

Exhibit B

Pacitti Declaration

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 |
| |) | |

**DECLARATION OF DOMENIC E. PACITTI IN SUPPORT OF THE
DEBTORS' APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING
THE EMPLOYMENT AND RETENTION OF KLEHR HARRISON HARVEY
BRANZBURG LLP AS CO-COUNSEL *NUNC PRO TUNC* TO THE PETITION DATE**

1. My name is Domenic E. Pacitti.
2. I am a partner at the law firm of Klehr Harrison Harvey Branzburg LLP ("*Klehr Harrison*"), located at 919 N. Market Street, Wilmington, Delaware 19801.
3. I am authorized to submit this declaration in support of the application (the "*Application*") of the Debtors for entry of an order, pursuant to sections 327(a) and 330 of title 11 of the United States Code (the "*Bankruptcy Code*"), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "*Local Rules*"), authorizing the Debtors to employ and retain

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.

Klehr Harrison as co-counsel *nunc pro tunc* to February 28, 2013 (the "*Petition Date*"). Except as otherwise noted, I have personal knowledge of the matters set forth herein.

Klehr Harrison's Qualifications

4. I believe Klehr Harrison's extensive experience and knowledge in the field of debtors' and creditors' rights and business reorganizations under chapter 11 of the Bankruptcy Code and its expertise, experience and knowledge in practicing before this Court makes Klehr Harrison both well qualified and uniquely able to represent the Debtors in these chapter 11 cases in an efficient and timely manner.

Services to Be Provided

5. Subject to further order of the Court and consistent with the Engagement Letter, Klehr Harrison will provide the following services to the Debtors:²

- a. advise the Debtors of their rights, powers and duties as debtors and debtors in possession;
- b. take all necessary action to protect and preserve the Debtors' estates, including the prosecution of actions on the Debtors' behalf, the defense of any actions commenced against the Debtors, the negotiation of disputes in which the Debtors are involved and the preparation of objections to claims filed against the Debtors' estates;
- c. prepare all necessary motions, applications, answers, orders, reports and papers in connection with the administration of the Debtors' estates; and
- d. perform all other necessary legal services in connection with these chapter 11 cases.

² The summary of the Engagement Letter provided herein is qualified in its entirety by the Engagement Letter. In the case of any inconsistency between this summary and the Engagement Letter, the Engagement Letter shall govern.

6. Klehr Harrison understands that the Debtors have filed an application to retain and employ Kirkland & Ellis LLP (“*K&E*”) as co-counsel to Klehr Harrison in these chapter 11 cases. Klehr Harrison intends that its services will complement, and not duplicate, the services to be rendered by K&E. Indeed, Klehr Harrison is extremely mindful of the need to avoid duplication of services and will implement appropriate procedures to ensure that there is minimal, if any, duplication.

Professional Compensation

7. Klehr Harrison intends to apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with these chapter 11 cases, subject to the Court’s approval and in compliance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the guidelines established by the United States Trustee for the District of Delaware (the “*U.S. Trustee*”) and any other applicable procedures and orders of the Court. To that end, Klehr Harrison intends to submit requests for compensation in accordance with the compensation procedures proposed in the *Debtors’ Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* upon approval by this Court.

8. In accordance with section 330(a) of the Bankruptcy Code, and as set forth in the Engagement Letter, compensation will be payable to Klehr Harrison on an hourly basis, plus reimbursement of actual, necessary expenses and other charges incurred by Klehr Harrison in connection with these chapter 11 cases. Klehr Harrison’s hourly rates are set at a level designed to compensate Klehr Harrison for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned. These hourly rates are subject to periodic adjustments to reflect economic

and other conditions and are consistent with the rates charged elsewhere. The current range of rates charged by professionals are:

| <u>Billing Category</u> | <u>Range</u> |
|-------------------------|--------------|
| Partners | \$400 - 660 |
| Of Counsel | \$325 - 400 |
| Associates | \$250 - 385 |
| Paraprofessionals | \$150 - 185 |

In particular, the principal attorneys and the paralegal presently designated to represent the Debtors, and their current stated hourly rates, are: Morton R. Branzburg (partner \$650.00/hour); Domenic E. Pacitti (partner \$550.00/hour); Michael Yurkewicz (counsel \$400.00/hour); Margaret M. Manning (associate \$375.00/hour); and Melissa Hughes (paralegal \$180.00/hour). The Debtors believe that these hourly rates are reasonable.

