

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
CONEXANT SYSTEMS, INC., <i>et al.</i> ,)	Case No. 13-10367 (MFW)
)	Jointly Administered
Debtors.)	Related to Docket No. 512

**OBJECTION OF PRES-4340 VON KARMAN, LP TO MOTION OF
LIQUIDATING TRUSTEE FOR ORDER EXTENDING DEADLINE TO
OBJECT TO GENERAL UNSECURED CLAIMS TO NOVEMBER 19, 2014**

PRES-4340 Von Karman, LP ("**PRES**") hereby appears by and through its undersigned counsel and files this Objection (the "**Objection**") of PRES-4340 Von Karman, LP to Motion of Liquidating Trustee For Order Extending Deadline to Object to General Unsecured Claims to November 19, 2014 (the "**Motion**") and states in support of this Objection as follows:

BACKGROUND

1. On February 28, 2013 (the "**Petition Date**"), Conexant Systems, Inc. (the "**Debtor**") filed a voluntary petition for relief pursuant to chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**").

2. As of the Petition Date, PRES, as landlord, and the Debtor, as tenant, were parties to that certain written lease dated December, 2001, as amended (the "**Lease**"), pursuant to which the Debtor leased certain non-residential real property located at 4340 Von Karman Avenue, Newport Beach, California 92660 (the "**Premises**"). The Premises covered by the Lease consisted of an office building containing approximately 64,849 rentable square feet of floor area.

3. On or about February 28, 2013, the *Debtors' Motion for Entry of an Order Authorizing the Rejection of Certain Unexpired Leases, Effective Nunc Pro Tunc to the Petition Date* [Docket No. 18] (the "**Lease Rejection Motion**") was filed. The Lease Rejection Motion sought Court approval to reject the Lease, among other leases.

4. PRES objected to the Lease Rejection Motion, and thereafter the Debtor and PRES reached a settlement of PRES' objection which included, *inter alia*, PRES receiving an allowed non-priority general unsecured claim of \$4.5 million against the Debtor that was not subject to objection, disallowance, reduction or setoff by any party (the "**PRES Unsecured Claim**"). The Court subsequently approved the settlement including the PRES Unsecured Claim.

5. Thereafter, on June 6, 2013, the Court entered an order (the "**Confirmation Order**") confirming the *Second Modified Joint Plan of Reorganization of Conexant Systems, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Plan**") and approving the Liquidating Trust Agreement and Declaration of Trust (the "**Liquidating Trust Agreement**"). The Plan became effective on July 12, 2013.

6. The Plan and Confirmation Order provided for the establishment of a liquidating trust (the "**Trust**") as of the Plan effective date, and the liquidating trustee under the Liquidating Trust Agreement (the "**Trustee**") was vested with authority to object to, settle, compromise and otherwise administer all claims against the Debtor's estate.

7. Further, the Plan provided that all objections to claims must be filed before the Claims Objection Deadline, which was initially calculated to be January 8, 2014. However, that deadline was extended through September 5, 2014 by orders of this Court dated January 7, 2014 and May 29, 2014.

OBJECTION AND ARGUMENT

8. In the Motion, the Trustee seeks yet another extension of the Claims Objection Deadline through and including November 19, 2014, asserting that “[t]he requested extension of the Claims Objection Deadline will not prejudice any claimant or other party in interest... .” Motion, Paragraph 21. Further, the Motion leaves open the possibility that the Trustee will seek subsequent extensions of the Claims Objection Deadline, even though the Motion itself recites that only two (2) unsecured claims remain to be administered.

9. PRES is a party in interest in this bankruptcy case, and PRES will be greatly prejudiced by another extension of the Claims Objection Deadline. PRES was deeply harmed by the Debtor’s rejection of its Lease, and suffered significant lease rejection damages and an adverse and serious impact on its cash flow.

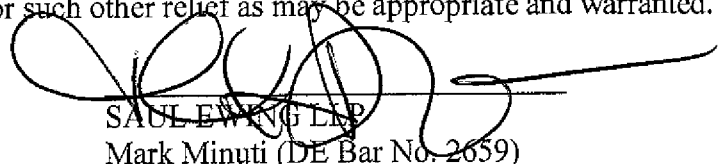
10. In response to the Lease Rejection Motion, PRES negotiated for the PRES Unsecured Claim in an effort to recoup some of its losses, but PRES will not enjoy the benefit of its bargain for the PRES Unsecured Claim as long as the Claims Objection Deadline is repeatedly extended, preventing PRES from receiving its distribution.

11. PRES implores this Court to urge the Trustee to finish claims administration and wrap up this case as quickly and efficiently as possible, well before the November 19, 2014 requested new deadline. While PRES is not asserting that anything inappropriate is going on, PRES is understandably anxious to receive its distribution to help relieve some of its own continuing and mounting losses.

12. If this Court grants the Motion and again extends the Claims Objection Deadline, PRES requests that this be the final extension, and that no further extensions should be requested

or approved, in order to allow holders of unsecured claims—like PRES—to receive their much needed distributions.

For all the reasons recited above, PRES urges this Court to (i) deny the Motion; or if the Motion is granted, to (ii) order that no further extensions of the Claims Objection Deadline shall be requested or approved, and (iii) for such other relief as may be appropriate and warranted.



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