application are 11 U.S.C. §§ 328 and 1103.

FACTUAL BACKGROUND

4. Conexant Systems, Inc. *et al.* (the "Debtors") filed their voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") on February 28, 2013. Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, the Debtors operate their businesses as Debtors-in-possession. No trustee or examiner has been appointed in these cases.

8. On March 8, 2013, the Office of the United States Trustee, pursuant to Section 1102 of the Bankruptcy Code, appointed the Committee.

9. On May 13, 2013 the Court entered that certain Order Authorizing Employment and Retention *Nunc Pro Tunc* to March 8, 2013 of Gavin/Solmonese LLC as Financial Advisor to the Official Committee of Unsecured Creditors [D.I. 235], approving the Committee's retention of G/S *nunc pro tunc* to March 8, 2013.

COMPENSATION AND REIMBURSEMENT OF EXPENSES

9. Applicant submits this Application to the Bankruptcy Court for an allowance of reasonable compensation for actual and necessary professional services provided to the Committee as its Financial Advisor in this case during the Compensation Period and for reimbursement of actual and necessary out-of-pocket expenses incurred in advising the Committee during the Compensation Period. All included services and costs for which Applicant seeks compensation were performed for, or on behalf of, the Committee during the Compensation Period.

10. By this Application, Applicant thus seeks (a) allowance of monthly compensation in the amount of \$535.00 for services rendered as Financial Advisor during July 1, 2013 through July 12, 2013, (b) allowance of monthly reimbursement in the amount of \$0.00 for expenses incurred and disbursed during July 1, 2013 through July 12, 2013, (c) allowance of final compensation in the amount of \$157,992.50 for services rendered as Financial Advisors during the compensation Period, (d) authority for final payment to the Applicant of 100% of such compensation (\$157,992.50) pursuant to the Administration Order, and (e) allowance of final reimbursement and immediate payment in the amount of \$1,211.51 for expenses incurred and disbursed during the Compensation Period from March 8, 2013 through July 12, 2013, less any previous payments made.

11. Exhibit "B" is a summary covering all the services performed by Applicant with respect to this matter during the Compensation Period. This detailed itemization complies with Local Bankruptcy Rules in that each time entry contains a separate time allotment; a description of the type of activity and the subject matter of the activity; all time is billed in increments of one-tenth of an hour; the time entries are

presented chronologically in categories; and all meetings or hearings are individually identified. Following is the detailed itemization, by task category, of all services performed by Applicant with respect to this matter during the Compensation Period. Non-working travel time (to the extent applicable) is billed at 50% of normal rates.

12. The Applicant has divided its time into the following categories:
 - a. **Asset Disposition (23.80 Hours - \$9,525.00)** This category includes sales, leases (§365 matters), abandonment and transaction work related to asset disposition, including §363 sales and other dispositions of assets.
 - b. **Business Analysis (90.90 Hours - \$42,265.00)** This category includes time spent in the review of debtor's business plan; development and review of strategies; preparation and review of cash flow forecasts and feasibility studies and general review of business matters as they pertain to the bankruptcy case.
 - c. **Case Administration (3.10 Hours - \$1,597.50)** This category includes time spent in coordination and compliance matters including case management tasks; schedules; contacts with the Office of the United States Trustee; general record keeping and documentation requirements.
 - d. **Claims Administration and Objections (64.00 Hours - \$25,345.00)** This category includes general and specific claim inquiries; bar date motions; analyses, objections and allowance of claims.
 - e. **Court Hearing (0.70 Hours - \$357.50)** Time billed to this category includes time related to attending and preparing for hearings held before the United States Bankruptcy Court for the District of Delaware. During

the Compensation Period, the Applicant, among other things, attended hearings before the Bankruptcy Court.

- f. **Data Analysis (41.90 Hours - \$18,397.50)** This category includes time spent reviewing debtor business records, cash flow budgets and forecasts, intellectual property rights, books-and-records and other documentation and general tasks, such as correspondence, teleconferences and record keeping, which are directly related thereto.
- g. **Fee/Employment Application (24.70 Hours - \$9,102.50)** This category includes the preparation and/or review of employment and fee applications for self or others; motions to establish interim procedures.
- h. **Financing (2.50 Hours - \$1,187.50)** Matters under §§ 361, 363 and 364 including cash collateral and secured claims; debtor-in-possession credit facilities; loan document analysis and tasks related thereto.
- i. **Meetings of Creditors (6.60 Hours - \$3,002.50)** Time billed to this category represents the Financial Advisor's interactions with members of and counsel for the Official Committee of Unsecured Creditors.
- j. **Plan and Disclosure Statement (21.40 Hours - \$10,447.50)** This category includes review, discussion of or formulation of actual, theoretical or proposed Plan(s) and/or Disclosure Statement(s), including presentation and confirmation; compliance with plan confirmation orders, if any; and related activities, such as communication and correspondence, related thereto.

- k.* **Travel Time (17.00 Hours - \$4,037.50)** Time billed to this category represents all travel time in connection with this case.
- l.* **Valuation (62.70 Hours - \$32,727.50)** This category relates to preparing or reviewing appraisals of assets.

13. Attached hereto as Exhibit "C" is a summary of the costs actually expended by the Applicant in the performance of services rendered on behalf of the Committee. The costs for which reimbursement is requested total \$1,211.51. The breakdown of the costs includes the rate of copying charges (\$.10/page) and the basis for each rate, telephone charges, facsimile charges (\$1.00/page – outgoing transmission only), messenger service, travel expenses, court reporter services, overnight delivery fees, outside reproduction, legal research and PACER charges. By this Application, the Applicant does not seek expenses for incoming facsimile transmissions.

