

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

---

In re:	)	Chapter 11
	)	
CONEXANT SYSTEMS, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 13-10367 (MFW)
	)	
	)	
Debtors.	)	Joint Administration Requested
	)	
	)	<b>Related to Docket No. 6</b>

---

**INTERIM ORDER AUTHORIZING THE DEBTORS TO (A) CONTINUE TO OPERATE THEIR CASH MANAGEMENT SYSTEM; (B) MAINTAIN EXISTING BUSINESS FORMS; AND (C) GRANT ADMINISTRATIVE PRIORITY FOR INTERCOMPANY CLAIMS AND PERFORM UNDER CERTAIN INTERCOMPANY ARRANGEMENTS AND HISTORICAL PRACTICES**

Upon the motion (the "*Motion*")<sup>2</sup> of the Debtors for entry of an order (this "*Order*") pursuant to sections 363, 364, 365, 503, 507, 1107(a) and 1108 of the Bankruptcy Code, Rules 6003 and 6004(h) of the Bankruptcy Rules and Rules 2015-2 and 9013-1(m) of the Local Rules, (a) authorizing the Debtors to (i) continue to operate the Cash Management System, (ii) maintain existing business forms and (iii) grant administrative priority for Postpetition Intercompany Claims and perform under certain intercompany arrangements and historical practices, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C.

---

<sup>1</sup> 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

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

§ 157(b)(2); and venue being proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion being adequate and appropriate under the particular circumstances; and a hearing having been held to consider the relief requested in the Motion (the “*Hearing*”); and upon consideration of the First Day Declaration, the record of the Hearing and all proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors’ estates, their creditors and other parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and any objections to the requested relief having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Motion is granted to the extent provided herein.
2. The Debtors are authorized to continue using the Cash Management System as described in the Motion.
3. The Debtors and their duly appointed agents and custodians are authorized to:  
(a) continue operating the Cash Management System; (b) honor certain prepetition obligations related to the Cash Management System; and (c) maintain existing business forms.
4. The Debtors are also authorized to: (a) continue to use, with the same account numbers, the Bank Accounts in existence on the Petition Date, including those accounts identified on **Exhibit 1** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (c) use, in their present form, all correspondence and business forms (including letterhead, purchase orders and invoices) and other documents related to the Bank Accounts, without reference to their status as debtors in possession.

5. Nonetheless, as soon as practicable after the Petition Date, the Debtors will include "Debtor-In-Possession" on the checks they print electronically. Further, upon depletion of the Debtors' check stock and/or business forms stock, the Debtors will obtain new check stock and/or business forms stock reflecting their status as debtors in possession.

6. Except as otherwise expressly provided in this Order, the Banks are authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor and pay any and all checks, drafts, wires and ACH issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided, however*, that any check, advise, draft or other notification that the Debtors advised the Banks to have been drawn, issued or otherwise presented before the Petition Date may be honored by the banks only to the extent authorized by order of the Court.

7. Notwithstanding any other provision of this Order, no Bank that honors a prepetition check or other item drawn on any account that is the subject of this Order (a) at the direction of the Debtors, (b) in good faith belief that the Court has authorized such prepetition check or item to be honored or (c) as the result of an innocent mistake made despite implementation of reasonable item handling procedures, shall be deemed to be liable to the Debtors or their estates or otherwise in violation of this Order.

8. The Banks are authorized to charge, and the Debtors are authorized to pay, honor or allow the Bank Fees, and charge back returned items to the Bank Accounts in the ordinary course.

9. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the

Debtors under any approved debtor-in-possession financing facility, or budget in connection therewith, or any order regarding the use of cash collateral approved by this Court in these cases.

10. No liens on any of the Bank Accounts granted to any creditors shall take priority over the Bank Fees of the respective Bank at which the account is located.