9. On February 11, 2013, the Debtors advanced a retainer of \$100,000.00 to Klehr Harrison in connection with the planning and preparation of the Debtors' chapter 11 filings and its proposed representation of the Debtors (the "*Retainer*"). Prior to the Petition Date on February 27, 2013, Klehr Harrison was paid \$48,652.50 from the Retainer on account of prepetition services and disbursements in connection with the planning and preparation of the Debtors' chapter 11 filings. The remainder of the Retainer paid to Klehr Harrison and not expended for prepetition services and disbursements (\$51,347.50) will be treated as a classic retainer (*i.e.*, earned by Klehr Harrison upon receipt) and will be applied against final invoices.

10. As of the Petition Date, the Debtors do not owe Klehr Harrison any fees for legal services performed or expenses incurred under the Engagement Letter before the Petition Date.

Klehr Harrison's Disinterestedness

11. Klehr Harrison has reviewed the list of parties in interest provided by the Debtors. To the best of my knowledge and information as of the date hereof, and except to the extent

disclosed in this declaration, Klehr Harrison (a) is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, (b) does not hold or represent an interest adverse to the Debtors' estates and (c) has no connection to the Debtors, their creditors or their related parties except as provided in the chart attached hereto as Schedule 2 and incorporated herein.

12. To conduct these searches, Klehr Harrison searched each of the names compiled by the Debtors as well as certain known professionals in these cases. A list of the names of each of the entities searched is attached hereto as Schedule 1 and incorporated herein.

13. All of the matters disclosed on Schedule 2 are unrelated to the Debtors and these cases. Klehr Harrison believes that its representation of or connections with the entities (and certain of their affiliates) described on Schedule 2 in matters unrelated to these cases have not and will not affect Klehr Harrison's representation of the Debtors in these chapter 11 cases.

14. If an actual conflict arises between the Debtors and any entity in Schedule 2 that is a client of Klehr Harrison at the time such conflict arises, Klehr Harrison will advise the Debtors of such circumstances and, to the extent necessary or appropriate, either seek a waiver from such entity or have the Debtors utilize conflicts counsel to handle such matter.

15. The Debtors have numerous relationships and creditors. Consequently, although every reasonable effort has been made to discover and eliminate the possibility of any connection or conflict, including the efforts outlined above, Klehr Harrison is unable to state with certainty whether any more of its clients or such clients' affiliated entities hold claims or otherwise are parties in interest in these chapter 11 cases. If Klehr Harrison discovers any information that is contrary to or pertinent to the statements made herein, Klehr Harrison will promptly disclose such information to the Court on notice to the creditors and the United States Trustee for the District of Delaware.

16. To the best of my knowledge and information, and except as set forth herein, neither Klehr Harrison nor any attorney at the firm has any connection with the Debtors or any other significant parties-in-interest and does not hold or represent any interest adverse to the estates.

17. From time to time, Klehr Harrison works with certain professional firms that have been retained by the Debtors or other parties in these cases and that may be rendering advice to other parties in interest in these chapter 11 cases.

18. From time to time, Klehr Harrison may represent other parties-in-interest in matters unrelated to the Debtors or these chapter 11 cases. Klehr Harrison will promptly file with the Court a supplemental declaration if and when any further connections between it and such parties-in-interest are discovered.

19. To the best of my knowledge, neither Klehr Harrison nor any attorney at the firm is a creditor, an equity security holder or an insider of the Debtors.

20. In addition, due to the size and diversity of its practice, Klehr Harrison may have represented or otherwise dealt with, and may now be representing or otherwise dealing with various persons (and their attorneys and accountants) who are or may consider themselves creditors, equity security holders or parties-in-interest in this case but who are not presently identified as creditors or equity security holders. However, such representation or involvement, if any, does not relate to the Debtors or their estates.

21. Klehr Harrison has represented the Debtors only in connection with the preparation for, filing of and matters relating to these chapter 11 cases.

22. No agreement exists, nor will any be made, to share any compensation received by Klehr Harrison for its services with any other person or firm.

23. Furthermore, to the best of my knowledge there is no existing or potential conflict between Klehr Harrison and Golden Gate Private Equity, Inc., which manages funds that hold approximately 79.8% of the outstanding and issued common stock of Conexant Systems, Inc. (“*GGC*”), or QP SFM Capital Holdings, Ltd. (and its affiliates), which is the sole holder of the Debtors’ prepetition secured notes (“*Soros*”). As stated in the application to retain and employ K&E as the Debtors’ counsel, Klehr Harrison will handle any matters adverse to *GGC* or *Soros* during the course of these chapter 11 cases.