WHEREFORE, Gavin/Solmonese LLC respectfully requests (i) allowance of monthly compensation in the amount of \$535.00 for professional services rendered and \$0.00 for reimbursement for actual and necessary costs for July 1, 2013 through July 12, 2013; (ii) allowance of final compensation in the amount of \$157,992.50, for professional services rendered and reimbursement for actual and necessary costs in the amount of \$1,211.51 for the period of March 8, 2013 through July 12, 2013. Immediate payment of \$157,992.50 which is 100% of the allowed compensation of \$157,992.50, less any previous payments made, (iii) allowance and immediate payment of 100% of the allowed actual and necessary costs of \$1,211.51, less any previous payments made; and (iv) such other and further relief as this Court deems necessary and just.

Dated: August 12, 2013



Edward T. Gavin, CTP
Gavin/Solmonese LLC
919 N. Market Street, Suite 600
Wilmington, DE 19801
(302) 655-8997 ext. 151

EXHIBIT “A”

**IN THE UNITED STATES BANKRUPTCY COURT
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In re:)	Chapter 11
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CONEXANT SYSTEMS, INC., <i>et</i>)	Case No. 13-10367 (MFW)
<i>al.</i> ,)	
)	(Jointly Administered)
Debtors.)	

AFFIDAVIT OF EDWARD T. GAVIN, CTP

STATE OF DELAWARE)	
)	SS.
NEW CASTLE COUNTY)	

BE IT REMEMBERED, that on this 12th day of August, 2013, personally appeared before me, the Subscriber, a Notary Public for the State and County aforesaid, **EDWARD T. GAVIN, CTP**, and being duly sworn according to law, deposes and says as follows:

1. I am a Managing Director of the firm of Gavin/Solmonese LLC (“G/S”), which has served as Financial Advisor to the Official Committee of Unsecured Creditors of the above-referenced bankruptcy case.

2. I have read the foregoing Application of G/S for allowance of compensation and reimbursement of expenses and know the contents thereof and that the same are true and correct, to the best of my knowledge, information and belief.

3. As noted in the Application for Employment of G/S, G/S is a national firm with a well-established reputation in providing financial and management advisory services. Including NHB Advisors, which G/S is in the process of acquiring, G/S has

two Managers, One Shareholder Principal: Edward T. Gavin, CTP (the "Shareholder Principal") and two non-shareholder Principals, several Employees, Independent Contractors or Managing Directors, Senior Consultants, and other associates (collectively, the "Associates"). The Shareholder Principal owns a separate business entity (corporation, limited liability company, or other legal entity) of which the Shareholder Principal is the primary employee. This entity provides the services of the Shareholder Principal to G/S and its clients pursuant to independent contractor agreements between each such entity and G/S. Compensation received by the Shareholder Principal's business entities is unrelated to fees received by G/S from any particular client. Compensation received by Employees is substantially unrelated to fees received by G/S from any particular client. Entities controlled by the non-shareholder Principal and Associates also have written employment and independent contractor agreements with G/S pursuant to which they provide services to G/S and its clients. Each of the non-shareholder Principal and Associates through their respective business entities does all or substantially all of its business with G/S. Compensation received by such entities is based in substantial part upon fees received by G/S from each of G/S's clients. Other than the foregoing, there is no agreement or understanding between G/S, and any other person for a division of compensation as consultants to the Debtor.

4. No division prohibited by the Bankruptcy Code will be made by G/S.

5. The undersigned hereby certifies, in accordance with Del. Bankr. L.R. 2016-2(f), that he has reviewed Del. Bankr. L.R. 2016-2, this Application and the

exhibits thereto, and that such Application and its exhibits comply with Del. Bankr.

L.R. 2016-2.

6. No agreement prohibited by Title 18, Section 155 has been made.



Edward T. Gavin, CTP

SWORN TO AND SUBSCRIBED before me this 12th day of August, 2013.


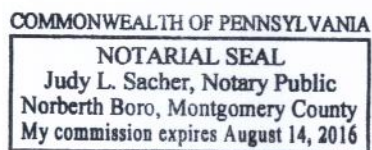

NOTARY PUBLIC

EXHIBIT “B”

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Train		\$751.00
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Gavin/Solmonese, LLC
919 N. Market Street
Suite 600
Wilmington, DE 19801

Invoice submitted to:
Conexant System, Inc. et al
C/O James S. Carr, Esq.
Kelley Drye & Warren LLP
101 Park Avenue
New York, NY 10178

Invoice #23304 Services Through 7/15/2013

Total Professional Fees	\$535.00
Expenses	\$0.00
Total This Invoice	\$535.00

Balance due	\$535.00
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Please remit to the address shown:

Wire transfer instructions:

ABA# 031-000053
Account #86-0583-9972
PNC Bank, N.A. Philadelphia, PA
Telephone notification to Judy Sacher - (302) 655-8997

Principal _____

Conexant System, Inc. et al

		Consultant Summary	
Name		Hours	Amount
Wayne P. Weitz		1.00	\$475.00
Edward T. Gavin, CTP		0.10	\$60.00
Professional Services			
		Hours	Amount
7/11/2013 - WPW	Fee/Employment Application Review invoice and fee application	1.00	475.00
7/12/2013 - ETG	Plan and Disclosure Statement Corr. WPW re: Plan effective date	0.10	60.00
For professional services rendered		1.10	\$535.00