11. The Debtors are authorized to open any new Bank Accounts or close any existing Bank Accounts as they may deem necessary and appropriate in their sole discretion; *provided, however,* that in the event that the Debtors open or close any additional bank accounts, such opening or closing shall be subject to consent of the Debtors' prepetition secured lender and debtor in possession lender; *provided further, however,* that in the event that the Debtors open or close any additional bank accounts, such opening or closing shall be timely indicated on the Debtors' monthly operating reports and notice of such opening or closing shall be provided to the Office of the United States Trustee for the District of Delaware and counsel to any official committee of unsecured creditors appointed in these cases (subsequent to its appointment) within fifteen (15) days, provided, further, however, that the Debtors shall open such new bank account(s) at banks that have executed a uniform depository agreement with the Office of the United States Trustee for the District of Delaware, or at such banks that are willing to immediately execute such an agreement.

12. The Debtors are authorized to continue performing Intercompany Transactions in the ordinary course of business and to honor and pay obligations in connection with postpetition Intercompany Transactions in an aggregate amount not to exceed \$1,300,000 during the interim period. In addition, all Intercompany Claims against a Debtor by another Debtor affiliate arising after the Petition Date shall be accorded administrative expense priority in accordance with sections 364(b), 503(b) and 507(a)(2) of the Bankruptcy Code; *provided, however,* that all

Intercompany Claims shall be junior in priority to any liens granted in connection with the approval of any debtor-in-possession financing facility, including any adequate protection liens.

13. The Debtors are authorized to direct the Banks and such Banks are authorized and hereby directed to pay obligations (including, for the avoidance of doubt, obligations arising before the Petition Date) in accordance with this or any separate order of this Court.

14. With respect to the Banks that are party to a Uniform Depository Agreement with the U.S. Trustee (each an "*Authorized Depository*"), the Debtors shall, within 15 days after the entry of this Order, (a) contact each Authorized Depository, (b) provide each Authorized Depository with each of the Debtors' employer-identification numbers and (c) identify each of the Debtors' accounts held by such Authorized Depository as being held by a debtor in possession.

15. With respect to the Banks that are not an Authorized Depository, the Debtors shall make a good faith effort to cause such Banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within 45 days of the date of this Order.

16. Except as otherwise provided in this Order or in a separate order of the Court, the Banks shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued before the Petition Date.

17. In connection with the ongoing utilization of the Cash Management System, the Debtors shall continue to maintain records with respect to all transfers of cash so that all transactions (including Intercompany Transactions) may be readily ascertained, traced, recorded properly, and distinguished between prepetition and postpetition transactions and shall make such records available to the Office of the United States Trustee for the District of Delaware upon request.

18. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

19. As soon as practicable after entry of this Order, the Debtors shall serve a copy of this Order on those Banks that make disbursements pursuant to the Debtors' Cash Management System.

20. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

21. The requirements set forth in Bankruptcy Rule 6003(b) and (c) are satisfied by the contents of the Motion.

22. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, this Order shall be immediately effective and enforceable upon its entry. The Final Hearing on the Motion shall be held on April 10, 2013 at 11:30 a.m./~~p.m.~~ prevailing Eastern Time. Any objections or responses to entry of the proposed Final Order shall be filed **seven days before** the Final Hearing and served on the following parties: (a) the Debtors, 4000 MacArthur Blvd., Newport Beach, California 92660, Attn: Dennis Gallagher, Esq.; (b) proposed counsel for the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Joshua A. Sussberg, Esq.; (c) proposed co-counsel for the Debtors, Klehr Harrison Harvey Branzburg LLP, 919 N. Market Street, Suite 1000, Wilmington, Delaware 19801, Attn: Domenic E. Pacitti, Esq.; (d) counsel to the senior secured noteholders, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Michael S. Stamer, Esq.; (e) counsel to Golden Gate Private Equity, Inc., DLA Piper, 203 North LaSalle Street, Suite 1900, Chicago, Illinois 60601, Attn: Chris L. Dickerson, Esq.; (f) counsel to

August Capital, Cooley LLP, 101 California Street, 5th Floor, San Francisco, California 94111-5800, Attn: Robert L. Eisenbach III, Esq.; (g) counsel to any statutory committee appointed in these chapter 11 cases; and (h) the office of the United States Trustee for the District of Delaware, Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Tiiara Patton, Esq. In the event no objections to entry of the Final Order are timely received, the Court may enter the Final Order without need for the Final Hearing.

23. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this Order.

Date: March, 2013  
Wilmington, Delaware

  
\_\_\_\_\_  
United States Bankruptcy Judge