24. Klehr Harrison will periodically review its files during the pendency of these chapter 11 cases to ensure that no conflicts or other disqualifying circumstances exist or arise. To the extent that Klehr Harrison discovers any new relevant facts or relationships bearing on the matters described herein during the period of Klehr Harrison’s retention, Klehr Harrison will use reasonable efforts to file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

Specific Disclosures

25. As specifically set forth in **Schedule 2**, there exist potential parties-in-interest for whom Klehr Harrison recently has provided or is currently providing services in matters unrelated to these chapter 11 cases or with whom such parties have certain interrelationships. Nevertheless, the Debtors have advised Klehr Harrison that the Debtors’ relationships to each other do not pose any conflict of interest because of the general unity of interest among the Debtors. Insofar as I have been able to ascertain, I know of no conflict of interest that would preclude Klehr Harrison from providing services to the Debtors in these chapter 11 cases.

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

Executed on: March 14, 2013

By: 

Domenic E. Pacitti
Partner
Klehr Harrison Harvey Branzburg LLP

Schedule 1

The following lists contain the names of reviewed entities as described more fully in the *Declaration of Domenic E. Pacitti in Support of the Debtors' Application for the Entry of an Order Authorizing the Retention and Employment of Klehr Harrison Harvey Branzburg LLP as Co-Counsel for the Debtors and Debtors in Possession Effective Nunc Pro Tunc to the Petition Date* (the "**Pacitti Declaration**").¹ Where the names of the entities reviewed are incomplete or ambiguous, the scope of the search was intentionally broad and inclusive, and Klehr Harrison Harvey Branzburg LLP reviewed each entity in its records, as more fully described in the Pacitti Declaration, matching the incomplete or ambiguous name.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Sussberg Declaration.

SCHEDULE 1(a)

Current and Recent Former Entities Affiliated with the Debtors

Brooktree Broadband Holding, Inc.
Conexant Broadband Communications (Shanghai) Co. Ltd.
Conexant Broadband Communications (Shenzhen) Co. Ltd.
Conexant CF, LLC
Conexant Digital Television (Chengdu) Co., Ltd.
Conexant Foreign Sales Corporation
Conexant Holdings, Inc.
Conexant Korea Ltd.
Conexant Systems (Japan) Company Ltd.
Conexant Systems Asia Pacific Limited
Conexant Systems Germany GmbH
Conexant Systems Private Ltd.
Conexant Systems Singapore Pte. Ltd
Conexant Systems Taiwan Co. Ltd.
Conexant Systems UK Limited
Conexant Systems Worldwide, Inc.
Conexant Systems, Inc.
Conexant, Inc.
Gold Holdings, Inc.

SCHEDULE 1(b)

Current and Recent Former Directors and Officers of the Debtors

Artusi, Daniel
Balakrishnan, S. Iyer
Bendush, William E.
Bilodeau, Steven J.
Boulanger, Jasmina
Chittipedi, Sailesh
Cremens, Charles
Decker, Dwight W.
Diekroeger, Ken
Dominik, David
Elbaz, Michael
Farrill, F. Craig
Gallagher, Dennis
Hu, Jean
Knoll, John
Levan, Randolph
Massengill, Matthew E.
Mercer, Scott
Mercer, Scott D.
Mills, Carl
Peterson, Mark
Rappaport, Andy
Scherp, Christian
Stead, Jerre L.
Tedla, Solomon
Walker, David

SCHEDULE 1(c)

Banks

Comerica
Silicon Valley Bank
Wells Fargo

SCHEDULE 1(d)

Indenture Trustee

Bank of New York Mellon Trust Co. NA

SCHEDULE 1(e)

Insurers

ACE
Arch Insurance
FCIA Management Co.
Federal Insurance
Lexington Insurance
Risk Specialists Cos.
Travelers
Travelers Property Casualty

SCHEDULE 1(f)

Landlords

4000 MacArthur LP
Boston Properties LP
Cornerstone Office Center LLC
Cushman Wakefield
ELPF Scranton Road LP
Jones Lang LaSalle
La Société Civile Immobilière
PRES-4340 Von Karman LP
Uptown Newport LP

SCHEDULE 1(g)

Litigation Parties

Advanced Processor Technologies (APT)
Analog Devices Inc.
The Boeing Co.
Dawson, Christopher
Dawson, Debra
Fan, Xin
Innovative Communications LLC
Konica-Minolta (related litigation)
Meyer Properties
Pacific Club, The
Telecomm Innovations
TiVo Inc.

SCHEDULE 1(h)

Noteholder

QP SFM Holdings Ltd.
Soros Fund Management LLC

SCHEDULE 1(i)

Professionals

Akin Gump Strauss Hauer & Feld LLP
Alvarez & Marsal North America, LLC
The Blackstone Group
BMC Group Inc.
Huntley Mullaney Spargo & Sullivan Inc.
Joele Frank

SCHEDULE 1(i)

Shareholders

August Capital
Golden Gate Private Equity, Inc.

SCHEDULE 1(k)**Significant Customers**

| | |
|---|--|
| 2001 Electronics Components Ltd. | LG Electronics Inc. |
| Advanced Digital Broadcast SA | LG Innotek Co. Ltd. |
| Alps Electronics Hong Kong Ltd. | Metatech (S) Pte. Ltd |
| Arrow Electronics Inc. | Metatech Ltd. |
| Asian Information Technology Inc. | Motorola |
| Avnet Embedded | Multi-Tech Systems |
| Avnet Sunrise Ltd. | Optotel AS |
| Cal-Comp Electronics (Thailand) | Philips Electronics Hong Kong Ltd. |
| Cal-Comp Optical Electronics | Pintarmas Sdn Bhd |
| Canon Engineering Hong Kong | Plantronics Inc. |
| Canon Engineering Hong Kong Co. Ltd. | Primax Electronics Ltd. |
| Canon Korea Business Solution Inc. | PTT Co. Ltd. |
| Canon Vietnam Co. Ltd | Radicom Research Inc. |
| Chipus Microeletronica Servicos de Engenharia Elétrica Ltda. | Risco Ltd. |
| Codico GmbH | RTI Holdings Ltd. |
| Consystem SRL | Samsung |
| DSD Microtechnology | Samsung Electronics |
| DTR Electronics Ltd. | Sanmina-Sci Corp. |
| EN ElectronicNetwork Hersfeld GmbH | Sennheiser |
| EquipIC Supply Chain LLC | Sennheiser Communications AS |
| Excelpoint Systems (Pte) Ltd. | Sertek Inc. |
| Flextronics International | Sertek Ltd. |
| Flextronics Technologies | Sindoh (China) Co. Ltd. |
| Flextronics Technology | Taiwan Semiconductor Manufacturing Co. 8 |
| Flextronics Technology (I) Pvt Ltd. | Technocom Systems Sdn Bhd |
| Foxxconn Technology Group | Teco Image Systems Co. Ltd. |
| Fujitsu Technology Solutions GmbH | Tokyo Electron Device Ltd. |
| GJ Partners BV | Universal Global Scientific |
| GN Netcom AS | Universal Scientific Industrial |
| Hauppauge Digital Inc. | Unotel Co. Ltd. |
| Hewlett-Packard Asia | USI Electronics (Shenzhen) Co. Ltd. |
| Hon Hai Precision Industry Co. Ltd. | Verifone Inc. |
| Humax Co. Ltd. | Verifone Singapore Pte Ltd. |
| Jabil Vietnam Co. Ltd. | Via Design |
| Kanematsu Corp. | Wong's Electronics Co. Ltd. |
| Kanematsu Semiconductor | World Electric (Thailand) Ltd. |
| Lenovo Group | Zoom Telephonic Inc. |
| | Zoom Telephonics |

SCHEDULE 1(I)

Significant Vendors

Advanced Semiconductor Engineering
American Express
Amkor Technology Inc.
Arm Ltd.
Blue Cross of California
Cadence Design Systems Inc.
Cass Information Systems Inc.
Computer Packages Inc.
Ernst & Young LLP
Grace Semiconductor
IBM Microelectronics
Jackson Walker LLP
Jazz Semiconductor
nVision Global Technology
Powertech Technology Inc.
San Diego Gas & Electric Co.
Sigurd Microelectronics Corp.
Silterra Malaysia Sdn Bhd
SMIC Beijing
STATS ChipPAC
Synopsys Inc.
Taiwan Semiconductor Manufacturing Co.
TargetCW
Test Advantage Capital
United Microelectronics Corp. (UMC Group)

SCHEDULE 1(m)

Taxing Authorities

Arizona Department of Revenue
Boulder Department of Finance, Sales/Use Tax Division (CO)
California Board of Equalization
California Franchise Tax Board
Colorado Department of Revenue
Delaware Secretary of State
Florida Department of Revenue
Illinois Department of Revenue
Illinois Department of Revenue, Retailer Occupation Tax
Maryland Comptroller
Massachusetts Department of Revenue
New Jersey Division of Taxation, Revenue Processing Center
New Jersey Division of Taxation, Revenue Processing Center, Use Tax
Newport Beach, City of (CA)
North Carolina Department of Revenue
Orange County Treasurer (CA)
Oregon Department of Revenue
Pennsylvania Department of Revenue
San Diego City Treasurer (CA)
San Diego County Treasurer (CA)
South Coast Air Quality Management District
Texas Comptroller of Public Accounts
United States Department of the Treasury, Internal Revenue Service Center
Washington Department of Revenue

SCHEDULE 1(n)

Top 30 Unsecured Creditors

4000 Macarthur LP
Advanced Semiconductor Engineering
Amkor Technology Inc.
Audyssey Laboratories Inc.
Boston Properties LP
Cadence Design Systems Inc.
ELPF Scranton Road LP
Farjami & Farjami LLP
Global Testing Corp.
Grace Semiconductor
Greatek Electronics Inc.
IBM Microelectronics
IRS - Internal Revenue Service
Jackson Walker LLP
Jazz Semiconductor
MoreDirect Inc.
Powertech Technology Inc.
PRES-4340 Von Karman LP
SAP America Inc.
Sigurd Microelectronics Corp.
Silterra Malaysia Sdn Bhd
Stats Chippac Ltd.
Statschippac (BVI) Ltd.
Synopsys Inc.
Target Compiler Technologies Inc.
Test Advantage Capital
True Partners Consulting LLC
TSMC North America
UMC Group (USA)
Uptown Newport LP

SCHEDULE 1(o)

United States Trustee and Court Personnel for the District of Delaware
(and Key Staff Members)

Buchbinder, David
Carey, Kevin J.
DeAngelis, Roberta A.
Dortch, Shakima L.
Fitzgerald, Judith K.
Giordano, Diane
Green, Christine
Gross, Kevin
Hackman, Benjamin
Heck, Jeffrey
Kenney, Mark
Klauder, David
Leamy, Jane
Murray, Tony
O'Malley, James R.
O'Neal, Lauren
Panacio, Michael
Patton, Tiara
Sarkessian, Juliet
Schepacarter, Richard
Shannon, Brendan L.
Sontchi, Christopher S.
Tinker, T. Patrick
Vinson, Ramona
Walrath, Mary F.
Walsh, Peter J.
West, Michael
Wynn, Dion

SCHEDULE 2

| Creditor, Party-in-Interest or Affiliate | Relationship to the Debtors | Nature of Connection with Klehr Harrison Harvey Branzburg LLP |
|--|--|--|
| Alvarez & Marsal North America, LLC | Proposed Financial Advisor to the Debtors | Klehr Harrison is counsel to certain parties in matters wholly unrelated to the Debtors in which Alvarez & Marsal North America, LLC is the financial advisor for such parties. |
| The Bank of New York Mellon | Indenture Trustee | Klehr Harrison previously represented The Bank of New York Mellon in a matter wholly unrelated to the Debtors. |
| The Boeing Company | Boeing Capital Loan Corporation | Klehr Harrison previously represented Boeing Capital Loan Corporation (which may be affiliated with The Boeing Company, in matters wholly unrelated to the Debtors. |
| California Franchise Tax Board | Taxing Authority | Klehr Harrison previously represented the California Franchise Tax Board in a matter wholly unrelated to the Debtors. |
| Kelley Drye & Warren LLP | Proposed co-counsel to the official committee of unsecured creditors | Klehr Harrison is counsel to certain parties in matters wholly unrelated to the Debtors, in which Kelley Drye & Warren LLP is the counsel for an adverse or potentially adverse party, or in which Klehr Harrison is co-counsel with Kelley Drye & Warren LLP. |
| Kirkland & Ellis LLP | Proposed co-counsel to the Debtors | Klehr Harrison is counsel to certain parties in matters wholly unrelated to the Debtors, in which Kirkland & Ellis LLP is the counsel for an adverse or potentially adverse party, or in which Klehr Harrison is co-counsel with Kirkland & Ellis LLP. |
| Samsung Electronics | Significant Customer of the Debtors | Klehr Harrison previously represented Samsung Electronics Co., Ltd. in a matter wholly unrelated to the Debtors. |